



## Guide to “Guidelines on external work at NHH”

To the “Guidelines on external work at NHH”, prepared on 7 March 2016

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## **GENERAL**

The purpose of the "Guidelines on external work at NHH" is to protect NHH's reputation and the employees' confidence and integrity, by ensuring transparency about any potential conflicts of interest and how they are managed.

Publishing information on employees' external work is an important step to promote these considerations. In addition, according to section 3.3 of the guidelines, certain types of external work are only permitted on written agreement with NHH.

The guidelines stipulate who shall decide whether to allow external work in these kinds of cases. Normally it is the employee's immediate superior, i.e. head of academic department or director of administrative office. This document provides guidance on what elements the person making the decision can attach weight to in their assessment of whether permission should be granted.

## **GENERAL STARTING POINTS FOR ASSESSMENTS**

NHH is generally positive towards external work. External work can contribute to the employees' professional development and make NHH's research and teaching more relevant in respect of society's needs. Some types of external work may also help promote and legitimise NHH's activities in a very positive way.

Nevertheless, certain types of external work, including external work that is or might appear to be in competition with NHH, may raise questions about whether the employee is sufficiently loyal to NHH, which may in turn undermine public confidence in NHH and its employees' professional independence. NHH ought not to allow external work that could be – or might be perceived as being – in conflict with the school's needs for confidence and integrity. Furthermore, some external work might be of such a nature or scope that it inhibits or delays the employee's work at NHH. This type of external work should not be permitted.

In the event that a conflict of interest of this nature is identified, weight cannot be attached to considerations such as the employee's private economy or NHH's desire to recruit and retain employees in the assessment of whether the specific external work is to be allowed.

Permission to perform external work that will hamper NHH's ordinary activities may be denied; for example, external work that more than sporadically can be expected to create impartiality problems for the employee or others at NHH, or that entails problems for NHH's teaching schedules, etc.

## **SECTION 2 OF THE GUIDELINES: DEFINITION**

The purpose of the provision on the duty to notify NHH of any ownership or participating interests in enterprises is to ensure that employees do not enter into a contracting relationship with NHH via private enterprises or companies in which they have a stake. The notification duty is also intended to prevent any unfortunate blurring of the lines between NHH's and the employees' interests. The notification duty applies to all types of companies: sole proprietorships, partnerships and public or private limited companies. Exceptions should be made in cases where the employee's ownership interests have no significance for NHH's activities. This limitation applies both in respect of the nature of the work and in connection with assessments of the actual ability to exert an influence in the form of ownership or influence in governing bodies.

The following terms are used in connection with the registration of external work:

- a. Secondary employment: employment by another employer than NHH, the main employer (for example, adjunct professor; adjunct associate professor)
- b. Secondary jobs: organised activities of an economic nature for the purpose of commercial, ownership or other interests alongside employment at NHH
- c. Assignments: one-off or limited activities of an economic nature carried out for parties other than NHH, the main employer (for example, commissioned research)
- d. Offices or duties: paid or unpaid assignments, functions, duties, etc. that an employee has undertaken for other employers or contractors than NHH.

## **SECTION 3 OF THE GUIDELINES: THE SCOPE OF THE NOTIFICATION DUTY**

### **Section 3.1 of the guidelines**

*As a main rule, employees must notify NHH about any external work they do. The notification duty also applies to ownership interests in sole proprietorships and participating interests (e.g. shareholdings) in companies.*

It is up to the individual employee to assess whether the external work needs to be registered and who is responsible for registering this with the required information. When in doubt, consult your immediate superior (i.e. head of academic department or director of administrative office). The employer will assess, on the basis of the information provided, whether the external work requires special authorisation and may, if necessary, contact the employee and ask for supplementary information.

### **Section 3.2 of the guidelines**

This provision does not provide an exhaustive list of examples of external work that does not need to be reported. Note that these types of external work may need to be reported if they involve use of NHH's resources or are to be performed during normal working hours, beyond to a minimal extent. These kinds of cases are regulated by the notification duty in sections 3.3 A and B.

### **Section 3.2, letter H, of the guidelines**

#### *Offices or duties in trade unions and membership of political parties*

Information about political opinions and membership in trade unions is sensitive information pursuant to section 2, no. 8, of the Norwegian Personal Data Act (lovdata.no) and is therefore not subject to a notification duty.

