

**NORTH AMERICAN HUMAN RESOURCE
MANAGEMENT ASSOCIATION**

**Code of Ethics & Rules
of Professional Conduct**

FOREWORD

Presented to the World Federation of People Management

The North American Human Resource Management Association (NAHRMA) Code of Ethics and Rules of Professional Conduct expresses the commitment to the ethical delivery of human resources practice by certified Human Resources Professionals.

The Code of Ethics and the Rules of Professional Conduct sets out the ethical standards certified Human Resource Professionals are expected to meet. These standards require ethical conduct, competent service and good character and provide both broad general principles and some details about how those principles should be applied in practice.

With contributions from the AMEDIRH, CPHR Canada, and SHRM, the attached is a comprehensive set of provisions for a Code of Ethics and Rules of Professional Conduct that was created utilizing the current codes currently in force in both the USA and CANADA. We are hopeful that this document can be disseminated to other countries where codes do not exist, for their reference as a standard of good practice in creating their own codes of conduct. In addition, we are hopeful that the WFPMA can publish this code on their website for reference purposes for all members.

Submitted respectfully by:

Shannon Railton, CPHR - President NAHRMA

DEFINITIONS

In this *Code of Ethics and Rules of Professional Conduct* the following definitions apply:

“**Association**” means the North American Human Resource Management Association.

“**NAHRMA**” means the North American Human Resource Management Association.

“**Member Association**” means a professional membership association (e.g., CPHR Canada, SHRM, AMEDIRH)

“**Code**” means this *Code of Ethics and Rules of Professional Conduct*.

“**Confidential Information**” means any information that is provided to a Member with the reasonable expectation that such information not be divulged except for the purposes for which it was provided.

“**Member**” means a Member in good standing of a Member Association holding a designation (e.g., CPHR, SHRM-CP, SHRM-SCP).

“**Profession**” means the Profession of human resources management.

“**CPHR Canada**” means the Chartered Professional in Human Resources Canada

“**SHRM**” means the Society for Human Resource Management

“**AMEDIRH**” means the Mexican Association Directing Human Resources in Mexico

“**CPHR**” means the Chartered Professional in Human Resources designation issued by a provincial association in Canada

“**SHRM-CP**” means SHRM-Certified Professional

“**SHRM-SCP**” means SHRM-Senior Certified Professional

INTRODUCTION

As the North American body for human resources management Associations, a fundamental objective of the NAHRMA is to protect the interests of the HR profession by ensuring that human resources Professionals are competent and conduct themselves in an honourable and ethical manner.

The Code sets out the duties owed by human resources Professionals to employers, clients, employees, other Professionals, the Member Association, and the public. It applies to all Members, whether working as employees, consultants, or independent practitioners. The Code applies when a Member provides services inside or outside of their own jurisdiction. Jurisdictions may impose their own local standards and, to the extent they differ from the Code, local standards take precedence over the Code.

The content of the Code represents the Member Associations' minimum standards of acceptable Professional conduct or behaviour. While the *Code* intends to provide clear and prescriptive guidance in ethical issues, it will not exhaust the full range of ethical issues that the Member may encounter nor does it extinguish or replace the need for Members to exercise sound Professional judgement.

Breaches of the Code may result in disciplinary action by the Member Association where appropriate.

Members may be subject to discipline by the Member Association for any Professional misconduct, conduct unbecoming or incompetence no matter where the conduct occurred.

Penalties where a Member is found to have breached the Code may include a reminder, a reprimand, suspension or cancelation of membership in the Member Association or removal of the designation.

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***NAHRMA CODE OF ETHICS AND RULES OF
PROFESSIONAL CONDUCT***

This **Code** encompasses four fundamental duties:

1. Duties to the public
2. Duties to the Profession;
3. Duties to clients and employers;
4. Duties to individuals

On rare occasions where duties conflict, the duties to the public are always paramount followed by the duties to the Profession.

Duties to the Public

Principle **P1**: Members have a duty to discharge all of their Professional responsibilities honourably, competently and with integrity.

As HR professionals, we are responsible for adding value to the organizations we serve and contributing to the ethical success of those organizations. We accept professional responsibility for our individual decisions and actions. We are also advocates for the profession by engaging in activities that enhance its credibility and value.

Intent

- To build respect, credibility and strategic importance for the HR profession within our organizations, the business community, and the communities in which we work.
- To assist the organizations we serve in achieving their objectives and goals.
- To inform and educate current and future practitioners, the organizations we serve, and the general public about principles and practices that help the profession.
- To positively influence workplace and recruitment practices.
- To encourage professional decision-making and responsibility.
- To encourage social responsibility.

