

# Addressing Conflicts of Interest

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## Why You Need a Strategic Approach

Personal pursuits and relationships outside the workplace lead to richer, more fulfilling lives for employees. Inside the workplace, gifts and entertainment given or received in the course of a job can strengthen business bonds. This all adds up to a better working environment and balanced life for employees.

But what happens when these situations conflict with the interests of the organization, or put your organization at risk?

Disclosure of potential conflicts of interests (COI) is a necessary step in proactively addressing and mitigating negative consequences. Some examples of conflicts include:

- Board Participation
- Outside Employment
- Gifts and Entertainment
- Advisory Organizations
- Outside Investments
- And many more



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As you work to reduce risks to your organization, it's important to ensure employees are also committed to the success of the business. Fostering an environment of transparency protects both the employer and employee – limiting potential conflicts and preventing clashes between the company and its employees.

Integrating a holistic approach to COIs into your ethics and compliance program that defines, trains, and collects conflicts of interest is a simple process that can deliver powerful results. Properly managed with automation and efficiency in mind can give countless hours back to your team.

## Where To Begin

The first step in addressing conflicts of interest is to clearly define what is considered to be a conflict for your organization. When drafting a COI policy, organizations should:

- Clearly define “conflict of interest” as it relates to their business
- State expectations of the workforce
- Detail any related disciplinary actions for not disclosing conflicts
- Provide steps for employees to take to disclose any real or perceived conflicts of interest

A robust COI policy serves as a point of reference for employees, should their situations change throughout the year. As a policy regarding conflicts of interest is an important piece of any organization's overall set of policies, this resource should be made easily accessible to employees to drive adoption and commitment.

The next step after establishing a COI policy for your organization is training employees with a conflicts of interest course. This increases accountability and reduces risk – creating a culture where doing the right things inside and outside the workplace is second nature. Training employees on this topic is a strategic initiative and delivers positive outcomes for your organization. Before launching an annual conflicts of interest campaign, it's important to deploy a course that trains on:

- How your organization defines conflicts of interest
- Examples of situations where conflicts may exist
- Key questions to ask if you suspect a conflict
- How to disclose actual or perceived conflicts

Training throughout the year to reinforce valuable lessons, as well as introduce relevant and emerging situations, such as declining a gift in the holiday season, is necessary to refresh employees on this process as situations change throughout the year.

Some conflicts of interest are unavoidable, and these details need to be disclosed in an effort to mitigate potential risks to both the employee and organization. To effectively capture potential conflicts, a disclosure management solution is a necessary tool. This provides a method of communication for the employees to disclose any conflicts and notifies managing teams when a disclosure is made. This prompts a deeper dive into the potential conflicts to identify risks.

## How NAVEX Addresses Conflicts of Interest

NAVEX, with our NAVEX One platform, offers automated processes all located in one tool to identify and manage conflicts of interest. This provides consistency and drastically reduces the hours devoted to launching an annual campaign usually experienced through a traditional process, such as manual email or an online survey tool.

This is how NAVEX helps to solve potential conflicts of interest.



**PolicyTech**, NAVEX's policy and procedure management software, helps reduce people-based risks, including conflicts of interest. PolicyTech does this by managing your organization's most critical documents throughout all stages of the policy lifecycle. This solution seamlessly integrates with Microsoft 365 to easily create and edit documents, while automating processes for review and approval – ensuring each policy is clear and communicates expectations.

An organization's set of policies is where the most crucial information lives. Having a central repository for this information that provides employees easy access to details is necessary to drive awareness, communicate expectations, and ensure accountability. Ease of access, automated distribution, and attestation of completion tracking instills confidence that policies are consistently distributed across the workforce.



**NAVEXEngage**, NAVEX's online ethics and compliance training, delivers your expectations through engaging content that is built to increase compliance and employee adoption. Some of the topics include:

- Conflicts of Interest
- Workplace Harassment
- Diversity, Equity and Inclusion
- Ethics and Code of Conduct

Ensuring employee understanding of fundamental training topics is an important step to take to deliver a positive culture and business success, and regular training throughout the year can drive further adoption and commitment to adhering to policy.



**COI Disclosures**, NAVEX's conflicts of interest management software allows organizations to collect, track, and analyze all types of conflicts of interest disclosures. COI Disclosures operationalizes and streamlines what is often a manual process to distribute and address these employee-based risks. By using customizable questionnaires and workflows, organizations can mirror their current process with automation. All while providing employees with the ability to complete tasks in their preferred language to increase completion rates. COI Disclosures provides the necessary components organizations need to identify and address conflicts of interest from distribution to resolution.

COI Disclosures, NAVEXEngage, and PolicyTech are all important pieces of the **NAVEX One Platform**, helping to manage the complexity of risk by uncovering data and providing actionable insights across your organization. This cloud-based suite of proven solutions and services helps you simplify operational process management tasks like automating and integrating discovery and workflows. We do this by providing you with:

- A unified view of all areas of risk
- Operational process efficiencies
- Insights to act on data and mitigate future risk

By building a holistic program to address conflicts of interest on the NAVEX One Platform, program administrators can access all areas of the program in one location for streamlined management, while providing employees with familiarity between locations when completing their assigned tasks.

## Protect Your Organization and Employees

It is essential for organizations to have comprehensive programs that reduce and mitigate risks stemming from conflicts of interest. As you work to manage conflicts of interest within your organization, taking a holistic approach to define, prevent, identify, and address conflicts can effectively reduce these risks. With a robust program that includes a clear policy detailing expectations, in-depth training to increase understanding, and an automated solution to capture conflicts, you can rest assured knowing your employees' goals are that of the business'.