



Thank you gift of alcohol

An employee is given a bottle of whiskey by a private contractor to thank them for their work. What could happen next?

The story

The gift records of DIER include a \$199 Johnny Walker gift box given to an employee by a company in late July 2014 as a 'thank you for obtaining a letter of engagement' (for the provision of a contract). The employee noted that it was the first time the company had given such a gift. The employee initially valued the gift at \$100, but a subsequent internet search by their general manager valued it at \$199.

The gift declaration includes a series of emails between four people – the employee, a manager, a general manager, and a director (who appears to be the manager of the gift register). In one of the emails, the director tells the manager:

'As long as you believe there is no perceived conflict of interest in the relationship between [the employee] and the [company] then you are able to recommend to [the general manager] that [the employee] retain the gift. Considering this procurement [went] through the [proper] process and that three quotes were obtained and it was assessed against value for money principles then I would say it is OK for [the employee] to retain subject to the [general manager's] approval. If it had not gone through the [proper] process then it would have to be reconsidered. There are previous examples of gifts been [sic] retained by the recipient up to \$200.'

Exactly what the director means by 'previous examples of gifts [being] retained by the recipient up to \$200' is unclear.

The general manager approved the gift, noting 'retention of gift approved as procurement has been through [the proper processes]'

Questions

1. List all of the ethical issues around this situation.
2. Did the employee have an ethical obligation to decline the offer?
3. Did the employer have an ethical and managerial obligation to decline their request to accept the gift?
4. Why was it inappropriate to accept the bottle of whiskey?
5. How culpable, if at all, is the manager who approved the employee accepting the bottle of alcohol?
6. Is it possible that this agency had a systemic lack of controls to allow this misconduct to occur?
7. Why is it important to understand exactly how this misconduct occurred?
8. In terms of controls and governance, what might the public authority do to prevent this from occurring again?
9. Is there anything else the public authority should consider?



The Commission can help

We are available to provide support and assistance with identifying, reporting, investigating, managing and preventing misconduct: prevention@integrity.tas.gov.au or 1300 720 289.

For more Misconduct Prevention resources go to www.integrity.tas.gov.au/resources