The importance of administrative control in companies of the mexican chamber of construction industry in Jalisco: evidence for compliance with the UN Global Compact

LÓPEZ-LAGUNA, Ana Bertha†*, ESPINOZA-AGUILAR, María de Lourdes, MACÍAS-BRAMBILA, Hassem Rubén and GONZÁLEZ-DEL CASTILLO, Edgardo Emmanuel

Technical University of Jalisco. Luis J. Jiménez # 577, Colonia 1ro de Mayo C.P. 44979 Guadalajara, Jalisco, México.

Abstract

The importance of administrative control in companies CMIC; it is evidence for compliance with the 10 principles of the Global Compact of the UN since currently most SMEs in Jalisco need to demonstrate to its stakeholders good practices that are held therein by the efficiency of its control administrative. So a collaboration agreement with CMIC-UTJ advice of UTJAL-CA02 was created. CMIC 27 companies joined the UN Global Compact through the corresponding procedure conducted by the RSC and evidence that implement its 10 principles with the advice of UTJAL-CA02 and collaboration of students stay were developed. Further; all students were titrated projects, the first Communication on Progress was generated and climbed to the official website of the UN. The main contribution of this paper is that SMEs CMIC have shown their interest groups rafters in the administrative control, making their businesses more efficient and productive.

Citation: LÓPEZ-LAGUNA, Ana Bertha, ESPINOZA-AGUILAR, María de Lourdes, MACÍAS-BRAMBILA, Hassem Rubén and GONZÁLEZ-DEL CASTILLO, Edgardo Emmanuel. The importance of administrative control in companies of the mexican chamber of construction industry in Jalisco: evidence for compliance with the UN Global Compact. ECORFAN Journal- Spain 2016, 3-4: 12-20

* Correspondence to Author (email: ablopez@utj.edu.mx)

† Researcher contributing first author.

Introduction

Kofi (2004) mentions that the Global Compact is presented in Mexico on June 9, 2005, and brings together hundreds of companies and organizations throughout the world in a network whose common denominator is adherence to 10 principles of Corporate Social Responsibility (RSE).

This initiative, presented for the first time in 1999 at the World Economic Forum in Davos, Switzerland, by United Nations Secretary-General Kofi Annan, starts with the proposal to align corporate policies and practices with values and universally accepted ethical goals.

What the Global Compact proposes is precisely to serve as a bridge between the private sector, governments and civil society, in order to realize the vision of a more sustainable, inclusive and human global economy.

The Global Compact is a voluntary initiative consisting of the public commitment of companies and organizations to adopt and support a set of 10 basic principles of CSR (Kofi, The World Heritage in Mexico, 2004).

These principles are derived from internationally accepted agreements and conventions in four strategic areas where companies and organizations have enormous potential to contribute to positive change:

Human rights

- Support and respect the protection of human rights.

- Not being complicit in abuses of rights.

Working Conditions

- Support the principles of freedom of association and the right to collective bargaining.

- Eliminate forced and compulsory labor.

- Abolish any form of work childish.

- Eliminate discrimination in employment and occupation.

Environment

- Support the preventive approach to the environmental challenges.

- Promote greater environmental responsibility.

- Encourage the development and diffusion of technologies that respect the environment.

Fight against Corruption

- Acting against all forms of corruption, including extortion and bribery (Kofi, The Global Compact in Mexico, 2004).

According to Carroll (1991), CSR encompasses in its pyramid four key commitments that society requires: economic, legal, ethical and philanthropic.
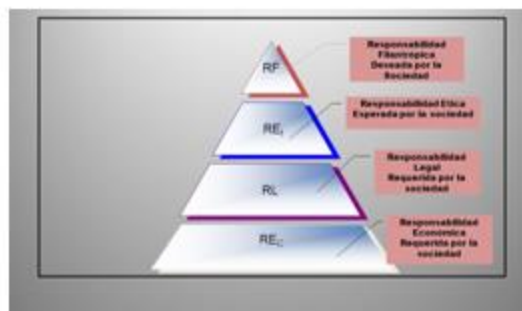
Figure 1 Carroll's CSR Pyramid. Retrieved from http://slideplayer.com/slide/1035235/

In general, those companies that start earlier with these tasks will have greater recognition by society, consumers, their customers, suppliers, governments and in a very outstanding way, by its own staff. Unfortunately, most Micro, Small and Medium Enterprises (MyPyMES) in Jalisco are not well-known for having a stable and effective administrative control that supports the principles of

CSR. And they leave aside the knowledge and application of a correct and effective administrative control by means of which performance is evaluated in all types of organization, regardless of their size, turnover, social position and / or position in the market.

Kofi (2004) mentions that the UN Global Compact is an opportunity to promote the coherence of the policies and practices of Mexican organizations with universally agreed and internationally applicable ethical values and objectives.

And derived from this; The present project has as a general objective that the companies of the Mexican Chamber of Construction Industry in Jalisco comply with the 10 principles of the UN Global Compact and demonstrate positive changes in its administrative control to its internal and external clients And their interest groups.

From the first moment they acquire the commitment and sign to the UN.

