

The Association of Executive Search Consultants

PROFESSIONAL PRACTICE GUIDELINES

PREAMBLE

The Association of Executive Search Consultants (AESC), as a worldwide association of retained executive search consulting firms, strives to enhance the professionalism of its members. Accordingly, AESC has developed the following Professional Practice Guidelines to assist AESC member firms in their business relationships with clients, candidates and the public around the world. The AESC may amend these guidelines from time to time as the profession evolves and adapts to developments in business practice, technology and the law.

RELATIONSHIPS BETWEEN AESC MEMBERS AND THEIR CLIENTS

AESC members are partners with their clients in a consultative process aimed at selecting organizational leaders. Success in these partnerships depends upon a strong mutual commitment to the task at hand as well as mutual trust, candor and responsiveness by each party as the search progresses. The AESC recommends that, in order to avoid misunderstandings later, agreements between clients and member firms concerning conduct of the search and other significant matters should be put into writing.

Accepting Client Assignments

Outstanding client service begins with a full understanding of the client organization, its business needs and the position to be filled. An AESC member should:

- Accept only those assignments that a member is qualified to undertake on the basis of the member's knowledge of the client's needs and the member's ability to perform the specific assignment.
- Disclose promptly conflicts of interest known to the AESC member and accept assignments only if all affected parties have expressly agreed to waive any conflict.

- Develop an understanding with the client that, among other things, makes clear the organizational entity that is defined as the client organization, the fees and expenses to be charged, and any ongoing assurances or guarantees relating to fulfillment of the assignment.
- Agree with the client concerning any "off-limits" restrictions or other related policies that govern when and how the member may recruit from the defined client organization in the future.
- Agree with the client on what information about the position in question will be made available to candidates and sources during the search, when this information will be released, and in what form.
- Advise the client when advertising is required by law or is a recommended strategy for the particular search assignment.

Performing Client Assignments

Members should serve their clients with integrity and objectivity, making every effort to conduct search consulting activities on the basis of impartial consideration of relevant facts. Specifically, an AESC member should:

- Conduct a focused search for qualified candidates consistent with a search strategy agreed upon with the client.
- Develop with full client involvement and approval a comprehensive job description for each search engagement and make this available to candidates before they are presented for interview with the client.
- Thoroughly evaluate potential candidates before presenting them for an interview with the client. Such evaluation normally includes in-depth interviews in person or by videoconferencing, appropriate preliminary inquiries

into references and background, and a careful assessment of the candidate's strengths and weaknesses against the specification for the proposed position. Clients should be advised when circumstances require a modified approach.

- Agree with the client as to what reference and background checks need to be conducted on finalist candidates, what elements these checks should cover, how extensive they should be and who will perform them. (See the AESC's *Reference & Background Checking*.)
- Present information about the candidate to the client honestly and factually and include any reservations concerning the candidate that are pertinent to the position.
- Advise the client promptly and offer alternative courses of action if it becomes apparent that no qualified candidates can be presented, or that the length of the search will differ considerably from that originally specified.
- Withdraw from the assignment if a member determines that a client has characterized its organization falsely or misled candidates and is unwilling to rectify the situation.
- Refrain from the presentation of resumes in the absence of an existing client relationship.

Preserving the Confidentiality of Client Information

AESC members should use their best efforts to protect confidential information concerning their clients. Specifically, a member should:

- Use confidential information received from clients only for purposes of conducting the assignment.
- Disclose such confidential information

only to those individuals within the firm or to those appropriately qualified/interested candidates who have a need to know the information.

- Not use such confidential information for personal gain, nor provide inside information to any other parties for their personal gain.

Avoiding Conflicts of Interest

AESC members have an ethical obligation to avoid conflicts of interest with their clients. For example, a member should:

- Refuse or withdraw from an assignment upon learning of conditions that impair the member's ability to perform services properly, including actual or potential conflicts of interest unless all affected parties expressly agree to waive the conflict.
- Provide to clients the member's undivided loyalty as an advocate and professional advisor in the process of negotiating with finalist candidates. Only in exceptional circumstances, and only with agreement in advance of all affected parties, may candidates be presented to more than one client simultaneously.
- Inform clients of business or personal relationships with candidates that might affect or appear to affect the member's objectivity in conducting the assignment.
- Not accept payment for assisting an individual in securing employment.

RELATIONSHIPS BETWEEN AESC MEMBERS AND CANDIDATES

Although a member's primary relationship is with the client, member firms also seek to establish professional relationships with candidates. These relationships should be characterized by honesty, objectivity, accuracy and respect for confiden-

tiality. In building such relationships, a member should:

- Explain the relationships that exist between the parties involved in a retainer-based search consulting engagement, and in particular the rights and obligations of the candidate in the process.
- Provide candidates with relevant and accurate information about the client organization and the position.
- Encourage candidates to provide accurate information about their qualifications. Upon learning that a candidate has misled the client or member regarding his or her qualifications, reject the candidate unless the client, candidate and member agree that the candidacy should continue following disclosure of the facts.
- Present to clients accurate and relevant information about candidates, and otherwise maintain the confidentiality of information provided by prospective and actual candidates.
- Only provide an individual's confidential resume or other confidential data with the individual's prior consent, and in the context of an existing client relationship.
- Advise prospects and candidates of the status and disposition of their candidacies in a timely fashion.
- Explain that only in exceptional circumstances may an individual be presented on more than one search simultaneously, and then only if all involved parties agree.
- Advise candidates that, so long as they remain employed by the client organization, the member firm may

not approach them as a candidate for a future search without the express permission of the client.

RELATIONSHIPS BETWEEN AESC MEMBERS AND THEIR CONTRACTORS

AESC members sometimes rely on contractors and subcontractors to assist in the search process. Services may be subcontracted but responsibility for them cannot be. A member should:

- Inform its contractors and subcontractors in writing that they should adhere to the AESC's Code of Ethics and Professional Practice Guidelines.
- Avoid contractors and subcontractors whose practices are inconsistent with the standards of professionalism expected of AESC members.

RELATIONSHIPS BETWEEN AESC MEMBERS AND THE PUBLIC

AESC members should recognize the importance of public trust and confidence in their profession and seek to serve their clients in a manner consistent with the public interest, taking into account differing legal contexts in different countries.

Therefore, a member should:

- Observe the principles of equal opportunity in employment and avoid unlawful discrimination against qualified candidates.
- Promote and advertise member firm services in a professional and accurate manner.
- Conduct relations with the media so as to reflect favorably upon clients, the AESC, and the executive search consulting profession.