

## **Qi3 Ethical Policy**

### ***Conflicts of interest***

We regard this as a most important matter, and our operating principles should be a key benefit for clients working with Qi3. Our company name and operating principles are based upon Quality, Insight, Integrity and Innovation. We are careful to provide our clients and the organisations and individuals with whom we interact on their behalf with a consistent, ethical service. This must take account of the benefits that Qi3 can offer through its technology and market domain expertise, balanced with the need to avoid conflicts of interest.

This statement is published on our web site in order to reinforce the transparency of this policy.

### ***What is “conflict of interest”?***

We understand that conflicts of interest may be real or perceived.

- Real conflicts give rise to actual tensions between unbiased advice or action that we offer based upon unconditional loyalty to the client and a biased view which could arise from having one or more competing sources of loyalty for monetary or other gain.
- Perceived conflicts of interest arise where there is no real conflict of interest but a lack of transparency gives rise to confusion or suspicion of actual conflict of interest.
- Indirect conflicts of interest arise through conflicts of interest in businesses or individuals related to the employee, subcontractor or associate of Qi3 carrying out work for a client.

### ***How do we manage conflicts of interest?***

For public sector clients, we follow the relevant sections of the Research Council handbooks “Essential Information for Members of Council and Advisory Bodies”. This includes in particular the section “Code of practice for Council and Committee members”, on handling conflicts of interest. This deals with declaration of interests and withdrawal from meetings at which discussion or determination of a matter would suggest a real danger of bias.

We follow The Seven Principles of Public Life set out by the Nolan Committee for the benefit of all who serve the public in any way:

#### **Selflessness**

Holders of public office should take decision solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

#### **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

#### **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit

#### **Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office

#### **Openness**

Holders of public office should be as open as possible about all of the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands

#### **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and take steps to resolve any conflicts arising in a way that protects the public interest

## **Leadership**

Holders of public office should promote and support these principles by leadership and example

In our dealings with the public sector, we are advisors but do not seek to be decision-makers as holders of public office where this could conflict with our work to promote the organisations' initiatives. Nevertheless, we abide by the Principles through the implementation of the operational policy set out below.

In our dealings with the private sector, we follow the Principles in the same manner through the implementation of the operational policy set out below.

## **Operational policy**

We hold our integrity dear and strive to avoid real and perceived conflicts of interest through an operational policy designed to implement the principles described above. This means (a) recruiting ethical staff and operating to a consistent ethical policy, (b) being transparent in our dealings with clients, (c) being transparent in our charges, (d) handling "pass-on" business ethically, (d) managing Intellectual Property transparently, (e) handling data properly and (e) having ongoing client/contract review procedures.

## **Recruitment of ethical staff**

When we established Qi3, we deliberately named the business according to a set of principles to which we operate:

Quality	- a consistent and thorough methodology
Insight	- a fresh perspective to business problems
Integrity	- a strong sense of personal ethics
Innovation	- the creativity to suggest radical changes, not just incremental improvement

Each of our employees and associates signs a statement in their contract that they will operate according to these principles and we will not recruit staff or tolerate behaviour that deviates from this high standard. These principles may be "soft" in that they are unquantifiable, but they are solid in our assessment of character on recruitment and review of staff and associates.

## **Transparency in dealings with clients**

Our approach to transparency is to be seen in section 12 of our Terms and Conditions:

"Qi3 may disclose the Services provided and identify the Client provided that any such disclosure shall be restricted to indicating only the general nature or category of the Services. Qi3 shall also be entitled to include on its own website a link to the Client's website and to reproduce the Client's logo, trademarks and trade names on its marketing and publicity material".

All of our clients are subject to this disclosure in general terms of the existence of a relationship, without compromising the confidentiality of the precise services offered. This means that we are happy to disclose the existence of all of our client relationships and introduce clients to one another on request.

We do not accept contracts from clients who are directly competitive unless we have advised both parties in advance. This is an unusual occurrence, usually requested by companies engaged in market research projects.

We do not act as officers, directors or shadow directors of our clients' organisations. We always seek to agree a letter of authority or a service statement which we can show to clients' clients in order to reassure them of the limits of our authority. All of our public sector contracts are limited in that we offer support but do not warrant or accept liability for business advice. This provides an important level of security and reduction in liability.

We have refused the offer of business from certain prospective clients, associates and suppliers about whose business practices or ethical standards we have been uncertain.

### **Transparency in charges**

Our client contracts contain no hidden charges or mark-ups. Employee, subcontract and Associate labour charges are agreed with the client in advance. Marketing communications contracts are arranged on (a) a fixed fee basis, (b) an agreed mark-up for purchased services such as print or web site design or (c) fees for project management and copy creation, plus subcontract with no mark-up.

