Conflicts of interest

Information

Understanding conflicts of interest

Information sheet

If undeclared or left unmanaged, conflicts of interest can lead to corruption and misconduct in the workplace.

For anyone working in the public sector, knowing how to identify, declare and manage conflicts of interest can help reduce the risk they pose.

How to identify conflicts of interest

There are three main types of conflict of interest we come across in the public sector.

The first is an **actual** conflict of interest. This is when a public officer's duties conflict with their private interests.

The second is a **potential** conflict of interest. This is when a public officer's duties could potentially conflict with their private interests and influence their actions.

And the third is a **perceived** conflict of interest. This is when the public or a third party could form the view that a person's private interests could improperly influence their duties as a public officer.

How to manage conflicts of interest

The starting point for managing conflicts of interest is open communication between public officers and their managers. The clearer you can be about different scenarios and situations that may present a conflict for you, the better equipped you will be to identify what the conflict of interest may be and how to handle it.

Each organisation has different policies and procedures around reporting conflicts of interest. Managers have a responsibility to regularly discuss and review possible conflicts of interest. It is essential for organisations to have clear policies and guidance around conflicts of interest and set expectations for identifying, declaring, and managing them.

As a public officer, you must always serve the public interest, regardless of your private interests, personal relationships, or the feeling of being under external pressure.

Frequently Asked Questions

Q. Is a public sector officer with a conflict of interest automatically considered corrupt?

A. Conflicts of interest are not inherently corrupt. The risk of corruption happens when we fail to properly identify, declare, and manage them.

Q. Is telling my manager about it all I need to do?

A. While this is a great first step in managing a conflict of interest, you should also make sure it is properly recorded and a management plan is created. The management plan will outline how the conflict of interest will be handled and risks will be minimised.

Q. Are my private interests relevant to my role?

A. Public officers are entitled to their own private life, however they must also perform their role in an accountable and unbiased manner that acts in the public interest.

If an actual conflict of interest exists, it is extremely difficult for a public officer to separate the knowledge or loyalty associated with their private interest from their public responsibilities. Even unconsciously, a public officer's actions may be affected by their interest.

Q. Isn't it more important to get the job done regardless of a conflict of interest?

A. Getting the job done must not mean 'doing it at any cost'. Your first priority is to serve the public interest. This means being transparent about conflicts of interest.

Q. Can all conflicts of interest be avoided?

A. Unfortunately, some conflicts are unavoidable. In certain situations, such as recruitment in rural and regional areas or when there is a limited applicant pool for specific positions, interests may overlap. It is still important that these are recorded and a management plan established.

It's your duty to report corruption whenever you see it.

If you have concerns about conflicts of interest not being declared or managed properly in your workplace, you need to report it.

Fill out the secure online form to report at **www.ibac.vic.gov.au**

If you have difficulty accessing the online form call us on **1300 735 135** for further assistance.

Interpreter

If you need help with translation, call Translating and Interpreting Service on **13 14 50** or visit **www.ibac.vic.gov.au/mylanguage**

August 2023

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