

# CONFLICT OF INTEREST PROCEDURE

## SCOPE

This procedure applies to all staff and its associate workforce at Monash University Malaysia, Monash University Indonesia, Monash Suzhou and the Monash University Prato Centre, herein collectively referred to as 'staff' for the purpose of this procedure unless otherwise indicated.

Staff at Monash University Australia should apply the [Declarations of Interests Procedure](#).

## PROCEDURE STATEMENT

This procedure outlines the principles applying to perceived, potential and actual conflicts of interest as well as ensuring conflicts of interest are managed appropriately.

Monash University is committed to ethical practices and standards. This includes acknowledging responsibility for decisions and actions, as individuals and as an organisation, exercising power responsibly and acting with transparency, integrity and professionalism.

This procedure assists staff to engage with ethical questions of conflict of interest as they arise and to be conscious of the impacts of decisions with respect to any perceived, potential or actual conflict of interest.

This procedure should be read in conjunction with the [Ethics Statement Policy](#).

### 1. Staff obligations

- 1.1 Staff must act with integrity and demonstrate ethical behaviour in accordance with the University's [Ethics Statement Policy](#) and other policies and procedures when faced with the potential of a clash between private interests and University interests, and where this may raise ethical or legal issues.
- 1.2 Staff must be transparent about any perceived, potential or actual conflict of interest, ensuring declarations are made at an early stage and/or seeking advice from the relevant Head of School/Unit or local equivalent when doubt exists.

### 2. Categories of conflicts of interest

Potential	<p>A potential conflict of interest arises where a staff member has an interest or obligation, whether personal or involving a third party, that has the capacity to develop a conflict with the staff member's duties/responsibilities with the University.</p> <p><b>For example:</b> A staff member has a pre-existing personal relationship with a student of the University.</p>
Perceived	<p>A perceived conflict exists where it could reasonably be perceived, or give the appearance, that a competing interest could improperly influence the work related decisions/activities of a staff member.</p> <p><b>For example:</b> A staff member has an interest in a business that sponsors research undertaken with the University.</p>
Actual	<p>An actual conflict involves a direct or real conflict between a staff member's duties and responsibilities to the University and a competing interest or obligation, whether personal or involving a third party.</p> <p><b>For example:</b> A staff member assesses a tender submitted by a business in which the staff member has a financial interest.</p>

### 3. Areas of conflicts of interest

#### Commercial (incl. directorships and shareholdings)

- 3.1 Where a staff member holds an interest in a directorship, shares, or has a personal connection with a company, the staff member should:
- remove themselves from the conflict;
  - ensure appropriate controls are in place to manage the conflict; and/or
  - disclose the conflict prior to any business activity taking place.

#### Employment matters

- 3.2 Staff must not take direct part in any of the below activities where a personal relationship exists with the person concerned unless otherwise authorised to do so under a conflict of interest management plan:
- the recruitment and appointment of a staff member;
  - the supervision of a staff member;
  - the supervision, teaching or assessment of a student; and/or
  - assessment of academic promotion and study leave applications etc.

#### Financial

- 3.3 All decisions which have a financial impact on the University must be made with integrity and in accordance with the [Ethics Statement Policy](#).
- 3.4 A financial conflict of interest may arise:
- If a staff member has budgetary responsibilities and also has a personal interest in an activity that is to be funded out of the staff member's school/unit;
  - When, as a researcher, the staff member has financial involvement with an external company that funds part of the research the staff member is undertaking; and/or
  - When a staff member is involved in financial and non-financial decisions about equipment, facilities, licence agreements, etc. on the University's behalf.
- 3.5 Refer to the [Finance policies and procedures](#) for further information.

#### Gifts, benefits and hospitality

- 3.6 Staff must not receive any gift, benefit or hospitality that could reasonably be interpreted by others as a real, perceived or potential conflict of interest. The acceptance of gifts is dealt with in more detail in the [Gifts, Benefits and Hospitality Procedure](#).

