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REVIEW ARTICLE

THE ROLE OF ETHICS IN PROJECT MANAGEMENT, CONTRACT AND PROCUREMENT MANAGEMENT: A CRITICAL STUDY

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ABSTRACT

This paper discusses certain ethical concerns in project management, contract and procurement management. The purpose is to advance awareness within the project management community about principles in project management, contract and procurement management to increase the level of ethical exercise in project management administrations. The paper centers on understanding the specialized and ethical responsibilities. Furthermore, the paper argues some of the approaches on how to report ethical concerns. It is expected that great ethical values at individual along with the business level deal a lot of incorporeal other than tangible profits. The paper also focuses on various benefits of ethical conduct to individuals as well to administrations. It is crucial for business executives to be capable to be sure of the act of promises made in officially obligatory contracts. This paper studies the role of business ethics in contract enactment. It demonstrates that the law only is not sufficient to certify performance because the law is a tighter ground than business ethics. Law has strained upon the wider discipline, ethics, to practice the foundation of the regulation. Ethics is almost moral values, and ethical ideas clarify moral principles. Business moral code has applied these ideas to business. The law and business ethics are two different disciplines although they are at some points integrated and at others complementary. An appreciation of the relationship between applied ethics and the law is necessary to assist managers to appreciate that business ethics is as much part of business as is commercial law. This is particularly the case in the law of contract.

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INTRODUCTION

The extensive project maturation in many businesses means that the significances of a specific action - like exit the reinforcement out of the tangible won't be exposed for years, or even periods, or perhaps never. A survey of project executives in India discovered that a significant figure of project executives face ethical problems and challenges with fluctuating steps of frequency. In a survey, it was stated that 70% of the defendants faced ethical predicaments in the practice of their profession. These predicaments range from being anxious to change reports, backdate signs to cover the authenticity of project advancement and approving shoddy effort. Certain project executives even absence awareness about what creates an ethical difficulty. In the survey, about 20% failed to identify that ethical problem shappen in their world.

Ethical problems consist of situations where it is hard to decide whether conduct is right or wrong. Identifying the significance of ethics in project management has lately involved a section on Ethics and Professional Obligation in Project Management Professional Accreditation Examination. Project management is a complex effort. It is tough to differentiate cautious misre presentation of assessments from sincere errors or the determined exaggeration of project from candid optimism. It turns into challenging whether unfulfilled assurances were deliberate trickery or unsuitable reaction to altering situations. As a project management professional, we have a responsibility to promote ethical practices at our work place. We should accept the responsibilities that come with our work activities. As a project manager it is our responsibility to make decisions about project activities that may have an ethical dimension that must be considered. Professionals in ethics intensely support the implementation of an official code of ethics an essential step in constructing a sense of professional integrity established that boosting ethical practices in project situation needs more than rising codes and contexts.

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It requires principled management, honesty, and a promise to evolving advanced strategies.

Benefits of Ethical Conduct: The administrations that formed codes and made more ethical business values have revealed that considerable positive profits can stream from constructing a status as an ethical corporation. Organizations prefer to work for ethical companies. A status for ethical professional practices appeals well qualified, well-motivated job interviewees. It is an important administration issue that professional contracts are performed. The purpose of this critique is to reveal that contractual enactment is aided by the submission of business ethical values. This paper examines the importance of business ethics. The law is not enough to make sure the enactment of contractual assurances. Businesses desire to involve in time was ting lawsuit to chase contractual preparations. Business depends on performance. Contracts are frequently depending upon the act of previous contracts. Hence, if they fail to act in previous contract, they will have a high impact on their performance. it will often postpone entrance into or act of next contracts. The development and enactment of contracts in business is essential to commerce. Contracts are certainly a foundation of business and offer outline in which trades can role efficiently. The authorized idea of contract needs ethical values of faith, honesty and reliability in order for enactment to happen. Such ideologies take us away from the assurances within the contract. Business ethics is a multifaceted concept. In the broadest sense, business ethics comprises essentials of morality and values.

