



Ethics and Professional Business Practice Guidelines Manual

July 2002

**ETHICAL AND PROFESSIONAL BUSINESS PRACTICES
GUIDELINES FOR MAPS**

TABLE OF CONTENTS

Title	Page
MAPS Code of Ethics	1
MAPS Standards of Ethical Practices	2
MAPS Standard Policy for Cooperative Placement Relationships	7
MAPS Ethics and Professional Business Practices Committee - Rules of Procedure with Respect to Arbitration	13

EXHIBITS

Exhibit		Page
1A	A Memo of Understanding on Split Fee or Cooperative Placement	10
1B	Split Fee Agreement	11
1C	Split Fee Agreement	12
D	MAPS Agreement to Binding Arbitration	16
E	MAPS Notice of Arbitration	19
F	MAPS Notice of Change in Arbitration Panel	20
G	MAPS Award of Arbitrators	21

**MAPS
(MASSACHUSETTS ASSOCIATION OF PERSONNEL SERVICES)
CODE OF ETHICS**

AREAS OF RESPONSIBILITY

Personnel Services Firms are an important part of the nation's free enterprise system. In seeking to bring qualified candidates and potential employers together, they perform a valuable service for both business and the public.

The Massachusetts Association of Personnel Services operates for the mutual benefit of its members, employers and the employment-seeking public.

The following areas of responsibility present general principles recognized by association members.

Responsibility to the Community

- ? Be a contributing part of the community through participation in community activities.
- ? Serve as a reliable source of information on matters pertaining to the employment field.

Responsibility to the Candidates

- ? Strive for the right of all individuals, who want the dignity of work, to choose their field of endeavor and utilize their abilities and talents for personal fulfillment and the good of our country.

Responsibility to the Employer

- ? Represent the best interest of the employer by acting as an effective extension of the employer's recruitment effort and respect every confidence entrusted by client companies.

Responsibility to the Nation

- ? Engage actively in preserving the free enterprise system as essential to a continuation of the Nation's growth and strength.
- ? Cooperate in local and national efforts to maintain a high level economy through reduction of national levels of unemployment.

To this end, the Association, through its Committee on Ethics and Professional Business Practices, has developed and promulgated the Standards of Ethical Practices to which all members have agreed.

MAPS
(MASSACHUSETTS ASSOCIATION OF PERSONNEL SERVICES)

Standards of Ethical Practices

As followed by Members of the Massachusetts Association of Personnel Services.

Relations Between Personnel Consultants and Candidates

1. Candidates shall be referred to the employer/client for interviews only on job openings for which at least verbal authority has been given by the employer/client.
2. Representations made to candidates about the duties, probable length of the employment, hours and salary of prospective positions shall be in conformance with the best knowledge of the personnel consultant.
3. Precaution shall be taken against referring any applicant to employers who are known to engage in illegal, immoral, or any questionable business practices which might jeopardize the safety of the candidate.
4. Information about a candidate will be used only for the purpose of finding employment for that candidate. Confidential information shall be treated accordingly.
5. A candidate shall be aware of any changes, if any, before being permitted to incur any obligation for services rendered. Any monetary obligations shall be fully disclosed in a written agreement, a copy of which shall be provided to the candidate and shall set forth any circumstances in which a candidate must pay for services.
6. No candidate shall be referred to any employer where a strike or lockout exists or is impending (according to the best knowledge of the personnel consultant) without being notified of such conditions.

Relations Between Personnel Consultants and Employers/Clients

1. A candidate's employment record, qualifications and salary requirements shall be stated to the employer/client as accurately and fully as possible. Clients shall be advised by the Personnel Consultant if the consultant disclaims liability for the accuracy of any information it transmits to the client.
2. A candidate shall be referred to the employer/client for an interview only with prior authorization of the employer/client, which may be given verbally.

3. Confidential information relating to the business policy of employers/clients, which is imparted as an aid to the effective handling of their job requirements, shall be treated accordingly.
4. Candidates shall not be solicited for other positions while they are in the employ of the company with whom they have been placed by the firm in question unless the candidate initiates reactivation of his/her application.
5. Direct mail, bulletins and resumes of candidates that are presented to employers/clients shall represent bonafide candidates.
6. In the absence of an agreement to the contrary, a consultant shall not attempt to recruit for placement candidates employed by a client company within one year of the most recent placement with that client company at the same location, unless the candidates directly request the recruiter's assistance in seeking new employment.

