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TECHNICAL PAPER: THE INTEGRITY PLAN AS THE RISK MANAGEMENT PLAN METHODOLOGY

**THE TECHNICAL PAPER IS PREPARED
FOR THE MINISTRY OF INTERIOR AND THE PROSECUTOR'S OFFICE OF GEORGIA
AS EXPLANATORY PAPER REGARDING THE IMPLEMENTATION OF INTEGRITY PLANS**

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1 THE INTEGRITY PLAN METHODOLOGY

The integrity plan is one of better modern methods for creating legal, ethical and professional work quality in various governmental and nongovernmental organisations.

The integrity plan consists of, particularly:

- analysis of the institution's vulnerability to corruption;
- description of the operational and decision making process with ascertainment of vulnerable activities;
- preventative measures for decreasing possibility of corruption occurrence; and
- other parts of the plan, determined in the guidelines.

The essence of the integrity plan is to re-establish and/or to improve the institutional integrity. The integrity plan is important for prevention of the integrity derogation, which is caused by breaking of rules, and is important for preventing misconducts in forms of nepotism, clientilism, unjustified use of work resources, etc. For this reason, the integrity plan is an instrument for increasing awareness about weak points of the institution's operation, respectively about vulnerability and exposure of institutions' operations, whose goal is to prevent and to warn about possibilities of corruption. The integrity plan studies the system's ability to resist violations that become corruption and it studies prevention of existing preventative mechanisms, without special supervision or only by a routine check. Beside this, it examines under standardisation, over standardisation, and concrete internal acts' execution in practice. As it has been mentioned earlier, the integrity plan contains legal measures, for example, execution of omitted internal acts for a sensitive area, and existing measures, for example, setting up of physical or electronic rooms' protection, its equipment, and employees.

The essence of the integrity plan is a systematic effort to estimate ability and vulnerability of the defence mechanisms, which fight against corruption and are built into structure, procedures and rules of the organisation and its regulations. Assessors investigate and estimate risky areas; when they are found, the assessors develop anti-measures that protect the area from corruption. Based on vulnerable or weak discovered areas, the assessors submit a report about the integrity level in the institution and recommend possibilities for improvements, which are accepted by the institutional leadership according to their judgement. Therefore, the integrity plan is a project work.

The integrity plan assesses everything from the system's ability to resist to the procedures that could mean integrity breaking inside the organisation. Consequently the integrity plan represents a natural preventative measure and proactive operation. It does not check an individual's integrity, like the integrity tests; the entire system is assessed, everyone employed and everyone who cooperates with the institution. The integrity plan is part of generalised social network of values, norms and (legal) measures that protect against corruption.

It is necessary to picture the use of the integrity plan in institutions as constant learning. Initially, it could be a limited estimation of certain areas most jeopardised and exposed, but in the continuation the plan could be expanded and improved. In such way, throughout few years it could include similar assessment in other parts of the

organisation. Beside this, the plan could include the assessment of first established “security” measures and modernisation of those based on the achieved experiences.

2 GOALS OF THE INTEGRITY PLAN

The integrity plan’s goal is to:

- estimate the institution’s vulnerability;
- assess the job positions where corruption is possible;
- increase the workplace’s resistance toward corruption;
- increase the awareness level of employees;
- continually implementation of improvements-preventions;
- establish a control mechanism;
- awareness, education of employees.

3 PURPOSE OF THE INTEGRITY PLAN

In relation with the international efforts in the field of establishing of anti-corruption mechanisms, preventive standards are getting increasingly more valuable and valid. The assessment of institutions’ integrity is one of them. Main purpose of the project is to assess vulnerabilities within national institutions (implementing integrity plans), to recommend possibilities for decreasing vulnerabilities in the beneficiary institutions, and to establish proper monitoring mechanisms.

Based on what was mentioned previously, additional purpose of the project is also to use ‘train the trainers’ methodology and thus train members of the (nominated) working groups in national institutions, who could then be trainers within their own institutions and persons ‘in charge’ of the integrity plans.

Under the project’s condition experts and beneficiary parts have will attempt in at least four missions to achieve its task – implementation of the integrity plans in selected institutional unit.

