



**XXIVth World
Road Congress
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Insitutional Integrity Daily Challenge or Matter of Course?

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Fraudsters mostly males

Expert: They are married and have good communication skills

KUALA LUMPUR: A large number of those who commit fraud are males, married and have good communication skills, according to an expert.

They are also intelligent individuals who are not only egoistic, but have inquisitive personality, are willing to break rules and take risks.

Association of Certified Fraud Examiners (Malaysian Chapter) president Datuk Akhbar Ali said according to statistics, 87% of those who commit fraud were males, aged between 31 and 45 with most of them "married and have pretty wives".

"Those who commit fraud do so as they are under stress due to personal crisis such as financial problems.

»They are also individuals who are greedy and big spenders«

DATUK AKHBAR ALI

"They are also individuals who are greedy and big spenders, living beyond their means," he said at a symposium against corruption and fraud here yesterday.

Akhbar said fraudsters usually would go home late from work to

enable them to steal company information and sell it to interested parties.

He said they would also refuse promotions and transfers as the position they were presently in would facilitate committing the crime.

"These people will also not take vacations fearing their activities would be exposed when they are not around at their desks.

"Those who lived beyond their means and have a very close relationship with their clients should also be checked for fraud," he said.

Akhbar said it was important for organisations to fight fraud and corruption to ensure and maintain the success of their establishment

apart from preventing revenue losses.

He added that in an organisation where fraud had been committed, there would be at least 6% loss in revenue.

"More importantly, such activities can destroy a nation and it is also important to remind the public on the severity of punishment should one get caught for committing the offences," he added.

He stressed that the menace would only grow and "not stop on its own".

"If left unchecked, the losses would be greater.

"It is extremely important for companies to do a background check on their potential staff before hiring them," he added.



Susceptible?

WANTED

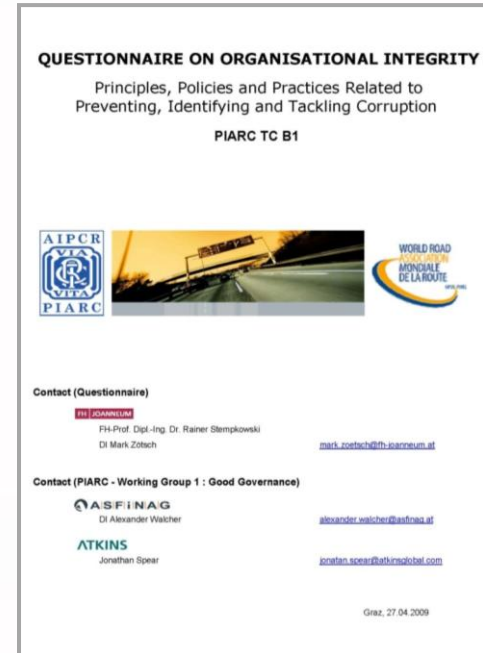


- Aged between 35 – 45
- Male
- Excellent communication skills
- Takes little holiday
- Knocks off work late
- Married to a beautiful wife
- Lives beyond his means

