



GOVERNANCE AUDIT
Diaconia-FRIF, Bolivia

Prepared by:
PROFIN Foundation

By request of:
Fundación DIACONIA-FRIF
(Diaconia Investment and Promotion Rotating Fund)

Cut-off date: October 2008

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1. INTRODUCTION

The present report contains the results of the Diaconia-FRIF (D-FRIF) governance audit realized by PROFIN Foundation (PROFIN) under the role of external and independent evaluator.

The type of audit carried out by PROFIN is that of *processes audit*, that examines the status and efficiency of governance processes of an MFI under the following six dimensions of analysis:

PROFIN: Dimensions Valued in the Governance Audit of Microfinance Institutions	
Strategic Vision	Strategic vision shared by the different organizational actors
Information Systems	An information system that is dependable and efficient for decision-making
Decision-making Processes	Decision-making processes that are clear, coherent, and adequate for the organizational structure
Human Resources Management	Human resources with training and capabilities that allow the adequate execution of decisions
Control Systems	Control system that is dependable and efficient
Crisis Management	Capacity for preventing and overcoming internal and external crises

The primary information of the audit was obtained based on workshops facilitated by PROFIN Foundation, convening the presence of the representatives of the following D-FRIF actors: 1) Board of Directors, 2) General Management, 3) management of the offices, and 4) Human Resources Area and Internal Control Unit. At these workshops, the questions of the questionnaire (Annex 1) employed for obtaining governance information were answered; there was also participative reflection on the answers provided.

We define governance in a microfinance institution (MFI) as the entirety of mechanisms based on which the institutional actors (board members, managers, and operational personnel) define and pursue the mission and assure the endurance of the institution, adapting to the environment, and preventing and overcoming crises. This definition is different from the *classic vision of governance*, focused on control of investors over managers, rather, it goes towards

a *global vision of governance* that takes into account both the entirety of actors, and the means involved.

The governance audit applied by PROFIN is based on the common axes of governance in microfinance institutions proposed by IRAM in the document titled *Guide for the Diagnostic of Governance*.¹

In what follows we present the results of the governance audit, making note of the differences between the diagnostics and perceptions of the different organizational actors. The results presented have October 2008 as the cut-off date.

2. DIAGNOSTIC OF GOVERNANCE BY DIMENSIONS

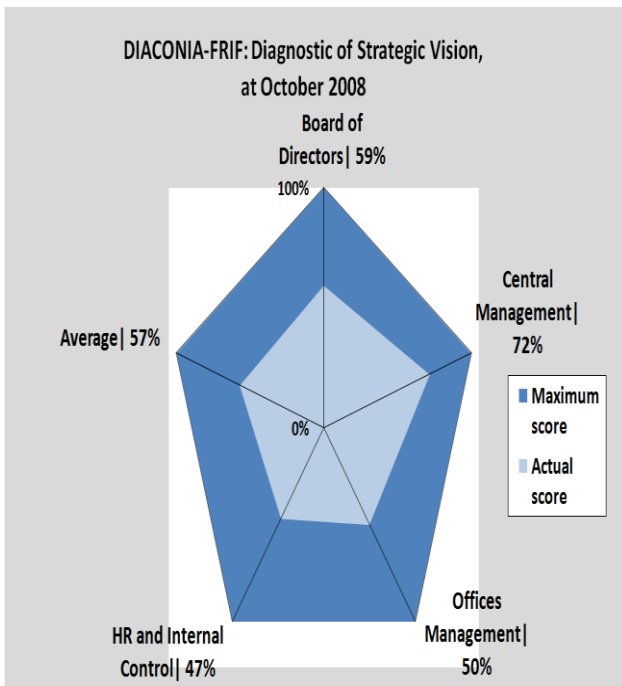
2.1 Strategic Vision

For the diagnostic of D-FRIF's situation in terms of strategic vision, the following general aspects were taken into consideration:

PROFIN: Governance Audit Aspects Valued of the Strategic Vision
<ul style="list-style-type: none"> • Clear and explicit strategic vision • Coherence between the strategic vision and operational planning • Strategic vision known and shared • Strategic vision that is coherent and compatible with the environment

The diagnostic of the D-FRIF actors reveals that the *strategic vision* scores better firstly with the Central Management, and secondly with the Board of Directors. In contrast, the management units of the offices, and the Human Resources Area and Internal Control Unit obtain the lowest scores. The average score is 57% of the maximum score.

¹ IRAM (*Institut de Recherche et d'Applications des Méthodes de Développement*) is an independent consulting firm based in France, that provides advising with a development focus, under values of quality and ethical commitment. See www.iram-fr.org



Source: PROFIN Foundation

The scores of the aspects considered in the *strategic vision* sphere are based on the following characteristics of D-FRIF's governance:

- There are shared social values and commitment towards the mission in board members and personnel with seniority.
- There is the need to improve the transmission of the organization's mission and the values to new personnel.
- There is lack of knowledge and clarity regarding the strategic vision at the operational levels.
- There is lack of adaptation of the strategic plan in force with regards to the present context under which the institution performs.
- It is necessary to include clear and specific social objectives within the strategic plan.
- Lacking are operational plans that allow putting into practice the strategic vision of the institution.
- There is a lack of a more adequate relationship between strategy, operations, and available resources.