Relationship Between Personnel Service Firms, Clients, Candidates, Employees and Each Other

1. Anyone who has a complaint about a personnel service, should be directed to file a complaint with the MAPS Chairperson of the Committee on Ethics and Business Practices or in care of NAPS headquarters in Alexandria, VA. The firm receiving the complaint should not become involved.
2. The Association provides adequate means for assuring adherence by members to its Standards of Ethics. To further the effectiveness of these procedures, each member shall be responsible for bringing to the attention of the MAPS Committee on Ethics and Business Practices any violations of these standards. The Ethics Committee shall process any such complaint in accordance with its usual procedure, and, where the facts warrant it, the Ethics Committee shall bring the matter to the attention of the appropriate government authority for its action.
3. A member shall not in the course of advertising, public relations efforts, or any other activity engage in untrue, unfair or misleading criticisms of any other Personnel Services Firm.
4. All personnel service firms shall commit to ensure that the workplace is free from discrimination based upon sex, race, age, religion, national origin, non-job-related disability, veteran's status, or membership in any other protected class. Members of the association shall not knowingly violate any law prohibiting discrimination upon the basis of sex, race, age, religion, national origin, or non-job-related disability.

5. Personnel service firms which enter into cooperative placement relationships with other placement firms shall comply in all respects with the terms of their agreement. Disputes between member firms arising out of cooperative placements shall be resolved by final and binding arbitration before the Association, in accordance with the NAPS Rules for Final and Binding Arbitration then in effect. Each party to the arbitration shall comply in full with the decision of the arbitrators.

Relations Between Temporary Services and Temporary Employees

1. Employees shall be referred to client companies for work only on assignments for which a written or verbal job assignment has been given by the client company's representative.
2. Representations to employees about the duties, probable length, hours and salary of temporary assignments shall be in conformance with the best knowledge of the service.
3. Precautions shall be taken against referring temporary employees to any client who is known to engage in illegal, immoral or any questionable business practices which might jeopardize the safety of the temporary employee.
4. Information about temporary employees shall be used only for the purpose of assigning the employee for temporary work. Confidential information shall be treated accordingly.
5. A temporary employee shall be aware of charges, if any, before being permitted to incur any obligation to the temporary service.
6. No temporary employee shall be referred to any client where a strike or lockout exists (according to the best knowledge of the temporary service) without being notified of such condition.
7. Employer financial and legal responsibilities to temporary employees shall be met in a timely manner.
8. Temporary services shall not tolerate harassment of their temporary employees based upon an employee's sex, race, age, religion, national origin, disability, veteran's status or membership in any other protected class, whether the harassment is by coworkers, employees of clients or third parties. No retaliation shall be taken against any temporary employee who makes a complaint based upon a reasonable belief that any such harassment has occurred. When a temporary employee complains about any such harassment, the temporary service shall promptly investigate the complaint and take all reasonable steps to protect the employee from further harassment.

Relations Between Temporary Services and Clients

1. A temporary employee's experience and qualifications shall be stated as accurately and fully as possible to the extent requested.
2. A temporary employee shall be referred to the client for work assignment only with the prior verbal or written authorization of the client unless other specific arrangements have been made.
3. Confidential information relating to the business policy of the client, which is imparted as an aid to the effective fulfillment of the job requirements, shall be treated accordingly.
4. Communications, written or verbal, with clients regarding temporary workers shall represent bonafide temporary employees and their qualifications.
5. A temporary service firm shall not induce a client company to breach any terms of any contract it might have with another temporary service. A temporary service firm shall not induce an employee or prospective employee to breach any terms of any contracts he or she might have with another temporary service.

Advertising

1. Positions listed by personnel service firms in the newspaper or other media shall be factual and refer to bona fide openings available at the time that copy is given to these publications.
2. All advertising promotion or announcements regarding certification must conform to the standards and format of the NAPS Certification Program.
3. Temporary assignments listed in newspapers or other media shall be representative of the types of openings actually available through the temporary service.

