

SCENARIO

GIFTS AND BENEFITS

Getting a kick out of purchasing

Belinda is the purchasing officer in a state government agency. She has been regularly purchasing stationary and office equipment from a particular supplier.

Belinda is a family friend of the supplier's Account Manager, Ben, and she began purchasing from him as a favour when he first started working for the supplier. Ben was keen to make a good impression in his new role by getting a large state government client on board.

Belinda's husband operates a family business from home and Ben often gives the family free printing cartridges, paper and other items to help out with the business and keep printing costs down.

What are the ethical issues in this situation?


- Acceptance of gifts and benefits.
- Conflict of interest.

What part of the ethical framework failed?

- A culture where gifts and benefits were accepted.
- Lack of communication, management and auditing provided an environment that allowed misconduct to go undetected.
- Purchasing officer not adequately managed.
- A lack of accountability.
- Conflict of interest not managed.

What strategies could be implemented to prevent this in the future?

- Clear policy and procedures for gifts and benefits in procurement.
- Disclose and record offers and acceptance of gifts and benefits on a gifts register, in accordance with the agency's gifts and benefits policy.
- Management should review the gifts register regularly and determine any trends or items of concern.

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- Rotate purchasing officers through various tasks regularly.
Regularly audit financial delegations.
 - Provide regular and on-going training to staff regarding procurement policies and the gifts and benefits policy.
 - Ensure that all staff are aware of the approved providers list and how it should be used

Information used in this scenario is not based in fact, but has been created for the purpose of education and discussion. Any likeness to real persons or events is coincidental.