

Conflict of Interest FAQ

This FAQ is based on [Managing Conflicts of Interest: Guidance for Public Entities](#) by the New Zealand Controller and Auditor-General.



THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

WHAT IS A CONFLICT OF INTEREST?

Every staff member of the University has a number of different professional and personal interests and roles. Put most simply, a conflict of interest can arise where two different interests (one of which is the University's) overlap.

IN WHAT SITUATIONS MIGHT A CONFLICT OF INTEREST ARISE?

A conflict of interest might arise where a staff member's duties or responsibilities to the University could be affected by some other interest or duty that the staff member may have. An interest or duty might exist because of the staff member's financial affairs, or a relationship or other role that the staff member has. The existence of a conflict of interest does not necessarily mean that the staff member concerned has done anything wrong, or that the interests of the University have suffered. Interests need not cause problems if they are disclosed and well managed.

Situations in which a conflict of interest may arise typically include:

- the recruitment of staff or the appointment of members of committees
- the consideration of tenders as part of a procurement process
- the consideration of new vendors and suppliers for purchasing
- the authorisation and approval of expenditure
- being involved in or entering into a close personal relationship.

The following University policies, codes and procedural documents set out rules around particular conflicts of interest that arise in University business:

- [Appointment and Employment of Relatives or Close Friends of Staff Members Policy](#)
- [Financial Ethics Policy](#)
- [Fraud and Corruption Policy](#)
- [Governance and Management Guidelines](#)
- [Independent Contractor Template](#)
- [Interests \(Conflicts of Interest\) Policy](#)
- [Procurement Policy](#)
- [Protected Disclosures Policy](#)
- [Purchasing Policy](#)
- [Rules of Procedure for Council and its Committees](#)
- [Staff Code of Conduct](#)

HOW DO I KNOW IF I HAVE A POTENTIAL CONFLICT OF INTEREST?

A staff member will have a conflict of interest if their duties and responsibilities to the University, its staff and students could be affected **or be perceived to be affected** by some other interest or duty that they may have. If their other interest or duty could lead them to make a different decision, or take a different course of action, then there is a conflict of interest.

Labelling a situation as a conflict of interest does not mean that corruption or some other abuse of authority or power has occurred. Usually, there is no suggestion that the staff member has taken advantage of the situation for their personal benefit or been influenced by improper personal motives (nor that they are likely to do so). But the reasonable perception of an outside observer of the possibility for improper conduct can be just as significant when considering how to manage the situation.

▼ WHY DO CONFLICTS OF INTEREST MATTER?

Perception is very important. A staff member may conscientiously avoid letting their external interests influence their role at the University, but a reasonable observer in the circumstances might still consider that their decision or action could be biased or affected by some other interest they might have.

Staff members need to be fully aware of the reputational damage that a potential conflict could cause to themselves and to the University. A conflict of interest that is hidden, or that is poorly managed, creates a risk of allegations or perceptions of misconduct, or of other adverse consequences such as litigation.

▼ WHAT DO I DO IF I HAVE A POTENTIAL CONFLICT OF INTEREST?

Where a potential conflict arises, the staff member concerned is responsible for identifying and disclosing it to their line manager as soon as they become aware of it. Early and full disclosure makes managing potential conflicts straightforward to manage.

An [Interest Register](#) is maintained by the Director of Finance for interests of a financial nature and staff must register their interests in it.

For interests relating to close personal relationships, staff and line managers are encouraged to speak to their HR Advisor about what, if any, accommodations might be necessary in terms of the management of staff or the teaching, supervision, assessment and/or pastoral care of students.

▼ HOW ARE CONFLICTS OF INTEREST HANDLED?

If a staff member becomes aware that a conflict of interest between them and the University may arise in relation to a particular matter, he or she should disclose it as soon as possible. There are no universal rules for identifying and dealing with conflicts of interest that could apply to all situations that might arise at the University. Each situation needs to be handled on its own merits. If in committee, it is appropriate to raise the conflict at the beginning of the meeting, prior to the relevant agenda item. Arrangements can then be made to manage it. If there is a real danger of bias on the behalf of a staff member, they might be prohibited from discussing and voting at meetings on matters in which they have an interest.

Most often, what needs to be managed (and seen to be managed) is the risk of the adverse public perception that could arise from overlapping interests.

▼ WHO CAN I GO TO FOR HELP IN IDENTIFYING AND HANDLING A POTENTIAL CONFLICT OF INTEREST?

In the first instance you should seek advice from your line manager.

Advice may also be sought from:

Director of Finance

Anthony Robertson

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Director of People and Capability

Rose Macfarlane

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