

Policy Level: 2

Effective Date: January 2002

Revision Date: November 2020

Accountable:

President & CEO

Responsible:

Vice President and General Counsel

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1. Purpose

From time to time Project Management Institute (PMI) Stakeholders (PMI volunteers, PMI staff, etc.) are involved in PMI activities that are directly or indirectly related to their personal or professional business and financial interests which could be considered a conflict of interest. It is not necessarily in PMI's best interest to prohibit all participation by stakeholders with an actual, potential or perceived conflict of interest because in many cases, knowledge of the conflict of interest can be managed to mitigate the risk to both PMI and its' stakeholders. "Conflicts of Interest: are defined at the "Glossary" with examples provided.

To minimize risk to both the PMI and to its' stakeholders, PMI will establish a process to recognize and respond to conflicts of interest related to the day-to-day business of PMI. Potential and perceived conflicts of interest are considered as problematic as actual conflicts of interest and must be resolved just as quickly.

2. Policy Statement

This policy identifies the actions required by PMI for stakeholders participating in any PMI Volunteer Group and those in charge of PMI Volunteer Groups to minimize and control conflicts of interest.

Volunteers and staff members must conduct themselves with un-conflicted loyalty to the interests of PMI and its' members. This accountability supersedes any conflicting loyalty, such as loyalty to other advocacy or interest groups, membership on other boards, and professional responsibility to an employer. It also supersedes the personal interests of any volunteer or staff member. Further, no individual shall use their position or knowledge gained from participation in a manner that conflicts with the interests of PMI or any of its' components.

This Policy is provided so that:

- PMI members, non-members, and staff will have a clear understanding of PMI's need to minimize and control conflicts of interest and perceived conflicts of interest
- PMI members, non-members, and staff will understand what action they need to take to participate in PMI Volunteer Groups
- Those in charge of PMI Volunteer Groups and PMI Managers and above will understand their responsibilities and actions required to implement this policy
- The public will have confidence in PMI's integrity and in the products and services PMI delivers
- Minimize the opportunity for individuals to use their participation (resulting position or information) on PMI Groups to influence organizational activities or decisions, or take advantage of forthcoming activities or decisions that are not public information

- The PMI Confidentiality Policy and PMI Conflict of Interest Policy will minimize the potential for confidential, sensitive and proprietary information or data to be compromised. Further, the two policies working together will minimize the risk of PMI members, non-members, and staff members being accused of inappropriate activity or the appearance of inappropriate activity

Participation on a PMI Volunteer Group constitutes acceptance of the terms of the conflict of interest policy and its requirements. At least once a year or at the beginning of participation on any PMI Volunteer Group, unless otherwise specified, participating individuals will complete the PMI Conflict of Interest Questionnaire.

Individuals joining an additional PMI Volunteer Group who have already completed a questionnaire will not need to complete another during the same year unless: 1. the information given in the original questionnaire is no longer current or 2. participation in the additional PMI Volunteer Group(s) requires disclosure of additional information. However, upon joining the additional Group the individual is required to complete the “information release” portion of the questionnaire which allows the Volunteer Group Leader of the new Group to access the questionnaire from the Legal Department’s files.

2.1. Conflict of Interest Policy

- **Authority:** The PMI Code of Ethics and Professional Conduct requires that individuals will abide by the bylaws, policies, rules, requirements, and procedures of PMI, and will not knowingly engage or assist in activities that meeting compromise the integrity, reputation, property, and/or legal rights of the Institute.
- **Disclosure:** Individuals accountable under this policy must identify those situations where they have a conflict of interest or where a reasonable person might conclude that they had a conflict of interest in the activity in which they are participating or about to participate. Such disclosure should be made immediately to that staff member’s superior or the Group Leader in the case of volunteers.
- **PMI Conflict of Interest Questionnaire.** All Volunteers participating in a PMI Volunteer Group and all Key Employees must fill out the Questionnaire annually. This is to ensure that no conflicts of interests that have arisen after the person’s initial involvement are disclosed.
- **Disclosure Review:**
 - The conflict of interest questionnaire, to be completed by the individual participating on a PMI Volunteer Group, will be reviewed by the responsible Group Leader for his/her knowledge and understanding and then forwarded to the PMI staff member who is responsible for the Volunteer Group, or in the case of a Board sponsored group, to the PMI General Counsel.
 - The PMI General Counsel will review the conflict of interest questionnaires of all PMI Board Members and members of Board chartered Committees and bring conflicts of interest and possible conflicts

of interest to the attention of the PMI Chair and Chief Executive Officer for resolution.

- The PMI General Counsel will review the conflict of interest questionnaires of all Key Employees and bring conflicts of interest and possible conflicts of interest to the attention of the PMI Chief Executive Officer for resolution.
- The Chief Executive Officer will review the questionnaire of the General Counsel.
- Possible Remedies: Remedial action for disclosed conflicts or possible conflicts of interest may include but are not limited to the following:
 - Recusal from any decision developed by the group.
 - Recusal from the part of the process where a conflict exists, such as not reviewing a competitor's award submittal.
 - Replacement on the group.
 - Participation as a subject matter expert but not in discussions or deliberations.
- Policy Usage: Care must be used to avoid overuse or misuse of this policy. The Institute requires integrity to function properly but over-use of the requirement to complete the Conflict of Interest Questionnaire may discourage participation by otherwise qualified volunteers and result in volunteers perceiving they are being harassed.
- Forms: All individual PMI members, Volunteers participating in PMI Volunteer Groups will complete and sign the PMI Conflict of Interest Questionnaire. The Board of Directors, Chief Executive Officer, and Vice Presidents (for programs they are responsible for), other Group Leaders of PMI Volunteer Groups are authorized to use the attached form for groups they sponsor. It is anticipated that the standard form attached will apply in most cases, however, if a leader believes that modification would serve the interests of PMI to make their group more productive the form may be tailored with the explicit concurrence of the PMI General Counsel or the designated representative from the PMI Legal Department.
- Records Management: The PMI Operating Department which sponsors, supports, or manages a PMI Volunteer Group, after completing their review of the submitted questionnaires, will forward the questionnaires to the PMI Legal Department for retention in accordance with PMI's Records Management Policy. The Legal Department will retain the questionnaires during the life of the group and the questionnaires will be archived when the group is disbanded.
- Violations: Apparent violations of this policy, including but not limited to the failure to make adequate and full disclosure, will be forwarded to the appropriate

