

Integrity/ Compliance Programs: development of the Structure of the Hotel Network in Foz do Iguacu - PR.

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Received: 06 Sep 2021,

Received in revised form: 03 Oct 2021,

Accepted: 19 Oct 2021,

Available online: 28 Oct 2021

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Keywords— Combating Corruption. Compliance. Corporate governance. Integrity.

Abstract— *The study presents the structure and processes aimed at implementing ethics, integrity and combating corruption and fraud in the organizational environment through integrity/compliance programs. This structure reflects a series of mechanisms that promote business continuity with a focus on concepts linked to the socio-economic sustainability of organizations. Conceptually, the work is supported by the bibliographical review of the concepts elaborated in the academy and main normatives woven in the national and international scopes throughout history. This is an exploratory descriptive research, in which organizations in the hotel industry in the city of Foz do Iguacu – PR were surveyed about the degree of maturity of the mechanisms contained in these programs in their operations. As a result, it is observed that the theme is already on the corporate governance agenda of these organizations, demonstrating a high degree of engagement with the concepts discussed. It was possible to conclude among the organizations observed that the main business activity in the municipality is already aligning its processes with the best practices explained, however, with some development gaps identified according to the methodology applied.*

I. INTRODUCTION

The development of the concept comes in line with the implementation of the idea of integrity in institutional and organizational relationships, public and private, as well as its effect on society. The term, according to Coimbra and Manzi (2010, p. 2) originates from the English verb to comply and means to comply, execute, obey, observe, satisfy what was imposed on it, that is, the concept is directly linked to the execution of activities which corroborate for regulatory compliance in the execution of its processes, these regulations linked not only to the external regulatory scope, but also to the development of internal control and corporate governance mechanisms for each organization and to promote integrity

and combat deviation of conduct within the activities performed.

The article addresses the structure of integrity/compliance programs, their academic foundation and current strategies to achieve it in a perennial and sustainable way.

The structure of these programs also helps to promote ethics as a fundamental element in conducting business, being essential for bringing organizations closer to social interests that are generally distorted. Organizations are one of the main drivers of social development, even if unintentionally and their way of conducting impacts the environment in which they are inserted, the perception of this impact should guide the

necessary changes in administrative paradigms, only profit no longer meets the expectations latent social organizations, but society's perception that business is related to the current form of social organization.

The development of the concept is parallel to the implementation of the idea of integrity and combating corruption in institutional, organizational, public and private relations, and their social effects. These concepts can be observed, for example, in law 12,846/2013, called the anti-corruption law, which contains several integrity mechanisms included in the provisions woven into the standard in reference to the composition and development of the topic at a global level (BRASIL, 2013).

This way compliance can be defined as the function of ensuring the strengthening of defense mechanisms to reduce events that are corrosive to the integrity of the activities carried out by organizations, aiming to promote ethical values, internally and externally.

The adoption of integrity/compliance programs is a topic widely debated around the world, both in the public and private spheres. This structure guides the legislative and academic composition in relation to the best practices to be adopted by corporations and organizations, public and mixed. The structure supports decision making and protects senior management, employees and partners, when all processes developed so far are adopted.

Having a program with the activities contained in it is vital for organizations in the current stage of development of administrative practice, which underlies the relevance of the study to determine which activities are essential to obtain the program and how these activities are being developed in organizations, with a focus in the hotel activity in the region of Foz do Iguacu – PR.

Also the study proposes to evaluate the dissemination of the practices contained in the program in the organizational environment, researching the degree of maturity and integration of the practices in the hotel chain in Foz do Iguacu – PR.

II. INTRODUCTION

Integrity programs are in evidence in Public and Private Administration, the development of the subject itself makes this change in organizational thinking evident in recent decades. The relationship between organizations and society is increasingly demanding from organizations solutions for predatory and controversial behavior observed throughout history.

New mechanisms were proposed to bring business activities closer to society's needs and based on the promotion of ethics, integrity and Corporate Social

Responsibility. Adhering to the activities contained in integrity programs has become strategic for any type of organization, of any size and nature, due to the numerous benefits generated by the implementation of the structure and activities contained in the program.