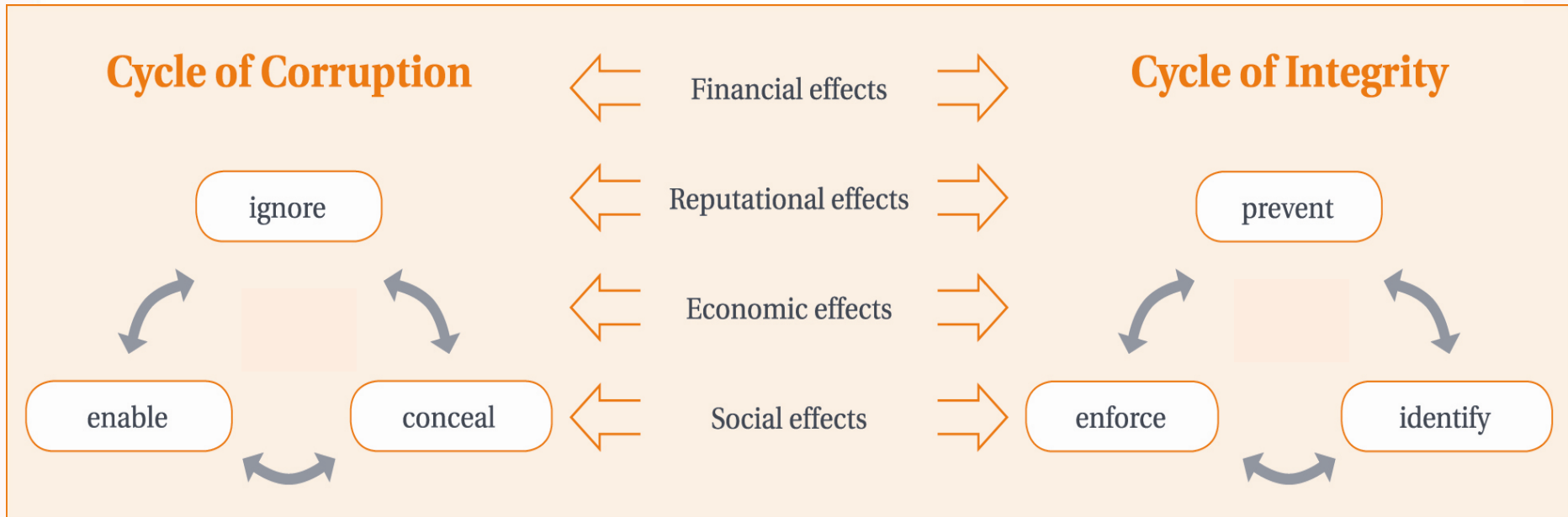


Work of PIARC TC B1 on Integrity

- International survey on integrity
- University research project
- Cycle of Integrity
- Tool Kit of anti corruption measures



