Managing personal relationships in recruitment and the workplace

Best practice guidelines
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Conflicts of Interest was identified as the most common potential corrupt behaviour in a study of Victorian public officers, with hiring friends and family seen as one of the primary causes for suspicion. The issue has also made the headlines with recent cases across Australia. Personal relationship conflicts of interest have been a long standing complex issue that is sometimes unavoidable and not necessarily improper or unethical.

Western Australia has not been immune to this with the Public Sector Commission (PSC) receiving notifications against public sector organisations alleging nepotism and patronage towards associates of public officers. Although investigation revealed that such notifications reflected perceptions rather than reality, the PSC has identified the importance of adequately documenting how conflicts were managed to ensure transparency and accountability. In the absence of adequate documentation of managing the issue, the perception of such favouritism can still be damaging to the public sector.

The issue is very complex with no definitive checklist for managing each potential scenario, as this can vary greatly depending on the individual circumstances. The general principles of identifying and managing a conflict of interest can be applied, but also require consideration of appropriate employment policies and procedures to ensure all decisions and processes are documented, transparent and capable of independent review.

This guide is intended to raise awareness and provide advice for managing personal relationship conflicts of interest in the workplace and to consider the potential consequences when conducting recruitment, retention and promotion processes.

M C Wauchope
PUBLIC SECTOR COMMISSIONER

Purpose

Background
The Public Sector Commission (PSC) have received Matters of Referral (MORs) and Breach of Standard Claims (BoSCs) in recent times alleging nepotism towards family members and instances of what may be described as patronage towards friends. It was apparent that these instances had occurred at relatively low levels of seniority within each of the public sector bodies, suggesting that it was unlikely the Senior Executives would have had any clear line of the recruitment practices of the individual work units involved.

This suggests the need for senior executives to increase the awareness of personal relationship conflicts of interest risks amongst senior and middle managers within their respective public sector bodies. This guide is intended to raise awareness of this issue and options to consider when managing such conflicts to ensure good governance principles are followed.

Scope and application
This guide applies to all public sector employees and public sector bodies covered by the Public Sector Management Act 1994 (PSM Act), which includes boards established under their own legislation.
Personal relationships in the workplace

Refers to associations, affiliations or obligations that are beyond the formal interactions colleagues have as a requirement of their role. This can range from brief to enduring relationships in either the present or past.

Types and examples of such relationships are not limited to but include the following:

<table>
<thead>
<tr>
<th>Type</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Beliefs</strong></td>
<td>• Religion&lt;br&gt;• Cultural</td>
</tr>
<tr>
<td><strong>Platonic</strong></td>
<td>• Friendship&lt;br&gt;• Neighbour</td>
</tr>
<tr>
<td><strong>Professional</strong></td>
<td>• Business partnership&lt;br&gt;• Clubs / Organisations</td>
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<tr>
<td><strong>Relatives</strong></td>
<td>• Related by blood&lt;br&gt;• Step-relatives</td>
</tr>
<tr>
<td><strong>Romantic</strong></td>
<td>• Dated&lt;br&gt;• Partner</td>
</tr>
<tr>
<td><strong>Resentment / Animosity</strong></td>
<td>• Past conflict&lt;br&gt;• Competition</td>
</tr>
</tbody>
</table>

Such relationships should not interfere with decisions or processes associated with selection and promotion of staff, confirmation of appointment, performance review, staff development opportunities and assessment of staff.
**Public Sector bodies**

This includes departments, SES agencies, non-SES organisations (including boards established under their own legislation) and ministerial offices as defined under the PSM Act and all employees of these bodies, but excludes all entities listed in Column 2 of Schedule 1 of the PSM Act and their employees.

The [Chart of the WA Government](#) provides a listing of WA public sector bodies and their status under the PSM Act.

**Public Service Officer**

The [Public Sector Management Act 1994 (PSM)](#) defines a Public Service Officer as ‘an executive officer, permanent officer or term officer employed in the Public Service under Part 3’ of the PSM Act. ²

**Public Officer’s duties**

The [Commissioner’s Instruction No. 7 – Code of Ethics](#) ³ sets the minimum standards of conduct and integrity to be complied with by all public sector bodies and employees.