#### Paid outside work

- 3.7 All paid outside work must comply with the [Paid Outside Work Procedure](#).
- 3.8 In accordance with this procedure, staff must disclose any perceived, potential or actual conflict of interest or conflict of commitment arising from an engagement or activity the staff member has or may have outside the University and devise a conflict management plan in consultation with the head of school/unit to resolve or manage the conflict.

#### Staff/student personal relationships

- 3.9 The University will not tolerate coerced and exploitive relationships; these must not occur. Staff must declare any new or existing intimate or close personal relationship, which may give rise to any perceived, potential or actual conflict of interest. Once declared, a conflict of interest management plan is to be made, which must include no dealings between the participants on academic or other University matters.
- 3.10 Personal relationships between staff and students must not afford an undue advantage or disadvantage because of the existence of such personal relationships (either intimate relationships or close personal relationships).
- 3.11 Where a staff member is unclear or in breach of maintaining professional boundaries or a personal relationship exists, the staff member must disclose the relationship in accordance with this procedure.
- 3.12 Academic staff members must not teach, supervise or assess the work of a student with whom the staff member has a personal relationship. For information about the potential for conflict of interest in the [supervision of masters and doctoral students](#) and to comply with the specific prohibitions, refer to [the Handbook for Doctoral Degrees](#).
- 3.13 Refer to the [Staff and Student Personal Relationships Procedure](#) for further information.

## Procurement matters

- 3.14 The University acknowledges that perceived, potential and actual conflicts of interest may arise during procurement processes. Therefore, anyone involved in procurement activities on the University's behalf must also comply with the University's [Finance policies and procedures](#).
- 3.15 The University must ensure that the procurement of all goods and services is conducted in an honest, competitive, fair and transparent manner that delivers the best value for money outcome whilst at the same time protecting the University's reputation. The University acknowledges that conflicts of interest may arise during procurement processes; however, the University expects staff to act with integrity, making ethical decisions at all times. Refer to the [Procurement Policy](#) for further information.

## Research

- 3.16 The University's research activities must be conducted to the highest ethical standard by incorporating ethical reviews of all research activities involving human or animal subjects conducted. By subjecting research to appropriate review, the University will ensure compliance with current ethical guidelines and legislative frameworks as they apply to research.
- 3.17 Researchers have additional responsibilities under the [Australian Code for the Responsible Conduct of Research](#) (the Code), the National Health and Medical Research Council (NHMRC), the [Guidelines for NIH/PHS financial conflict of interest compliance](#), in addition to any in-country obligations.
- 3.18 Researchers in the areas of biomedical and clinical research should not receive any direct benefit and must disclose any indirect benefit from the outcome of clinical trials.
- 3.19 Commercialisation of research is increasingly important to the University and it is recognised that substantial benefits can arise from collaborations and relationships with industry in the licensing and marketing of research discoveries, including through the creation of a spin-off company. These activities may also be a source of potential conflicts of interest which need to be appropriately managed. Refer to the Research policies and procedures for further information.

## Examples of conflicts of interest

- 3.20 Further guidance on the types of activities that might be perceived, potential or actual conflicts of interest is available via the [Examples of Conflicts of Interest and Guidelines for Action](#).

## 4. Declaring conflicts of interest

Step 1	Complete the relevant local submission form and/or process for declaring conflicts of interest (see clause 6 for further information). This form includes details about the conflict and the proposed management plan.
Step 2	The Head of School/Unit or local equivalent reviews the form and completes the relevant section and, after discussion with the staff member, either confirms or amends the conflict of interest management plan. The relevant HR Business Partner or equivalent local contact can provide advice where required.
Step 3	The Conflict of Interest Advisory Officer (CIAO) or authorised delegate will review the plan and provide any further direction on how the conflict of interest should be managed and approve where appropriate.