Conceptual Model



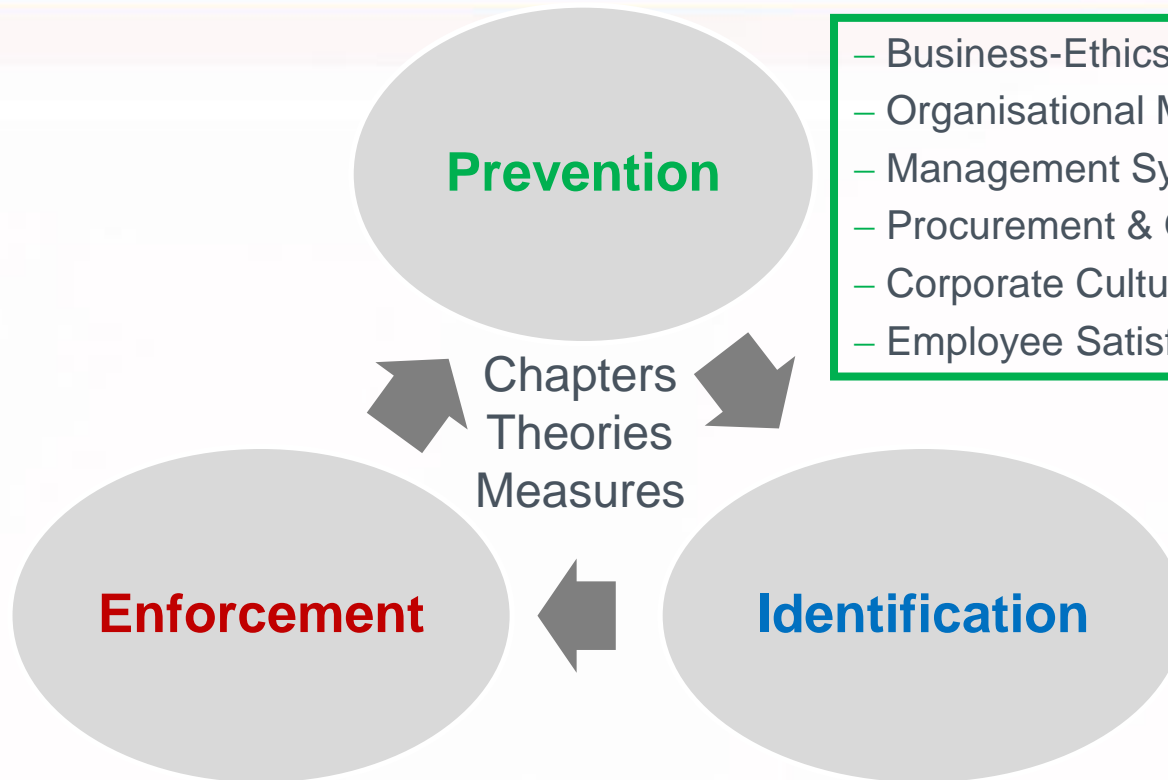
Tool Kit

Subject Areas	Measures	Description of Measures	Fully Implemented	Partially Implemented	Not Implemented	To be introduced	To be developed further
PART A - MEASURES for the PREVENTION of CORRUPTION							
1 Development of business ethics and anti-corruption strategy - awareness-raising and educational measures							
Theory: In many cases there is a lack of awareness about the definition, nature and consequences of corrupt behaviour ("trivial offence"). Awareness-raising measures therefore need to be provided as a priority for all employees and if possible for all contractors.							
	Ethics guidelines	Ethics guidelines with summary of the organisation's mandatory (and legal) policies and practices in the areas of business ethics and anti-corruption applicable to all departments and all employees Clear definition of what constitutes corruption and rules of conduct in the context of encountering perceived or actual corrupt behaviour Basic understanding of the organisation's ethics philosophy Sources of further advice, information and support	✓				
	Ethics workshops and other dissemination events	Regular completion of ethics workshops and other dissemination events for the training of employees and for the internal discussion of current issues, overview of the current regulatory framework and consequences (e.g. accepting gifts, damage to the organisation, damage to other market participants)		✓			✓

- Can be used as a checklist
- Organisation specific priorities
- Development & implementation plans
- Balanced relationship between prevention, identification & enforcement measures



Tool Kit – Content



- Business-Ethics & Awareness Raising
- Organisational Measures
- Management Systems
- Procurement & Order Process
- Corporate Culture
- Employee Satisfaction

- Clear & Communicated Guidelines
- Assignment of Responsibility
- Consistant Implementation of Measures & Disciplinary Actions

- Control, Audit & Monitoring Systems
- Reporting Systems



Tool Kit & Practical Application - Prevention

Business Ethics & Awareness Raising

- Providing Guidelines & Workshops
 - Definition of corporate ethics & proceedings
 - Providing specific examples of actions
 - Compulsory & continuous trainings
- Userfriendly Internal & External Publications
 - Leaflets that state essential points
 - Intranet, employees newspaper
 - Annual company report, letter to suppliers

Q & A こんな場合は??

Q | 問屋である別会社を通じてA官署に物品を納入している場合、A官署の契約担当職員にとって、当社の製品の売り込みをする当社営業マンは利害関係者になりますか?

A | 製品の売り込みをする営業マンは、契約担当の職員にとって利害関係者に当たります。

Q | 国の機関に物品を納入している場合、その機関の職員全員にとって当社は利害関係者になりますか?

A | 全員ではなく、契約の事務に携わっている職員にとって、利害関係者に当たることになります。例えば、契約の決裁を担当する職員、物品購入のための機種選定委員会がある場合の委員会メンバーなどにとっては、利害関係者に当たります。

NPSEB (Japan): Q& A Card



Modot (USA): Ethic Trainings



Tool Kit & Practical Application - Prevention

Effective Management Systems

- Increase of transparency through standardisation
- Readiness of employees to act in a corrupt manner is reduced