individual as described in PMI’s Policy on Complaint, Dispute, and Grievance Resolution or to the Ethics Review Committee under PMI’s Member Ethics Case Procedures, as applicable.

3. Policy Distribution

Internal: Key Employees and other staff of the Institute

While staff members, other than key employees defined in this policy, are not required to sign annual conflict of interest questionnaires, they are subject to the other requirements of this policy, including those for Group Leader, where applicable, as well as the Staff Code of Conduct.

External: Volunteer members and public at large

PMI Volunteers working on PMI Volunteer Groups are bound by this Policy, including but not limited to: members of the PMI Board of Directors, Board Support Committees, Task Teams, and other groups chartered by the PMI Board of Directors (as defined in the Rules of the Board), Member Advisory Groups (MAGs), Project Action Teams (PATs), Award Committees, Editorial Boards, Standards Program project teams, Certification Department item writing sessions, Research Groups and open working sessions.

4. Related Documents

Related procedures, forms, and other support documents enforce, maintain, and verify policy compliance. These procedures and forms support this policy:

Document Name	Document Type (Procedure, Form, User Guide, etc.)
Complaint, Dispute and Grievance Policy	Policy
Confidentiality Policy	Policy
Confidentiality and Records Compliance Agreement	Form
Conflict of Interest Questionnaire	Form
Member Advisory Group Policy	Policy
PMI Code of Ethics and Professional Conduct	Policy
PMI Employment Guide	Policy
PMI Member Ethics Case Procedures	Policy

L2 Conflict of Interest Policy

Document Name	Document Type <small>(Procedure, Form, User Guide, etc.)</small>
Records Management Policy	Policy
Records Management Procedure	Procedure
Records Management Records Schedule	Schedule
Rules of the Board	Policy
Volunteer Records Management Policy	Policy

5. Revision History

Changes to this policy are made as necessary under the direction of the preparers and approvers. The change log describes new topics and other changes.

Action <small>(Creation, Revision, Review)</small>	Effective Date	Changes/Approvals
Creation	January 2002	
Revision	December 2008	
Revision	May 2009	
Revision	April 2011	Updated Template
Revision	March 2012	Updated Template
Revision	February 2013	Reviewed and revised
Revision	November 2020	Edited header and footer to align with PMI's updated branding

6. Glossary

This policy uses the following specific terms, acronyms, and abbreviations:

Term	Definition
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L2 Conflict of Interest Policy

Term	Definition
Conflict of Interest	<p>A transaction in which, because the individual is either directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual's obligations to PMI and the individual's personal or business interests.</p> <p>There is an implied duty of loyalty that commands that individuals be faithful to an organization's best interests and not use their organization position or knowledge to advance a personal agenda at the organization's expense.</p> <p>Conflicts of interest may result from corporate or company, personal, and family business interests and relationships that may involve or relate to PMI in any way.*</p> <p>*Examples of Conflicts of Interest are, but not limited to:</p> <ul style="list-style-type: none"> • An individual, PMI member or non-member or staff has a financial interest in a company that would benefit from the output of the group they are working on • An individual, PMI member or non-member, who works for a project management consulting company participates in the development of a standard that specifies how companies should do some aspect of project management • An individual, PMI member or non-member, who works for a company conducting PMP® Exam preparation training courses, participates in a PMP Exam item writing session

L2 Conflict of Interest Policy

Term	Definition
	<ul style="list-style-type: none"> • An individual, PMI member or non-member, who is an officer, director, or in a position of responsibility in another PM organization • An individual, PMI member, or non-member, who is on an awards committee and reviews the application for an award submitted by a company that competes with the company by whom the individual is employed • An individual's close relative or friend would benefit from the output of the group they are working on • An individual PMI member uses his volunteer position with PMI in promoting his personal business
Group Leader	The PMI volunteer and/or staff member who is responsible for the operation of the PMI Volunteer Group, as established in the applicable PMI governing document, charter, job description or other delegation of authority by the appropriate PMI authority
Key Employees	The Chief Executive Officer, all Vice Presidents, and any other person who may be deemed a key employee as defined by the Internal Revenue Service's Form 990, as amended form time to time
Member Advisory Group (MAG)	A group of PMI members who volunteer their time, talent and expertise to advise PMI staff on specific operational matters as defined in a charter approved annually by the CEO; reference to MAGs is meant to include other advisory groups
PMI Operating Department	The department within the PMI structure at PMI's Global Operations Center which sponsors, manages or supports the PMI Volunteer Group

L2 Conflict of Interest Policy

Term	Definition
PMI Volunteer	An individual who is a PMI member or non-member, who participates in PMI sponsored activities, other than a PMI staff member
PMI Volunteer Group	All PMI sponsored activities, including but not limited to project teams, groups, member advisory groups, Board committees, or other committees or groups formed by PMI