## 5. Annual declaration process

- 5.1 The University administers an annual declaration process for particular issues that may give rise to actual or perceived conflicts of interest. This process includes the annual declaration of student admissions, personal relationships and private interests.
- 5.2 If a staff member has a personal relationship with someone who is seeking admission to the University, they must disclose this information. This includes situations where the staff member is:
- a selection officer;
  - employed in a position involved with the admission or recruitment of students;
  - a senior Monash staff member; and/or
  - a Faculty/General Manager or local equivalent.
- 5.3 Staff are required to complete the annual declaration process during July and August as directed by the University.
- 5.4 Supervisors responsible for performance development must review the annual declaration process annually as part of the performance development discussion unless otherwise required at another time.

## Monash University Malaysia

- 5.5 Monash University Malaysia staff with a University financial delegation exceeding RM10,000 must disclose their private interests to ensure that management is conducted fairly, ethically, transparently, and without bias by completing the [Declaration of Private Interests Form](#).
- 5.6 Monash University Malaysia staff must disclose any personal relationships that may give cause to actual or perceived conflicts of interest by completing the [Conflict of Interest Disclosure and Management Form](#).
- 5.7 Monash University Malaysia staff must disclose any actual or perceived conflicts of interest related to student admissions in accordance with clause 5.2 by completing the [Declaration Regarding Student Admissions and Recruitment Form](#).

## Monash University Indonesia

- 5.8 Monash University Indonesia staff must disclose any actual or perceived conflicts of interest related to student admissions, personal relationships and private interests by emailing [Monashindonesia-HR@monash.edu](mailto:Monashindonesia-HR@monash.edu).

## Monash University Prato Centre

- 5.9 Monash University Prato staff must disclose any actual or perceived conflicts of interest related to student admissions, personal relationships and private interests as part of their annual MyPlan process in consultation with their supervisor.

## Monash University Suzhou

- 5.10 Monash University Suzhou staff disclose any actual or perceived conflicts of interest related to student admissions, personal relationships and private interests by completing the [Conflict of Interest Disclosure and Management form](#).

## 6. Whistleblowing

- 6.1 The University does not tolerate fraud, corruption, misconduct, criminal or improper conduct. A person who makes a report of this type of conduct may be considered to have made a whistleblower disclosure and be protected in accordance with Commonwealth or Victorian law.
- 6.2 Staff who make a disclosure about or involving the University will be offered necessary support and assistance throughout the process, in compliance with the University's legal obligations and the [Whistleblower Policy](#) and [Procedure](#).

## 7. Breach of procedure

- 7.1 The University treats any breach of policies, procedures and schedules seriously. The University encourages reporting of concerns about non-compliance and manages compliance in accordance with the applicable Enterprise Agreement, relevant instrument of appointment and/or applicable contract terms. A failure to comply with this procedure may result in action by the University. Such action may include disciplinary and other action up to and including potential termination of employment for employees and cessation of other engagements for other persons.
- 7.2 Failure of researchers to comply with this procedure may also result in loss of funding for the University.

## DEFINITIONS

Associated workforce	Associated workforce means any person appointed by the University to participate in University activities in an unpaid capacity and are not employees of the University. The associated workforce includes, but is not limited to, Honorary, Adjunct, Emeritus, Conjoint Appointments, University Visitors and Affiliates.
Close personal relationship	A relationship between a staff member and a relative, a financially dependent person, a close friend, a de facto partner or any person with whom there is currently, or has been, an intimate relationship. This does not include a working relationship which exists due to ordinary collegiate academic collaboration, where the colleagues are not relatives, financially dependent, or de facto or intimate partners.
Conflict of commitment	This occurs when one interest of a staff member, which may or may not be a private interest or non-University interest, may harm or interfere with the productivity or involvement of that staff member in aspects of their University responsibilities. It may concern the staff member's distribution of efforts between employment obligations to the University and to outside activities. Conflicts of commitment can occur in research where the staff member's non-University activities harm or interfere with the staff member's research obligations.