Service Charges

1. No candidate shall be obligated for a placement service charge until an offer and acceptance has been made between employer and candidate.
2. Adjustment and refunds of service charges shall be made promptly in accordance with the highest ethical standards.
3. No client or employee shall incur a charge unless they have been made aware of that charge before it is incurred.

General

Members shall cooperate with, and permit at any time, complete and thorough investigation of an alleged violation of ethics or standards that tends to reflect on the business practices of the individual service and the Association, by the elected officers or duly appointed committee of the Massachusetts or National Association of Personnel Services and shall abide by decisions of the investigative committee.

Disclaimer

These standards of ethical practice are in no way to supersede or replace the requirements of local ordinances or state and federal laws.

MAPS STANDARD POLICY FOR COOPERATIVE PLACEMENT RELATIONSHIPS

MAPS members willing to do cooperative placements (split-fee business) with other companies are encouraged to fully discuss and agree on the conditions that govern that relationship before any information is exchanged. The following document should be amended to suit the two parties. If no written changes are made, or if no written agreement to the contrary exists, these guidelines will be the foundation for any arbitration procedures. Throughout these guidelines, the company with the job order is designated "the Job Order firm", the company supplying the candidate the "Candidate firm".

The guidelines address commonly negotiated aspects of cooperative placements. However, no set of rules can ever be complete enough to address every possible situation. Therefore, it is imperative that both parties enter the agreement in good faith, committed to full and open communication and a willingness to negotiate exceptions and idiosyncrasies.

1. Exact fees and guarantee agreements with a client/employer shall be fully disclosed by the Job Order firm and agreed to by the Candidate firm prior to any candidate referrals. Placement fees must be billed in accordance with this agreement. See Exhibits 1A, 1B and 1C for sample agreements.
2. Placement fees received by a Job Order firm should be shared as agreed. In the absence of an agreement, fees will be shared on a 50/50 basis.
3. The Candidate firm's portion of the fee, accompanied by a copy of the employer client's check, shall be disbursed immediately upon access to funds following deposit of payment from the employer/client.
4. All shared candidates and job orders shall have been originated by each firm through its own recruiting or business development methods, and not from any third party to whom a financial obligation is or may be due unless all three parties agree to a three-way split, before any candidates are sent.
5. Confidentiality shall be observed at all times. Information received from one firm shall not be disclosed to any other firm without the consent of the originating firm.
6. Guarantees shall be honored fully; each firm shall remit their proportionate share of a refund within five (5) calendar days after notification of liability. The Job Order firm shall coordinate the refund or replacement process.

7. If the Job Order firm has a replacement rather than a refund guarantee and a fall-off occurs on a cooperative placement, the portion of the fee paid to the candidate firm must be refunded given back to the Job Order firm within ten days of notification of the fall-off.
8. No unsolicited resumes shall be sent from one recruiting firm to the other. If assistance is requested and the candidate firm sends a candidate already on file with the Job Order firm, the split fee still applies, if the actions of the candidate firm were a procuring cause of the placement.
9. During the course of the cooperative placement, the client shall be contacted only by authorized representatives of the Job Order firm.
10. During negotiations between a candidate and a client company, the Job Order firm shall be considered to have complete authority and responsibility for all related communications. The Candidate firm shall not interfere and shall cooperate fully with whatever assistance may be requested by the Job Order firm.
11. Candidate firms shall respect the client company relationships of Job Order firms and shall not use shared information for any business development purposes for six months after the job order is closed.
12. Candidate referrals are valid for one year. During that time period, candidates responding to any solicitation or follow-up to determine availability, either written or verbal, shall still be considered split-fee candidates – whether or not they have changed employers since the original referral by the referring firm.
13. Within one year of the original referral, whenever a candidate is contacted for any reason by the Job Order firm, the person making the contact shall identify the Candidate firm.
14. The Job Order firm shall not contact a candidate for networking purposes or to obtain referrals for a current search without the explicit consent of the Candidate firm. If referrals are subsequently solicited from the Candidate firm's candidate, or if that candidate refers other candidates with the knowledge of the Job Order firm (for the same job order), these must also be considered split-fee candidates and the Candidate firm shall be furnished the candidate's resume information.
15. Any significant step involving a candidate's prospective employment (i.e. initial interview, second interview, offer, turndown) shall be reported to the Candidate firm as soon as possible.

