

Outside interests and positions

28.10.2019



Premises for outside interests and positions

- **Aalto's new strategy sets the bar high for the future**

*We renew society with research-based knowledge, creativity and entrepreneurship.
We generate innovative solutions to tackle global grand challenges.*

- **University contract with MEC spells out the requirement to show societal impact**

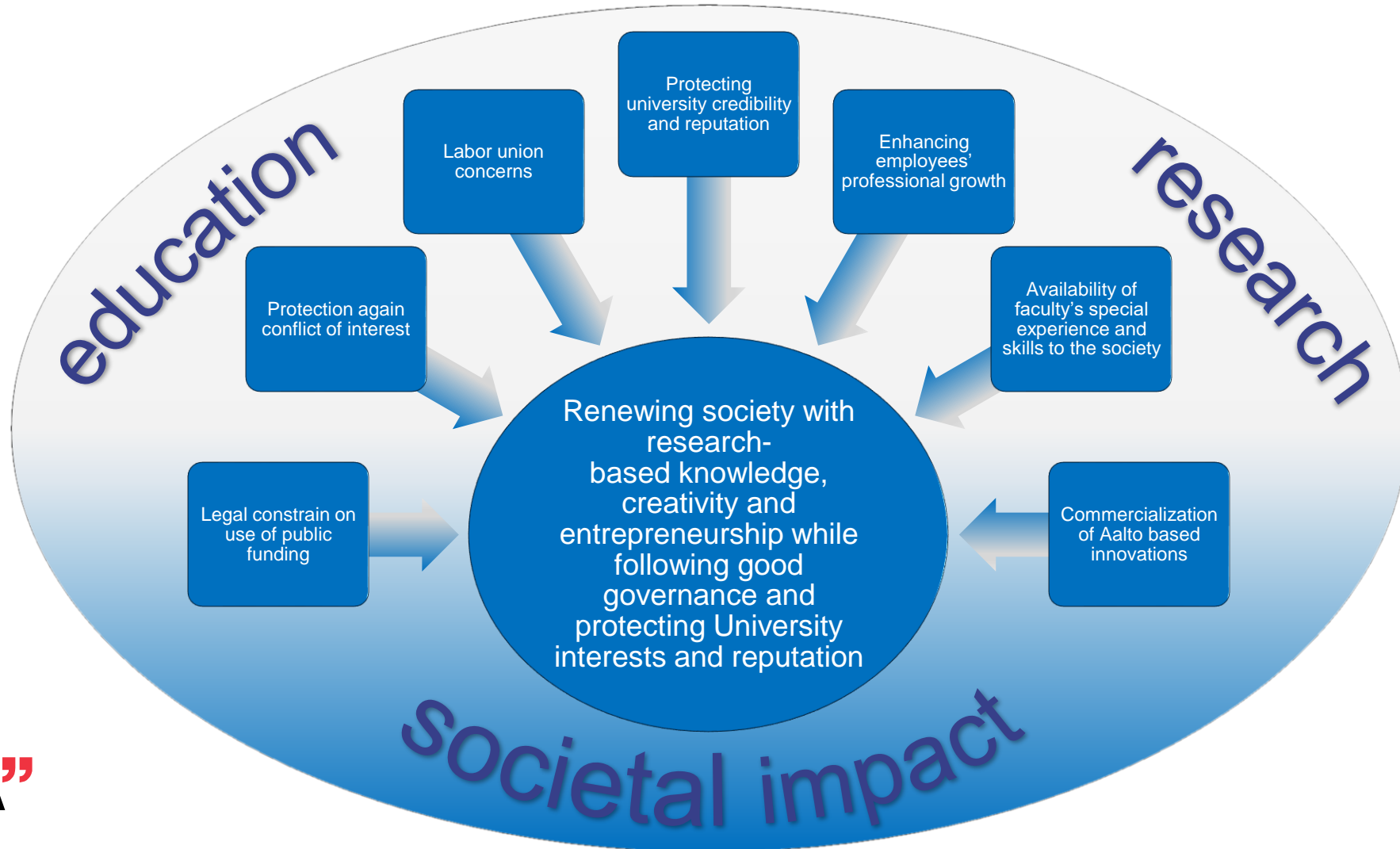
"Universities strengthen their societal impact by increasing wider utilization of their know-how and research outcomes, commercialization of innovations, exporting know-how, possibilities of life long learning and entrepreneurial capabilities. Universities make their research outcomes widely available and actively develop new models for transferring the knowledge to the society."