Particularly,

P101 Members must observe all applicable laws including statutes, regulations and by-laws. They are not to knowingly contravene the law nor shall they condone or support others that attempt to do so.

P102 A Member shall not act in a manner which intends to circumvent the law provided however that Members may advise clients or employers how to structure their affairs in a way which best serves their needs within the law, or how best to remedy a contravention of the law.

P103 A Member discovering an illegal act in the performance of their duties shall take whatever appropriate measures they reasonably can to stop or correct the illegal act, including reporting the illegal

act to the person from whom the Member takes instruction, and, if that person refuses to take appropriate action, reporting the illegal act progressively up the organizations chain of command.

- P104** A Member shall not knowingly retaliate, participate in, or condone any act of retaliation against any individuals properly exercising their right to initiate a complaint, criticism, or grievance.
- P105** A Member shall bear in mind the limitations of their skills, knowledge, and experience and only take on work for which they possess the, knowledge, experience, and skills required to carry out the work or for which they are able to acquire the requisite knowledge, experience and skills in a reasonable time. This however precludes developmental assignments, and where appropriate a Member shall seek supervision or oversight as an offset to possessing the knowledge, experience or skills.
- P106** A Member shall perform their duty in a manner consistent with best practices, and generally accepted standards and values of human resources management.
- P107** A Member shall maintain and enhance their knowledge and skills through continuing Professional development, mentorship, and exposure to growth opportunities that arise, and shall comply with all continuing Professional development requirements of their Member Association
- P108** A Member shall contribute to the body of knowledge, the evolution of the profession and the growth of individuals through teaching, research and dissemination of knowledge.
- P109** A Member shall strive to achieve the highest levels of service, performance and social responsibility.
- P110** A Member who is convicted of any criminal, provincial or territorial offence shall promptly inform the Member Association of those charges.
- P111** A Member shall not, falsify or cause to be falsified any statement or report or allow misleading statements or reports to remain uncorrected and, if Members becomes aware of inaccurate human

resource related statements or reports originating elsewhere they shall take reasonable steps under the circumstances to report those misleading statements or reports to the parties affected.

P112 A Member shall only use Member Association information including information from the Member Association's register for the purposes for which it was intended.

Duties to the Profession

Principle P2: Members have a duty to protect and promote the Profession and to cooperate with the Member Association. As professionals, we must strive to meet the highest standards of competence and commit to strengthen our competencies on a continuous basis.

As HR professionals, we must maintain a high level of trust with our stakeholders. We must protect the interests of our stakeholders as well as our professional integrity and should not engage in activities that create actual, apparent, or potential conflicts of interest.

As HR professionals, we are ethically responsible for promoting and fostering fairness and justice for all employees and their organizations.

HR professionals are expected to exhibit individual leadership as a role model for maintaining the highest standards of ethical conduct.

Intent

- To expand our knowledge of human resource management to further our understanding of how our organizations function.
- To advance our understanding of how organizations work ("the business of the business").
- To avoid activities that are in conflict or may appear to be in conflict with any of the provisions of this Code of Ethical and Professional Standards in Human Resource Management or with one's responsibilities and duties as a member of the human resource profession and/or as an employee of any organization.
- To create and sustain an environment that encourages all individuals and the organizations to reach their fullest potential in a positive and productive manner.

- To set the standard and be an example for others.
- To earn individual respect and increase our credibility with those we serve.

Particularly,

- P201** A Member shall adhere to the highest standards of ethical and professional behavior, avoiding any behaviour that is unbecoming a Professional and refraining from acts in both their Professional and personal lives that bring disrepute to the profession or jeopardize the confidence and trust in the Profession.
- P202** A Member shall know and understand the Code and other directives or guidance from the Member Association regarding Member obligations that may from time-to-time be issued by the Member Association.
- P203** A Member has the right to trust that all Members will conduct themselves in compliance with the Code and that acts or omissions that appear to breach the Code shall be reported to the Member Association.
- P204** A Member with supervisory responsibility over other Members shall ensure that those working under their supervision understand and comply with the provisions and requirements of the Code, and that a breach of the Code by a subordinate of a Member may be attributable to the Member where it is determined that the Member was, or ought to have been, aware of the breach.
- P205** A Member shall not direct another Member, other Professional, or any other person to perform human resources management functions for which they are not sufficiently trained, skilled or competent to perform without adequate support.
- P206** A Member shall project a positive public image of the Profession.
- P207** A Member must promptly meet their financial obligations in relation to the practice of the Profession.
- P208** A Member must reply promptly and completely to communication from the Member Association.

