

Management Consultants

Code of Ethics

Professionalism

1. Management consulting is a professional service. Management consultancy firms should respect the rules of professional behaviour comprised in this Code of Ethics, and should be responsible that their managers, staff and associates do the same.
2. Firms shall at all times maintain the highest ethical standard in the professional work undertaken. In matters relating to a client's affairs, they shall act solely in the legitimate interest of the client.

Qualification

3. Firms must only accept tasks for which they possess the necessary competence and organizations.

Responsibility

4. Firms must carry out their tasks with all reasonable skill, care and diligence.

General Duties

5. Firms and their staff must respect and properly apply the laws, regulations, technical rules and accepted standards and Codes of Conduct appropriate to their profession or specialism.
6. They must always keep in mind the good of the community. If a task or instructions appear contrary to the general interest, they must make a client aware of this, endeavour to get the client to alter them, and if necessary withdraw from the task.
7. They must respect the personal and professional dignity of employees, colleagues and other persons, and the various persons or entities with whom they deal.
8. On projects where the client is not the eventual user, and where the consultant becomes aware of a conflict of interest between client and user, the consultant must make known to each where the firm's responsibility as a consultant lies, and either see that the conflict is resolved, or withdraw from the commission.
9. When in the performance of a service the consultant has a discretion exercisable as between the client and the contractors,

manufacturer or supplier of a product or service for use by the client, this discretion should be exercised fairly.

Duties to the Profession

10. Firms and their staff shall not act so as to injure or attempt to injure, whether directly or indirectly, the professional reputation, prospects or business of any other consultant firm or organisation. This rule shall not be taken as prohibiting expression of technical opinion on behalf of a client before a tribunal or in a commissioned report, or of lodging a complaint of the conduct of a firm to a competent body which lays down rules of conduct or code of practice.
11. Firms must refrain from approaching directly or indirectly members of the staff of other firms in order to induce such staff to leave and join their own service.
12. No attempt should be made, directly or indirectly, to supplant another firm, or to intervene in any task of any kind which to the consultant's knowledge has been entrusted to another firm.

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Professional Practice Guidelines

Conditions of Practice

1. Firms must have a self-governing constitution and the greater part of their work must consist in the provision of consulting services.
2. Each task must be accomplished solely in the legitimate interests of the client.
3. Remuneration should be solely by fees paid by the client, unless the client's written authority has been given to do otherwise.
4. It shall be regarded as unprofessional conduct:
 - i. To disclose or permit to be disclosed, confidential information regarding the client's business and staff.
 - ii. To accept work for which the consultant is not qualified.
 - iii. To enter into any arrangement which would detract from the objectivity and impartiality of the advice given to clients. In particular it would be unprofessional conduct:

- a. To accept or permit any member of staff to accept from a third party any trade commission, discount, or consideration of any kind in connection with the supply of goods or services to clients.
- b. To supply or recommend to a client goods or services in which the consultant has a direct or indirect financial interest without disclosing such an interest to the client.

- iv. Not to agree in advance on the terms of remuneration and the basis of calculation thereof.
- v. To do anything likely to lower the status of management consultancy as a profession.

Professional Secrecy

5. Firms shall discharge their duties with complete fidelity. They must not disclose, without their client's authority, business or technical secrets that they have learned in the execution of their tasks. Moreover, they must not make use, against their client's interest, of information supplied to them, and of the results of examinations, tests and research carried out in the accomplishment of these tasks.

Legal or Contractual Arrangement to Protect New Techniques or Processes

6. Firms may protect by patents or other legal or

contractual arrangements new techniques or processes that their work enables them to perfect, sell these patents or grant licences and draw fees on them.

7. They may join in exploiting such patents as inventor and consultant.

Duties to Clients

8. Firms must define - or cause to be defined - their tasks, and the calculation of fees, as clearly, accurately and completely as possible.
9. They must not ask for fees disproportionate to the task in hand, being either too high or too low in relation to the normal scale of fees, if any, established in the profession.
10. They must not shift their responsibilities onto one or more third parties without the client's knowledge.
11. They must not consider applying their own patents or technical processes to a task without first informing the client and obtaining the client's agreement in writing, in which case they may claim the equivalent of a licensing fee in addition to the fees agreed for the task.
12. For every task they must inform the client of any direct or indirect connection with the contractors, builders, manufacturers, suppliers or other commercial interests which might make their professional impartiality suspect.