- **MEC financial guidance to the universities sets the limitations for using public funding**

"The underlying principle is that the higher education institutions (HEI) take into account the principles of EU competition and state aid regulations in their financial operations. According to the cross-subsidization prohibition included in these principles, commercial activities of the HEI cannot be financed with public funding. The public funding granted by the government to HEI can only be targeted towards the public responsibilities of the institution (education and research)."

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Drivers and constraints



Outside interests and positions – Legal framework and current policy

Legal framework

Employees can

- have **secondary occupations** unless it hinders the employee's performance in the main occupation at Aalto.

Employees cannot

- engage in **competing activity** if it evidently harms Aalto.
- unlawfully utilize Aalto's **trade secrets** or disclose them to third parties.

Employees must

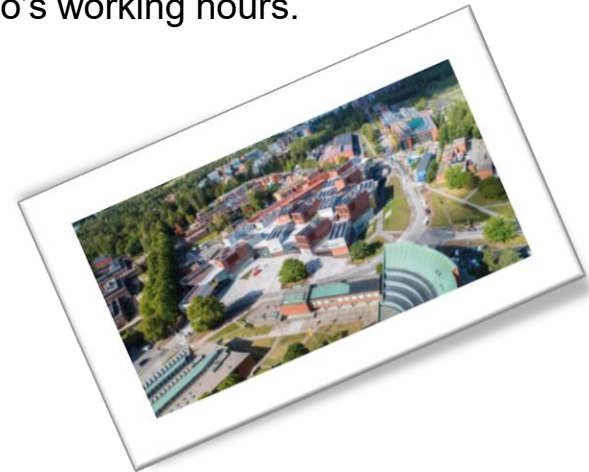
- **disqualify** themselves in case of incompetence due to the likelihood of bias.
- respect the statutory and contractual **IPR provisions**.

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Current notification and approval policy

Employees are instructed to make

- a) an **outside interest notice** in case of engagement in another legal entity (shareholding, entitlement to vote, directorship) or affiliation with an entity operating in the same field as Aalto.
- b) an **application for secondary occupation permission** in case the work would take place during Aalto's working hours.



Policy principles and implementation

Principle	Current status
Employees are required to make an outside interest notice/application for a permission.	The requirement is communicated as a part of onboarding and most employees make the notification/apply for a permit.
Process is transparent and the criteria for granting permissions and approving notifications are uniform across Aalto.	<p>The process is transparent and followed across Aalto. The interpretation of the criteria for granting permissions are not yet uniform across Aalto.</p> <p>The current procedures do not sufficiently fit start-up situations (e.g. review frequency, triggering the need to make a choice btwn university and start-up employment).</p>
Aalto maintains records of outside interests unlike most universities in Finland (no legal obligation to do so).	Only HR has access to the online records. The records are not accessible to managers and the employees themselves online and it is difficult to form an overall picture when granting a permission.

Next development steps

Awareness building

- E-learning (w concrete cases) as a pre-requisite for an outside interest application (early 2020)
- Training on the process and risks included in the new Vice Dean and Department head onboarding program (11/2019)

Support for commercializing Aalto-based innovations

- Practical guide for Aalto employee's start-up involvement
 - Defining clear offering for early stage start-ups (e.g. infra and facilities use, consulting)
=> shift from rules to positive offering
 - Defining the guidance for conflict of interest situations
 - Policy for a limited leave of absence for commercializing an Aalto based innovation (10/2019)

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Next development steps

Process and tool improvement

- Establishing Compliance Committee (chaired by Provost) to address outside employment applications and ensuring consistency across Aalto
- Outside employment process and register moved to Workday by end 2019
 - Streamlined process, improved visibility to all parties
 - Application form to include employee's own evaluation of potential conflicts of interest
 - Clear document on disqualification and conflicts of interest to the employee