4 OBJECTIVES OF INTEGRITY PLAN PROJECT

The primary purpose and main objectives of the risk assessment project in Georgia is to arrive at a broad understanding of the state of integrity and capacity within the national institutions across Georgia (at later stage of project). For that purpose, the pilot study will analyse vulnerabilities in selected institutional units and recommend strategies for improvements. The CoE experts will work together with working group of selected unit. The working groups will consist up to 5 members, depending on the size of the unit.

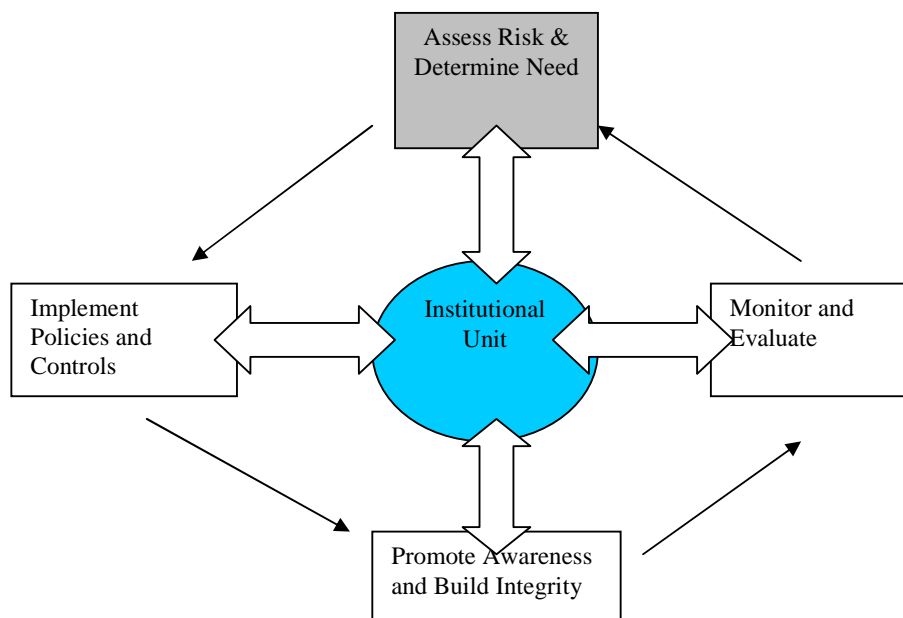
The report will present statistics and data drawn from the assessments, including interviews held with specific groups, implementing questionnaires, etc. Respondents will be asked set of questions specifically designed to ascertain their experience and perceptions on a specific day. The results will be presented in narrative and graphic form.

Drawing on and analysing the data, and paying particular attention to the vulnerabilities and problems identified, the report will present key findings relating to the perceptions and experience of the target groups. Based on the latter, the report will include chapter on detailed strategies/measures for improvement aimed at increasing

integrity level, preventative mechanisms, generally curbing corruption within selected unit, and increasing its transparency.