[Commissioner’s Instruction No. 8 – Codes of conduct and integrity training](#) ⁴ establishes the requirement for public sector bodies to develop their own code of conduct and to provide training to employees and board members on accountable and ethical decision-making, and identifies the official conduct requirements which must be included within a public sector body’s code of conduct.

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² [Public Sector Management Act 1994, s3](#)
³ [Public Sector Commission (2012) Commissioner’s Instruction No. 7 – Code of Ethics](#)
⁴ [Public Sector Commission (2012) Commissioner’s Instruction No. 8 – Codes of conduct and integrity training](#)
Conflict of interest

The PSC adopts the Integrity Coordinating Group’s definition of a conflict of interest as ‘a conflict between a public officer’s duties and their personal or private interests.’ ⁵ This conflict can flow from personal or private connections and can be actual, potential or perceived matters. This was supported by the United Kingdom’s National Audit Office who noted that ‘the perception of competing interests, impaired judgement or undue influence can also be a conflict of interest.’ ⁶

Private Interests

The PSC adopts the Organisation for Economic Co-operation and Development (OECD) definition of private interests as:

‘...not limited to financial or pecuniary interests, or those of direct personal benefit to the official. Personal affiliations or relationships, debts and other obligations, religious or ethnic associations, professional and party-political alignments, and family interests, may come within the scope of the definition if those interests could reasonably be considered as likely to influence improperly the official’s performance of their duties.’ ⁷

 Relatives

A family connection can extend beyond blood or marital ties. The preferred approach is to use the definition of a relative provided in the Western Australia Equal Opportunity Act 1984 (EO Act) which states:

‘...a person who is related to the first mentioned person by blood, marriage, affinity or adoption and includes a person who is wholly or mainly dependent on, or is a member of the household of, the first mentioned person.’ ⁸ ⁹

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⁵ Integrity Coordinating Group (2011) Conflicts of Interests Guidelines for the Western Australia Public Sector
⁸ Western Australia Equal Opportunity Act 1984, s4
⁹ Recognising the risks associated with family relationships the EO Act also states that it is not unlawful to restrict employment if the person is a relative of the employer or a relative of another employee, however, this provision has yet to be judicially considered in Western Australia.
Western Australian context

Review of allegations received by the Public Sector Commission

The Commission reviewed all Matters of Referral (MOR) and Breach of Standard Claims (BoSC) it had received during January 2010-July 2015 that related to personal relationship conflicts of interest.

The review highlighted potential ongoing risks to public sector bodies within the Western Australia public sector. Although limited in number, instances were identified where members of selection panels had declared conflicts of interest but failed to adequately document how the risks were managed. This suggests an awareness of conflicts of interest exists, but does not always extend to an understanding of the required steps to manage and document the risks appropriately.

Where a conflict of interest has been declared, managers that receive a recommendation at the outcome of a selection process must ensure that the supporting documentation clearly demonstrates how the risks were identified and appropriately managed.

Western Australian representative review

A representative sample of Western Australian public sector agencies was consulted to obtain more information about the steps being taken across the sector to address the issue. Agencies were asked to provide copies of their:

- codes of conduct
- recruitment, selection and appointment policies
- conflicts of interest policies.

Participation was voluntary, with eight agencies providing material for review. The Commission would like to thank these agencies for their contribution.

The list of respondents is provided in Appendix A.
The key findings from reviewing these materials were:

- Definitions of conflicts of interest tended to cite the two main types as being material or financial interests and partiality interests (e.g. personal relationships, values or obligations).

- Most agencies cited the Integrity Coordinating Group’s 6P’s to identify and 6R’s to manage conflicts of interest. Some agencies provided examples of applying this to managing personal relationships in their workplace (e.g. ensuring no preferential treatment is provided to friends of family when processing administrative applications).

- Several agencies cited conflicts of interest in their codes of conduct, and the importance to declare all potential, perceived or actual conflicts of interest.