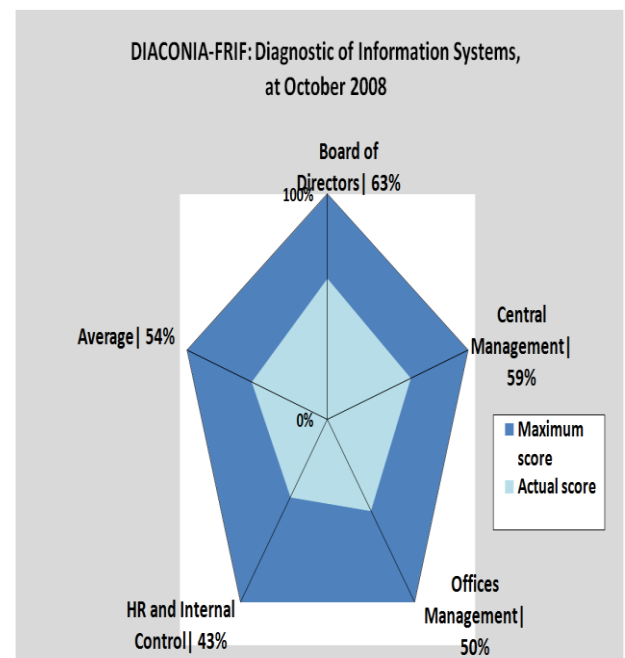
- Institutionalized means are lacking for promoting commitment on the part of the personnel with the mission of the institution.

2.2 Information Systems

For the diagnostic of D-FRIF's situation in terms of *information systems*, the following general aspects were considered:

PROFIN: Governance Audit Aspects Valued of Information Systems
<ul style="list-style-type: none"> • Availability of information • Timeliness of information • Dependability of information • Accessibility of information • Use of information for decision-making

The diagnostic of the D-FRIF actors reveals that the *information system* scores better firstly with the Central Management, and secondly with the Board of Directors. In contrast, the Management Units of the Offices, and the Human Resources Area and Internal Control Unit obtain the lowest scores. The average score is 54% of the maximum score.



Source: PROFIN Foundation

The scores given to the aspects valued in the *information systems* sphere are based on the following characteristics of D-FRIF governance:

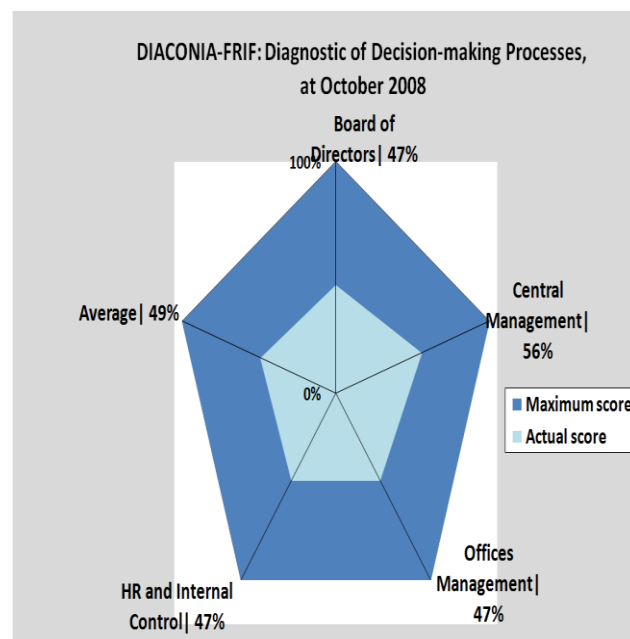
- There is an information system designed by own human resources, made-to-measure for the needs and specific characteristics of the institution.
- The information system is dependable in the generation of accounting and portfolio information.
- The offices generate but do not receive feedback information from the central office.
- There is no decentralization of information and connectivity of the system with all the offices.
- There is sufficient information for the Board of Directors, but it is insufficient for the operational levels.
- Slowness in the consolidation of information, generating lack of timely information.
- The information system does not incorporate social indicators.

2.3 Decision-making Processes

For the diagnostic of D-FRIF's situation in the *decision-making processes* sphere, the following aspects were considered:

PROFIN: Governance Audit Aspects Valued in Decision-making Processes
<ul style="list-style-type: none"> • Decision-making processes that are formalized, simple, and accepted • Coherence between the theoretical process and actual practice • Coherence between the functions of the actors at the decision-making level • Management of conflicts of interest • Responsibility of actors that make decisions

The diagnostic of the D-FRIF actors reveals that the *decision-making process* scores better with the Central Management. On the other hand, the Board of Directors, the management of the offices and the Human Resources Area and Internal Control Unit have the lowest scores. The average score is 49% of the maximum score.