We do not accept hidden inducements from clients, associates or suppliers, except for small "Christmas gifts" which are refused if out of proportion and, if accepted, shared amongst staff.

Where we manage marketing agency or other subcontract services on behalf of our clients, we subject suppliers to initial selection and regular review to ensure that the service provided is of the highest creative level and consistency subject to the client's budget. This usually results in substantial cost and quality benefits for our clients, as we are experienced in managing agency relationships.

### **"Pass-on business"**

A key benefit for organisations working with Qi3 is our ability to provide additional services to individuals or organisations such as spinout companies, RTOs, HEIs or PSREs in developing their businesses. Our current contracts with the public sector include statements such as "If requested, Qi3 may offer its services, or introduce other agencies, to facilitate the registration and exploitation of Intellectual Property. The provision of such services fall outside this contract"

Our duty is thus to manage this "pass-on" business responsibly and ethically. We seek to protect our client's interests, other organisations' and individuals' interests and our own reputation. We operate the following procedure:

- We do not actively market Qi3's services to "pass-on". This business arises from requests by the individuals or organisations.
- We explain to such prospective clients what work can be undertaken under the contract with according to our service statement, and what falls beyond its scope. If there is any conflict in this matter, we consult with the client's Project Officer.
- We explain to such prospective clients that there are other providers of services and indicate contact routes, even if these are competitive to Qi3. We are particularly concerned only to take on business that we could perform to a high standard.
- If we accept a contract from such a prospective client, we ensure that this is declared to the original client, and, through our transparency policy, to our other clients. In some cases, declaration may be delayed to enable a research project or marketing campaign to be undertaken in confidence.

### **Management of Intellectual Property**

Qi3 only owns IPR in the field of sales, marketing and business development techniques and methodologies. We do not seek ownership of IPR in technologies (except through company investments) and assign all technology IPR to our clients according to section 8 of our Terms and Conditions.

This policy avoids any conflict of interest between technologies owned by Qi3 and those that we represent on behalf of our clients.

We reserve the right to provide similar materials to different clients and to use our expertise, know-how, knowledge etc. for the benefit of multiple clients. This is of benefit to all our clients.

Please note that assignment of IPR only takes effect on full settlement of fees and, in the case of published materials or web sites, the client must indemnify Qi3 against action arising from use of its material or domain names. This means in practise that the client must take final responsibility for

materials published in print or on its web site that are created by Qi3. We manage this through a client sign-off process, or the submission of text for review and publication by the client.

### **Handling data properly**

It is important for clients to realise that part of the benefit of working with Qi3 is that we are deeply involved in a number of technologies and markets. This gives rise to shared contacts and meeting the same people in a number of contexts. We aim to manage this to the benefit of all our clients.

Qi3 is registered (number Z6031234) according to the terms of the Data Protection Act 1998 and holds personal information on contacts for itself and its clients accordingly. We go beyond the requirements of the Act by (a) being careful about transferring contacts from one client to another (b) actively encouraging opt-in to our databases and (c) running regular database cleaning campaigns.

### **Client / contract review procedures**

We review each contract every month before invoices are issued in order to ensure that deliverables have been achieved against the time input and that this matches with our timesheets and other costs. This review is naturally undertaken to the best of our ability and must take into account changes in deliverables required by the client during the month. Most of our clients give us some discretion in pursuing new avenues of opportunity for their businesses at the risk of variation in monthly delivery. This most often means additional support for a prospect or campaign above the planned resource level. We provide simple monthly reports showing highlights of the past month's activity and a forecast of the next month's deliverables.

In order to ensure that delivery is maintained over the longer term, we operate quarterly reviews for each client. This is an internal review, undertaken by another member of staff, against the key performance targets for the contract and a revised estimate of the target deliverables and funds remaining. This is followed by a quarterly team meeting with the client, at which achievements are reviewed and targets discussed and revised. This arrangement is managed more or less formally according to the client's requirements.

Project work and research reports are regularly drafted and subjected to internal and external review before submission to clients. We usually send draft reports to clients for review and comment in order that we may modify the deliverables to suit a client's evolving needs.

### ***Queries, concerns and complaints***

Any queries, concerns or complaints about the operation of this policy should be directed to the client's lead contact in the first place, and thereafter to the Managing Director of Qi3. Our concern is to maintain a high ethical standard and we welcome comments and changes to this policy that enable us to provide the best possible service according to the standards to which we aspire.