AASHTO SiteManager

File Edit Services Window Help

Maintain Sample Information

Basic Sample Data Addtl Sample Data Contract Other Tests U

Smpl ID: 645GB091 Status: Accepted / Complete

Revised By: Revising: Sample Date: 10/13/06

Link To: Link From: Log Dt (LAB Only) 10/23/06

Smpl Type: Production Acpt Meth: Sample and Test

Material: 1019PCT3 Type III Portland Cement

Sampler: 0001 Projekt

P/S: 0001 Projekt

Type: KEH Projekt

Prod Nm: Risiko

Mnfctr: Risiko

Town: Risiko

Intd Use: Chance

Repr Qty: Chance

Auth By: 0001 Chance

Lock Type: Überischt RIC-Auswertung Kosten

	Bestskosten aus SAP (Baugramm 900)	Bestkosten aus SAP (E31)	Aktuelle	Δ Aktuelle	Gesamtkosten	Beispielskosten (n %)*	Gesamtkosten (W)
Beschreibung							
Freiand	34.980.300,00	34.980.300,00	34.980.300,00	0,00	0,00	0,00	0,00
Drucken	15.550.000,00	15.550.000,00	15.550.000,00	0,00	0,00	0,00	0,00
Tunnel	10.874.000,00	10.874.000,00	10.874.000,00	0,00	0,00	0,00	0,00
Heberanlagen	2.929.000,00	2.929.000,00	2.929.000,00	0,00	0,00	0,00	0,00
Sewer EM	5.300.000,00	5.300.000,00	5.300.000,00	0,00	0,00	0,00	0,00
Deukotten	6.084.000,00	4.814.000,00	4.814.000,00	0,00	0,00	0,00	0,00
Grundverleim	6.325.699,63	7.814.924,61	7.814.924,61	0,00	0,00	0,00	0,00
Projektleitung/Projektmanagement	12.309.620,93	12.576.388,13	12.576.388,13	0,00	0,00	0,00	0,00
Summe	93.820.910,56	94.226.612,74	94.226.612,74	0,00	0,00	1.000,00	
Σ W	12.089.240,00	11.151.400,00	11.151.400,00				
Σ Welterosung	13.774.240,00	14.192.070,00	14.192.070,00				
Σ Wiedererholung (300010)	0,00	0,00	0,00				
Σ Wiedererholung (300040)	0,00	0,00	0,00				
Σ Gesamtkosten	119.703.990,56	119.970.132,74	119.966.132,74				
ab Einrechnungsproj							
Überischt RIC-Auswertung Termine							
abzüglich Chance aus CC (incl. Kostenbeteiligung)					6,22	5.963.200,00	
abzüglich Chance "Kostenbeteiligung"					0,23	215.000,00	
abzüglich Chance "Kostenbeteiligung"					0,00	0,00	
Maßnahmen					5,99	5.647.700,00	
+ NB-Zuschlag (für nicht bewertete und nicht berücksichtigte Risiken 1-2%)					3,30	2.926.796,38	
+ BMO-Zuschlag (für projektbezogene Risiken und nicht ident. Risiken 1-2%)					2,00	1.894.532,26	
Gesamtkosten					10,99	10.593.088,63	

Modot (USA) :

- Online Site Manager

Asfinag (Austria):

- Risk Management System



Tool Kit & Practical Application - Prevention

Specification of Procurement Processes

- Comprehensive & standardised processes
- Bindings regulations
- Audit proof workflows
- 4 - eyes principle
- Continuous enhancement
- Trainings & audits are essential

AVA-ONLINE

AVA-ONLINE: DIE ELEKTRONISCHE VERGABEPLATTFORM

Die Internetvergabepattform von ÖBB und ASFINAG

Bieterzone Informationen zur Bieterzone

Veröffentlichte Ausschreibungen

Elektronische Verfahrensabwicklung

Service

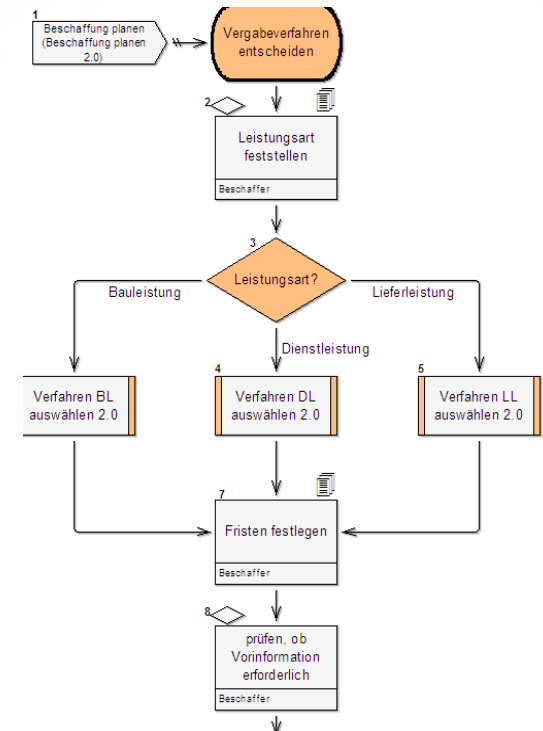
Downloads

BIETERZONE

Wenn Sie bereits über Zugangsdaten zur Bieterzone verfügen, Ausschreibung

E-Mail-Adresse:

Passwort: [Passwort vergessen?](#)



Asfinag (Austria):

- Step by step QM processes
- Audit proof online tender system
- Data rooms for indepth evaluation



Tool Kit & Practical Application - Prevention

Corporate Culture & Improved Identification

- Establish high degree of identification with corporate values
- Continuous userfriendly promotion to staff
- Role model effect of management

Modot (USA) :

