

## **Codes of Ethics and Fiduciary Responsibility to the Consuming Public**

*By Paul Giammalvo*

The article below recently came into my in box and I wanted to share it with you. It was written by Tom Sawyer and was printed in Engineering News-Record, a highly regarded construction industry weekly magazine. <http://enr.construction.com/news/safety/archives/080320a.asp>. To summarize, it explains how during the investigation of last month's crane disaster in New York City, it was discovered that a crane inspector had falsified records that he conducted an inspection of the crane. Of relevance, is no one is actually claiming that the fact the crane was not inspected contributed to the disaster.

My reason for sharing it is because this example highlights much of the hypocrisy evident throughout the community of practice of project management. Now, the fact that a NYC government official was arrested and will probably spend some time in jail for falsifying inspection documents has significant relevance and importance to the Project Management community, especially for those who continue to consider project management to be a "profession".

Now, some of you may say, "awww..... my projects will never result in anyone being killed or injured, so how does this apply to me? OK, but what about the people who worked on the IRS database project, which cost the US taxpayers some 400 or so million dollars before being scrapped. Or our IT colleagues who worked on the Ford Motor Company CRM project who lost the shareholders of Ford Motor about the same amount? Sure, you didn't PHYSICALLY kill anyone, but what about financial death. What about your 80 year old grandmother who relies on her dividend check from Ford each month? Don't you have just a little bit of guilt over the fact that your projects are costing real people real money, and you are unwilling to stand up and report it? What is wrong with us as project managers?

How many times have you, as a project manager, falsified documents? Or lied about costs, schedule or risks? We talk about codes of ethics and we sign them and we swear to uphold them, but when push comes to shove, when your boss tells you to change the schedule or to "adjust" the costs so they look more favorably for presentation to upper management, what do you do?

Until or unless we are willing to take the moral high road and start to push back to our managers- to be willing to say “No, this is not correct, and I won’t do it because it violates my code of ethics as a project manager”, no one is ever going to take project management seriously.

Read the story below and make up your mind that starting on Monday morning, you will no longer falsify documents or lie to your client, just to appease your boss. What’s more, those organizations who purport to represent the practice of project management should consider enforcing the codes of ethics against practitioners who violate the fiduciary responsibility that all true professionals have to the consuming public, rather than using them to “control” what they consider to be “wayward members”.

## safety & health

### INVESTIGATIONS

# NYC Crane Examiner Charged With Faking Crane Inspection

3/20/2007

By Tom Sawyer

**A** New York City Dept. of Buildings crane inspector has been arrested and charged with falsely claiming to have inspected on March 4 a **tower crane that crashed to the ground** eleven days later. The accident killed seven people and injured 24. Several buildings were demolished or structurally damaged.

The Commissioner of the New York City Dept of Investigation announced the arrest March 20 of Edward J. Marquette, 46, an inspector assigned to the Dept. of Buildings' Cranes and Derricks unit. DOI Commissioner, Rose Gill Hearn made the announcement Thursday afternoon at a press conference in midtown Manhattan at the jobsite where the crane collapsed on March 15.



Commissioners Patricia Lancaster, left, Rose Gill Hearn center, and Joseph Bruno, right, heads of the New York City Departments of Buildings and Investigations, and the Office of Emergency Management, respectively, at a March 20 accident-site press conference announcing the arrest of a city crane inspector charged with falsifying reports.

Marquette has been an inspector since Oct. 29, 2001. He is one of five city crane inspectors, out of a total inspection staff of 404. There are now about 250 cranes in the

air in New York City, with 40 of them tower cranes similar to the one that fell, according to **Dept. of Building Inspector Patricia J. Lancaster**. Marquette is charged with violating state law by falsifying business records and offering a false instrument for filing. If convicted, he faces up to four years in prison.

"Marquette made false statements on his route sheet indicating that he inspected the crane, when in fact he has admitted to DOI that he did not inspect the crane on March 4." Hearn says. She added, however, that investigators have not found anything to indicate the contractor on the project knew of Marquette's actions. She also says the investigators are not suggesting there is a connection between the bogus inspection report and the collapse.

"DOI cannot address the cause of the collapse and these charges do not address the cause either," Hearn added. "The arrest of this defendant is on this discrete matter of his falsifying a business record and filing it with the DOB."

Hearn added that "we thought it was important to file charges on this discrete issue to assure the public that this accident is being thoroughly investigated for any possible criminal charges, but also, from the city's perspective, to determine if the DOB followed all proper procedures."