Source: PROFIN Foundation

The scores given to the aspects valued in the *decision-making processes* sphere are based on the following D-FRIF governance characteristics:

- The decision-making processes are transmitted to the personnel through flow charts or regulations.
- The verification of compliance with the decision-making processes is part of the work functions of supervisors and of the internal auditor.
- There are no sanctions for non-compliance with the decision-making process, only warnings.
- There are administrative decision-making processes that are not made explicit or documented, as in the case of the certifications requested by clients.
- The regulations clearly prohibit issuing loans to employees and board members of the institution.
- Regulations are lacking for contracting and procurement.
- Regarding loans, the process is clear. Clarity is lacking in new instructions or notices.
- Resolutions of the Board are not always complied with, or their realization takes long.

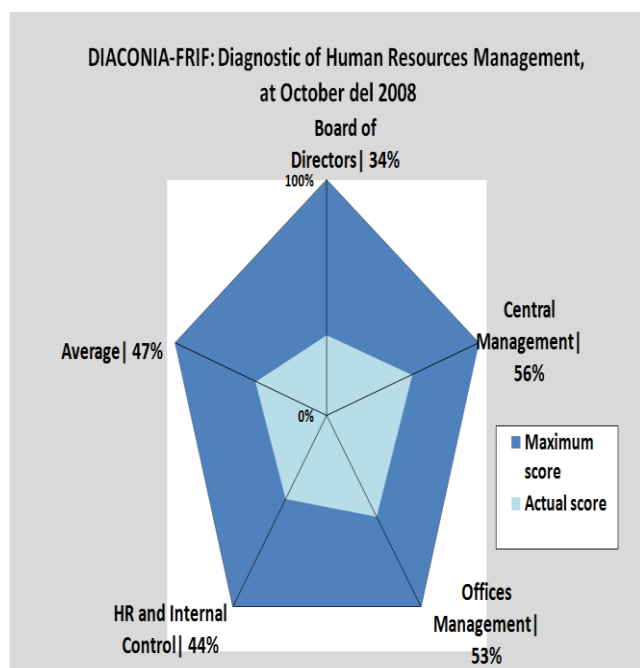
- There are clients that have influence over the branch heads for changing decisions that should be made by loan officers (“advisors”).
- There are cases of managers that change decisions taken at the operational level.

2.4 Human Resources Management

For the diagnostic of D-FRIF’s situation in the *human resources management* sphere, the following general aspects were considered:

PROFIN: Governance Audit	
Aspects Valued in Human Resources Management	
•	Profile and training of personnel in agreement with the functions assigned
•	Training plan and human resources policy
•	Incentives linked to the execution of decisions
•	Coherence between human resources and the institution strategy
•	Sufficient human resources capacity

The diagnostic of the D-FRIF actors reveals that the *human resources management* scores better with the Central Management and the management of the offices. On the other hand, the Human Resources Area, the Internal Control Unit, and the Board of Directors have the lowest scores. The average score is 47% of the maximum score.



Source: PROFIN Foundation

The scores given by the different actors are based on the following causes:

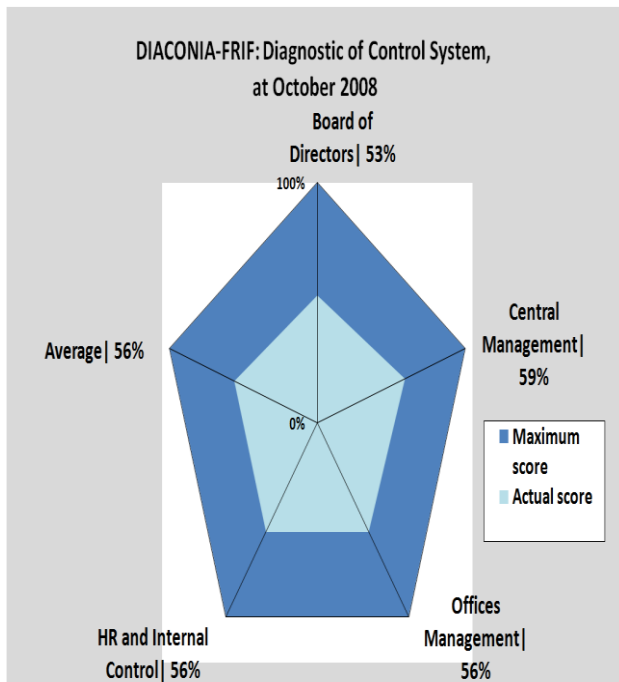
- There is a training plan since 2007, that is documented and for the different organizational levels. There are also personnel profiles developed; nevertheless, there is lack of knowledge regarding this information at the offices level.
- There is a personnel promotion policy that is carried out in practice. Many of the office managers were promoted based on functions as loan officers or administrative functions; notwithstanding, the policy is not documented.
- There are monetary incentives through variable bonuses, and also non-monetary incentives in personnel training, although the link between the incentives and the execution of decisions is partial, and there is a tendency to award only aspects of financial performance.
- The Human Resources Area was recently created and depends on a sub-management unit. It is perceived that the growth of the institution generates the need to strengthen the Human Resources Area and the capabilities of personnel.