- P209** A Member shall not publicly criticize other Members in a manner which is unfair, unreasonable or inaccurate.
- P210** A Member shall not obtain admission to membership in an Member Association by means of misrepresentation and shall notify the Member Association immediately should they become aware of any Member gaining membership by questionable means.
- P211** A Member shall not make public statements which may be interpreted as representative of the Member Association or its views unless authorized to do so by the Member Association.
- P212** A Member shall not, directly or indirectly, comment publicly on any matter pending before a commission of inquiry, body, or other tribunal.
- P213** A Member shall identify themselves to their employer or client as a Member of the Member Association and of any qualification granted by the Member Association such as the CPHR, SHRM-CP, or SHRM-SCP designation. A Member shall, in environments deemed appropriate, display any Member Association certificates and awards in such way that they are readily and clearly visible.
- P214** A Member, whose certificate has been cancelled or revoked for any reason, shall not hold themselves out to be a Member of the Member Association and shall return their certificate without delay to the Member Association.
- P215** A Member who believes or should reasonably believe they have committed a breach of the Code, shall take appropriate action, at earliest occasion, to satisfactorily address the consequences of the breach, including reporting the breach to those affected by the breach.
- P216** A Member shall cooperate fully with the Member Association in any investigation or disciplinary processes, including responding promptly and candidly to any requests of the Member Association, appearing before the Member Association if requested to do so, and furnishing any documents or records requested by the Member Association.

- P217** A Member shall not interfere with any Member Association investigation or disciplinary process nor shall a Member communicate with a person having filed a complaint against the Member on any matter regarding the complaint or any matter arising from that complaint, without prior permission of the Member Association.
- P218** A Member shall promptly comply with any sanctions imposed by the Member Association as a result of a disciplinary process and shall adhere to any undertaking or agreement made in connection with that process.
- P219** A Member, to the best of their ability, shall not permit their firm name to be used or associated with any pronouncement, or act which could be of such a nature as to discredit the Profession.

Duties to Clients and Employers

Principle **P3**: Members have a duty to act in the best interest of their clients and employers. In addition, HR professionals consider and protect the rights of individuals, especially in the acquisition and dissemination of information while ensuring truthful communications and facilitating informed decision-making.

Intent

- To build trust among all organization constituents by maximizing the open exchange of information, while eliminating anxieties about inappropriate and/or inaccurate acquisition and sharing of information.

Particularly,

- P301** A Member shall pursue the interests of their client or employer setting aside personal motivations and beliefs.
- P302** A Member shall not promote services, accept assignments or engagements, conduct work, or provide advice that is contrary to the best interest of a client or employer.
- P303** A Member shall not accept or perform work that puts or has the potential to put their personal interest or the interest of other clients

in conflict with the interest of their client or employer without the informed consent of the employer or client.

- P304** While acting in the best interests of the client or employer it does not constitute a conflict of interest to be mindful of the needs and interests of employees and the public.
- P305** If a conflict of interest is identified, a Member shall immediately notify the clients or employer affected by such conflict and request authorization to proceed, or to alternatively be released, from the assignment.
- P306** Subject to any confidentiality arrangements, Members shall disclose to a client, or prospective client any personal, Professional, or other business interests that may jeopardize the client's confidence in the integrity, objectivity, or capacity of the Member to act independently.
- P307** A Member shall not accept any commission, rebate, or other benefit in connection to a matter other than the compensation to which the Member is entitled from their client or employer without the specific consent of that client or employer.
- P308** A Member shall investigate the accuracy and source of information before allowing it to be used in employment related decisions. A Member shall maintain current and accurate HR information.
- P309** A Member shall provide informed views and recommendations and always render objective and independent advice.
- P310** A Member shall endeavour to act in an impartial and unbiased manner and shall act in good faith towards all parties at all times.
- P311** A Member shall maintain complete and appropriate records as might be reasonably expected, and as required by local, state, and federal law for the matter for which they are engaged.
- P312** A Member shall be clear in communications with clients and employers, and where appropriate, shall confirm arrangements and understandings in writing, including the scope of the engagement objectives, nature of services to be rendered, proposed work plan,

identities and qualifications of the assignment team, and fees, and billing arrangements including the treatment of expenses, disbursements, and applicable taxes.