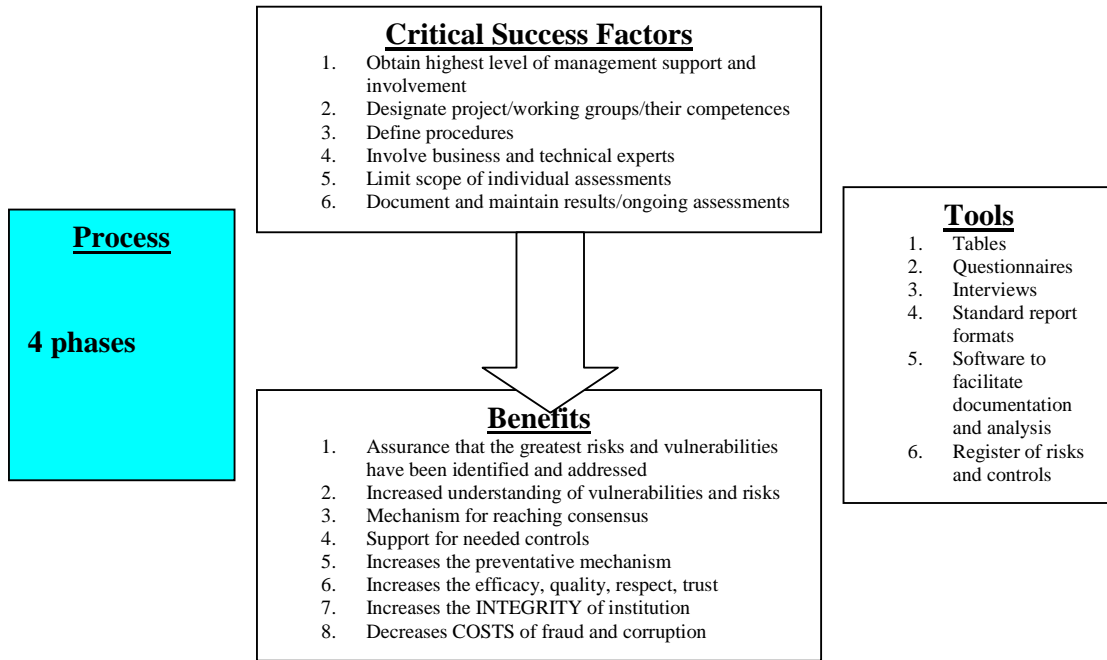
4.1 The integrity plan = risk management plan (the methodology process)

The integrity plans are strategic tool for prevention of corruption, and risk assessment as being part of it represents the systematic approach for analysis of vulnerabilities in institutions. It also combines the system of effectiveness of rules and regulations in practice (RIA model) and the system of quality. It is one of the fundamentals of the Slovenian national strategy in the fight against corruption. The Prevention of the Corruption Act in the Republic of Slovenia (2004) defines the integrity plan as “measures of legal and practical nature, which eliminate and prevent the possibilities for the occurrence and development of corruption in a body.”



Although all elements of the integrity = risk management cycle are important, risk assessments provide the foundation for other elements of the cycle. In particular, risk assessments provide a basis for establishing appropriate policies and selecting cost-effective techniques to implement these policies. Since risks and threats change over time, it is important that institutions periodically reassess risks and reconsider the appropriateness and effectiveness of the policies and controls they have selected. This continuing cycle of activity, including risk assessment, is illustrated in the following depiction of the integrity plan = the risk management cycle presented above.

Risk Assessment Practices and Related Benefits



4.1.1 Phases of the integrity plan implementation for the pilot project within one selected unit

It consists of four phases: the preparation phase, identification of threats and vulnerable activities, identification of existing preventative measures and controls and evaluation of those, report development and an action plan for responding to recommendations resulting from the vulnerability assessment (introduction of new measures and controls).

The project/working group consists of:

- Up to 5 people depending on the size of unit;
- Individuals have specialised knowledge of the institution's assets and operations;
- Team members are employees;
- Unit's leadership selects the project group;
- The project groups would have to be available for each phase' implementation 3 days maximum.

The use of project group enhances the quality and efficiency of the risk assessment, in particular ensuring that tools were used effectively, terms and methods are applied consistently thus institutionalising the process, end preventing institutions from 'reinventing the wheel'.

Steps and individuals involved according to phases

The preparation phase Step Individuals involved

<u>The preparation phase</u>
<ul style="list-style-type: none">○ The leadership of unit accepts the project/risk assessment plan○ It nominates the project/working group○ leader of the pr. group coordinates activities with the experts○ The project group develops a risk assessment execution plan (covers legal background, assessment objectives and methodology based on the guidelines designed), specifying key tasks and their carriers, a timetable and deadlines for tasks' execution○ The project group collects all necessary documentation (information about the legal framework of the organisation, about organisational structure and functions, about the work processes, list of functions, job descriptions, and members of staff, business plans, audit reports...)
Top leadership, the project/working group, and the experts

Identification of threats and vulnerable activities

Step Individual involved

<u>Identification of threats and vulnerable activities phase</u>
<ul style="list-style-type: none">○ Collecting, analysing, and creating of threats and vulnerabilities (history of system threats, data from intelligence agencies, mass media, reports from audit comments, security requirements)○ Filling out the questionnaires (carefully designed) - analysis○ Conducting interviews – analysis○ Setting up of the severity and probability levels for all threats and vulnerabilities ('risk index') = list of potential vulnerabilities○ Development of the list of the control mechanism
Project / working group