- Only one agency cited nepotism and patronage as specific risks to be aware of during a recruitment process, and the need to document and manage accordingly.

- Most agencies had conflicts of interest forms that identified personal relationships as a consideration. All forms were required to be signed by the panel member, retained on the recruitment file and noted in the final selection report.

- One agency had developed internal policies and best practice guides for managing personal relationships in the workplace and during recruitment processes. These documents outlined appropriate principles, responsibilities of staff and managers, identification of potential conflicts, documentation and management strategies to address the risks. These were supported by practical examples and a frequently asked questions section that elaborated on the points noted.

- Personal relationship conflicts of interest were overall seen as an issue to consider, but was typically classified as part of wider conflicts of interest policies and procedures.
Australian and international context

**Awareness of Corruption in the Community and Public Service: a Victorian Study by Professor Adam Graycar.**

In 2012 the Independent Broad-based Anti-corruption Commission engaged the Australian National University (ANU) to research perceptions of corruption risks within the Victorian public sector. Professor Adam Graycar published the report *Awareness of Corruption in the Community and Public Service: a Victorian study* within the Australian Journal of Public Administration in June 2014.

The report identified key findings and lessons learned from ANU’s research, including that recruiting personnel was one of the most commonly identified corruption risks in Victoria’s public service.  

Specifically, 38 per cent of respondents suspected hiring of friends or family for public service jobs was rampant, while 25 per cent indicated that they had personally observed it in their respective agencies. This data was compared with data from other jurisdictions collected through an ANU poll, with generally consistent responses.  

Professor Graycar’s findings were intended to provide data for officials to consider when building integrity structures within their agencies. Actions such as hiring friends or family members without an appropriate merit process can undermine public trust in government, waste public money and undermine the reputation of the wider sector.  

The implications of such actions occurring have been demonstrated through high profile cases of personal relationship conflicts of interest making headlines across Australia. The following case studies provide two examples.

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Australian case studies

**Tasmania - Integrity Commission Report into senior officers at the North West Area Health Service**

Between 2009-2013 two senior officers at the North West Area Health Service, Mr A and Ms H, used their positions to provide employment to family members (Mr A’s son and Ms H’s husband). The Tasmanian Integrity Commission found that the two senior officers had previously worked together in New Zealand and had used their positions to provide benefits to their family members. ¹³

It was deemed that neither had appropriately dealt with their conflicts of interest nor complied with relevant employment policies or procedures. The cost of such non-compliance was estimated to be in excess of $500 000, not including the salaries paid to the family members. ¹⁴

**Queensland - Crime and Corruption Commission - University of Queensland**

In 2010 the daughter of the then Vice Chancellor was offered a publically funded medicine scholarship at the University of Queensland despite not meeting the entry requirements. It was found that 343 applicants were ranked above her based on merit, but were not offered placements. ¹⁵

The Crime and Misconduct Commission found that the decision to award the scholarship to the Vice Chancellor’s daughter was made by a close colleague. No formal complaints were made for nine months, despite some senior staff suspecting potential misconduct. The report recommended:

- Robust policies that help and encourage staff to identify, declare and report.
- Instilling an attitude amongst staff that personal loyalty to colleagues should not prevent the reporting of suspected misconduct.
- Ensuring merit and equity is the basis for selection.
- Documenting all details of the conflict including the parties involved, the process followed, and how it was resolved. ¹⁶

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¹³ Integrity Commission (2014) Report no.1 of 2014, *An investigation into allegations of nepotism and conflicts of interest by senior health managers*

¹⁴ Integrity Commission (2014) *An investigation into allegations of nepotism and conflicts of interest by senior health managers*, p2

¹⁵ Crime and Misconduct Commission (2013) *An examination of suspected official misconduct at the University of Queensland*

¹⁶ Crime and Misconduct Commission (2013) *An examination of suspected official misconduct at the University of Queensland*
Policies, procedures and guidelines across Australia

Federal - Australian Public Service Commission (APSC)

The APSC Values and code of conduct in practice guide do not recommend employees in personal relationships work in the same area and noted:

