

Ethics Matters!

Avoiding Pitfalls with Vendors and Advisory Groups



Q. The purchasing director is participating in a statewide advisory group of software users. The city is pleased that he is participating because the software is being updated and the user group may be able to influence changes that will improve efficiency.

The purchasing director has been asked to serve as the liaison between the user group and the vendor. The city is paying for all expenses for the purchasing director to participate in the user group. In addition, all of the local governments participating in the user group have agreed that the vendor may not use the names of government staff in any promotional materials. The city does not anticipate purchasing additional software from the vendor in the near future. Are there any additional ethical questions the city should address?

A. Local governments benefit when staff participate in user groups with businesses. When the professionals who use the software can contribute ideas on ways to improve it, the local governments will benefit by having a better product. The vendor also benefits from having good user feedback and may be able to expand its market share. You have addressed the two primary ethical considerations:

1. Local government employees should avoid endorsing commercial products or creating the appearance that they are endorsing a particular product or vendor. It is appropriate for the purchasing director to serve as a reference for potential buyers and to answer questions about it. Writing articles for professional journals or speaking at state and national conferences is another way to share information on how a local government has used particular products or services.
2. Local governments are wise to pay travel costs for the purchasing director's participation in the advisory group because all of the benefits of the director's participation accrue to the city. This creates an arms-length relationship with the vendor as well, making it clear that there is no financial benefit to the employee's participation.

There are no immediate issues regarding recommendations from the purchasing director because the city has already purchased the software and has no plans for additional software purchases from the vendor in the near future. It would be inappropriate for a purchasing director to make a recommendation to purchase software if the purchasing director had been involved in helping that business develop the software.