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Consider a COI subject matter expert for your team

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As the compliance and ethics field develops, so does the imperative of creating or acquiring relevant subject matter expertise for key areas such as corruption or trade. Does this approach make sense for conflict of interest (COI) too?

In my view, not all programs need to have this sort of position. But those with relatively high COI risks should consider establishing one. The role is not likely to require the full-time attention of the appointed employee, i.e., it can be an additional responsibility for an individual already in the compliance and ethics department. But the role should be documented, such as in the individual's job description. Among other things, such documentation can help create clout for the position. It can also serve to educate the workforce as to the importance of effective COI compliance to the company, including these benefits:

- Keeping abreast of COI laws and other knowledge (e.g., behavioral ethics teaching about the limits of disclosure) that are also useful in designing and implementing compliance measures.
- Having someone keep track of COI-related laws, which are so spread out.
- Ensuring that risk assessments adequately address COI risks. This is a more complex effort than might be imagined by some. Policies, controls (e.g., certifications), training, communications, and other compliance and ethics measures must be adequate in light of risks.
- The COI subject matter expert can help a company's audit function understand the need to include COI-related risks when setting audit priorities. The subject matter expert can also address individual COI issues (e.g., when to permit COIs, what type of management measures should accompany approved COIs) when they arise.

Other duties of a COI subject matter expert could include ensuring that routine business processes (e.g., hiring) adequately take into account pertinent COI risks. They can also serve as a repository of internal or external COI precedent and maintain a database of third-party COI policy information (e.g., gift policies of major customers).

Finally, the subject matter expert can identify and seek to address risks that, while not meeting the formal definition of a COI, are COI-like, such as moral hazard.

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