

# Diakonia Complaints and Incident reports 2014



Text: March for peace in Colombia 2013

## Diakonia's complaints and response mechanism

Diakonia is committed to work in an open and responsible way that builds trust in development and humanitarian programming and seeks to work with affected communities and populations in the best way possible.

To ensure continuous improvement we are open to receive complaints regarding our work in the countries where we operate, including Sweden. We do, however, encourage that comments and complaints regarding are raised and discussed with responsible Diakonia staff members and managers as close to the work activity as possible.

## Annual report on complaints

Diakonia set up a web based complaints and response mechanism (CRM) during 2013, when the CRM roll-out plan for the entire organization started. This report for 2014 is the second one since the start, and we are happy the system works.

Diakonia summarizes the organizational learning from complaints handling in annual reports without revealing any information about the details of complaints, and of course leaving out any information about the complainant. The annual reports are focusing on learning points and how Diakonia aims at improving our way of working. The report is available at Diakonia's website.

From January – December Diakonia received a total of 7 complaints of which 4 has been finalized and 3 are still being investigated. Of these 1 case was a complaint against Diakonia, and rest are related to partner organizations. Diakonia also has an internal report system for staff members, which is used to report on security and working conditions. A total number of 7 incidents were received during 2014 this way and made known to Senior Management at the Diakonia Head Office. Lessons learned are incorporated in Human Resource procedures.

## Complaints and incident during 2014 through CRM complaint site

<b>File no:</b>	2014.CC1	<b>Year:</b>	2014
<b>Content of the complaint:</b>			
An employee in a partner organization filed a complaint against her employer to Diakonia, stating that the employer did not follow the working contract with her.			
<b>What we did:</b>			
Upon receiving the complaint Diakonia immediately contacted the partner organization. We also contacted our auditor to check deeply if the organizations salary process was according to laws in the country in question. This was found to be the case, but there had been a misunderstanding between the employee and employer and Diakonia asked the organization to be more transparent regarding salary procedures in the future.			
<b>Lessons learned:</b>			
Diakonia should ask for institutional audits whenever possible in order to detect mismanagement. Diakonia should also promote transparency processes within the partner organization as part of Diakonia's anti-corruption work.			

<b>File no:</b>	2014.CC2	<b>Year:</b>	2014
<b>Content of the complaint:</b>			
Diakonia raised concerns regarding late reporting and general compliance challenges with a partner organization as part of the normal monitoring proceedings. The partner informed that a forensic audit had been carried out on their order, and it had confirmed the issues Diakonia was raising. The forensic audit revealed significant concerns with internal controls that demanded attention.			
<b>What we did:</b>			
The serious issues raised in the forensic audit needed urgent attention. Diakonia suspended planned payemnets, recalled all funds balances, looked for another partner to continue the work, informed the back donors of the situation, and commissioned a comprehensive Audit that ended up with a qualified opinion. Significant challenges experienced in getting the partner to sign the Audit report and eventually the partner signed the Audit with reservations.			
<b>Lessons learned:</b>			
It is important to encourage partners to change auditors regularly, it is also critical to ensure that Diakonia carries out spot checks of internal controls and not rely 100% on audit reports given by partners. It is also important to ensure that back donors are informed immediately of any issues and that they are constantly updated as a way to maintain trust. Further, all communication and processes during an investigation must be handled professionally to avoid a stalemate in concluding the matter. When there is suspicion of fraud, it is best to ensure that any funds balances are recovered to avoid any possible or further risks to the fund.			

<b>File no:</b>	2014 CC3	<b>Year:</b>	2014
<b>Content of the complaint:</b>			
An organization filed a complaint accusing Diakonia of having acted unethically and abusing its power. Diakonia had received a concept note from the organization and it was declined. A project was already underway with a similar concept so the organization accused Diakonia of having stolen the idea.			
<b>What we did:</b>			
Diakonia contacted the organization and explained the issue and that the project was already underway when Diakonia received there concept note. Diakonia had not stolen any ideas for the project.			
<b>Lessons learned:</b>			
The CRM system made it possible for Diakonia to respond to the complaint in a formal way. It is important to be transparent and thorough when answering on concept notes or project proposals so that the stakeholder gets the full understanding of why a specific proposal is rejected. The misunderstanding was clarified this way.			

<b>File no:</b>	2014 CC4	<b>Year:</b>	2014
<b>Content of the complaint:</b>			
A partner organization presented an annual audit statement with a fraudulent signature of the auditor firm, who also happened to be the auditor the Diakonia office uses. The Diakonia auditor had not done the audit and the auditor was also the one who discovered the fraud. The partner organization was unaware of the fraud.			
<b>What we did:</b>			
Diakonia commissioned another Audit of the partner organization. It came out clean with no comments.			
<b>Lessons learned:</b>			
It is important to follow up and make assessments on the partners auditor, and Diakonia also need to take a more active role when partners are contracting auditors. The importance of such assessments is also highlighted in the Diakonia PME-handbook.			