- P313** All marketing and promotion activities by a Member must be demonstrably true, accurate and not misleading and consistent with a high standard of Professionalism.
- P314** A Member may refer the employer or client to another Member, expert or other Professional or request authorization from the employer or client to consult another Member or other Professional, or any other expert where they determine it is in the best interest of the client or employer. A Member shall also recognize the employer or client's right to consult others and shall work diligently with any other Members, experts or other Professionals consulted by the employer or client.
- P315** A Member may be called on to represent other persons or organizations at various labour and employment boards and tribunals. A Member, when representing persons or organizations, shall identify themselves as a Member of their Member Association, and shall not advise or represent more than one party to a dispute.
- P316** A Member shall not withdraw from a matter with a client, except for good cause and upon giving reasonable notice. A Member may, upon reasonable notice, terminate an engagement when:
- (a) the Member's Professional independence has been compromised;
 - (b) the Member is in conflict of interest;
 - (c) the Member believes their health, safety, or well-being to be in jeopardy;
 - (d) client confidence has been lost;
 - (e) the client has failed to cooperate, has been deceitful, or has been unresponsive;
 - (f) the client has failed to pay the Member's fees or billings when due; or,
 - (g) the client has attempted to induce the Member to commit a discriminatory, fraudulent, illegal, or negligent act.

- P317** In a circumstance where there is no conflict of interest, a Member may represent multiple clients in a matter, provided all clients agree and the Member clarifies the expectation of each client about sharing of Confidential Information between clients.
- P318** A Member, when acting for a client who is not their employer, shall maintain appropriate insurance coverage, with the risk exposure of their work and insurance as required by law, including errors and omissions, malpractice, and directors' and officers' insurance commensurate with the risk exposure of their work.
- P319** Fees charged by Members must be fair and reasonable and fully disclosed.
- P320** A Member may charge reasonable interest on an outstanding account of fees, expenses and disbursements in keeping with the written engagement letter, contract or other agreement with the client or upon reasonable notification to the client.
- P321** A Member, in attempting to collect accounts owed to them by a client, shall do so in a civil manner and tone and shall exhaust all other reasonable means before initiating legal action.
- P322** Upon request, a Member shall provide the contact information of their Member Association and information about how to access this Code.

Duties to Individuals

Principle **P4**: Members must, at all times, act in a manner that advances the principles of health and safety, human rights, equity, dignity, and overall well-being in the workplace.

Intent:

- To create and sustain a healthy and safe work environment that provides equitable treatment of individuals and encourages diversity and inclusion.

Particularly,

- P401** A Member shall respect the dignity and rights of all individuals.
- P402** A Member shall advocate for the appropriate use and appreciation of human beings as employees.
- P403** A Member engaged in the practice of human resources management shall ensure that the policies, practices, and processes they use respect the rights and protect the well-being of all individuals.
- P404** A Member shall assure an environment of inclusiveness and a commitment to diversity in the organizations they serve.
- P405** A Member shall encourage the development and enforcement of appropriate health and safety standards.
- P406** A Member shall ensure to maintain that information and records in their possession shall respect confidentiality norms, and that all records, in whatever format, are securely stored as appropriate, and shall comply with all laws applying to the collection, use and disclosure of personal information in the jurisdiction in which they are practicing.
- P407** A Member shall refrain from using Confidential Information acquired in the course of their work, for their own benefit or gain.
- P408** A Member shall, where there are grounds to believe that there is imminent risk of bodily or psychological harm or death, or that a crime is likely to be committed, immediately report it to appropriate authorities, and keep a record of all relevant information, in connection, with the matter, and as required by law.
- P409** A Member, when required by law or by order of a court or tribunal of competent jurisdiction, shall disclose Confidential Information, only to the extent is ordered.
- P410** A Member shall at the conclusion of any matter, or upon request by their client, return all Confidential Information to the client.,
- P411** A Member shall not remove, cause to be removed, or destroy any information from the premises of the Member's employer or client,

unless authorization has been granted or can reasonably be inferred.

- P412** A Member shall not engage in or condone, any acts of intimidation, harassment, physical violence, psychological or mental distress, or any acts of discrimination on the grounds prohibited in the human rights legislation in the jurisdiction where the Member is practising.
- P413** A Member shall be courteous and civil and act in good faith with all persons with whom the Member has dealings, in the course of their practice.