‘While it is not uncommon or wrong for couples or other family members to be working in the same agency, it is not usually appropriate for one to have any line responsibility over another.’ 17

The APSC also have the Declarations of personal interests guidelines, which require persons employed under the Public Service Act 1999 to consider and declare private interests or relationships that could or could be seen to impact upon the decisions made or advice given. Employees may have family or other personal relationships with people engaged in activities that could be related to their role, but it is recommended it be declared for openness and transparency. 18

NSW - Independent Commission Against Corruption (ICAC)

The ICAC have produced guidelines for identifying and managing recruitment and selection risks, including two potential corruption risks related to personal relationship conflicts of interest:

- An employee (convenor/panel member/other) manipulating selection procedures to secure the appointment of a close friend or family member.
- A selection panel member failing to declare a conflict of interest and acting to advance the interests of an applicant who is a close friend or a relative. 19

In order to manage this, ICAC recommended regularly reviewed clear policies and procedures with transparent documentation about why decisions were made. If there are close personal relationships between applicants and employers, it is treated as a conflict of interest with formal declarations and appropriate management (e.g. engaging external panel members). 20

17 Australian Public Service Commission (2013) APS Values and Code of Conduct in practice: A guide to official conduct for APS employees and agency heads
19 Independent Commission Against Corruption, Recruitment and selection
20 Independent Commission Against Corruption, Recruitment and selection
International guidelines

Organisation for Economic Co-operation and Development (OECD) guidelines

In 2003 the OECD surveyed the conflict of interest policies and practices of their 30 member countries, leading to a comprehensive review and establishment of the OECD Guidelines for Managing Conflict of Interest. 21 These guidelines provided the first international benchmarks for designing and implementing a conflicts of interest policy.

Some of the key findings relating to personal relationship conflicts of interest included:

- Laws can establish definitions of key terms, but policies, guidelines and training can provide more practical examples.
- Information must be relayed to public officers to ensure they know what is expected and the appropriate courses of action to take.
- Organisations need a strong culture of openness and leadership to demonstrate commitment to the issue.
- The importance of regular reviews of potentially ‘at risk’ areas to ensure mechanisms are addressing the issue. 22

New Zealand - Office of the Auditor General (OAG) guidelines

Due to its size, New Zealand does not have layers of provincial or state governments, or a centralised ethics or integrity body such as the PSC. Instead conflicts of interest policies are designed by each agency and based on the premise that public trust in the public service is only attainable through open and transparent processes. 23

The OAG do not have a set of prescribed rules for each situation and instead recommend assessing matters on a case-by-case basis, as conflicts can be natural and unavoidable. 24

The OAG noted that potential cultural issues can arise when defining families and relatives, as some cultures such as Maori have a broader concept of who could be included in this definition. The key is careful management and deciding the best course of action to avoid or mitigate any effects. To do this they recommend the following courses of action:

- Have an open process to disclose potential conflicts for assessment as soon as they arise.
- The public entity have the primary obligation to determine the correct course of action to manage the issue.
- When assessing a matter, the directness and seriousness must be considered. The directness is how close the conflict is to the parties and significance relates to the potential effects.
- Management options range from discussions to removal from the process.
- Decisions need to be clearly documented, including who undertook the assessment, how and the actions taken.

The OAG provided a case study involving the employment of a relative in which it noted that while relatives may work in the same organisation, it may be unwise to employ two people in a direct reporting relationship or in two senior positions. This situation could lead to perception of a lack of independence and professionalism even if the correct processes have been followed. This will need to be assessed in each case and the employer to consider if the ongoing conflict can be adequately managed.

Legislation, frameworks and general principles

Personal relationship conflicts of interest must be considered within an ethical framework that requires public officers to act with integrity, impartiality, in good faith and in the best interests of the organisation they serve. In some cases, organisations are required by law to manage conflicts of interest through a specific process.

The underpinning legislation, framework and principles in the management of conflicts of interest in the Western Australian public sector are listed below.

