



Ethics issues tainting industry CMAA survey finds

A major new study conducted by CMAA and made public in May has found that more than 80% of the construction managers, contractors, specialty contractors, architects and other construction industry participants have personally experienced, encountered or observed acts or transactions they considered unethical. Even more disturbing, the study generally found that unethical and/or illegal acts are perceived as commonplace in the construction industry and are tainting the industry's image and business success.

Of nearly 300 company executives responding to the survey:

- *Nearly 80% said they are sometimes or often concerned about the ethics or integrity of contractors they work with.*
- *Only slightly less than 40% said they would never work with a contractor or subcontractor who they suspected of being unethical.*
- *Other respondents said they would work with such firms "with great reservations," or "sometimes would, if circumstances dictate," or often worked with such suspect companies.*
- *60% of respondents said they would hire a contractor with a reputation for unethical practices, although most of these respondents indicated this choice would be driven by compelling circumstances.*
- *65% of respondents agreed or strongly agreed that "the construction industry is tainted by prevalent acts that are considered unethical," such as misreporting of costs or time and misuse of equipment and supplies.*
- *About half agreed or strongly agreed that "the construction industry is tainted by prevalent illegal acts like bribery, harassment, and alcohol use during work hours."*

Costs of these unethical and illegal activities were estimated to be substantial by survey respondents.

- *More than a third believed these costs exceeded 2% of total job costs. Nearly 70% estimated the cost of unethical and illegal activities at more than 0.5% of total job costs.*

Necessary initiatives to address this widespread problem include more ethics training in university and college curricula, and a greater role for national associations and professional organizations in promoting ethics and delivering ethics training.

- *Development of an industry standard code of ethics was supported by about 94% of all respondents.*

The Certified Construction Manager (CCM) program is CMAA's most aggressive means of addressing this issue. **CCM's are committed to the Standard Code of Professional Practice providing owners/clients with the assurance that their best interest will not be compromised.**