2.5 Control Systems

For the diagnostic of D-FRIF’s situation regarding *control systems*, the following general aspects were considered:

PROFIN: Governance Audit	
Aspects Valued in Control Systems	
•	Chain of control clearly defined
•	Knowledge of the role of the actors in the chain of control
•	Capacity to detect errors and anticipate risks
•	Independent control system, with adequate profile and periodicity

The diagnostic of the D-FRIF actors reveals that the *control system* scores better firstly with the Central Management and secondly with the management of the offices and the Human Resources Area. On the other hand, the Board of Directors has a lower score. The average score is 56% of the maximum score.



Source: PROFIN Foundation.

The scores given to the aspects valued in the *control systems* sphere are based on the following characteristics of D-FRIF governance:

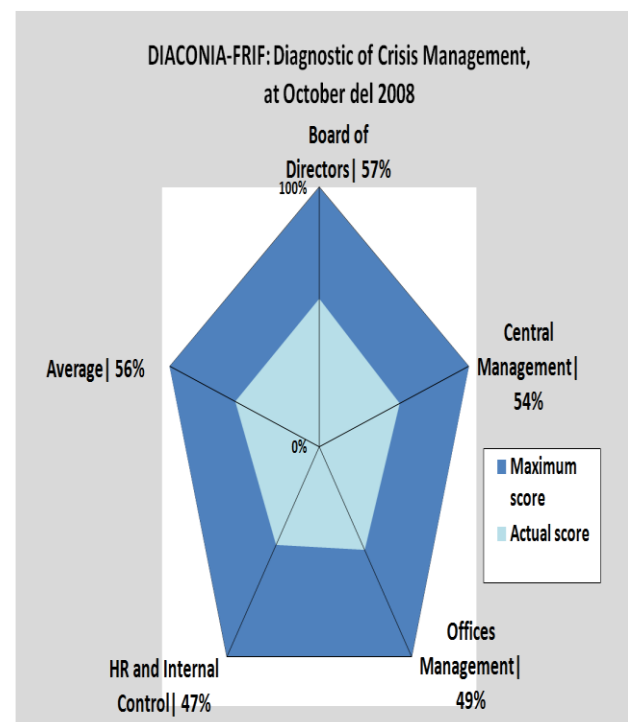
- There is no internal control system as such, but rather internal control activities realized by the supervisors, internal auditing, and external auditing.
- The periodical realization of external audits, rating qualifications, and external audits is institutionalized.
- It is necessary to generate internal control norms that are stricter.
- The internal audit determines differences between theory and practice, but there is no follow-up of the audit's conclusions.
- The tasks of the internal audit are limited because its functions are under the responsibility of only one person.
- Compared with regulated financial entities, there is a noticeable difference with regards to the control system.

2.6 Crisis Management

For the diagnostic of D-FRIF's situation regarding the *crisis management* sphere, the following general aspects were considered:

PROFIN: Governance Audit Aspects Valued in Crisis Management
<ul style="list-style-type: none"> • Institutional capability for detecting problems • Efficient early-warning system • Institutional capability for reacting to crises that is proportional to the magnitude of the problem • There are actors in charge and modes of intervention in the event of a crisis. • There are regulations and adjustment procedures for after the crisis.

The diagnostic of the D-FRIF actors reveals that *crisis management* scores better firstly with the Board of Directors, and secondly with the Central Management. On the other hand, the management of the offices, and the Human Resources Area and Internal Control Unit have the lowest scores for this dimension. The average score is 56% of the maximum score.



Source: PROFIN Foundation

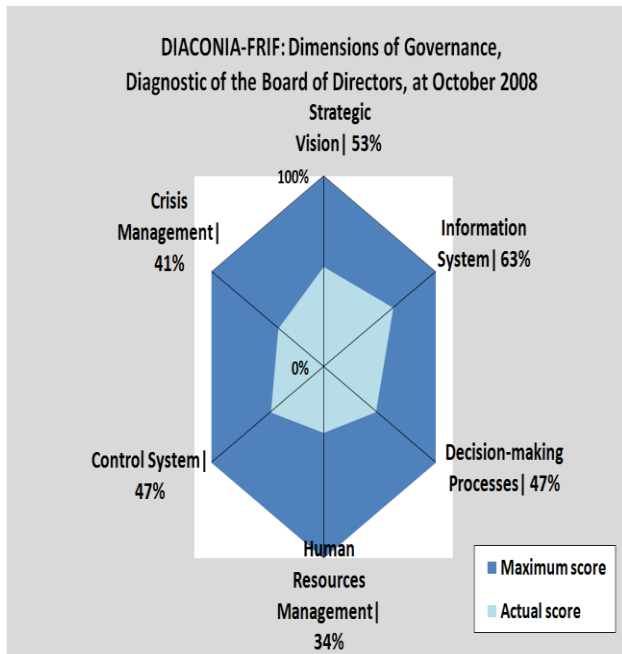
The scores given to the aspects valued in the *crisis management* dimension are based on the following characteristics of D-FRIF governance:

- The supervisors and managers exercise the role of detecting problems, but there are no specific human resources.