The survey was carried out in the Brazilian municipality of Foz do Iguacu, located in the west of the state of Paraná, with a population of 258,532 dwellers, according to the IBGE 2019 projection, and one of the main tourist attractions in Brazil being internationally recognized for the Iguacu Falls, Itaipu Hydroelectric Power Plant (second largest hydroelectric plant in the world) and the triple frontier between Argentina, Brazil and Paraguay (MUNICIPAL MUNICIPALITY OF FOZ DO IGUAÇU – PR, 2020).

For the research, only hotels categorized as Luxury by the Municipal Tourism Secretariat of Foz do Iguacu - PR were used, based on their greater operational complexity. The sample resulted in a group of 7 (seven) hotels in the region, however, due to availability and the disruptive moment attributed to COVID-19, only 6 organizations participated in the survey.

Data collection was performed through an online questionnaire covering fundamental topics of integrity programs. After determining the sample, the researcher went to each of the hotels within the established criteria and presented the project, which sent an email to those responsible with the link to participate in the research. The process was carried out in April and May 2020.

Several entities, private and public, work in the evaluation and integrity practices in Brazil and in the world, with recommendations for the effective implementation of the program, such as the CGU (2018) through the questionnaire "Pro-ethics 2018 - 2019", the Institute Ethos (2019) with its guide on integrity, however, the UN document (2013) entitled "On Anti-Corruption Ethics and Compliance Programs: A Practical Guide" was used as a reference in the elaboration of the methodology and form for this research.

Data analysis was based on the model proposed by the UN (2013) in the document "An Anti-Corruption Ethics and Compliance Programs: A Practical Guide, which determines a series of checks for the activities contained in integrity/compliance programs.

III. RESEARCH RESULTS

According to the scope delimited by the research project, this study intends to evidence the structure destined to the implementation of integrity programs and

to evaluate the degree of maturity of this structure in the region of the municipality of Foz do Iguaçu-PR.

For Giovanini (2014, p. 137), the success of the code of conduct is linked to: “communicating it to the entire staff and how senior management must be an example in complying with it, easy for everyone to understand, unambiguous, impartial, fair”.

Consequently, according to the analyzed data, it is inferred that the organizations surveyed provide these devices to their employees to strengthen the mechanisms of integrity, with a high degree of cooperation with authorities.

The degree of development of integrity/compliance programs in the hotel network in the region of Foz do Iguaçu – PR.

According to delimited samples, six hotels in the region of Foz do Iguaçu - PR were surveyed through an online questionnaire for data collection and, respecting the criteria of confidentiality, they will be represented as

Hotel 1 to Hotel 6. However, it presents a binary system of responses and for data analysis, a scale of development of the researched process was implemented in five levels, which were tabulated with scores from 1 to 5 for the elaboration of the total score for each of the reference topics: 1 point for “Strongly Disagree”; 2 points for “Partially Disagree”; 3 points for “Neutral”; 4 points for “Partially Agree”; and 5 points for “Totally Agree”.

