



MasterClass in Anti-Corruption for Procurement (3 days)

MASTERCLASS OVERVIEW

Corruption corrodes the fabric of society. It undermines people's trust in political and economic systems, institutions and leaders. It can cost people their freedom, health, money – and sometimes their lives.

Procurement is a complicated and sometimes opaque process, through which enormous sums of money are spent. In the public sector alone procurement spending averages between 13 per cent and 20 per cent of gross domestic product. Every year an estimated average of US\$9.5 trillion of public money is spent by governments through public procurement and with such vast sums at stake, few activities create greater temptations or offer more opportunities for corruption than procurement. The scale of procurement spending in the private sector is harder to estimate but is thought to be equally large.

Corruption in procurement means money is being wasted on an enormous scale – whether shareholders' money in the private sector or tax payers money in the public sector – and the benefits this money should have brought are lost. Money to pay for buildings, hospital equipment, books for schools, safer roads, the foods we eat and the clothes we wear, for example, ends up sitting in the pockets of the corrupt.

The cost of corruption is not only measured by money lost. Corruption distorts competition, can reduce the quality, sustainability and safety of projects and purchases, and reduce the likelihood that the goods and services purchased really meet our needs. When procurement is corrupted by private interests and not directed by the public good, trust in governments and our private institutions is eroded.

This MasterClass equips delegates with the essential skills required to understand just what corruption in procurement is all about and how it can be combatted effectively. Teaching is based around understanding first what is meant by corruption and how corruption manifests itself in procurement. The different forms of corruption are then explored in more detail and guidance is given on what to look out for – the outward signs of corruption. The regulatory framework is introduced and the role of national and international law and other initiatives is discussed in detail. The role of culture and human factors is covered and moving forward, tried and tested ways to combat corruption in procurement are presented. Finally, delegates are challenged to devise an effective anti-corruption plan for their own organisation and its supply chain.

There are numerous case studies and practical exercises for delegates, to help cement learning. Questioning is encouraged and there will be plenty of discussion allowing participants to share their own experiences, thoughts and ideas. Each delegate will receive full MasterClass notes and a set of templates and other materials that can be used to fight corruption back in their own organisation.



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WHO SHOULD ATTEND THIS MASTERCLASS

This highly practical and interactive MasterClass has been specifically designed for:

- Senior managers with responsibility for procurement
- CPOs and Purchasing Directors
- Purchasing Managers, Category Managers and Buyers
- Finance Managers
- Supply Chain Managers
- Commercial lawyers

PLUS anyone else responsible with an interest in wiping out corruption in procurement and in the supply chain.

BY ATTENDING THIS INTERACTIVE MASTERCLASS YOU WILL BE EQUIPPED WITH THE SKILLS TO:

- Understand what corruption in procurement is all about
- Recognise the importance of taking assertive action against corruption
- Look out for the danger signals or “red flags”
- Know about the different forms of corruption in procurement
- Look at corruption from different points of view – that of the buyer versus that of the supplier
- Recognise the cultural and human factors at work in corruption
- Understand the regulatory framework, including law and other initiatives
- Use appropriate tools for combating corruption
- Identify issues of corruption in the extended supply chain
- Implement an anti-corruption initiative within their own organisation

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THE BMTG TRAINING STYLE

- BMTG employ best practice interactive training techniques.
- All of our Trainers are highly experienced practitioners who have operated successfully in the field and are with BMTG by reputation and invitation only. We have no 'beginners'. All of our Trainers have themselves been trained in BMTG techniques and our style is common throughout our entire portfolio of MasterClasses and Courses.
- The BMTG technique involves classroom lecturing, highly intensive case study / role playing sessions, classroom interaction and feedback, one to one coaching from the Trainer.
- BMTG have found this to be one of the most effective training methodologies to date and many large multinationals and training companies have also taken up this approach.

MEET YOUR MASTERCLASS DIRECTOR: Steve Mallaband



Steve is a procurement professional with over 20 years experience, and has held senior positions with several large organisations both in the UK and abroad. During his career he has bought a large variety of goods and services in an international context, and has been actively involved in fighting bribery and corruption in procurement. For the last 7 years he has provided training and consultancy to public and private sector clients around the globe on a wide range of procurement topics. He is a knowledgeable, interesting and entertaining presenter who is able to draw on his wealth of practical experience to excellent effect.

MEET YOUR MASTERCLASS DIRECTOR: Ros Howard



Ros is a professional business trainer with a rich and varied career in industry and education. She believes that excellence in communication and other "soft skills" is vital for business success, and has a real passion for instilling learning in others. For the last 10 years she has provided training, coaching and consultancy to a variety of clients in many different countries and from many different organisations. She is a dynamic and inspiring presenter who, having taught English as a Foreign Language, is particularly sensitive to the needs of the non-native English speakers.

Steve and Ros work together to deliver the Anti-Corruption MasterClass, offering you the best of both worlds – a very experienced procurement practitioner backed by an expert in communication and soft skills.

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MasterClass Outline

What is corruption?

- Definitions
- The different types of corruption
- The causes of corruption
- Human nature and the seven deadly sins
- The extent of corruption worldwide – Transparency International's CPI Index

How does it manifest itself in procurement?

- Five ways in which procurement and corruption come together
- Corruption in public sector procurement
- Corruption in private sector procurement

What to look out for in your organisation – “Red Flags”

- Keeping your eyes open
- The outward signs of corruption
- What happens out of hours?
- Some common sense checks

Corruption at the bid stage

- Bribes and kickbacks
- Collusion between suppliers
- Rigging the specification, the bidding process and the evaluation of bids
- The dangers of single source awards

Corruption during contract execution

- Change order abuse
- Product substitution or failure to meet contract specifications
- The role of quality assurance
- False, inflated or duplicate invoices or expenses requests
- Fictitious suppliers

Other forms of procurement corruption

- Conflicts of interest
- Blackmail
- Purchases for personal use and resale
- Getting round approvals
- Unnecessary purchases

The regulation of corruption

- Key national laws around the globe
- The United Nations Convention Against Corruption (UNAC), the OECD Bribery Convention, Transparency International and other international efforts
- The use of Integrity Pacts

Combating corruption

- Developing a robust, effective and transparent procurement process
- The development of effective internal controls
- Monitoring and the role of audits
- Codes of conduct and disciplinary procedures
- “Whistleblowing”
- Implementing an anti-corruption initiative

Culture and people

- Establishing the right culture
- Hiring the right people
- The role of poverty and social conditions
- The development of individual and collective social and moral conscience

Corruption in the supply chain

- The use of child labour and forced labour
- First, second and third tier suppliers – who exactly is involved?
- Subcontracting and subcontractors