- There is no risk unit.
- There is no early-warning system.
- There is reaction capacity, but it is not sufficient.
- There are no contingency plans.
- Crisis management learning is not institutionalized.

3. DIAGNOSTIC OF GOVERNANCE BY ACTORS

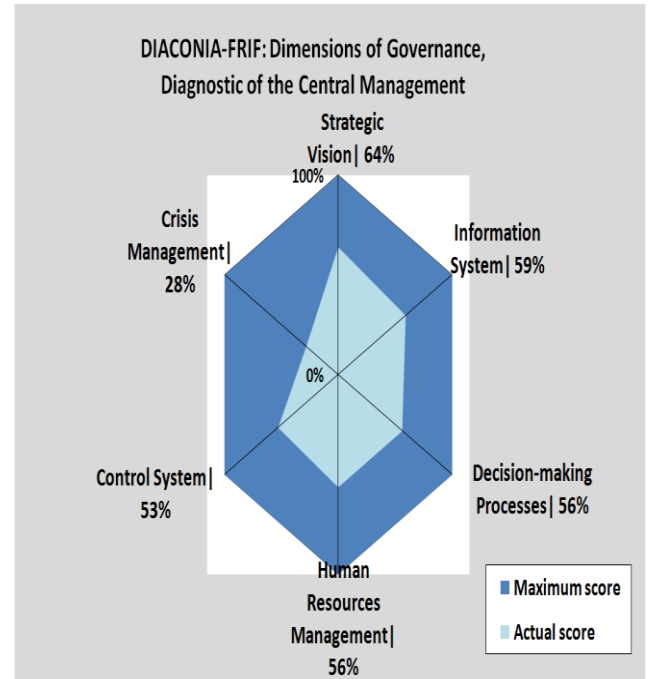
Board of Directors: According to the perception of the Board of Directors, the *strategic vision* and *information systems* dimensions of governance obtain medium scores (above 50% but not above 75% of the maximum score). The *decision-making processes*, *human resources management*, *control systems*, and *crisis management systems* dimensions obtain low scores (between 25% and 50% of the maximum score).



Source: PROFIN Foundation

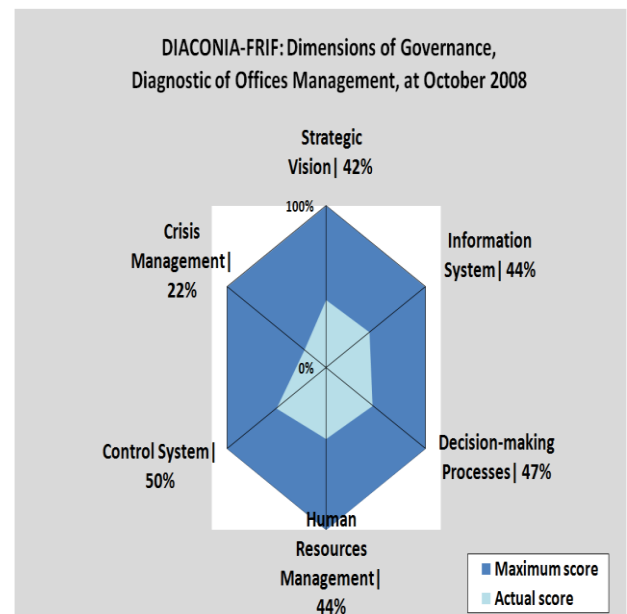
Central Management: According to the perception of the Central Management, the *strategic vision*, *information systems*, *decision-making processes*, *management of human resources*, and *control systems* dimensions of governance obtain medium scores (above 50%

but not above 75% of the maximum score). The *crisis management* dimension obtains a low score (between 25% and 50% of the maximum score).