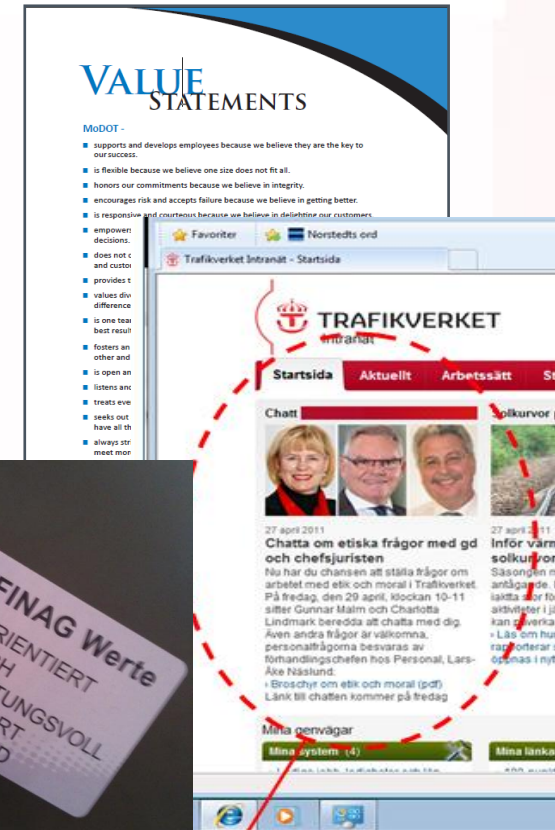
- Value statements including online input of employees

STA (Sweden):

- Online chat with management about ethic matters

Asfinag (Austria):

- Corporate values businesscard & screensaver



Tool Kit & Practical Application- Identification

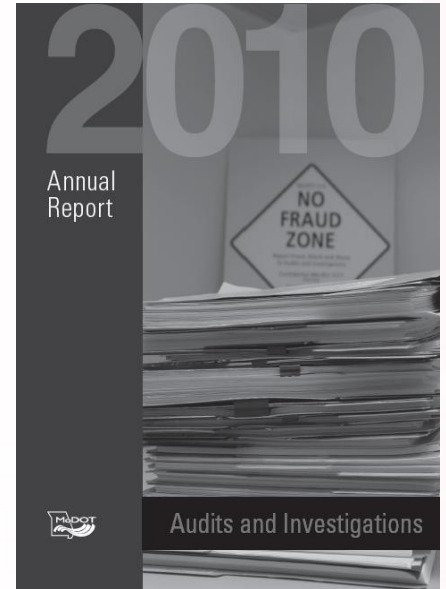
Management Control & Monitoring Systems

- Comprehensive control system as part management-systems
- Standardised ongoing self monitoring & reporting
- Checks to detect irregularities early



Asfinag (Austria) :

- Implemented control systems & audit levels



Modot (USA) :

- Annual audit & investigation report



Tool Kit & Practical Application- Identification

Confident Whistleblower Systems

- Installation of reliable internal/external reporting systems
- Points of contact (hotlines, chats, ombudsman..)
- Definition of responsibilities
- Communication of functionality of the system
- Discrete approach during a suspected case



