Report on a Case by the Board of Ethical Review

Case No. 63-11

Subject: Recommendation of Personnel
Canon 13-Canons of Ethics; Canon 14-Canons of Ethics

Facts:
Engineer Smith, who formerly worked for Company A, and now working for Company B, learned that his present employer was interested in hiring an engineer for a specialized project. Smith, without being asked for an opinion or recommendation, told his present employer that his former employer, Company A, had on its staff Engineer Jones, who was particularly qualified for the position.

Question:
Was Engineer Smith ethical in volunteering information or opinion to his employer regarding the hiring of an engineer employed by another company?

References:
Canons of Ethics-Canon 13- "He will engage, or advise his client or employer to engage, and he will cooperate with, other experts and specialists whenever the client's or employer's interests are best served by such service." Canon 14-"He will disclose no information concerning the business affairs or technical processes of clients or employers without their consent."

Discussion:
In Case 61-8 it was held that an engineer could not ethically use or impart technical knowledge in the nature of a trade secret to his employer without the consent of his former employer. By implication, therefore, that opinion stands for the proposition that Canon 14 applies to former employers as well as present employers.

However, the case at hand raises the question of the meaning of "business affairs" as used in Canon 14. We believe that these words refer only to the commercial operations (production, research, sales, equipment, etc.) of the former employer and should not be extended to personal or professional relationships among engineers of the same organization. In that sense, Smith did not disclose any of the "business affairs" of his employer.

Our approach to this case is also supported by Canon 13 which authorizes an engineer to ". . . advise his . . . employer to engage . . . experts and specialists whenever the . . . employer's interests are best served by such service." Engineer Jones can be considered such a specialist as he was being hired for a "specialized project" and presumably would use engineering knowledge beyond the normal scope of engineering knowledge in a general field.

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Conclusion:
Engineer Smith acted ethically in bringing to the attention of his employer the qualifications of an engineer employed by another company.

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