16. The Candidate firm maintains control of the candidate for one year following the referral or as otherwise agreed to and can deny contact with the candidate by the Job Order firm if the candidate is in negotiation with one of the Candidate firm's clients or has accepted a job for which the Candidate firm has been paid.
17. All referrals, job orders, or other related information exchanged between the cooperative firms must be non-discriminatory and shall be in strict accordance with all applicable laws pertaining to Equal Employment Opportunity.
18. Any dispute under this agreement shall be resolved by final and binding arbitration before the Massachusetts Association of Personnel Services (MAPS) in accordance with NAPS rules for final and binding arbitration then in effect.

EXHIBIT 1A

A SAMPLE AGREEMENT

**A MEMO OF UNDERSTANDING
ON SPLIT FEE OR COOPERATIVE PLACEMENT**

We, the undersigned firms, make this arrangement to share selected candidates and job orders on a split-fee basis.

The firm with the position it wishes to fill will present a job order, less client name, to the other firm. The latter will screen against the job order and present candidates to the originating firm. Candidate presentation method for each job order shall be agreed upon by us in advance, including such things as giving of tests, resume, reference checks, interviewer comments, etc. In general for 50/50 fee sharing we agree that the firm with the candidate should know the candidate as well as the firm with the job order knows its client.

When a placement has been made, the placing firm will notify the firm providing the candidate of salary, fee to be billed, starting date, and date of expected receipt of payment.

We agree that a placement as described above, involving work on the part of the both parties, justifies a 50-50 split.

From time to time one of us may refer a candidate to the other, without, for example, having resume or significant candidate data, and without having interviewed the candidate. In such situations, if the placing firm is expected to do interviewing before presentations, etc. we agree that sharing on a 50-50 basis may not be appropriate. For such situations, we agree on the following:

Fee to Referring Firm: _____%

Fee to Placing Firm: _____%

Signed: _____
(Firm Name) (Owner or Manager) (Date)

Signed: _____
(Firm Name) (Owner or Manager) (Date)

EXHIBIT 1B

SPLIT FEE AGREEMENT

(Fill in Candidate firm's name) and (Fill in Job Order firm's name) agree to split the placement fee, 50/50, if a candidate referred by (Fill in Candidate firm's name) is hired as a result of (Fill in Job Order firm's name) referral to a company or another recruitment firm.

Payment of this split fee will be accompanied by a copy of the original check.

(Fill in Candidate firm's name) agrees to abide by (Fill in Job Order firm's name) guarantee policy (copy should be attached).

(Fill in Job Order firm's name) agrees to pay all court and legal fees in connection with collection of said fee.

Name:
Title:
(Fill in Candidate's Firm's name)
Date:

Name:
Title:
(Fill in Job Order firm's name)
Date:

EXHIBIT 1C

SPLIT FEE AGREEMENT

(Fill in Candidate firms' name) is referring (Fill in Candidate's name) to (Fill in Job Order firm's name) under this agreement. (Fill in Job Order firm's name) agrees to split the placement fee, _____%/ _____%, if Candidate is hired as a result of (Fill in Job Order firm's name) referral to a company.

Payment of this split fee will be accompanied by a copy of the original check.

(Fill in Candidate firm's name) agrees to abide by (Fill in Job Order firm's name) guarantee policy, (copy should be attached).

(Fill in Job Order firm's name) agrees to pay all court and legal fees in connection with collection of said fee.

Name:
Title:
(Fill in Candidate firm's name)
Date:

Name:
Title:
(Fill in Job Order firm's name)
Date:

**MASSACHUSETTS ASSOCIATION OF PERSONNEL SERVICES
ETHICS AND PROFESSIONAL BUSINESS PRACTICES COMMITTEE**

RULES OF PROCEDURE WITH RESPECT TO ARBITRATION

I. Types of disputes to be resolved by the Committee in establishing an arbitration panel.

- A. The Committee will resolve disputes between two private personnel services firms, provided that one of the parties is a member of the Massachusetts Association of Personnel Services (MAPS) or a private employment service and an employer client, provided that said private employment service is a member of MAPS.
- B. The Committee will only arbitrate disputes arising out of conduct of the personnel services business, and will not arbitrate employer-employee disputes or accusations of unethical conduct which do not involve a dispute such as described in Paragraph I (A) above.