### **Section 3.3 of the guidelines: External work that requires a written agreement**

This is a central provision, which defines the threshold for when approval is required for external work. It is not sufficient that the employee notifies NHH of these types of external work; approval is also required in the form of a written agreement with the employer.

### **Section 3.3, letter A, of the guidelines**

#### *External work involving the use of NHH's resources*

If the use of NHH's resources, such as equipment, databases and premises, beyond to a minimal extent, is going to be allowed, the external work must be of academic relevance and not disrupt NHH's own business. An agreement must be formulated stipulating the terms and conditions for the use, including payment, which normally ought to be at market rate.

### **Section 3.3, letter B, of the guidelines**

#### *External work that needs to be performed wholly or partly during normal working hours*

As a general rule NHH regards teaching and research positions and PhD research scholar positions as highly independent positions<sup>1</sup>. In practice, employees in these positions are required to be present at certain scheduled times, for example, to teach, attend meetings, etc. and they are expected to work for the relevant number of hours in accordance with the percentage of their position at NHH.

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<sup>1</sup> Regulations for registration of working hours and overtime for employees at NHH. Approved by NHH's Board on 19 June 2014

External work that, on approval, may be performed during normal working hours must not exceed 120 % combined with the main position. If an employee is going to be authorised to spend more than a very small part of their working hours on external work, it is a condition that the head of the academic department / the director of the administrative office finds that the loss of working hours will not have a material adverse impact on the employee's performance. Weight may be attached to the timing of the performance of the external work, for example, if this work could lead to difficulties in implementing teaching schedules, etc.

The ordinary working hours spent on the external work shall be made up with no additional pay from NHH or be deducted from the employee's NHH salary in accordance with a signed agreement on deductions from pay.

### **Section 3.3, letter C, of the guidelines**

#### *External work that might come into competition with NHH's own business*

As a general rule, external work that involves collaboration with, or teaching at, other research or educational institutions is regarded as positive and may provide NHH with significant added value and new ideas. Permission to perform external work ought to be denied if this work is in competition with NHH's own activities, including that it will prevent or significantly impede NHH's ongoing work.

### **Section 3.3, letters D, E and F, of the guidelines**

#### *D. External work of a prolonged or extensive nature*

#### *E. External work that may raise doubts as to whether the employee can perform his/her work at NHH*

#### *F. External work that might lead to disqualification in matters for which the employee is responsible at NHH*

Any external work that might raise doubts about the employee's willingness or ability to perform their work at NHH in the way required by the position and NHH's objectives, shall not be approved.

A permanent and long-term connection to a single player may create grounds for doubt about the employee's confidence and integrity. NHH should be reticent about allowing permanent employment, partnership, board membership or agreements about general, long-term assignments with players operating within the same field as the employee. This does not apply to institutions that have an agreement with NHH on academic cooperation.

Nevertheless, NHH employees ought to be permitted to undertake individual assignments and clearly limited, ongoing assignments, unless the external work is particularly likely to raise doubts about the employee's confidence and integrity.

Doubt may arise if the contractor has clear and significant interests, which might be perceived as able to influence the outcome of the employee's work at NHH.

Employees ought not to be permitted to undertake external work that will disqualify the individual from dealing with matters that fall within his or her position in more than sporadic cases. For example, this might include cases where the employee in his/her position at NHH is in a position to directly or indirectly influence purchasing decisions of significance to the contractor.

Similarly, NHH should be cautious in allowing the same contractor or employer to repeatedly engage the employee for assignments that together have a significant impact on the employee's private economy or in cases where the employee is in a position to influence individual cases to the contractor's advantage.

## **SECTION 4 OF THE GUIDELINES: WHEN AND HOW TO REPORT EXTERNAL WORK**

Questions relating to external work are part of the recruitment and employment process at NHH.

## **SECTION 5 OF THE GUIDELINES: PROCESSING**

The assessment of whether to authorise external work in the individual case is made by the employee's immediate superior. If necessary, support from HR can be sought in connection with making a decision.

If a head of academic department / director of administrative office who receives applications for approval of external work is in doubt as to whether to reject an application, the matter shall be submitted to NHH's senior management. In this way, NHH is able to ensure equal treatment of similar applications across the organisation.

## **SECTION 6 OF THE GUIDELINES: UPDATING AND PROCESSING INFORMATION**

The provisions apply to both changes in external work that must be reported and changes in the employment relationship that require reassessment of previously registered external work.