**Relevant legislation, regulations and Commissioner’s Instructions**

- *Public Sector Management Act 1994* (particularly the principles in s. 7, 8 and 9)
- *Public Sector Management (Breaches of Public Sector Standards) Regulations 2005*
- *Western Australian Public Sector Code of Ethics*
- *Financial Management Act 2006*
- *State Supply Commission Act 1991*
- *Financial Administration and Audit Act 1985*
- *Local Government Act 1995* and associated regulations
- *Members of Parliament (Financial Interests) Act 1992*
- *Commissioner’s Instruction No. 7 – Code of Ethics*
- *Commissioner’s Instruction No. 8 – Codes of conduct and integrity training*

**Policies and guidelines**

- The Public Sector Commission Western Australian Public Sector Standards in Human Resource Management
- The Public Sector Commission Western Australian Questions and answers HR principles in human resource management
Conflicts of interest types

The Integrity Coordinating Group classifies three types of conflicts of interest.

1. Actual conflict of interest: When an employee is asked to make a decision as a public officer that directly affects or impacts their personal or private interests.  

Examples:

- A member of a selection panel is best friends with one of the applicants and does not disclose this to the rest of the panel or complete a declaration.
- A manager endorses the purchase of $20,000 of office furniture to refit their agency from a company owned by their spouse.

2. Perceived conflict of interest: Where a public officer has private interests that could conflict with their official duties in the future, or where a public officer has competing interests because they hold more than one official role or public duty.

Examples:

- The new girlfriend of a close friend applies for a job where you are on the selection panel. You have only met the girlfriend once, but fail to disclose your association.
- Before working in the public sector an IT Manager worked for a small IT company in the private sector. The manager is responsible for a tender process to upgrade the office’s IT equipment and the preferred supplier is the manager’s former employer.

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28 Integrity Coordinating Group (2011) Conflicts of Interests Guidelines for the Western Australia Public Sector
29 Integrity Coordinating Group (2011) Conflicts of Interests Guidelines for the Western Australia Public Sector
3. **Potential conflict of interest:** Where an employee’s decision could be questioned based on a personal or private interest that may not actually have impacted any decision.  

Examples:

- An Events Coordinator is invited to attend an exclusive gala dinner hosted by a large city hotel. Their agency host quarterly forums at hotels across the city and the officer is responsible for researching and recommending a venue for the next forum.
- A part-time Human Resources Consultant for an agency undertakes secondary employment for a private human resources consultancy firm offering consultancy services to other government departments.

**General principles for identifying conflicts of interest**

There is no definitive way to identify every potential situation due to the various nuances and complexities, however the six Ps developed by the Integrity Coordinating Group provide a starting point for identifying a conflict of interest.

- **Public duty versus private interest:** Do I have personal or private interests that may conflict, or be perceived to conflict with my public duty?
- **Potentialities:** Could there be benefits for me now, or in the future, that could cast doubt on my objectivity?
- **Perception:** How will my involvement in the decision or action be viewed by others?
- **Proportionality:** Does my involvement in the decision appear fair and reasonable in all the circumstances?
- **Presence of mind:** What are the consequences if I ignore a conflict of interest? What if my involvement was questioned publicly?
- **Promises:** Have I made any promises or commitments in relation to the matter? Do I stand to gain or lose from the proposed action or decision?

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30 Integrity Coordinating Group (2011) *Conflicts of Interests Guidelines for the Western Australia Public Sector*

31 Integrity Coordinating Group (2011) *Conflicts of Interests Guidelines for the Western Australia Public Sector*
General principles for managing conflicts of interest

Having a conflict of interest is not inherently bad and can be common, especially in smaller communities, with the key being the appropriate management of them. The Integrity Coordinating Group recommends the following six steps (6Rs) to manage a conflict: 32

- **Record or register**: Ensure there is a record of the conflict as can enable an assessment to be conducted to determine the appropriate course of action.
- **Restrict**: It may be appropriate to remove someone from the process or abstain from participating in particular elements.
- **Recruit**: If involvement cannot be restricted, an independent party can oversee or review the decision making process.
- **Remove**: Subject of allegation is taken out of the process altogether.
- **Relinquish**: In the case of shares or memberships, these may need to be given up if there is conflict with performing an officer’s duty.
- **Resignation**: Often seen as the last resort, especially when interests cannot be relinquished.