Source: PROFIN Foundation

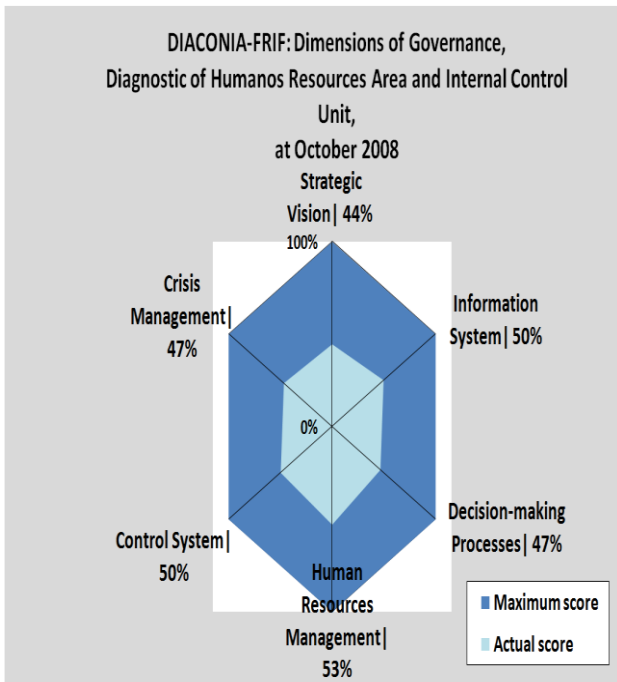
Office management units: According to the perception of the office management units, the *strategic vision*, *information systems*, *decision-making processes*, *management of human resources*, and *control systems* dimensions of governance obtain low scores (between 25% and 50% of the maximum score). The *crisis management* dimension obtains a minimum score (less than 25% of the maximum score).



Source: PROFIN Foundation

Human Resources Area and Internal Control

Unit: According to the perception of the Human Resources Area and the Internal Control Unit, the *human resources* dimension of governance obtains a medium score (above 50% but not above 75% of the maximum score). The *strategic vision* and *information systems, decision-making processes, control systems, and crisis management* dimensions obtain low scores (between 25% and 50% of the maximum score).



Source: PROFIN Foundation

ANNEX 1: DATA COLLECTION QUESTIONNAIRE



PROFIN Tool for External Social Audit of Governance of Microfinance Institutions Version 1/2008

Financial institution evaluated:

FUNDACIÓN DIACONIA-FRIF

Information cut-off date:

OCTOBER 2008

The PROFIN tool for auditing governance is based on the evaluation structure proposed by the Handbook for the Analysis of the Governance of Microfinance Institutions developed by IRAM and the Cerise network of France.

**Axis 1: Strategic Vision
(9 points)**

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
1.1	The institution has a clear strategic vision in terms of mission and strategic objectives.	0.75	0.75	0.5	0.75	0.69	<ul style="list-style-type: none"> Lack of knowledge, mainly at the operational personnel level
1.2	The MFI has a strategic vision that is clear regarding strategies for reaching the mission.	0.5	0.75	0.5	0.5	0.56	<ul style="list-style-type: none"> Greater clarity is lacking. It is necessary to bring up-to-date and disseminate the strategic plan.
1.3	The strategic definitions are established concretely in operational plans.	0.5	0.5	0.5	0.50	0.50	<ul style="list-style-type: none"> There is no annual operating plan, only budgets. The strategic plan must be made operational.
1.4	There is coherence between the objectives proposed and the means for reaching them.	0.5	0.75	0.5	0.25	0.50	<ul style="list-style-type: none"> Resources, operations, and strategies need to be linked. The market dynamic must be adapted to.
1.5	The MFI has institutionalized means for disseminating the strategic vision among personnel.	0.75	0.5	0.5	0.5	0.56	<ul style="list-style-type: none"> There needs to be a plan and means of communication, mainly for dissemination at the administrative levels.
1.6	The MFI has institutionalized means for motivating the personnel to identify itself with the mission.	0.25	0.5	0.25	0.25	0.31	<ul style="list-style-type: none"> There are no institutionalized means. The commitment towards the mission in induction and personnel selection processes lacks promotion.
1.7	The MFI has institutionalized means for motivating managers to identify with the mission.	0.5	0.75	0.5	0.25	0.50	<ul style="list-style-type: none"> There are no institutionalized means. STAFF WITH SENIORITY HAS A LOT OF COMMITMENT, WORKS BASED ON VALUES.
1.8	The MFI has institutionalized means for motivating the members of the Board of Directors to identify with the mission.	0.25	0.75	0.25	0.25	0.38	<ul style="list-style-type: none"> The mission is the guide in decision-making.
1.9	The strategic definitions are coherent with the present context.	0.75	0.5	0.5	0.5	0.56	<ul style="list-style-type: none"> The strategic plan must be updated. The strategic plan does not contemplate specific social objectives.
Totals		4.75	5.75	4	3.75	4.56	Maximum score: 9 points

Axis 2: Information System (8 points)

