

## Code of conduct

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### Preface to the IIM interim management code of conduct

To be a professional interim manager requires high levels of skill, effective delivery and good conduct.

The Institute of Interim Management presents the *interim management code of conduct*, not only as a benchmark by which its own accredited members should measure their approach to their assignments, but also as a standard against which all professional interim managers and executives may be measured.

We trust these standards will be of use to interim managers, interim service providers and end clients.

*Ad van der Rest MIIM*  
*Chairman IIM*

### The IIM interim management code of conduct

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Interims are called upon to give advice to, and to work at, all levels of management, and with this comes the obligation to maintain the highest standards of integrity and competence. The Institute of Interim Management (the Institute), as the professional body for practising Interim managers in the United Kingdom, embodies within its Code of Professional Conduct duties and obligations that are required of all Members.

In recognition of their obligations to Clients, to the public at large, and to the profession, all Members of the Institute agree in writing to comply with the Institute's Code of Professional Conduct, and to undertake relevant Continuing Professional Development activities.

The Institute's Code of Professional Conduct is structured on five areas:

1. Matters generally applicable
2. Procedures used in the acquisition of assignments
3. Approach to, and conduct during, an assignment "meeting the Client's requirements"
4. Conduct on, and following termination of, an assignment
5. Responsibility to the profession and to the Institute.

These areas are underpinned by the detailed rules set out below, which are specific injunctions, and by practice notes. The Code of Professional Conduct is binding on all Members of the Institute, whether on assignment or otherwise.

#### Definitions

The following definitions apply in this Code of Professional Conduct:

- **Client:** the person, firm or organisation that, either directly or through a Provider, contracts for the provision of the services to be provided by the Member.
- **Code:** this Code of Professional Conduct.

- **Institute:** the Institute of Interim Management.
- **Member:** any person who is a Companion, Fellow, full Member or Associate Member of the Institute.
- **Provider:** any intermediary organisation that searches for and places Interim managers on assignment with Clients.
- **Independent:** in a position to express an opinion freely without any control or influence of others, and without the need to consider the impact of such an opinion on one's personal interests.

### **Disciplinary Action**

Members are liable to disciplinary action, which may include expulsion from the Institute, if, following a complaint being made, their conduct is found by the Institute's Disciplinary Committee to be in contravention of the Code, or otherwise to bring discredit to the profession or to the Institute.

### **Professional Code of Conduct**

#### **Matters generally applicable**

Each Member is expected to be aware of, understand and observe this Code and any subsequent amendment to it. Each Member shall remain up-to-date with the content and recommendations of any guidance or practice papers issued by the Institute and shall have a duty to conform to good practice as expressed in such guidance or practice papers, as if they formed part of this Code.

In all circumstances the Member will ensure adherence to the Code of Conduct of his/her own other relevant professional body. Where there is any conflict of interest, either with this Code, or in any dealings with other Members, with the Code of Conduct of any other relevant professional body, this should be reported to the Disciplinary Committee of the Institute.

#### **Procedures used in the acquisition of assignments**

Utilise accepted methods of making experience and/or availability known including:

- publication of work (with the consent of the Client);
- direct approaches to potential Clients;
- approaches via Providers;
- entries in any relevant directories;
- advertisement (in printed publication, or on radio or television);
- public speaking engagements.

Ensure that the information given in order to secure work with a Client is:

- factual and relevant
- neither misleading nor unfair to others
- not otherwise discreditable to the profession.

Undertake reasonable endeavours to ensure the truth and accuracy of all statements or information provided to Clients or by or on behalf of Clients to third parties, in which they have an involvement.

Only accept work for which the Member is competent and in which the Client can be served effectively.

Disclose at the earliest opportunity any special relationships, circumstances or business interests which might influence or impair, or could be seen by the Client or others to influence or impair, the Member's independent judgment or objectivity on a particular assignment. In particular, this relates to:

- any directorship or controlling interest in any business in competition with the potential Client
- any financial interest in goods or services recommended or supplied to the Client
- any personal relationship with any individual in the Client's employ
- any personal investment in the Client organisation or in its parent or any subsidiary companies
- any recommendations for the employment of other individuals or organisations with whom the Member is familiar
- any recent or current engagements in sensitive areas of work for Clients which are in direct competition
- any work for a third party on the opposite side of a transaction e.g. bid defence, acquisitions, work for the regulator and the regulated, assessing the products of an existing Client.

Treat all potential Clients and Providers equally and honestly; specifically:

- where a Member dealing via a Provider is approached directly by a Client, the Member must advise both parties of the situation openly
- if a Member is approached by two or more Providers who are bidding for the same assignment, he/she shall advise each Provider involved that one or more other Providers have made such an approach. Any such disclosure should be on a 'no names' basis, unless the Providers concerned agree that their names may be disclosed.