The following table prepared by the Corruption and Crime Commission also provides further guidance and examples for appropriately managing conflicts of interest. 33

32 Integrity Coordinating Group (2011) *Conflicts of Interests Guidelines for the Western Australia Public Sector*
<table>
<thead>
<tr>
<th>Response strategy</th>
<th>When to use</th>
<th>When not to use</th>
<th>Examples</th>
</tr>
</thead>
</table>
| **1. REGISTER**  | In all instances where a COI is identified. | Should not be used as the only strategy where:  
• The COI risk is significant or high.  
• Continued involvement would convey a strong perception of bias.  
• There are legislative or policy provisions requiring removal or relinquishment. | Declare interest, line manager provides supervision of ongoing involvement.  
Involved parties informed of conflict, agency assessment and management strategy.  
Declaration forms, records of minutes, registers. |
| to formally register or record the details of a conflict of interest. | | |
| **2. RESTRICT**  | Where it is feasible to separate out discrete activities or parts of the process.  
• COI is a one off or infrequent occurrence. | COI is ongoing and would result in the person not being able to carry out their job. | Not being involved in criteria setting, decision making stages or voting.  
Refraining from taking part in debate or discussions about the issue.  
Denying access to sensitive documents or information. |
| place limits on the extent and/or type of involvement in the matter. | | |
| **3. RECRUIT**  | When a perceived as opposed to actual COI is involved.  
• When it’s not appropriate or desirable for person with the COI to be removed from the process.  
• When the effects of a COI are more significant and require more proactive management. | When COI is serious and ongoing making ad hoc recruiting unworkable.  
• Suitable 3rd party cannot be sourced.  
• Involvement of 3rd party not appropriate for the proper handling of the matter. | Decision reviewed by an independent 3rd party.  
Engage a probity auditor / independent 3rd party to oversee the integrity of the process.  
Increasing number of decision makers to balance influence of person with a COI. |
| involve an independent 3rd party to oversee or review the process. | | |
### Response strategy

<table>
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<tr>
<th>Response strategy</th>
<th>When to use</th>
<th>When not to use</th>
<th>Examples</th>
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<tbody>
<tr>
<td>4. <strong>REMOVE</strong></td>
<td>Ongoing serious COIs where ad-hoc or recruitment strategies are not feasible or appropriate.</td>
<td>When COI and its effect are of low risk or significance.</td>
<td>Removing person from all involvement.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Where person is prepared to relinquish the relevant private interest.</td>
<td>Abstain from any discussion about the matter.</td>
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<td></td>
<td></td>
<td></td>
<td>Rearrange duties or responsibilities to a non-conflicting function.</td>
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<td></td>
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<td></td>
<td>Transfer to another project or work area.</td>
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<td></td>
<td></td>
<td></td>
<td>Remove person from any situation where they could potentially exert a covert influence on the actions or decisions.</td>
</tr>
<tr>
<td>5. <strong>RELINQUISH</strong></td>
<td>When commitment to public duty outweighs attachment to the private interest.</td>
<td>Person unable or unwilling to relinquish the private interest.</td>
<td>Sell shares or financial interest that is creating the conflict.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When COI and its effect are of low risk or significance.</td>
<td>Withdraw from membership of the club, association, Board etc.</td>
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<td></td>
<td></td>
<td></td>
<td>Assigning private interest to a blind trust or blind management.</td>
</tr>
<tr>
<td>6. <strong>RESIGN</strong></td>
<td>When COI cannot be resolved in any other way.</td>
<td>When COI and its effect are of low risk or significance.</td>
<td>Resign from position in an agency.</td>
</tr>
<tr>
<td></td>
<td>When conflicting private interest cannot be relinquished.</td>
<td>When other options exist that are workable.</td>
<td>Transfer to another agency.</td>
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<td>Early retirement.</td>
</tr>
</tbody>
</table>

All of these principles can be applied to personal relationship conflicts of interest, with the key being that the process is fully documented, transparent and capable of review. This demonstrates that once the conflict has been identified, appropriate steps to manage it have been taken. Such management will see the application of these general principles informed by an objective assessment of the individual circumstances of the case.
Regional context

Conflicts of interest are common and sometimes unavoidable, especially in regional areas where communities are often close-knit and people have many different connections. The Western Australian context especially in regional areas shares similarities with the work previously mentioned in [New Zealand by the Office of the Auditor General](#).

