

Resolution and mitigation strategies for conflicts of interest in recruitment

Recruitment and selection fact sheet

Purpose: this fact sheet is guidance material to support the directive relating to recruitment and selection. It explains how to consider appropriate resolution and mitigation strategies for identified conflicts of interest.

If you declare an actual, potential or perceived conflict of interest, you must propose how it will be managed in **Section C** of the [Conflicts of interest in recruitment declarations form](#). The decision maker will consider and approve the proposed approach or suggest alternatives.

Resolution or mitigation strategies are not required for knowledge or relationships that do not amount to a conflict of interest (as declared in Section A).

Choosing appropriate resolution and mitigation strategies

Resolution and mitigation strategies must be tailored to the specific circumstances of the conflict of interest to address any risk to the fairness, integrity and transparency of the process. In some situations, more than one strategy may be needed.

When deciding what strategies to use, consider the following factors:

- **Nature and risk of the conflict:** consider the type of conflict (actual, perceived or potential), the nature and extent of the relationship or interest, and whether it could influence, or be seen to influence, decision-making.
- **Proportionality and practical impact:** balance the level of risk the conflict poses to the integrity of the recruitment process against the impact and practicality of the resolution and mitigation strategy. Also, consider how the strategy might affect applicant/s to ensure it does not create a disadvantage for them.

For example:

- a panel member may have specialist knowledge or experience that is important to the process and not easily replaced.
- in rural and remote regions, where personal knowledge and connections are common, it may be impractical to find someone entirely independent.
- **Level and nature of the role being recruited:** senior or high-level roles, such as Senior Executive Service (SES) positions generally attract greater scrutiny and risk. These situations may require multiple strategies to safeguard the integrity of the process.

Common resolution or mitigation strategies

Resolution or mitigation strategy	When to apply
<p>Add an independent person as a panel member or chair that does not have a conflict (i.e. outside of division, organisation, portfolio or geographic area)</p>	<ul style="list-style-type: none"> • For perceived conflicts of interest • When it is not effective to remove the conflicted panel member, such as when specific expertise is required and finding a replacement is not achievable. • In rural and remote regions where panel members are likely to know many of the applicants.
<p>Conflicted panel member steps down as panel chair but remains as a panel member</p>	<ul style="list-style-type: none"> • For perceived conflicts of interest • Where the panel member's involvement and expertise is deemed necessary for the effectiveness of the process (i.e. specific expertise or knowledge of the role or team).
<p>Remove the person from the recruitment and selection process</p>	<ul style="list-style-type: none"> • For all actual conflicts of interest (e.g. family member, friend, partner), or where a perceived or potential conflict cannot be effectively minimised or managed through other resolution or mitigation strategies. • Most suitable for high-risk situations where the individual's involvement could compromise the integrity of the process. • This may involve removing the decision maker, hiring manager or panel member.
<p>Applicant anonymity in initial stages (e.g. de-identifying applications prior to shortlisting)</p>	<ul style="list-style-type: none"> • For perceived conflicts of interest • When removing the panel member is impractical, such as when specific expertise is required and finding a replacement is not achievable. • In rural and remote regions where panel members are likely to know many of the applicants. • However, it may only work where panel members have viewed applicant names (i.e. for the purpose of completing the Conflicts of interest in recruitment declarations form) and not the full applications.
<p>Conflicted panel member provides their assessment last</p>	<ul style="list-style-type: none"> • For perceived conflicts of interest with low to moderate risk • Reduces the perception of influencing other panel members due to prior knowledge but does not eliminate the conflict.
<p>Register and monitor</p>	<ul style="list-style-type: none"> • Only suitable for managing potential conflicts of interest in low risk situations • It ensures that potential conflicts are documented and monitored throughout the recruitment and selection process. • If the potential conflict escalates into a perceived or actual conflict, an updated declaration and additional resolution or mitigation strategies will be required.

Case scenario

A recruitment process is underway in a school for an administration role in a rural and remote area. As the school is located in a small community, a panel member is familiar with many of the applicants and/or their families through their current employment at the school and participation in community activities and events. This panel member declared their knowledge of and relationships with the applicants, including acting as a referee for the majority of them. While some of this knowledge and relationships do not amount to a conflict of interest, others have been identified as conflicts of interest requiring management.

How can this conflict of interest be minimised and managed?

Option A – remove this person from the selection panel and replace them with an independent panel member.

Option B – retain the panel member but implement several resolution and mitigation strategies to minimise the risk and manage the conflict in the public interest.

The answer

While Option A may seem like the most straightforward solution, there are circumstances where this is not feasible. In this case, the small size of the community means that it is difficult to find alternative panel members who do not have some level of familiarity with the applicants. Additionally, the panel member brings valuable insights about the role and school context, which are critical for selecting the most suitable applicant for the role.

To address the conflict of interest while ensuring the integrity and fairness of the recruitment process, several resolution and mitigation strategies are implemented:

- An independent panel member from a nearby community was added to the selection panel. This individual, who has no prior knowledge of the applicants, provides an impartial perspective and helps balance the selection panel's composition.
- All identifying information is removed from the applications before shortlisting commences. This ensures that the panel members evaluate applicants based solely on their qualifications, experience and responses.
- The panel member completes the referee reports before shortlisting commences. Requiring applicants to nominate alternative referees was considered impractical, as many applicants had worked in the rural school for extended period and lacked access to other suitable referees. Further, the panel member had the most thorough knowledge of the applicants' conduct and performance within the previous two years.