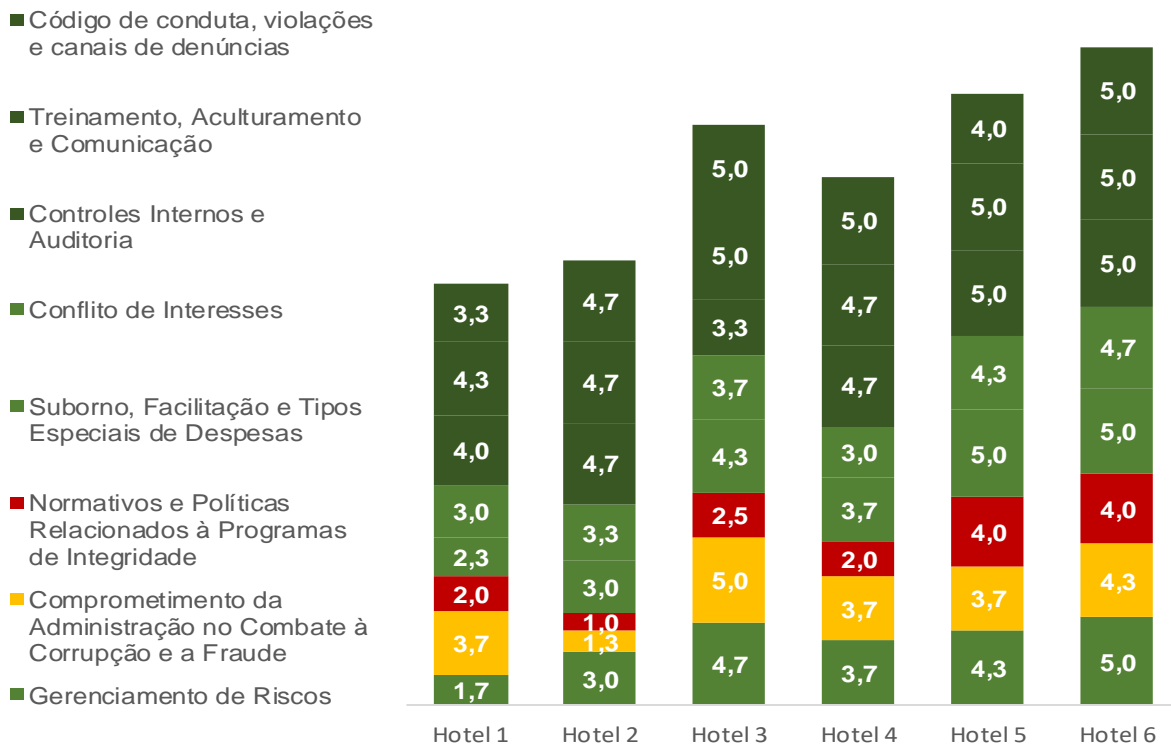
Through the collected data, a high adherence of the surveyed hotels to the activities and processes contained in the integrity/compliance program is observed. Thus, the next table demonstrates the overall ranking of organizations surveyed. The survey was applied to the largest hotels in the region, but the UN guide (2013, p. 104) emphasizes that: “organizations of all sizes must publicly demonstrate their efforts and commitment to fighting corruption and promoting ethics and integrity”. Therefore, the next table shows the general classification of organizations surveyed.

Table: General Classification

Dados	Hotel 1	Hotel 2	Hotel 3	Hotel 4	Hotel 5	Hotel 6	Média
Gerenciamento de Riscos	1,7	3,0	4,7	3,7	4,3	5,0	3,7
Comprometimento da Administração no Combate à Corrupção e a Fraude	3,7	1,3	5,0	3,7	3,7	4,3	3,6
Normativos e Políticas Relacionados à Programas de Integridade	2,0	1,0	2,5	2,0	4,0	4,0	2,6
Suborno, Facilitação e Tipos Especiais de Despesas	2,3	3,0	4,3	3,7	5,0	5,0	3,9
Conflito de Interesses	3,0	3,3	3,7	3,0	4,3	4,7	3,7
Controles Internos e Auditoria	4,0	4,7	3,3	4,7	5,0	5,0	4,5
Treinamento, Aculturação e Comunicação	4,3	4,7	5,0	4,7	5,0	5,0	4,8
Código de conduta, violações e canais de denúncias	3,3	4,7	5,0	5,0	4,0	5,0	4,5
POTUAÇÃO FINAL	3,0	3,2	4,2	3,8	4,4	4,8	3,9

Source: Author data.

Gráfico: Composição por tópico



Source: Author data.

The organizations surveyed showed a high degree of maturity regarding the structure intended for integrity programs, however, the performance presented under the normative and policy topic reveals that, even if the structure exists, it is not circumscribed under the characterization of an integrity program in themselves. The UN document lists a series of attributes for the normative elaboration of program policies that must contain, for its best effectiveness:

