

ADEA Conflict of Interest Policy 2014

Background

Volunteers of the Australian Diabetes Educators Association contribute to ADEA's vision and mission in various ways. For example, they participate on the Board of Directors, committees, and working groups, and deal with issues that have far-reaching implications.

ADEA is well served by the fact that many of those volunteering have diverse interests and experience and are involved in a number of activities outside the Association. This interest and involvement enhances the expertise these individuals bring to the various roles they fill in representing ADEA.

On occasion, however, situations arise in which an individual serving ADEA in an elected or appointed position has a duality of interest that may be, or could be perceived as, a relevant duality of interest or even a conflict of interest.

ADEA recognises the need to protect its reputation by maintaining high ethical standards, fairness and integrity in all its dealings. Accordingly, ADEA expects Board directors, Committee and Working Group members to uphold these principles in all dealings and avoid any activity or interest that might reflect unfavourably on the integrity and good name of ADEA.

Generally, a relevant conflict of interest could be said to exist when individuals have material interests outside the ADEA that could influence them or could be perceived as influencing them to act contrary to the interests of ADEA for their own personal benefit or for the benefit of a family member or a business associate. That is, a situation where there is or there could be a perceived divergence between the individual interests of the person and their professional responsibilities.

Most often, a relevant conflict of interest is financial, such as when an individual has an employment relationship, a share ownership interest, or a consultative or advisory arrangement, or receives a grant. ADEA members frequently contribute to the education, scientific and medical programs and activities sponsored by ADEA. Such contributions are often made with support from the pharmaceutical industry.

The existence of a conflict of interest does not, in itself, imply any wrong doing on the part of the Board Director or Committee or Working Group member but most often arise out of the structural features of relationships or practices. In many situations, therefore, it is impossible to eliminate conflicts of interest. Rather, these should be identified where they exist and steps taken to disclose them openly and control their impact.

Likewise, this common practice is in effect between authors and the journals and publications to which they contribute papers.

Implementation

The day-to-day implementation of this policy is the responsibility of the Chair of the Board, and Committee and Working Group Chairs.

Application

This policy applies to all persons who are Directors of the Board, members of ADEA Committees and Working Groups, the Executive Director and authors publishing in the *Australian Diabetes Educator*.

Potential Conflict of Interest Situations

It is not possible to define all potential areas of conflict of interest that may arise for any individual and the responsibility rests with the individual to raise the matter with the Chair. If in doubt whether a conflict exists raise the matter with the Chair.

A key question to ask in determining whether a particular situation may represent a real, perceived or potential conflict of interest is: would relevant others, for example the committee Chair or members, professional peers, Government Departments or the general public, trust my judgement if they knew I was in this situation. As a researcher, it is also important to ask whether the combined roles of clinician, researcher and Director or committee or working group member and whether sponsorship from industry is likely to influence communication in order to protect proprietary information and thereby decision making.

The perception of a conflict of interest can be as significant as an actual conflict as it raises concerns about the integrity of the individual and may affect the success of the result. On this basis, a perceived conflict of interest should be managed in the same manner as an actual conflict.

Some examples of situations where actual, perceived or potential conflicts of interest arise may include:

Financial interest

A Director or Committee or Working Group member, or their immediate family or close friend having a financial interest in a company that is supplying goods or services to items associated with the business of the Board, Committee or Working Group. The financial interest may be in the form of an employment relationship, a share ownership interest, a consultative or advisory arrangement, or receipt of a funding grant.

A Director or Committee or Working Group member, or their immediate family or close friend should not accept a benefit or gift from an organisation, person or entity which does or seeks to do business with ADEA that goes beyond common courtesies consistent with ethical and accepted business practice. See the Medicines Australia Codes of Conduct <http://medicinesaustralia.com.au/code-of-conduct/> and Medical Technology Association of Australia Codes of Practice

[http://www.mtaa.org.au/pages/images/6th%20Edition%20and%20guidance%20material%](http://www.mtaa.org.au/pages/images/6th%20Edition%20and%20guidance%20material%20014.10.10.doc.pdf)

20014.10.10.doc.pdf. This includes gifts, travel and accommodation. Is any payment fair, and not excessive?

