

CONFLICTS OF THE INTERESTS

DEFINITION

- **A conflict of the interests (COI)** is a situation in which a person (organization) is involved in multiple or personal interest (such as financial, emotional, monetary), one of which could possibly corrupt the motivation or decision-making of that individual (organization).
- **A conflict of the interests (COI)** is a set of circumstances that creates a risk that professional judgement or actions regarding a primary interest will be unduly influenced by a secondary interest.
- **A conflict of the interests (COI)** is conflict between a person's private interests and public obligations.

SOME KEY POINTS

- One way to understand 'a conflict of the interests' is to use the term 'conflict of roles'.
- A conflict of interest becomes a legal matter when an individual either tries and/or succeeds in influencing the outcome of a decision for personal benefit.
- A conflict of interest can exist even if there are no improper acts that result from it.
- There are actual and potential, personal and impersonal conflicts of the interests.
- Common types of conflicts of interest include: self-dealing, family interests or nepotism, and the giving of gifts.
- Conflict of interest can be mitigated by several actions including: removal, disclosure, recusal, third-party evaluations, and establishing codes of conduct.

CLASSIFICATION

- Actual & potential conflict of interest

| Actual COI | Potential COI |
|--|---|
| This conflict arises when personal interest leads a person to act against the interest of employer or organization | When there is a possibility that a person will fail to fulfill the obligation to act in the interest of other, even though the person has not done so |

CLASSIFICATION

- Personal & impersonal conflict of interest

| Personal COI | Impersonal COI |
|--|--|
| This conflict arises when a person is obligated to act in the interest of two different person or organization, who's interests conflict | A conflict where the resolution benefits/affects persons or entities other than yourself |

THE MOST COMMON FORMS

Self-dealing

Outside employment

Family interests

Gifts

MITIGATION

- 1) Removal
- 2) Disclosure
- 3) Recusal
- 4) Third-party evaluations

REFERENCES

- McDonald, Michael (2003-06-19). ["Ethics and Conflicts of Interest"](#)
- <https://www.thebalance.com/what-is-a-conflict-of-interest-give-me-some-examples-398192>
- <https://www.boundless.com/business/textbooks/boundless-business-textbook/business-ethics-and-social-responsibility-3/business-ethics-33/conflicts-of-interest-177-10244/>