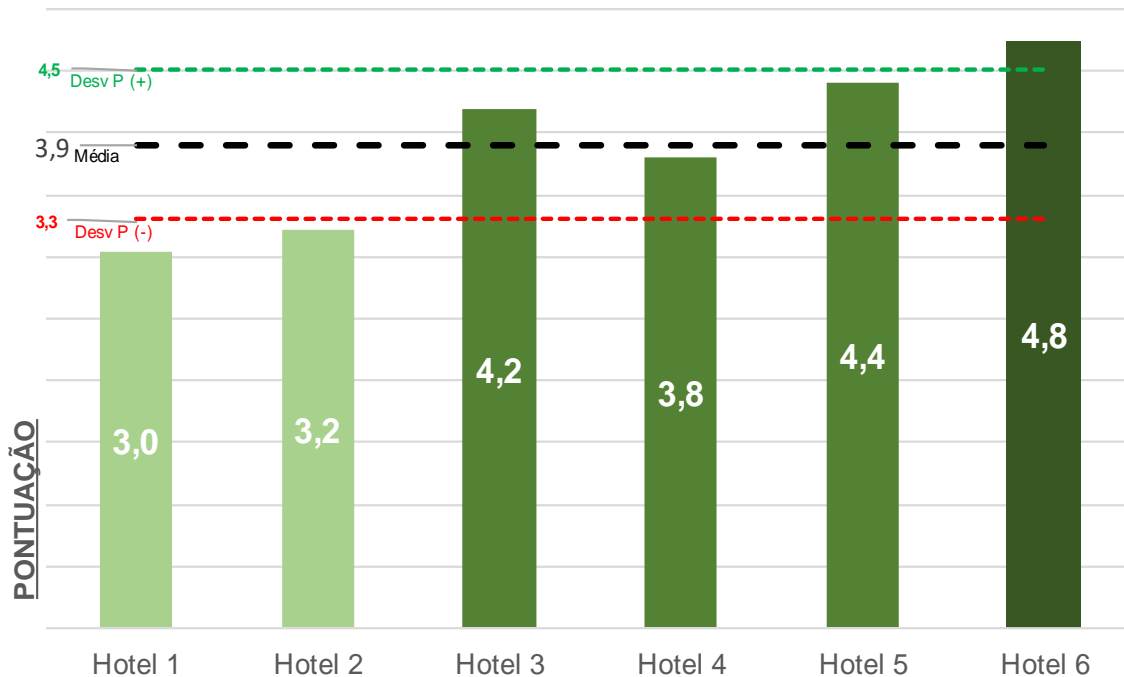
- As políticas devem ser formalmente documentadas;

-A linguagem deve ser clara e de fácil entendimento, traduzida para todas as línguas onde exista operação;

- As políticas devem ser visíveis a todas as partes da operação, internos e externos, em todos os níveis e hierárquicos e para todos os *stakeholders*; e

-A políticas devem conter casos reais para facilitar o entendimento dos normativos contidos” (ONU, 2013, p. 35, tradução nossa)

Graph 18: General Classification



Source: Author data.

According to the mean and standard deviation, it is observed that the performance of hotels 1 (one) and 2 (two) are below their peers, that is, the development of activities aimed at the program must be promoted. However, when compared with the numbers obtained by the KPMG document (2019, p. 8), the region presents: “high degree of maturity regarding the activities”. It is important to point out that the survey carried out by the Consultancy covers the entire national territory, influencing the performance of the sector, which in the document presents a total score of 2.9 out of a total of 5 (five). Despite being different methodologies, both propose the observation of activities described in the study, revealing a strong positive correction and thus becoming comparable.

IV. CONCLUSION

Integrity/Compliance Programs have become indispensable for organizations in conducting their operations with a view to their own sustainability, therefore, it is an ethical commitment in which production processes will converge to the development of ethics as the core of decisions at all hierarchical levels.

The concept, when rooted in the institutional core, will influence the actions of those involved in institutional processes and in other spheres, promoting the concept and generating social development through spillover, which makes the benefits of the program even

more comprehensive, as it will not only bring benefits to the institution, but also to society, being disseminated by the attitude of its employees and administrators.

In parallel, the maturity stage of the program structure in the hotel network of Foz do Iguaçu - PR was raised, one of the main tourist destinations in the country and being a reference in the researched segment, which, according to the research protects its processes through the integrity.

The best practices of integrity programs are increasingly present in the organizational day-to-day, several entities monitor and promote this structure as observed during the survey. The hotel network in Foz do Iguaçu - PR is not below the vanguard of organizational integrity, according to the structure observed in the literature review and the data collected through the research, it is concluded that, despite having gaps related mainly to composition normative and engagement of senior management in this process, the organizational activity in the region has a high degree of maturity in relation to the topic, although not characterized as integrity in itself so far, but rather dispersed in the business units.

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