DOB Chief Lancaster applauded the DOI for bringing felony charges and arresting Marquette, but also said with regard to the crane collapse, "we think it is highly unlikely that the lack of this inspection was remotely associated with the accident. We continue to believe the due to mechanical failure or human error. Human error is something an inspection can't cure," Lancaster said.

Lancaster added, "at this time it appears that the crane was built according to approved plans, [and] that the pieces of the crane that were apparently involved in the dropping of the collars were not even on site on March 4 and therefore could not be implicated in that inspection."

The 205-ft-tall crane toppled away from a residential building under construction on E. 51st Street and Second Avenue in Manhattan just as a crew finished adding two extensions to the top of the tower. They crew had moved on to installing a 6-ton collar and tie-in bracing at the 18th floor. The collar was temporarily held in place by come-alongs and nylon webbing straps. Preliminary investigation suggest the collar got away from the crew, slid down the tower, knocked the next two collars away from their tie-in braces at the 9th and 3rd floors, which allowed the crane to fall.

Lancaster said there had been a "pre-jump inspection" the day before the accident, but that a pre-jump of inspection only covers the next crane parts to be installed to ensure that they have not been damaged during shipping. It would not include the come-alongs or nylon slings that were being used as temporary supports for the collars. "The riggers bring that webbing with them so it doesn't travel with the crane pieces," she explained.

Lancaster called Marquette's behavior "reprehensible," adding that she had suspended him and supported "the most aggressive prosecution possible."

According to the statement released by the investigation unit, Dept. of Buildings records indicated that on March 4, the DOB "received a complaint from a citizen who said that the East 51st Street crane did not appear to be properly braced to the building. The complainant further said that the upper portion of the crane appeared unsecured."

The records indicate DOB responded to the complaint the same day by assigning Marquette to conduct an inspection, and that two days later the complaint, "was disposed of with no violation warranted based upon Marquette's March 4 inspection — which reportedly indicated that the crane was erected according to the DOB-approved plans."

At the press conference Lancaster said Marquette was interviewed the day after the crane accident and claimed to have made the March 4 inspection, as assigned. But based on questions raised by the Dept. of Inspections about the documentation, as well as a information provided by an informant, Marquette was questioned again on March 19, and admitted to DOI investigators that he had not conducted the March 4th inspection." On the same day DOI obtained the original copy of Marquette's March 4th route sheet, and, according to the statement, "DOI's examination revealed that the rouge sheet had been tampered with" to indicate Marquette had done the inspection. According to the investigators, under questioning, "Marquette admitted that he had falsified the route sheet."

"I do not, and will not tolerate any misconduct in my department," Lancaster said. "I ordered a re-inspection of 100% of Marquette's inspections over the last six months. I have requested the Department of Investigation do a full audit of Marquette's inspection reports and a full audit of the entire Crane and Derrick unit," Lancaster said.

Lancaster has also launched an internal review of the cranes and derricks unit and has ordered crane applications and associated documents be incorporated into the DOB's online database for added transparency. She has also asked the Dept of Investigations to conduct "a thorough review" of the unit's procedures and personnel for further recommendations.

Commissioner Hearn has pledged her "full cooperation, continuing our partnership to eliminate corruption within the Buildings Department and the construction industry."

Asked at the press conference what she would say to New Yorkers who are frightened by this, Lancaster said, "I am so, so terribly sorry. It was a horrible tragedy and we are doing everything we can to mitigate the effects of it."

## About the Author



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He has spent 18 of the last 45 years working on large, highly complex international projects, including such prestigious projects as the Alyeska Pipeline and the Distant Early Warning Site (DEW Line) upgrades in Alaska. Most recently, he worked as a Senior Project Cost and Scheduling Consultant for Caltex Minas Field in Sumatra and Project Manager for the Taman Rasuna Apartment Complex for Bakrie Brothers in Jakarta. His current client list includes AT&T, Ericsson, Nokia, Lucent, General Motors, Siemens, Chevron, Conoco-Philips, BP, Dames and Moore, SNC Lavalin, Freeport McMoran, Petronas, Pertamina, UN Projects Office, World Bank Institute and many other Fortune 500 companies and NGO organizations.

Dr. Giammalvo holds an undergraduate degree in Construction Management, a Master of Science in Project Management through the George Washington University and a PhD in Project and Program Management through the Institute Supérieur De Gestion Industrielle (ISGI) and Ecole Supérieure De Commerce De Lille (ESC-Lille- now SKEMA School of Management) under the supervision of Dr. Christophe Bredillet, CCE, IPMA A Level. "Dr. PDG" can be contacted at [paulgdgphd@gmail.com](mailto:paulgdgphd@gmail.com).