Having a potential conflict is not necessarily a bad thing, but the key is appropriately managing the risks and ensuring all processes are clearly documented and capable of independent review.

Anecdotal evidence suggests that applicants have previously asked for their partners or family members to be employed as a condition of accepting positions in regional areas. This is not always negative providing it is clearly documented as a potential condition of employment to all applicants and the associated risks are carefully documented and managed by the employing authority.
Conclusions

Key actions to consider

When managing a conflict of interest it is also important to consider the following from the Queensland Crime and Misconduct Commission:

‘Conflicts of interest can and will occur at all levels of the public sector. However, they may not always be immediately evident — they may arise out of a request for assistance, a casual conversation or an oblique suggestion, hence the difficulty in identifying them as a potentially improper exercise of influence.’ 34

In order to begin to address this, it is important to consider the following:

- Ensure staff are fully aware of the organisations’ conflicts of interest policies, procedures and reporting mechanisms.
- Ensure managers and supervisors are aware of their responsibilities to report and manage conflicts of interest.
- Ensure all processes, decisions and outcomes are documented and filed.
- Consider the unique variables and nuances of the personal relationship conflict of interest. These vary greatly, but the Integrity Coordinating Group’s 6Ps and 6Rs provide a starting point to help identify and managing the issue.

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34 Crime and Misconduct Commission (2013) An examination of suspected official misconduct at the University of Queensland, p40
Advantages of these approaches

This guide has highlighted the complexity and nuances for identifying and managing personal relationship conflicts of interest. The advantages of following this are that it:

- Provides a framework to consider when conducting employment recruitment, selection, performance agreements or promotion processes.
- Ensures all processes, actions and decisions are documented, transparent and capable of independent review.
- Helps maintain public confidence in the integrity of the organisation.
- Acknowledges the complex nature of defining personal relationships which can vary greatly to include present and past relationships between allies or adversaries. These can all potentially impair an officer’s impartiality when performing their role in the public sector and need to be appropriately identified, documented and managed.
The Public Sector Commission would like to thank the following Western Australian agencies for providing materials to assist the development of these guidelines:

- Department for Child Protection and Family Support
- Department of Commerce
- Department of Education
- Department of Health
- Department of Training and Workforce Development
- Housing Authority
- Public Transport Authority
- Western Australia Police
For all Public Sector Commission publications, please refer to the Commission’s website at [www.publicsector.wa.gov.au](http://www.publicsector.wa.gov.au)


Australian Public Service Commission (2013) *APS Values and Code of Conduct in practice: A guide to official conduct for APS employees and agency heads*, viewed 4 August 2015:


Crime and Misconduct Commission September (2013) *An examination of suspected official misconduct at the University of Queensland*, viewed 15 July 2015:


Independent Commission Against Corruption, *Recruitment and selection*, viewed 15 July 2015:

Integrity Coordinating Group (2011) *Conflicts of Interests Guidelines for the Western Australia Public Sector*

Integrity Commission (2014) Report no. 1 of 2014; *An investigation into allegations of nepotism and conflicts of interest by senior health managers.*


Organisation for Economic Co-operation and Development (2003) *Managing Conflict of Interest in the Public Service; OECD guidelines and country experiences*

Organisation for Economic Co-operation and Development (2005) *Managing conflict of interest. a comparative overview of OECD countries*

Public Sector Commission (2012) *Commissioner’s Instruction No. 7 – Code of Ethics*, viewed 15 July 2015:

Public Sector Commission (2012) *Commissioner’s Instruction No. 8 – Codes of conduct and integrity training*, viewed 15 July 2015: