Conflicts of Interest on university programmes and Fraud: a tale of two students

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Conflicts of Interest

On university programmes
Conflicts of Interest

A conflict of interest arises if a Member’s duty to act in the best interests of a user conflicts with:

- the Member’s own interests (including those of their close family); or
- an interest of the Member’s firm; or
- the interests of other users.

Ensuring that conflicts are (a) understood; (b) identified; and (c) reconciled or eliminated, is the key to avoiding serious problems.
Conflicts of Interest (2)

The attitudes towards conflicts of interest within the finance community are often mixed:
Conflicts of Interest (3)

One possible approach is to consider taking a phased approach to the identification of conflicts of interest as follows:

- **identify** your interests in the particular scenario – who do you work for, who are your clients, do you have a personal interest in the matter?

- **assess** whether your personal or professional interests create a conflict which might make it hard for you to continue to act without compromising your objectivity; and

- **evaluate** whether your interest is so remote or generic that it will not interfere with your ability to act impartially or be seen to be acting impartially.
## Examples

<table>
<thead>
<tr>
<th>Conflict</th>
<th>Examples</th>
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</table>
| Personal or family interest                        | • Member awards marks to students where performance reflects on status as lecturer  
• Member writes exam paper for own module which member also lectures on  
• Member is involved in decisions on scaling marks to improve pass rate |
| Personal or professional values conflict with IFoA and/or university objectives | • Teaching a module where member disagrees with IFoA syllabus approach to a subject (eg economics) |
## Examples (2)

<table>
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<tbody>
<tr>
<td>Student or former students vs university partner</td>
<td>• Duty owed to students may impact on long term relationship with employer</td>
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<tr>
<td></td>
<td>• Sharing of confidential information</td>
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<tr>
<td>Conflict between best interest of a student and interests of the university and/or IFoA</td>
<td>• Member recommends own university when it is not best choice for student</td>
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<td>• Member gives student advice which is sound but jeopardises relationship between student and university and/or IFoA</td>
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## Analysing a conflict

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Fraud

A tale of two students
Summary and questions
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