II. Submission of a Dispute for Arbitration.

- A. A party desiring to submit a dispute to arbitration shall telephone or write the Chairperson of the MAPS Ethics and Professional Business Practices Committee and express the desire to initiate an arbitration proceeding pursuant to these rules.
- B. The Committee Chairperson shall send an *“Agreement to Binding Arbitration Form” (Exhibit D)* and a copy of these rules to the party seeking arbitration.
- C. The party seeking arbitration shall sign (the signature must be notarized) the *“Agreement to Binding Arbitration”* and return it to the Committee Chairperson. The agreement of the party seeking arbitration may be revoked at any time prior to receipt by the Committee Chairperson of a signed *“Agreement to Binding Arbitration”* from the party against whom arbitration is sought.
- D. Upon receipt of the *“Agreement to Binding Arbitration”* from the party seeking arbitration, the Committee Chairperson shall immediately forward a copy of these rules and an *“Agreement of Binding Arbitration”* to the party against whom arbitration is sought.

- E. Upon receipt of the signed *“Agreement to Binding Arbitration”* from the party against whom arbitration is sought, the Committee Chairperson shall select an Arbitration Panel Chairperson (the “Panel Chairperson”) to preside at the arbitration.

There are no fixed guidelines on the selection process. The Ethics and Professional Business Practices Committee Chairperson will use his/her best judgment. The Panel Chairperson shall have the following characteristics, wherever possible:

1. A member of MAPS (or employee of a member firm).
 2. An owner or manager of a private personnel services firm.
 3. CPC.
 4. In the opinion of the Committee Chairperson have a sufficient amount of placement experience, judgment, and discretion to qualify for the position of Panel Chairperson. Peer recognition by the total MAPS Board of Directors is an important criterion.
 5. Impartiality.
- F. The Panel Chairperson will select two other arbitrators, who shall possess, if possible, all of the characteristics noted above.
- G. The Panel Chairperson shall advise the parties of the arbitration by sending to each of them a *“Notice of Arbitration” (Exhibit E)* which shall advise the parties of the names of the Panel Chairperson and the other arbitrators, as well as the time and place of the arbitration hearing. The date of the arbitration shall be no less than 21 days and no more than 28 days from the date of mailing of the *“Notice of Arbitration”*.
- H. Either party to the arbitration shall be permitted to object, for any reason whatsoever, to either the Panel Chairperson or one of the other arbitrators, provided that said objection is made in writing to the Panel Chairperson within 10 days of the mailing of the *“Notice of Arbitration”*. If either party objects to the Panel Chairperson, the Ethics Committee Chairperson shall be notified and shall select a new Panel Chairperson.

If either of the other arbitrators is objected to, the Panel Chairperson shall select a replacement arbitrator or arbitrators.

- I. In a case of a change in the membership of the arbitration panel due to objection or resignation of an arbitrator, the Panel Chairperson shall send a *“Notice of Change in Arbitration Panel” (Exhibit F)* to each of the parties, and shall reschedule the arbitration to a date not less than 21 days nor more than 42 days from the sending of the *“Notice of Change”*. Parties may continue to object to newly added arbitrators until such time as neither party objects to a member of panel within the 10 day period provided above.
- J. Requests for postponement of the arbitration shall be made to the Panel Chairperson by the party desiring such postponement, and the Chairperson shall grant such requests unless convinced beyond a reasonable doubt that the purpose of seeking postponement is merely to delay the proceedings.

III. Conduct of the Arbitration Hearing.

- A. The Panel Chairperson will conduct the hearing and make all procedural decisions in connection therewith.
- B. Hearings will be closed and attended only by parties, counsel (if a party so chooses), and witnesses.
- C. It is expected that each party to the dispute will have its consultant, who was directly involved in the matter leading to the dispute, in attendance. Each party must bring all relevant documentary evidence pertaining to the facts.
- D. The party seeking arbitration will present its case first, and the party against whom arbitration is sought shall follow. Each party shall cross-examine the other witnesses, and any of the arbitrators are permitted to ask whatever questions may be necessary to clarify the facts. Strict rules of evidence will not be followed.
- E. Immediately following the hearing, the arbitrators will meet and render their decision. The arbitrators will follow applicable laws and regulations in making their decision and although they may render an award which is less than asked for by the party in whose fault the judgment is granted, they are not to compromise for the sake of compromise.
- F. The decision will be rendered in writing in the form attached hereto (*Exhibit G*), and the signature of each arbitrator will be notarized. In addition, the Panel Chairperson will send a copy of the Award of Arbitrators to the Massachusetts Association of Personnel Services, along with a brief explanation of the facts, the decision, and the reasons therefore. MAPS will forward full data on the arbitration to the National Association of Personnel Services which maintains a permanent file of cases considered by the Ethics or Arbitration Committees of its state or chapter members.

