

An Engineer's Agreement with Two Firms Competing for the Same Contract (adapted from NSPE Case No. 80-4)

Year

1999

Description

This is an open-ended scenario for discussion based on a case from the NSPE Board of Ethical Review. An engineer is requested to participate in a joint venture for the same project with two competing firms. Students are asked to consider how this situation should be handled professionally and ethically.

Body

Arena, a partner in an engineering firm, submitted a statement of qualifications for a project to a government agency, on behalf of his company. Arena was notified that although his firm was on the "short list" for consideration along with several others, it did not appear to have qualifications in some specialized area of the job's requirements. Arena was also informed that it might be advisable to consider a joint venture with another firm that has such capabilities. Arena then contacted Blunt, a partner in a firm with the qualifications in the specialized areas, and invited the Blunt firm to participate in a joint-venture if Arena was awarded the job. Blunt agreed.

Soon after, Chou, a principal in a firm that was also on the short list, contacted Blunt and also asked if the Blunt firm would be willing to engage in a joint venture to

supply the specialized services if the Chou firm was selected.

How should Blunt respond to this second request to form a joint venture?

If Blunt agrees, should he notify Arena or Chou of the agreement with the other firm?

Some considerations relevant to this scenario are: Is it a conflict of interest for Engineer Blunt to agree to participate in a joint-venture arrangement with more than one of the several potential partners without making a full disclosure to all of the firms? If Blunt does this, is he being deceptive?

NSPE Code of Ethics An earlier version may have been used in this case.

Notes

See the original NSPE case at: <u>Participation of Engineer with Competing Firms for</u> Same Contract - Case No. 80-4.

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Resource Type

Case Study / Scenario

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