

Diving into the Code of Ethics and Business Conduct: Understanding Competing Interests

Many of us have multiple roles, responsibilities and interests. Some of us may have more than one job, have families and friends with their own businesses, or be involved in charities and volunteer work. The circumstances in which any one of us could encounter competing interests are endless.

A competing interest is generally referred to as a conflict of interest. This means we may have an interest that competes or interferes with our performing a responsibility in an unbiased way. Some situations, although they are not truly conflicts, may be perceived as conflicts by onlookers. Actual or perceived conflicts of interest have the potential to undermine our credibility and the trust of others—including Diamond as your employer—if we don't manage the situation correctly.

Conflicts of interest come in many forms and are often not about money or greed. People don't always intend to do something wrong or be deceptive. Conflicts can be created because we want to help someone out, such as a family member, friend, colleague, or a contractor we like. The intention may have an appearance that we are doing the right thing, at least by that person or ourselves, but therein lies the conflict. The questions we must ask ourselves include: "Am I persuaded to make a decision to do the right thing for the organization, or am I considering the best outcome or benefits for others or myself? Does this "kindness of a favor" conflict with my ability to carry out my responsibilities to my employer in an unbiased way?"

Disclosure is key to successfully managing a conflict of interest or eliminating the perception of one. If the situation is not a conflict of interest, the disclosure can help remove the potential perception of wrongdoing. Anytime we hold a professional position and are in a situation where we can influence an outcome that may benefit either ourselves or someone else, other than the organization, we need to disclose that—whether it involves money or not.

Disclosure provides an opportunity for others to assess and determine how the situation should be managed. Sometimes the situation may require that we not participate in a project at work, such as making contracting decisions. Other times the disclosure will provide guidance on the most appropriate way to manage the conflict or eliminate the perception. Don't get hung up on deciding if it's a conflict or not—just disclose it, because that's the right thing to do for everyone involved. Having a conflict of interest isn't wrong or bad, but not disclosing the situation for evaluation by others can create wrongdoing or the perception of wrongdoing. If you have questions about competing interests, disclosure of interests or managing a conflict of interest, information can be found in the Code of Ethics and Business Conduct, the Markel Ventures Code of Conduct or by contacting the Chief Ethics and Compliance Officer.