Respect the confidentiality of any information regarding a potential Client provided by the potential Client or a Provider to enable the Member to consider whether to accept an assignment.

Save for nominal entertainment and token business mementos, Members should not offer or give to any Client or Provider any inducement, financial or otherwise, to secure or retain assignments.

**Approach to, and conduct during, an assignment "meeting the Client's requirements"**

Agree formally with the Client the scope, nature and deliverables of the services to be provided and the basis of remuneration, place of work and other relevant terms, in advance of commencing work; any subsequent revisions will be subject to prior discussion and agreement with the Client.

Ensure that the Client is kept fully informed about the progress of the assignment through whatever medium is appropriate to the circumstances, identify to the Client areas in which the Member has added value to the Client's organisation and/or activities, and take note of any feedback provided by the Client on the performance of the Member's services.

Take special care to uphold the best interests of the Client at all times, particularly in a situation in which a commission is payable.

Not use for personal advantage, nor for the advantage of a third party, any information acquired either deliberately or accidentally in the course of professional duties, and to which there would not otherwise be access. This shall include dealing in the securities of the Client (or its holding company or any subsidiary or associated company) without the prior permission of the Client, or advising another person to deal in those securities based on such "inside information"

Preserve confidentiality, both within and outside the Client's organisation and between one Client and another. Disclosure of information should be made only with the consent of the proper authority or where there is a legal or professional obligation for disclosure. The Data Protection Act, as it applies to a Client and its agents, should be observed at all times.

Anticipate and deal proactively with potential problems arising from:

- any conflict of interest which becomes apparent after an assignment has commenced, disengaging from the assignment if necessary
- personal relationships
- financial involvements, including contractual and bonus payments
- any offer or acceptance of any gift, favour or hospitality that might threaten integrity or objectivity when dealing with or acting on behalf of a Client.

Carry out all work with due regard for technical and professional competence, and to seek advice where, having begun an assignment, the Member finds that circumstances are outside his/her skill, competence and/or experience.

Ensure that advice, solutions and recommendations are based on thorough, impartial consideration and analysis of all available pertinent facts and relevant experience, and are realistic, practicable and clearly understood by the Client.

Take all due care to comply with current statutory requirements or professional pronouncements when preparing or approving information which is to be used by or on behalf of the Client. The Client should be advised of any non-compliance and the reason(s) therefore.

Have due regard for and comply with relevant law. Members must advise Clients if they believe their objectives may be illegal, unethical or contrary to professional practice, and refuse to act for a Client in pursuance of any such objective.

Not offer or give, or cause a Client to offer or give, any financial or other incentive to a third party, not to accept any financial or other incentive, from whatever source, that could be construed in any way as a bribe or solicitation of favour for the Member or the Client.

Subcontract work only with the prior agreement of the Client, and, except where otherwise agreed, remain responsible for the performance of the work. It is recommended that suitable substitutes be agreed in advance within the contract for services in respect of the assignment.

In the event that a Member is placed on assignment by a Provider and the Client subsequently requests the Member, rather than the Provider, to recruit other Interim managers to assist with other aspects of the assignment, the Member shall carry out the request subject to the Client consenting that disclosure of the request may be made by the Member to the Provider.

Not misuse or abuse power or position, and act with courtesy and consideration, and without discrimination, toward the individuals encountered in the course of undertaking assignments.

Not invite or encourage any employee of the Client to consider alternative employment, unless it is with the knowledge of the Client and for the purposes of the assignment.

#### **Conduct on and following termination of an assignment**

Agree formally with the Client terms for termination of the assignment, including but not limited to:

- handover period to new or existing employees
- period of notice of termination
- structure for resolution of misconduct and terms for summary termination for non-performance or unprofessional conduct.
- provision of such documents to ensure business continuity and congruity
- leaving sufficient contact details to enable ease of future contact

Conduct an exit review highlighting issues the Client needs to address and analysing the assignment's objectives relative to the results delivered by the Member.

Agree in principle, unless specifically stated in writing and agreed to by the Client prior to commencement of the assignment, that all developments arising from or during the assignment are the property of the Client and not the Member.

Agree an appropriate period after termination of the assignment during which confidentiality of information concerning the Client's affairs shall (subject to any legal disclosure obligations) be maintained. This agreement should include both any exit review planned with the Provider responsible for the placement, and the extent to which the Client's name and details of the assignment may be disclosed in the Member's curriculum vitae for the purposes of gaining further assignments from third parties.

### **Responsibility to the profession and to the Institute**

No Member shall act or engage in any practice or conduct in any manner detrimental to the reputation of the Institute or the profession of Interim management in general.

Each Member shall comply with the Institute's requirements on Continuing Professional Development in order to ensure that the knowledge and skills the Member offers to Clients are kept up to date.

Members will encourage other Interim managers to maintain and advance their competence by participating in Continuing Professional Development and to obtain membership of the Institute.