**GROUP 5  
BSIT 4-1**

Scenario 5: Conflict of Interest

You’ve been asked to help hire a new team member, and a close relative applies for the job. What’s the ethical way to proceed?

1. What is the ethical issue?

The ethical issue in this situation is a conflict of interest. The candidate is a close relative, your professional judgment during the recruiting process may be influenced by or appear to be influenced by your personal relationship. This puts the company at risk for prejudice, unfair advantage, or the appearance of favoritism, all of which can erode openness, fairness, and trust within the organization.

1. What professional conduct is expected?

In the organization, everyone is expected to demonstrate **integrity, fairness, transparency, and objectivity** throughout the hiring process. This means:

* **Informing your manager or the human resources department right away about your involvement with the candidate.**
* **To prevent bias or the impression of favoritism, refrain from taking part in any aspect of the employment process, including screening, interviews, or decision-making.**
* **Ensuring equal opportunity by permitting other eligible applicants to be appropriately assessed according to their credentials and abilities.**

1. What would be the best course of action, and why?

The best course of action is to refrain from participating in the hiring process and immediately tell your supervisor or the human resources department about your relationship with the applicant. This approach guarantees fairness and transparency and avoids any actual or perceived conflicts of interest. By guaranteeing that each applicant is assessed objectively on the basis of their qualifications rather than their personal relationships, it preserves the integrity of the recruiting process. By stepping aside, you demonstrate professionalism, honesty, and ethical responsibility, which helps maintain trust and respect within the workplace.

Depending on the circumstance and corporate policy, there are a few additional ethical choices outside completely excluding yourself:  
  
**Partially Participating in Oversight:**  
You could just play a little part in the process, such as offering background information or technical advice, while the final choice is made by a supervisor or another unbiased panel. This strikes a balance between your professional contribution and transparency.  
  
**Permit an Outside Review:**  
To guarantee impartiality and remove prejudice, ask an outside HR professional or another department to supervise or assess the hiring process.  
  
**Transparent Documentation and Communication:**  
In order to retain accountability, if your company permits you to remain active, make sure your relationship is recorded and that all choices are discussed openly with the hiring team.

**What is the ethical way to proceed?**

* **Stop involvement immediately**  
  Pause any active participation in the hiring process (screening, interviewing, scoring, recommending). Refraining yourself from getting involved prevents any real or perceived bias from continuing.
* **Disclose the relationship in writing**  
  Send a short written disclosure (email or HR form) to your manager and HR stating the exact relationship. Having a formal disclosure in writing creates an auditable record and shows transparency.
* **Recuse yourself from decision-making**  
  Formally remove yourself from all hiring-related activities for this position (interviews, shortlist decisions, reference checks, final approvals). Ask HR/manager to confirm your recusal in writing. Removing yourself from decision-making protects fairness and the organization’s reputation.
* **Offer limited, documented assistance if needed**  
  If your technical expertise is essential, offer to provide **written** technical input (e.g., assessment criteria) but only if another impartial party carries out interviews and final scoring. Documenting exactly what you provided and to whom balances business needs with impartiality.
* **Request independent oversight**  
  Ask HR/management to ensure the hiring panel includes people with no personal ties, or that an external/third-party reviewer audits the process. This way it reduces the risk of favoritism and increases confidence in the outcome.
* **Ensure the process follows policy and law**  
  By ensuring the process follows policy and law, the organization maintains legal and policy compliance. Confirm the steps taken comply with company hiring policies and any legal/regulatory requirements (anti-nepotism rules, equal employment laws). If policy is unclear, ask HR to apply a consistent standard.
* **Keep communications professional and neutral**  
  Don’t discuss the candidate’s application with colleagues outside the approved process. If colleagues ask, direct them to HR to prevent gossips and unfair influence.
* **Document every action and decision**  
  HR or the hiring team should document interview notes, scores, reasons for selection/rejection, and the fact of your recusal. Make sure the documentation is retained according to company policy. Documentation provides transparency and a defensible record if the decision is questioned.
* **Manage reporting relationships if the relative is hired**  
  If hired, ensure the relative is **not** placed in a role that reports to you or in your direct team. If that is unavoidable, work with HR to reassign reporting lines or implement monitoring (e.g., third-party performance reviews). Disclose ongoing relationship where required to avoid ongoing conflicts of interest and preserves team morale.
* **Follow up and learn**  
  — After the process, request HR to review whether policy needs clarification (e.g., a formal nepotism/conflict policy) and consider sharing lessons with leadership to prevent confusion. Doing this promotes a **culture of continuous improvement and ethical awareness.** It helps strengthen the organization’s overall ethical framework, ensures **greater transparency in future hiring,** and **prevents similar conflicts of interest** from arising again.