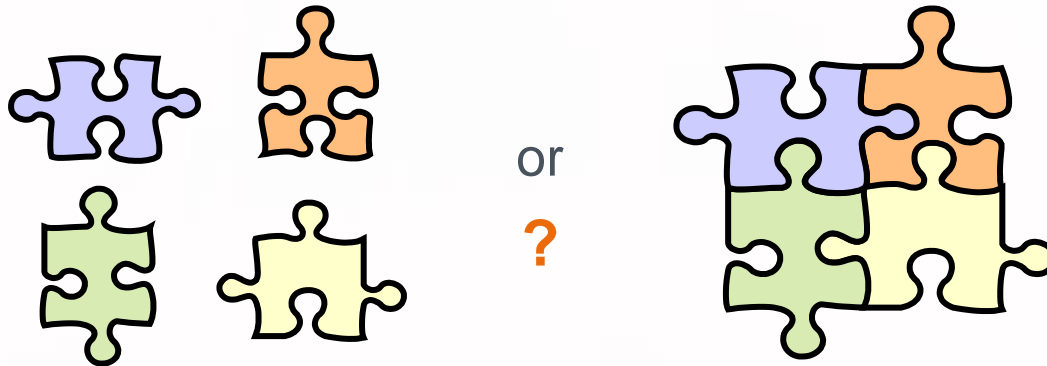
Modot (USA) : fraud hotline



Tool Kit & Practical - Enforcement

Definition of clear guidelines & responsibilities

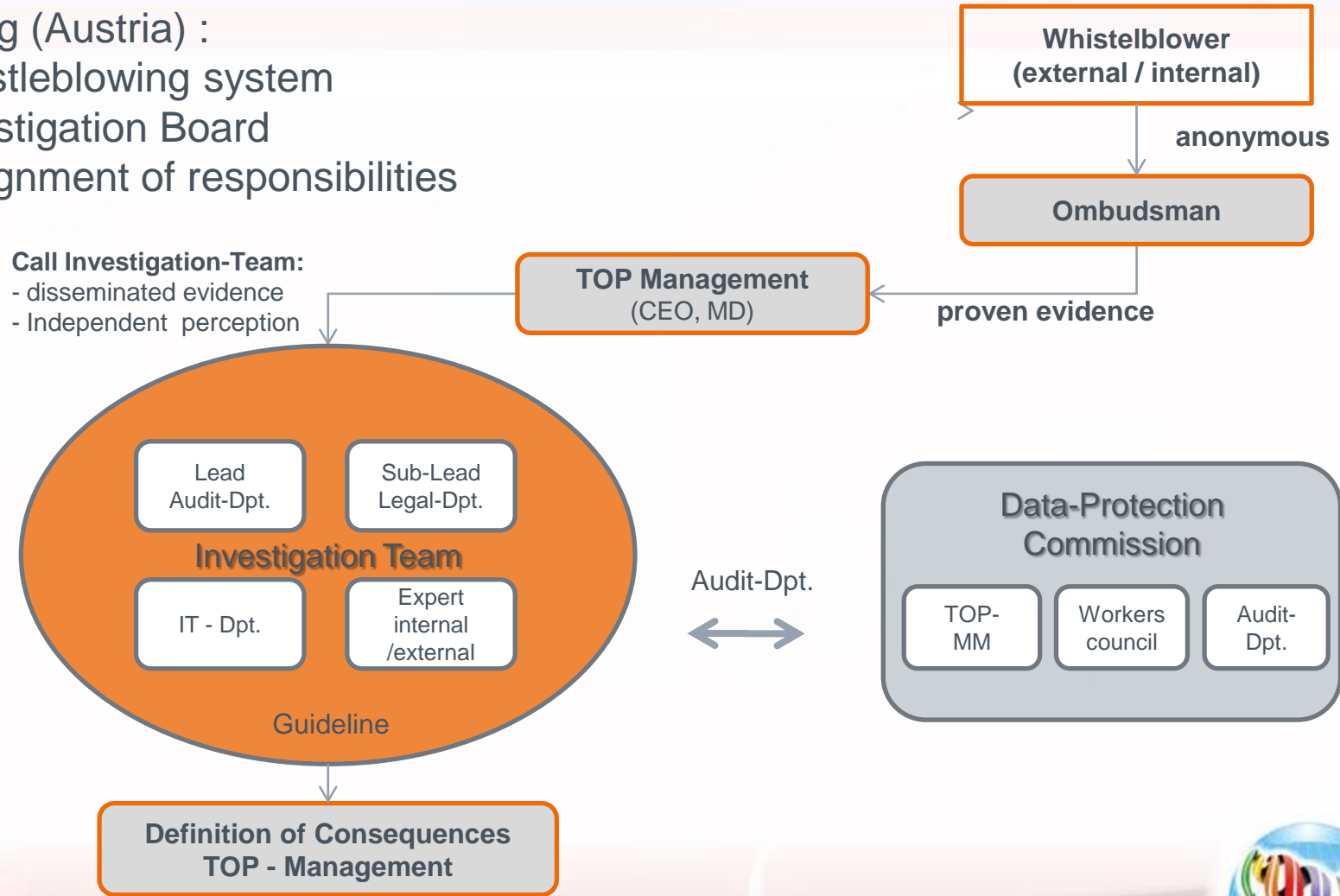
- Standardised & transparent regulations for dealing with suspected cases of corruption
- Widespread dissemination to employees & suppliers (guidelines, manuals, intranet..)
- Investigation and decisions on resulting action must be independent & transparent
- Appointment of specific responsibilities/investigation board



Tool Kit & Practical Application- Enforcement

Asfinag (Austria) :

- Whistleblowing system
- Investigation Board
- Assignment of responsibilities



Institutional integrity....?

A daily challenge & A matter of course