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
2.1	There is an information system that satisfies the different needs of the actors of the institution.	0.5	0.5	0.5	0.25	0.44	<ul style="list-style-type: none"> • There is financial, accounting, and portfolio information. • The offices generate but do not receive information. • Decentralization of information is in the process of being developed.
2.2	There is an information system that is integrated with all the decision-making levels of the institution.	0.5	0.5	0.25	0.25	0.38	<ul style="list-style-type: none"> • The system needs to be integrated and connectivity is required with all the branches.
2.3	The information system generates information that is sufficient for decision-making.	0.75	0.75	0.5	0.5	0.63	<ul style="list-style-type: none"> • More sufficient for the Board of Directors and less so for the operational levels
2.4	The information system generates data that is timely for decision-making.	0.5	0.5	0.5	0.25	0.44	<ul style="list-style-type: none"> • No, because the consolidation of information is slow.
2.5	The information system generates data that is dependable for decision-making.	0.75	0.5	0.5	0.5	0.56	<ul style="list-style-type: none"> • It is dependable due to the crossing of information and the revisions made by the external and internal audits.
2.6	The indicators of the information system are adequate.	0.5	0.5	0.5	0.75	0.56	<ul style="list-style-type: none"> • What exists is adequate. • Social indicators and automated information are required.
2.7	The information produced by the information system is employed in decision-making.	0.75	0.75	0.5	0.5	0.63	<ul style="list-style-type: none"> • No, due to matters of lack of information, and lack of communication and timeliness of the information.
2.8	The information produced is employed for preventive and corrective ends.	0.75	0.75	0.75	0.5	0.69	<i>Idem.</i>
		5	4.75	4	3.5	4.31	Total score: 8 points

**Axis 3: Decision-making Processes
(8 points)**

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
3.1	There are “procedures” manuals that formalize the decision-making processes.	0	0.5	0.25	0.5	0.31	<ul style="list-style-type: none"> • There are flow charts but no manuals. • There are regulations for the loan area.
3.2	There are institutionalized means for assuring the comprehension of the procedures established.	0.5	0.5	0.5	0.5	0.50	<ul style="list-style-type: none"> • No, transmission is verbal and verification is done through observation.
3.3	There is control of compliance with the procedures established, and sanctions in case of non-compliance.	0.5	0.5	0.25	0.5	0.44	<ul style="list-style-type: none"> • Task of the supervisors and auditors • There are no sanctions, only warnings. • Internal auditing exercises control, but there is no follow-up of the audit observations.
3.4	There are institutionalized means for verifying coherence between the procedures established and what is done in practice.	0.5	0.5	0.5	0.5	0.50	<ul style="list-style-type: none"> • The task is the responsibility of internal auditing, but with limited control (only one person).
3.5	There are institutionalized means for verifying coherence between the level of decision-making, the actors/spheres involved, and the content of the decision.	0.5	0.75	0.5	0.5	0.56	<ul style="list-style-type: none"> • Auditors and qualifiers realize <i>ex post</i>, not <i>ex ante</i> control. • There are administrative aspects that are not contemplated or made explicit in a manual.
3.6	There is adequate conflict-of-interest management (between clients-employees, Board members-managers, etc.).	0.5	0.75	0.5	0.25	0.50	<ul style="list-style-type: none"> • Loan regulations determine not issuing loans to employees and Board members. • There is lack of regulations for contracting/ procurement.
3.7	It is clearly specified who assumes the responsibility of the decisions made.	0.75	0.5	0.75	0.5	0.63	<ul style="list-style-type: none"> • There is clarity regarding loans. Clarity is lacking in new instructions or information bulletins.

3.8	The linking between those who decide and those who execute the decisions is clear.	0.5	0.5	0.5	0.5	0.50	<ul style="list-style-type: none"> • Board resolutions are not always complied with, or their execution takes long. • There are clients who speak to the branch managers in order to change the decisions taken by loan officers. • There are cases of managers that change decisions made at the operational level. <p>Non-written processes, such as in the case of certifications.</p>
		3.75	4.5	3.75	3.75	3.94	Maximum score: 8 points

**Axis 4: Human Resources
(8 points)**

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
4.1	There are institutionalized means for assuring that the personnel has adequate profiles and training for the functions assigned.	0.25	0.5	0.5	0.25	0.38	<ul style="list-style-type: none"> • Profiles developed but their implementation is lacking. The information does not reach the branch level.
4.2	There is a human resources training plan for all the levels of the institution.	0.25	0.5	0.75	0.25	0.44	<ul style="list-style-type: none"> • There is a documented and inclusive plan since 2007. • The offices are unaware of the plan. • It is perceived that the plan is incomplete due to lack of training that is permanent and by fields of specialization.
4.3	There is an internal promotion policy for human resources.	0.5	1	0.75	0.75	0.75	<ul style="list-style-type: none"> • There is no written policy, but it is applied in practice (there are office heads that were formerly loan officers or administrative staff).
4.4	There are incentives (monetary and non-monetary) for staff that are linked to the execution of decisions.	0.25	0.5	0.25	0.5	0.38	<ul style="list-style-type: none"> • There are non-monetary incentives in training. • There are fixed salaries and variable bonuses for portfolio, past-due loans, and clients, according to performance. • The link between incentives and the execution of decisions is partial. • The incentives are based on financial performance.
4.5	There are sanctions for personnel for not executing decisions.	0.25	0.5	0.5	0.5	0.44	<ul style="list-style-type: none"> • This is not regulated, but is applied in some cases.
4.6	There is an institutional human resources policy.	0.25	0.5	0.5	0.5	0.44	<ul style="list-style-type: none"> • It is not written; work is being done on developing it; a Human Resources Area has been created.
4.7	There is coherence between the human resources policy, and the technical and financial means for its fulfilment.	0.5	0.5	0.5	0.25	0.44	<ul style="list-style-type: none"> • There is lack of decision-making power regarding human resources at the offices level. • The Human Resources Area is dependent on a sub-management unit. • There are resources, but not adequate linking of efforts.
4.8	There are sufficient internal capabilities for executing the decisions made.	0.5	0.5	0.5	0.5	0.50	<ul style="list-style-type: none"> • The growth of the institution requires greater capabilities. • There is lack of definition of functions in the Human Resources Area.
		2.75	4.5	4.25	3.5	3.75	Maximum score: 9 points

