

CODE OF ETHICS FOR HR CONSULTANTS

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1. Purpose

The SABPP, as the professional body for HR in South Africa, has the duty to set standards of conduct and professionalism for all HR professionals, whether they carry out their functions internally for employers or externally as consultants. The SABPP requires any person working as an HR Consultant and wishing to be recognised by the SABPP, to be first a registered professional with the SABPP, and therefore bound by the SABPP’s main Code of Conduct. The purpose of this Code of Ethics for HR Consultants is intended as a supplementary Code to the main Code of Conduct, dealing with matters specific to the external consulting role.

2. General Principle

As the guiding principle of this Code of Ethics, each HR consultant must never, either intentionally or unintentionally, exploit clients, associates or sub-contractors. This means that the best professional service possible must be rendered for an appropriate fee.

3. Independent Consultants and Consultancy Firms

This Code will be applicable to HR professionals working as independent consultants (that is, in practice as a sole deliverer of services or in association with other independent consultants). HR professionals working as consultants in consultancy firms will be subject to the code of ethics of that consultancy firm, and should ensure that clients and potential clients are acquainted with that code of ethics. If the consultancy firm has no such code of ethics in place, this Code will apply as appropriate.

4. Independence and confidentiality

The HR consultant should at all times act with independence, objectivity and integrity. If a consulting assignment threatens any of these values, the assignment should be refused or terminated. It follows therefore that the consulting contract must include that these are founding values and breach of them can lead to termination of the contract.

HR consultants must always be truthful and honest in their dealings with clients and must refuse unreasonable or unethical requests from clients, such as requests to compile reports reflecting incorrect information (for example, inflated EE figures in order to increase BBBEE ratings).

HR consultants should always give honest feedback and professional opinions to clients and should never be influenced by considerations of the risk of losing future work due to giving unwelcome feedback or adverse professional opinions. Consulting reports should never be manipulated to make the client look better than he or she is. If the competence of any of the client's staff is considered to be one of the contributing factors to the presenting problem, this must be reported on. Clients should always be informed of potential ethical issues that the HR consultant may become aware of during the consulting work.

The HR consultant must always respect the confidentiality of client information and never use information acquired during the consulting contract without the written permission of the client. Breaches of confidentiality can lead to termination of the contract and possibly also to legal action.

5. Knowledge and skills

Each HR consultant must, in the advertising and promotion of their services, specify in what areas of the human resource field he or she is qualified, through education, training and experience, to consult, and should accept projects or retainers only within that area or areas. Where the client requests work, or an extension of scope for an existing contract, into an area for which the

consultant is not qualified, the consultant should inform the client that a sub-contractor or associate with the necessary expertise will be brought in, or should advise the client to find another consultant for that part of the work.

Each HR consultant must ensure that his or her knowledge and skills is kept up to date through Continuing Professional Development. In addition to knowledge and skills on the HR field(s) in which the consultant is offering his or her services, the consultant should build knowledge on ethics in consulting through reading, on-line discussions and attendance at Ethics workshops. Personal journaling and professional supervision are also developmental methods that are encouraged for HR consultants.

6. Experience and client references

Each HR consultant must maintain an up to date portfolio of consulting projects completed, specifying the purpose of the assignment, the length of the assignment (in full time equivalence) and the results achieved. This portfolio, with anonymity of clients if so requested by the client, must be made available for perusal by any potential client.

The portfolio should indicate actual work done by the consultant and should clearly indicate those parts of the work that were carried out by associates or sub-contractors.

The HR consultant should make reasonable efforts to procure client references that can be provided to potential future clients, in such a form that the potential client can verify those references. This list should not be inflated by including very small projects or similar minor relationships.

7. Meeting client needs

The HR consultant should, first and foremost, seek to understand the presented and underlying needs of the client before proposing a scheme of work. HR consultants should not, in general, present standard models of interventions, but should tailor their proposals to the needs of the client.

Where a standard service is provided using copyrighted tools, for example, in psychometric assessments, the HR consultant must (a) warrant that he or she is qualified and licensed to use those tools and (b) ensure that the tools used are appropriate to the client's needs.

Proposals should always state in measurable terms the outcomes to be achieved and such outcomes should be within the capacity of the HR consultant to achieve.

8. Protection of intellectual property

Given the general availability through the Internet and other such sources of most of the intellectual property in the HR field, HR consultants should not seek to restrict the rights of their clients to the use of intellectual property provided during the consulting assignment unless significant, personal investment in unique intellectual property can be demonstrated. HR consulting should add value

based on the provision of wisdom and professional judgement acquired through relevant experience and training.

In many cases, HR consulting work takes the form of external provision of a service using client technology, procedures and systems. In such cases, the HR consultant must protect the client's intellectual property rights and should, where appropriate, sign non-disclosure agreements.

9. Fees and contract terms

The basis for fees charged should be made clear in the proposal to clients. Additional fees should only be charged in terms of an amendment to the contract, agreed with the client and reduced to writing.

Whilst there is no recommended scale of fees for HR consultants, fees charged should be benchmarked appropriately by consultants themselves.

The SABPP will support HR consultants who operate as small businesses and state as their terms of contract that payment for services rendered must be made within 30 days of submission of the invoice.

Any other arrangements including but not limited to reimbursement for travel, hours to be worked, and places to carry out the service must be agreed upon up front with the client and recorded in the contract, or recorded in writing in agreement with the client if the need arises during the course of the contract.

10. Procurement of work

HR consultants should never make any payments to any party to secure work. The only exception to this rule is the payment of the limited amount requested as a deposit for certain tender documents, as advertised in the public request to tender.

HR consultants should not lobby or use inappropriate influence to secure tenders or contracts.

Where HR consultants bring in other associates or refer other consultants for work, or obtain work through such referrals themselves, a reasonable finder's fee or commission may be paid, although it is considered preferable to refer associates based on the known quality of their work, and not on the finder's fee or commission.

11. Conflicts of interest

An HR consultant should always declare any interest he or she has in the client's business or business competitors. Any relationship to an employee of the client or the client's competitors should be revealed either before signing the contract, or if the relationship arises afterwards, as soon as practicably possible.

Any business or personal connection or interest that the HR consultant may have in products or services to be rendered to the client in terms of the contract must be disclosed to the client.

12. Breaches of the Code of Ethics

Where a client or a second consultant believes that an HR consultant registered with the SABPP has breached any term of this Code, the client should in the first instance raise the concern with the HR consultant directly. If the matter cannot be resolved to the client's satisfaction, the client may approach the Ethics Committee of the SABPP with a complaint, by emailing ethics@sabpp.co.za or by following the process outlined in the Policy and Procedure for Hearing Complaints, which is available as a download on the SABPP website <http://www.sabpp.co.za/professional-code-of-ethics/the-sabpp-code-of-ethics/>.

In any further steps that the SABPP may take in dealing with the complaint, the HR consultant who is the subject of the complaint has the right to know and understand the complaint and to be given the right of response.

13. SABPP support to HR consultants

The SABPP Ethics Helpline is available to registered HR consultants to share ethical concerns and challenges and to obtain advice on how to resolve ethical problems.

DECLARATION:

I agree to abide by this Code of Ethics in my HR consulting practice.

Signed:

Date: