

Executive Search Code of Ethics

The code detailed below has been adopted from the Association of Executive Search Consultants of the United States. It defines how Executive Search Companies should relate to their clients, candidates and the public.

1. Professionalism

Executive search consulting is a professional endeavour. A profession is characterized by the objectivity, integrity and thoroughness of its practitioners. Executive Search Companies will maintain the highest standards of professional work and behaviour so that their actions reflect favourably on the industry, its members, their clients, and candidates. In this endeavour, companies will serve their clients in a professional manner, including the performance of at least the following services before proposing any candidates:

- A. Meetings with the client to develop understanding of the client's organization and needs and the position to be filled;
- B. Written documentation outlining the position

description, scope, and character of the services to be provided;

- C. Thorough independent research on the nature and needs of the client organization;
- D. Comprehensive search for qualified candidates;
- E. Thorough evaluation of potential candidates, including in-depth personal interviews, verification of credentials, and careful assessment of the individual's strengths and weaknesses, in order to provide an adequate basis for independent and expert recommendations to the client; and
- F. Either before or after presentation of candidate, but prior to final selection by the client, performance of comprehensive reference checking.

Any practices that do not embody the above process cannot be objective, are adverse to the client's best interest, undermine independent judgment, tend to bring disrepute to the profession, and are in violation of this code.

2. Qualifications

Executive Search Companies will accept only those assignments that they are qualified to undertake on the basis of full knowledge of the client situation and the professional competence and capacity of the consultants involved. Assignments accepted will be based on a comprehensive written document outlining the scope and character of the services to be provided.

3. Client Relationship

Executive Search Companies will, in each assignment undertaken, define, preferably in writing, what constitutes "the client organization". The company will not recruit or cause to be recruited any person from the defined client organization for a period of two years after the completion of such assignment unless the firm and client agree in writing to an exception. The Executive Search Company will disclose to the client limitations arising through service to other clients that may affect the scope of the search assignment.

4. Confidentiality

Executive Search Companies shall regard as totally confidential all information concerning the business affairs of their clients and of candidates.

5. Promotion Activities

Executive Search Companies will conduct all firm promotion, public relations and new business activities in a manner that involves no representations, express or implied, that are false, deceptive, unsubstantiated, or that otherwise have a capacity to mislead.

6. Promotion of Competition

Industry members shall promote free and fair competition in the provision of executive search consulting services.

Executive Search

Professional Practice Guidelines

These Guidelines deal with the practice of executive search. Any search conducted by a search firm should result from a business relationship between the hiring organization and the firm, and otherwise conform to the principles set forth in the Code of Ethics and the following guidelines :

1. Guarantees of Placement

Executive search is a specialized form of management consulting that may or may not result in the placement of an executive. Accordingly, in order to avoid misleading the client, proposals and presentations should not guarantee placement as the inevitable conclusion of a search assignment.

2. Resume Floating & Executive Referral

The unsolicited transmittal of resumes or referral of candidates undermines client confidence in the integrity and motivation of the search consultant, the search process, and the search profession and is therefore inappropriate.

3. Misrepresentation

Telephone sourcing techniques that involve falsehood regarding the identity of the caller or the purpose of the call are unethical.

Companies shall assure that their professional research staff understand and comply with this provision and that any subcontractors employed by the search firm are similarly compliant.

4. Client and Candidate Communications

Relationships among the search firm, its clients and its candidates should be characterized by honesty, objectivity, accuracy and an appropriate sense of urgency.

The progress of the assignment shall be communicated by frank, timely communications and periodic reports.

When it becomes apparent that no candidates can be presented that meet the specifications or if the length of the search will differ considerably from that originally anticipated, the client should be advised promptly and offered alternative courses of action. If the client is unlikely to benefit from the continuation of the assignment, cancellation should be recommended.

During the interview phase, the client, the position, and the candidate shall be presented as honestly and factually as possible.

Where the client characterizes his organization falsely or withholds relevant information from candidates which could tend to mislead candidates, the search firm, if not able to rectify the situation, should withdraw from the assignment.

Where the candidate misleads the client or the search consultant regarding his or her qualifications, the client shall be advised and the candidate rejected unless client, candidate and consultant agree that the candidacy should continue following disclosure of the facts.

Prospects and candidates shall be kept advised in timely fashion of the status and disposition of their candidacies.

Candidates shall not be presented for client interviews without prior interviews in person by the search consultant nor recommended for employment without reference checks.

5. Advertising

Any advertising shall be conducted in a professional manner and in full compliance with all prevailing laws and regulations of Hong Kong.

6. Public Relations

Articles and interviews with the media shall be conducted with dignity and discretion so as to reflect favourably upon

the client and the executive search profession. Client and/or candidate approval shall be obtained before external discussion of specific assignments.

7. Position Advertising/Selection

Position advertising or selection is seen as a valuable aid to recruitment in general. It is however different to search both in complexity, consultant time and fees. When such techniques are used the client should be informed and the use of selection should not preclude a thorough and full search if the assignment has been given on the basis that a search will be undertaken.

8. Fees

The written documentation outlining the scope and character of the engagement shall specify the fees to be charged for the services rendered and the basis of the expenses to be reimbursed.

As the executive search consultant is retained and paid by the client to be completely objective in the evaluation of candidates, under no circumstances shall company accept payment for counselling or assisting an individual to find employment.

9. Conflict of Interest

Any business or personal relationships between search consultant and candidate that might affect, or appear to affect, the consultant's objectivity in evaluating the candidate should be disclosed to the client before presentation of the candidate.

10. Quality of Service

In the absence of any sanctions for non-conformance according to the Code of Ethics and/or the Professional Guidelines, it is recommended that practitioners develop accreditation to a recognised quality standard.