

PROFESSIONAL MANAGEMENT, CERTIFICATION AND EDUCATION

Codes of Ethics Important in Selecting Management Services

By Trevor Maddern, R.C.M.

To establish and maintain public confidence in the honesty, integrity, professionalism and ability of the condominium manager, the ACMO Codes of Ethics for R.C.Ms and management companies were established to promote the continued development of mutually-beneficial relationships. The condominium manager is instrumental in molding the nature of the condominium community and the living conditions of its people. Just like Canadian law, a code of ethics is only as good as it is respected and obeyed by those to whom it applies. Enforcement of the code and disciplinary action require consideration by an ACMO committee of peers, after a legitimate complaint has been received.

How is the code to be interpreted by R.C.Ms or management companies? Is it OK to do anything that the code doesn't specifically prohibit? Are the rules reasonable and effective? How important is the code to condominium corporations when selecting a new manager or management company?

In this article, Trevor Maddern answers these, and some other philosophical questions, about the ACMO Codes of Ethics – and how they should be applied to the condominium industry.

A code of ethics is fundamentally about acting ethically. Codes attempt to articulate values and remind individuals of some of their more obvious responsibilities – duties that are easily forgotten in the day-to-day attention to details. All Registered Condominium Manager (R.C.M.) members of ACMO are governed by a strict code of ethics that enhances their conduct in the profession. Corporate members are also required to comply with another code of ethics when dealing with their customers, suppliers and employees. Condominium corporations see these codes as important factors in selecting management services. Yet the very existence of a code presents hidden dangers and traps. They are not meant to be the definitive collection of behavioural standards. These codes are not meant to be studied with any forensic skill.

Doesn't Mean it's Okay to Do

There are arguments to the effect that it is legitimate to do anything that the code doesn't specifically prohibit. Yet it should be obvious that, from the mere fact that an activity is not prescribed or illegal, doesn't mean that it is okay to do. History reminds us that being obvious does not seem to help the morally-challenged see any clearer. Inevitably, the best usage of conduct codes is to make them redundant. For however eloquent, codes remain not much more than words on paper. Only human conduct can give them life. And when the values are realized, or pursued, the words on paper can at best serve as a prompt. So

while I would be the first to implore individuals always to be mindful of the code, it is more important to understand and adopt the principles behind it that give it life and substance – ethics. For it is a code's ethical foundations that provide the only real guide for the acts of a condominium manager. Behaving ethically requires that individuals articulate – if only to themselves – what their ethical values are. It means having a standard by which the manager's acts are judged.

Become Another Mechanism of Control

One of the greatest suspicions of ethics codes is the unfortunate reality that they tend to be rules put in place by management for everyone else. In that sense they become another mechanism of control. A related issue is that the codes also tend to concentrate on what the member of an organization must/should do, but pay little or no attention to what the organization must/should do for the member. In this sense, ethics codes are very much like employee performance reviews. Such reviews concentrate almost exclusively on the conduct and performance of the employee and ignore completely the organizational support and setting that affects the performance of the employee. It is repeatedly argued that performance review is a review of the performance of the whole organization as it affects a person's capacity to do the job (management, settings and resources), so codes are an "all-of-the-organization" issue. Either they apply to all and are reciprocal between individuals and the organization, or are just another management tool – and a cynical one at that.

Code of ethics or code of conduct? The distinction between the two lies principally in the issue of enforcement. A code of ethics is a positive statement, a reflection or embodiment of core values providing direction on how one should behave. In contrast, a code of conduct is a list of prescriptions, to each of which is normally attached a penalty if violated. Conduct says this is how you must behave. It is a form of law. Ethics is about choice. With the freedom to choose, it is not ethics but law. Having said that, a useful, indeed often (but not always) intelligent compromise is to combine both ethics and conduct in the same document. Provided that the two roles are demarcated, they are entirely compatible.

Contributed to Development

No code is successful if its members don't feel a direct ownership of the document. Each member must have contributed to its development. Only then will that sense of ownership be passed on and communicated to those following. Past experience has been that unless a code is developed specifically by an organization, its value is significantly reduced. Indeed, it is often a waste of paper. For it is the development of a code that marks the turning point, not its adoption. Development requires that members consider its organization's objectives and values. We all sign contracts and swear oaths purely to emphasize the importance of what we do and the commitment we make. Failure to comply with the code may do more than anything else to undermine its effectiveness.

Asking what a member of an organization should or should not do would make little sense if we did not limit the question to his or her role as a member. We cannot begin to assess that role without some indication, or the role or purpose of the organization to which he or she belongs. It would be wise to recognize that a code should be internally consistent. Some statements in a code would follow irrespective of almost any particular moral position, such as honesty and integrity.

The aims of a code should always be clearly identified. By that I do not mean that the code is determined by its aims, simply that the benefits of a code should be identified and promoted. If the code is successful it will enhance morale and respect as well as community perception of the organization. The code, and performance pursuant to its provisions, will promote the continued development of a mutually-beneficial relationship among condominium managers, condominium corporations, condominium owners and/or residents, suppliers, management companies and the general public. To ensure the continued success of the enjoyment of condominium living in Ontario, it is necessary to establish and maintain public confidence in the honesty, integrity, professionalism and ability of the condominium manager. The ACMO Code of Ethics does that.

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