Identification of existing preventative measures and controls and evaluation of those

Steps Individuals involved

<u>Identification and evaluation of existing preventative measures and controls phase</u>
<ul style="list-style-type: none">○ Reviewing documentation collected during the preparation phase - analysis○ Review of the internal rules and standards○ Critical analysis of the existing situation and existing preventative mechanisms – current control and planned control mechanisms list○ Application to the computer programme

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Report development and an action plan for responding to recommendations resulting from the vulnerability assessment (introduction of new measures and controls)

Steps Individuals involved

Project / working group
<ul style="list-style-type: none">○ Improvement recommendations○ Improvement priorities, deadlines and assignment of the responsibility for the implementation of the recommendation, maintenance requirements○ The leadership adopts the integrity plan = risk management plan and follows its implementation○ Final report development○ Set up of monitoring system
Top leadership, the project/working group, and the experts

4.2 Final report contents

After the project group develops and recommends improvements/corrective actions, it prepares the exit briefing in a form of the final report, which is distributed to the institution in question.

The report highlights the most risky/vulnerable activities, with the priority of correction/improvement, type of improvement, deadlines, and who/what job position is to oversee its implementation.

The institutional unit monitors the implementation of the previously approved improvement recommendations and creates a progress monitoring (does risk management contribute to achieving outcomes). Additionally, it creates a mechanism that quantitatively assesses risks in institutional unit. Once this is achieved, it publishes the register of risks and vulnerabilities, recommendations to the higher levels of decision making bodies through its reports, and the general integrity level in the unit.

The expected results are to arrive at a broad understanding of the state of integrity and capacity within the institutional unit. Additionally, through the implementation of methodology the experts and project group will be able to statistically analyse the most exposed areas.

5 CONCLUSIONS

If we summarise the most important findings in relation to the suppression of corruption, we can conclude that foundation for elimination of corruption is prevention. Repressive measures of the prosecution bodies so far have not been

successful with corruption. Thus, the positive results are achievable with the preventative measures firstly; repression merely removes consequences after they have been made. Hence, the saying "better preventing than curing" in the area of fighting corruption by all means stands.

Strong and serious societal action of promoting anticorruption behaviour is urgent. Besides the increase of public awareness on threats of corruption, the zero tolerance to corruption must be established as well. The prevention, detection, and persecution of corruption is possible only with the great support of political will, therefore, it is crucial to determine the rules of behaviour and with the strong political support it will present them to the public in such a way that it will become daily routine. It is important to establish the transparency system in order for everyone to recognise corruption. Civil society and media are in any case the best control of authority; we all know that corruption has tiny chances for success in a society sensitive to its occurrence and because each deviation of individuals gets attention and consequently also society's negative attitude. Furthermore, it is vital to increase efficacy in the area of detecting and criminal prosecution of corruption, because not compromising and consistent sanctioning of illegal acts also preventatively influences future potential perpetrators.

The objective of each efficient strategy against corruption is the creation and establishment of an environment for preventing corruption respectively modelling of a national system of organisational integrity. For this reason, each organisation should have their own anticorruption program, which will base on acknowledgement of their own vulnerable and exposed activities, thus the integrity plan. This will enable them to choose the appropriate combination of preventative measures based on their needs and which will support efficacy and quality of the organisation's activity, encourage professional behaviour, etc., in the areas most vulnerable to corruption.

The central role of the integrity plan is especially to increase the awareness of weak points of an organisation's operation, its vulnerability and exposed activity that cause risks for development of corruption. The purpose of the execution of the integrity plan is to assess the ability of a system to resist violations, which could mean integrity derogation. It is a systematic estimation of weakness and vulnerability within individual procedures, rules, and organisational processes. If and when the assessors find these areas, their task is to develop measures, which will protect risky areas from possibility of corruption. Cases that are detected with the integrity plan can and should be used for studying of successfulness of preventative measures and their improvement.