EXHIBIT D

**MASSACHUSETTS ASSOCIATION OF PERSONNEL SERVICES
AGREEMENT TO BINDING ARBITRATION**

Party A

Party B

Name: _____ Name: _____

Address: _____ Address: _____

Telephone: _____ Telephone: _____

Fax: _____ Fax: _____

Email: _____ Email: _____

Company Name: _____

The undersigned parties, having a dispute with each other, and being willing to resolve said dispute by means of binding arbitration pursuant to the attached Rules of Procedure of the Massachusetts Association of Personnel Services Ethics Committee and pursuant to this Agreement, agree to submit said dispute to binding arbitration by the Massachusetts Association of Personnel Services Ethics Committee. The undersigned agree to abide by and perform any award rendered thereunder, and agree that a judgment may be entered upon the award.

. Brief statement of nature of dispute (Party A) (*Note: The purpose of this statement is to advise the Arbitrators of the general subject matter of the dispute including amount of money involved if applicable. It is not necessary to set forth an argument in support of your position. Please use additional sheets*).

. Brief statement of nature of dispute (Party B) (*Note: It is only necessary to complete this section if your statement differs significantly from that of Party A. Please use additional sheets*).

Party A

Party B

Name: _____ Name: _____

Signature: _____ Signature: _____

Title: _____ Title: _____

ACKNOWLEDGEMENT (PARTY A)

State of _____

County of _____

On this, the _____ day of _____, 19____,

before me _____, the undersigned officer,

personally appeared _____, known to

me (or satisfactorily proven) to be the person whose name is subscribed to

the within instrument, and acknowledged that he executed the same for the

purposes therein contained.

My commission expires:

ACKNOWLEDGEMENT (PARTY B)

State of _____

County of _____

On this, the _____ day of _____, 19____,

before me _____, the undersigned officer,

personally appeared _____, known to

me (or satisfactorily proven) to be the person whose name is subscribed to

the within instrument, and acknowledged that he executed the same for the

purposes therein contained.

My commission expires:

EXHIBIT E

**Massachusetts Association of Personnel Services
Notice of Arbitration**

Date: _____

_____ VS. _____

You are hereby notified that, pursuant to your Agreement to Binding Arbitration dated _____, the following Arbitrators have been appointed:

Panel Chairperson _____

Agency _____

Address _____

Arbitrator _____

Agency _____

Address _____

Arbitrator _____

Agency _____

Address _____

If you object, for any reason whatsoever, to either the Panel Chairperson and/or an Arbitrator, you must notify the Panel Chairperson in writing within 10 days.

The Arbitration hearing has been scheduled as follows:

Place of Hearing: _____

Date: _____ Time: _____

Company Name: _____

Panel Chairperson: _____

EXHIBIT F

**Massachusetts Association of Personnel Services
Notice of Change in Arbitration Panel**

Date: _____

_____ VS. _____

You are hereby notified of a change in the Arbitration Panel in the above-styled Arbitration.

_____ (Arbitrator/Panel Chairperson) has been replaced by:

Name: _____

Agency: _____

Address: _____

If you object, for any reason whatsoever, to the new Arbitration/Panel Chairperson you must notify the Panel Chairperson in writing within 10 days.

The Arbitration hearing is now scheduled as follows:

Place of Hearing: _____

Date: _____ Time: _____

Company Name: _____

Panel Chairperson: _____

EXHIBIT G

**Massachusetts Association of Personnel Services
Award of Arbitrators**

Date: _____

_____ VS. _____

We, the undersigned arbitrators, having been designated in accordance with the Agreement to Binding Arbitration entered into by the above named parties, and dated _____, and having duly heard the proofs and allegations of the parties, award as follows:

Name: _____

Name: _____

Name: _____

Date: _____