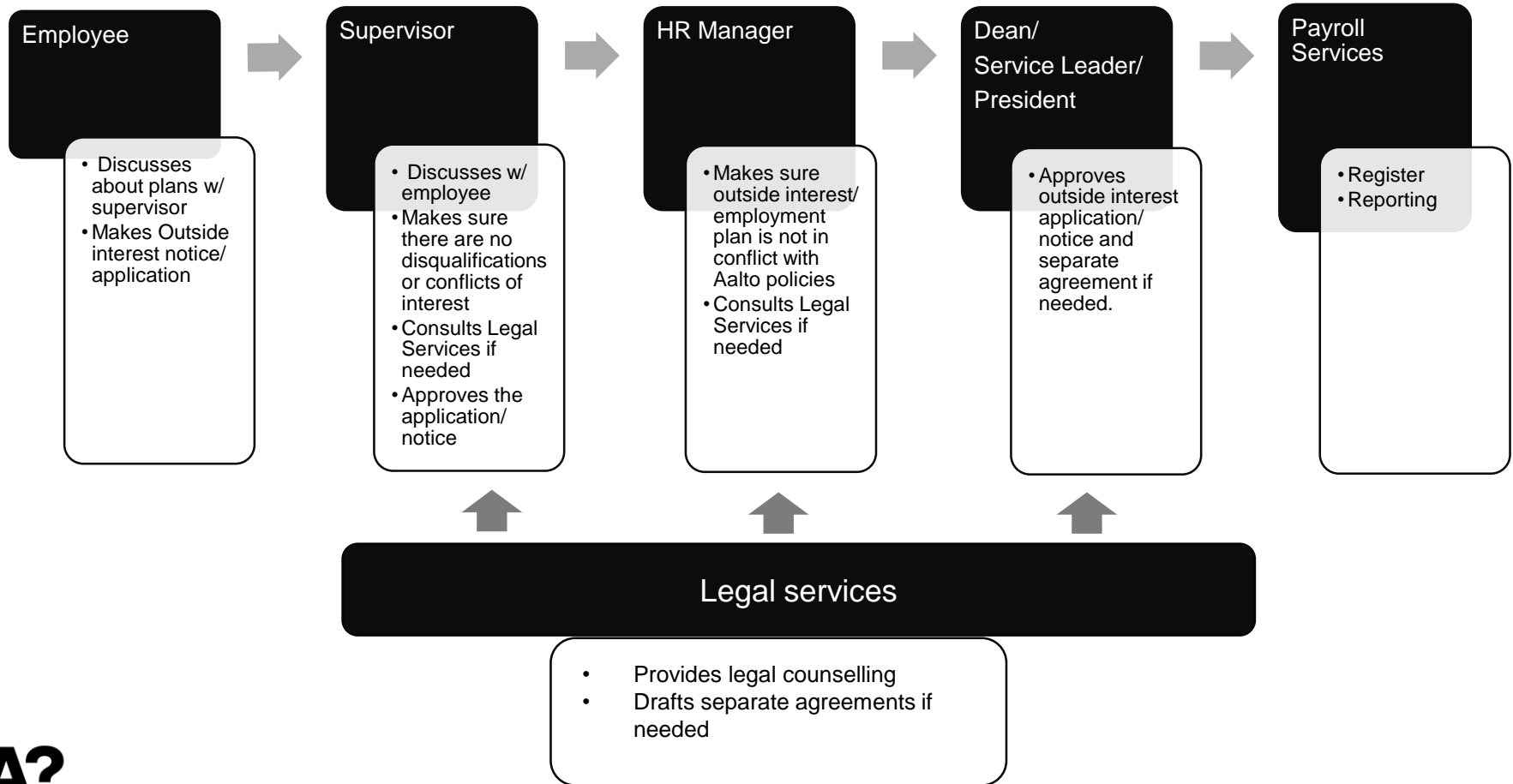
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Backup material



Approval process for outside interests



Links to existing materials

Guidelines:



Adobe Acrobat
Document

Information on disqualification:



Adobe Acrobat
Document

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