Company directorship

A Director or Committee or Working Group member, or their immediate family or close friend holding a directorship in a company that is supplying goods or services to items associated with the business of the Board, Committee or Working Group.

Review processes

A Director or Committee or Working Group member, or their immediate family or close friend being involved in any selection, reclassification, evaluation or grievance process with a prospective or current Board, Committee or Working Group member or applicant, for example credentialling application, with whom he / she has a close personal relationship.

Authors and/or research

An author or their immediate family or close friend undertaking research or trials where the person has a financial interest or holds an executive or directorship position in the company that is sponsoring funding for the work.

An author where the person receives assistance from the company that is sponsoring the work, to write the manuscript or parts of the manuscript submitted for publication.

Ethical¹

The expression 'conflicts of interest', used in an ethical sense, refers to conflicting obligations or influences confronting an individual in the course of a relationship or activity that has some moral content. Conflicts of interest may or may not involve explicitly recognisable dilemmas; they may or may not involve financial or monetary interests. Some have tried to define the nature of an 'interest' and the conditions for a 'conflict' more precisely, while others have sought to distinguish conflicts of interest from conflicts of loyalties or obligations. The central issue, however, is that individuals engaging in conduct that has ethical dimensions are drawn in two directions at once in such a manner that their judgment may be affected, or their motives may be open to question.

¹ This section is from the National Health and Medical Research Council document 'National Statement on Ethical Conduct in Human Research 2007'.

Disclosure and management of conflicts of interest

Management of a conflict of interest will depend on assessment of the level of risk in the situation. A Director or Committee or Working Group member must immediately disclose any actual, perceived or potential conflict of interest, whether related to themselves or arising from a close personal relationship, to the Chair. This can be done at the time of nominating or expressing an interest in a directorship or committee or working group membership, on receipt of the Agenda, or when particular matters are raised at the meeting.

The Chair will make a decision on the management of the conflict with the member who has disclosed the conflict of interest. This may be compliance with the disclosure obligation or exclusion from the specific discussion. In rare situations, it may mean exclusion from the committee, working party or Board. If the Chair discloses a conflict of interest this should be referred to the Executive Director, ADEA. Where a matter is unresolved or there is disagreement with respect to the appropriate procedure the matter should be referred to the Executive Director, ADEA.

If relying on the advice of subcommittees or advisory bodies then assurance should be sought that members of these groups will declare any conflict of interest.

Exclusion

When a Board director, committee or working group member has a conflict of interest in relation to a matter under review, or could be seen to have a conflict of interest, that member should withdraw from the meeting. The absence of the director or member concerned should be recorded in the minutes. In addition, the person in this situation should refrain from discussing the project with other Board, committee or working group members, or attempting to influence the committee in any way.

Confidentiality of disclosure

Unless required by law, or it is believed it is not in the interest of the Board, committee or working group, all conflicts will be made public.

Failure to comply

It is the responsibility of directors, committee and working group members to understand their obligations with respect to this policy and to comply with all requirements. Failure to comply may result in the director, committee or working group member being removed from the Board, committee or working group should it affect the effectiveness of the work.

Definition of Conflict of Interest

ICAC has defined conflict of interest in the following terms, based on the OECD (Organisation for Economic Cooperation and Development) definition:

'A conflict of interest involves a conflict between the public duty and private interests of a public official, in which the public official has private interests which could improperly influence the performance of their official duties and responsibilities' (OECD guidelines, 2003, para10).

More specifically, conflicts of interest can be actual, perceived, or potential:

- Actual: involves a direct conflict between current duties and responsibilities and existing private interests
- Perceived: conflict exists where it could be perceived, or appears, that private interests could improperly influence the performance of duties - whether or not this is in fact the case
- Potential: arises where private interests could conflict with official duties
- A conflict of interest can be pecuniary (involving financial gain or loss) or non-pecuniary (based on enmity or amity). A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage, financial or otherwise.

Objective key test for Conflict of Interest

The test is: Whether an individual could be influenced, or appear to be influenced, by a private interest in carrying out their duties and responsibilities.

This test should focus on the official role and the private relationships and interests of the person concerned, and whether a reasonable disinterested person would think these relationships and interests could conceivably conflict or appear to conflict with the person's public role.