**Axis 5: Control System
(9 points)**

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
5.1	There is an internal chain of control that is clearly defined.	0.25	0.5	0.75	0.5	0.50	<ul style="list-style-type: none"> • There is no internal control system, but rather, activities. • There is a notable difference in comparison with regulated entities. • The supervisors support internal control. • Written norms are lacking.
5.2	There are institutionalized means for assuring awareness of the chain of control and the roles within it.	0.25	0.5	0.5	0.5	0.44	<ul style="list-style-type: none"> • <i>Idem.</i>
5.3	There is an internal control system that is independent of conflicts-of-interest.	0.5	0.5	0.25	0.5	0.44	<ul style="list-style-type: none"> • Internal audit is independent, but is realized by only one person.
5.4	The control system allows detecting faults in a timely manner.	0.5	0.5	0.75	0.5	0.56	<ul style="list-style-type: none"> • There is no system, only activities, and a single person is in charge; it is not timely.
5.5	The control system allows anticipating risks in a timely manner.	0.25	0.5	0.5	0.25	0.38	<i>Idem.</i>
5.6	There is an internal control system that is legitimate and fully accepted.	0.25	0.5	0.5	0.5	0.44	<i>Idem.</i>
5.7	There is an external control system that is independent.	0.75	0.5	0.5	0.75	0.63	<ul style="list-style-type: none"> • There are external audits, external qualifiers, external evaluations, but there is no external control as in the case of regulated institutions.
5.8	There is an external control system with adequate reach.	0.75	0.5	0.25	0.5	0.50	<i>Idem.</i>
5.9	There is an external control system with adequate periodicity.	0.75	0.75	0.5	0.5	0.63	<ul style="list-style-type: none"> • There are norms regarding the periodicity of audits. • In order to avoid conflict-of-interest, external auditors are changed every three years.
		4.25	4.75	4.5	4.5	4.50	Maximum score: 9 points

**Axis 6: Crisis Management
(8 points)**

Questions		Answers and points: 0=no; ¼=low degree; ½=partially; ¾=high degree; 1=fully					Justifications
		Board of Directors	Central Management	HR and control	Management of offices	Average	
6.1	There are human resources with functions that involve anticipating and detecting problems for the institution.	0.5	0.25	0.5	0.25	0.38	<ul style="list-style-type: none"> There are supervisors and managers that fulfil the role, but there are no specific human resources for the task. There is no risk unit.
6.2	There is an efficient early-warning system.	0.25	0.25	0.5	0.25	0.31	<ul style="list-style-type: none"> There is no early-warning system.
6.3	There are other institutionalized means for anticipating crises.	0.25	0.25	0.25	0.25	0.25	<ul style="list-style-type: none"> There is no risk unit.
6.4	There is quick reaction capacity in case of crises.	0.5	0.25	0.5	0.25	0.38	<ul style="list-style-type: none"> The function of reaction to crises is realized by the managers based on their experience.
6.5	There is reaction capacity that is proportional with regards to the dimension of the problem.	0.5	0.25	0.5	0.5	0.44	<ul style="list-style-type: none"> Action is taken based on experience. There is reaction capacity but it is not sufficient.
6.6	There are modes of intervention foreseen for cases of crises.	0	0.25	0.5	0	0.19	<ul style="list-style-type: none"> There are no contingency plans.
6.7	There is lack of flexibility needed in procedures and regulations for managing crises.	0.75	0.25	0.5	0	0.38	<ul style="list-style-type: none"> A contingency plan is lacking. There is no flexibility for crisis management.
6.8	There are adaptations of regulations and procedures after the crisis, based on the learning acquired.	0.5	0.5	0.5	0.25	0.44	<ul style="list-style-type: none"> Experiences: adaptation to the exchange rate, norms for petty cash, alerting systems, security measures after Black October, but the experience lacks documentation. Generators in the case of black-outs: there is no contingency plan.
		3.25	2.25	3.75	1.75	2.75	Maximum store: 8 points