

# Integrity Management Toolbox

A practical approach to manage integrity risks and improve performance of water sector organizations

## Tool Sheet

### OVERVIEW

Irregular procurement processes, illegal connections, collusion of officials with informal water cartels, or falsification of invoices and accounts, are all serious integrity challenges that water sector organizations face. Such risks can damage an organization's reputation and in worst cases seriously affect their bottom line. While there are some initiatives to address related issues in policy, there was, until now, little practical guidance for water sector organizations to tackle these problems.

The Integrity Management (IM) Toolbox supports organizations in making integrity a part of their strategic plans, business models, and management systems to reduce risks and improve performance. It provides a step-by-step methodology for initiating and facilitating an integrity change process, as well as comprehensive information on integrity risks and relevant mitigation tools.



The IM approach avoids moralizing to instead emphasize the performance opportunities and advantages that arise from improving integrity.

Users of the approach can:

- » Reduce costs and bring "lost money" back into their operations
- » Minimize reputational and legal risks
- » Increase accountability to customers, stakeholders, public authorities, and partners

Different types of water sector organizations can benefit from the approach, which can be applied as a voluntary process or as recommended by a local regulator or sector association.

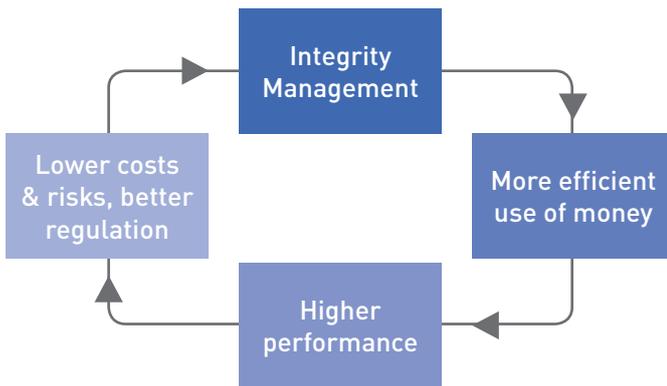
The IM Toolbox describes concrete instruments that can be used to reduce risk in:

- » Customer / stakeholder relations
- » Operations and maintenance
- » Governance and controls
- » Human resources and employment
- » Contract management

The IM Toolbox was developed by WIN, cewas, and GIZ in cooperation with local partners in Kenya (WASREB, WASPA, KeWI, and TI Kenya) and with the support of the German Federal Ministry for Economic Cooperation and Development (BMZ).

**PURPOSE**

- With the IM approach, organizations can turn integrity challenges into performance improvements by:
- » Identifying integrity risks in day-to-day operations and management
  - » Learning applicable management instruments to counter these risks
  - » Initiating an integrity change process within the organization



**USERS**

The IM approach has proven useful for a range of actors representing a variety of water sector organizations:



Utilities



SMEs



Public institutions



River basin organizations



Community committees



NGOs

**CASES**

Since the pilot implementation with eight Kenyan water service providers, the IM Toolbox has been adapted to the context of small and medium-sized enterprises of the Zambian Water Sector (with WASAZA), utilities in Indonesia (with PATTIRO), and public water authorities in Costa Rica (with CEDARENA). New toolbox versions are under development for community-managed water supply systems (with Caritas Switzerland), and NGO project management (with KEWASNET).

**HOW IT WORKS**

**1. Process Initiation**

There are two main scenarios in which the IM Toolbox is used: external directive or voluntary process.



In the first scenario, a regulator or association mandates or recommends that service providers or association members use the approach. The toolbox is adapted to the local policy, institutional, and regulatory framework to include already developed instruments, such as reporting systems. This scenario makes it possible for similar organizations to learn from each other and for regulators or associations to benchmark progress. The external incentive facilitates high-level buy-in.

In the second scenario, an organization voluntarily decides to use the toolbox and adjusts resource allocation to its level of commitment. This may require more intense preparation within the organization to secure strong buy-in from top managers. During the preparatory discussions, specific risks and instruments can be integrated directly.

**2. Integrity Management Workshop**

After initial adaptation and preparation, the process continues in a two-day workshop, during which participants assess concrete integrity risks, identify and prioritize mitigation instruments, and outline an implementation plan.



The integrity management workshop makes it possible to have an open dialogue, helps clarify risks, and creates momentum for effective implementation of the most relevant instruments.

**3. Integrity Road Map Implementation**

During the implementation phase, designated participants or integrity change agents implement the selected instruments in their organization, with the support and supervision of an external integrity management coach.



**GETTING STARTED**

An interactive version of the IM Toolbox, including downloads of the relevant supporting material, will be available from December 2015 at: [www.waterintegritynetwork.net](http://www.waterintegritynetwork.net).

WIN and its partners also support organizations interested in implementing the toolbox by providing guidance and training. For more details, please contact us: [lfeuerstein@win-s.org](mailto:lfeuerstein@win-s.org) or [johannes.heeb@cewas.org](mailto:johannes.heeb@cewas.org)