Conflict of interest	The term 'conflict of interest' refers to a situation where a conflict arises for an individual between two competing interests, which are often, but not exclusively, interests of public duty versus private interests. Conflicts of interest may be reasonably perceived, potential or actual. Conflicts of interest can involve financial or non-financial interests of the staff member and the interests of a business partner or associate, family member, friend or person in, or has had a close personal relationship with the staff member.
Conflict of interest advisory officer (CIAO)	For the purpose of this procedure, the Chief People Officer (or in the case of Monash University Malaysia, Senior Vice-President (Research & Operations)) acts as a CIAO for all instances of general conflicts of interest and the Vice-Provost (Research) (or in the case of Monash University Malaysia, Senior Vice-President (Research & Operations)) acts as the CIAO for conflicts of interest in research. The CIAOs provide advice and assistance in the resolution of potential conflicts of interest that are unable to be resolved between the relevant parties.
Conflict of interest in research	This includes an actual, perceived or potential conflict of interest which may compromise, or have the appearance of compromising, a person's ethical behaviour and professional judgement in the conduct and reporting of that research. It is critical that such conflicts are appropriately managed as they can compromise the validity and integrity of the research process and undermine public confidence in the institution.
Financial interest	Any employment, business activity or other right, claim, title or legal share in something that has a monetary, or equivalent value. Examples of financial interest include, but are not limited to, distributions from trusts, directorships of trusts, significant shareholding (more than 5% of issued capital) in a public or private company, shares, share options, dividends, and the right to receive remuneration or other benefits such as salaries, fees from company directorship or board membership, consulting fees, allowances and discounts.
Non-financial interest	Any community or other voluntary activity or involvement including with a sporting club, church, political party or other formal or informal association or group including voluntary directorships/board memberships for which the staff member receives no monetary benefit.
Paid outside work	Remunerated work or a professional development activity that a staff member undertakes for an external party which is outside their normal university duties and may create a conflict of commitment and in certain circumstances an actual, perceived or potential conflict of interest.
Staff/Student personal relationship	A relationship between a staff member and a prospective or current student of Monash University, which can be either close or personal (as per the <a href="#">Staff and Student Personal Relationships procedure</a> )

## GOVERNANCE

Parent policy	<a href="#">Integrity and respect</a>
Supporting schedules	N/A
Associated procedures	<a href="#">Gifts, Benefits and Hospitality Procedure</a> <a href="#">Fraud and Corruption Control Procedure</a> <a href="#">Paid Outside Work Procedure</a> <a href="#">Staff/Student Personal Relationships</a>
Related legislation	<b>Indonesia</b> Law No. 31 of 1999 on the Eradication of Criminal Act of Corruption, as amended by Law No. 20 of 2001 Law No. 11 of 1980 on the Criminal Act of Bribery <b>Malaysia</b> <a href="#">Anti-Corruption Commission Act 2009</a> <b>China</b> Criminal Law of the People's Republic of China Anti-Unfair Competition Law



	<b>Italy</b> Italian Criminal Code Italian Civil Code
Category	Operational
Approval	Chief Human Resources Officer 1 July 2019
Endorsement	Director, Workplace Relations 1 July 2019
Procedure owner	Director, Workplace Relations
Date effective	1 July 2019
Review date	4 April 2021
Version	9.3 ( <i>minor amendments effective on 7 August 2023</i> )
Content enquiries	<ul style="list-style-type: none"> <li>• Monash University Malaysia: <a href="#">Access MUM HR</a></li> <li>• Monash University Indonesia: <a href="mailto:Monashindonesia-HR@monash.edu">Monashindonesia-HR@monash.edu</a></li> <li>• Monash University Prato Centre: <a href="mailto:Cathy.Crupi@monash.edu">Cathy.Crupi@monash.edu</a></li> <li>• Monash Suzhou: <a href="mailto:suzhou@monash.edu">suzhou@monash.edu</a></li> </ul>