The codes of law and ethics are closely associated. Law has involved some of the ethical standards in the form of magnificent duties and assigning rights where behavior may extremely hurt individuals or industry. Morality is an honest standard that is mainly significant to professional and also procedures part of bussiness law.

Ethics plays a vital role in Project Management in these principal ways:

- It uplifts the profession and raises forthcoming standards.
- It raises the faith and reliance others bequeath.
- It marks on individual ethical mindsets and conducts.
- It advances business relationships at great levels.
- It stimulates unbiased decision making.
- It lessens project risks.
- It offers a greater chance of attainment.
- It decreases anxiety and strain and eventually turnover in projects.

The importance of ethics in contract: Contract is the most vital of all business dealings as it represents the give-and-take and act of promises. The expansion of the guidelines of the current law of contract happened at the end of the 18th century. The universal law has two dissections: corporate law and impartiality. Contract law is fragment of the corporate law which recognized a set of comments regarding the foundations of a valid contract and its understanding. There are also documentations that study vitiating elements comprising mistake, threat and undue influence. A valid contract establishes proposal, approval, concern and the objective to create a lawful relationship. The concept of consideration is essential in contract. It is the value every single party pays for the enactment of the promise. A simple case is a sale of properties contract where a promises buying properties from B

and B promises to sell properties to A. Party A pays in cash and Party B pays in properties. This paper has also displayed that business rely upon the exchange and enactment of promises which is legally obligatory contracts. Contracts are part of every professional relationship. Contractual parties comprise employees, creditors, dealers, customers and professional counselors. Though, the law alone does not confirm contractual performance. Relatively, the values of business ethics, in particular morality and hope, inspire contractual performance. If business executives did not have faith in the honesty of their prospective contract parties, no contract would be formed. It would just be also a great risk commercially. Business ethics values are the vital obligation that business desires in order to go in contracts.

Procurement Management: In Procurement Management, the basic concern is to help create, read and manage contracts. There are some skills essential for managing procurements consist of possessing legal knowledge, negotiation skills and considerate procurement procedure. Procurement management is the next step Monitoring and Control of Procurement administration is done Procurement termination includes procurement review and modules learned Concluding Payment is made Buyers and Sellers. Important facts associated to Procurement Management Contracts cannot be casual. It needs formality of all project management necessities should be specially identified in the contract. Procurement can be well-defined as the acquirement of goods or amenities. Procurement is a process that includes two parties with diverse objectives who cooperate in a given market section. Good procurement performs can increase corporate productivity by taking benefit of quantity reductions, lessening cash flow problems, and looking for quality dealers. Because procurement pays to productivity, procurement is often unified; this results in lower paperwork costs. All procurement policies are frameworks by which an organization attains its objectives. There are two basic procurement strategies: Corporate procurement strategy: the association of specific procurement actions to the corporate strategy Project procurement strategy: the association of specific procurement actions to the operating environment of the project. Procurement policies can differ from business procurement strategies because of restraints, obtain ability of critical resources, and specific customer requirements. Corporate strategies might encourage purchasing small extents from several capable vendors, while project strategies may order foundation procurement.

Conclusions

The unethical conduct in administrations is figure millions and billions dollars of taxpayer's money each year. As a project management qualified, it is our duty, not only to support high standards of ethical conduct at work place, but also to stand-in an environment of high ethics in administrations we work for. We expect that this paper will bring awareness of the significance of ethics in administrations in universal and project administration in particular. Also, we hope that this paper will arouse some useful negotiations on the topic and other professionals will share their understandings and experiences on this topic of concern to general public as well as profitable and government administrations and individuals. Moreover, it is the assumption of this paper that ethical ideologies provide the actual impetus to perform contracts. Professional relies upon contractual performance and this is why the role of business ethics is essential to a successful

business. It is, therefore, in the interests of business executives to have support for business ethics. A project executive should be able to read and know the contracts and should ensure that scope of work and project management desires should be included in the contract and he should identify risks and create suitable risk response strategies for risk modification. The project executive should adapt the contract to the exclusive needs of the project. In the world of project management, ethics plays a significant role in day-to-day communications and conducts.

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