All these achievements with the collaborative work and advice of: Academic Body No.2 of the Jalisco Technological University (UTJ) "Social Responsibility, Sustainability and Integral Development for SMEs (UTJAL-CA02)", Social Responsibility Consultants (CSR) and (TSU) of the Career Management Area Human Resources (ARH) of the UTJ. They will design and create the specific administrative evidence that will comply with the 10 principles of the UN Global Compact in each of the organizations of the CMIC, thus generating inside and outside the administrative control they require for their effective operation.

Fulfilling the specific objectives: Create the Company-University link with the collaborative work of UTJAL-CA02 and CMIC. Adhere to the CMIC companies to the UN Global Compact. Apply a questionnaire to each of the companies to create their diagnosis individually and make them known. To design and elaborate the evidences that comply with the 10 principles of the UN Global Compact with the work of advising the UTJAL-CA02 and the students of stay, to be contributing to the effective administrative control of the organizations. To know the progress of companies' results in line with the fulfillment of the 10 principles of the UN Global Compact.

And finally; to help organizations generate the first annual Communication of Progress (CoP) and upload it to the UN website, in order to be able to accredit the compliance of CMIC companies.

It is important to note that CMIC has been a promoter of CSR in Jalisco since 2011 to the Mexican Center for Philanthropy (CEMEFI) (Mexican Chamber of Construction Industry, 2009).

And for this reason; Has encouraged all of its companies to obtain the CSR badge before CEMEFI, but many of them are SMEs and do not have the economic relief to cover the costs demanded by CEMEFI.

But nevertheless; there is another option! The UN Global Compact, since it does not require economic expenditure to carry out the good practices of its 10 Principles. Only, if an organization wishes to use the UN Global Compact logo on its stationery and / or website, permission is requested in writing and once authorized a small fee is requested.

Recovery based on the company's annual economic earnings.
For this reason, the present work is based and takes value in the SMEs of the CMIC in Jalisco.

Application of the methodology

In September 2012, RSC designed an electronic questionnaire of 176 questions aligned to the 10 principles of the UN Global Compact, the requirements established by the ISO 26000 standard and the requirements established by CEMEFI.

And from 2012 to date CSR and UTJAL-CA02 have worked collaboratively with CMIC companies managing and advising them on CSR. But it is not until August 2015 that 27 CMIC companies voluntarily decide to join the UN Global Compact.

In the January-April 2016 term, UTJAL-CA02 assigns students of Stay in each of the companies adhered and accepted by the UN, and begins with the work of elaborating evidences that comply with the 10 principles of the Pact Of the UN. And until last April 19 of the current year an agreement was made for UTJ-CMIC collaboration, as well as a plan of action between UTJAL-CA02, students of TSU career stay in ARH, companies of CMIC And CSR.

The process to the Global Compact begins when CSR processes its adhesion, issuing the letters, sends them to the UN and while they are evaluated to be accepted or rejected, the UTJAL-CA02 initiates the assignment of the students in stay in each one of the companies. Subsequently RSC and the UTJAL-CA02 apply the electronic questionnaire to each of these companies, which includes questions of the state in which they are in the areas of: Rights

Humans. Labor Standards, Environment, Anti-Corruption and Stakeholders. Subsequently RSC generates the self-diagnosis and is made known and interprets their results individually. And based on these results, UTJAL-CA02 advises students by generating day by day in companies, new evidence aligned with the 10 Principles of the UN Global Compact and at the same time design a new administrative control in their internal processes And external.

For the four-month period (May-August and September-December 2016), students from the ARH career continue to work, and new TSU students from the Information and Communication Technologies (ICT) career were involved. Advice from UTJAL-CA02.

It is worth mentioning that each one ends a semester, all the projects are presented and defended by the students before an evaluation committee of the UTJ-CMIC, which makes some observations and approves their elaboration. These projects are the evidence for the titling process of each of the students in both UTJ careers. Validating these with the letter of termination of stay issued by the director of the company and by the RVIN-03-05 format of the Quality Management System (SGC) of the UTJ. In this way the student is titled TSU in ARH.

It is important to note that companies adhering to the UN Global Compact after one year (from their date of acceptance), must upload their first Communication of Progress (CoP) to the UN website, where UTJAL- CA02 and the shift student help to generate such a document, and only RSC analyzes and suggests changes if it's necessary.

It is important to note that once the year has elapsed, the CSR and the UTJAL-CA02 have again made a diagnosis to the companies, which analyzes the before and after the new administrative control implemented by the organization.

It is worth mentioning that it will continue to work under the same method for several consecutive four-month periods, until all the CMIC companies adhering to the UN Global Compact formally evidence the requirements established in its Principles and it grants its compliance letter.

Results

The results obtained so far are preliminary to the 27 companies that adhered to the UN Global Compact in August 2015.

Unfortunately not all the companies have been able to assign a student at the time of their adhesion, since this depends on the generational release each quarter and the requirements of the other companies that are linked to the UTJ.

And for the moment will only be presented the results obtained in 12 of the 27 companies adhering to the UN Global Compact.
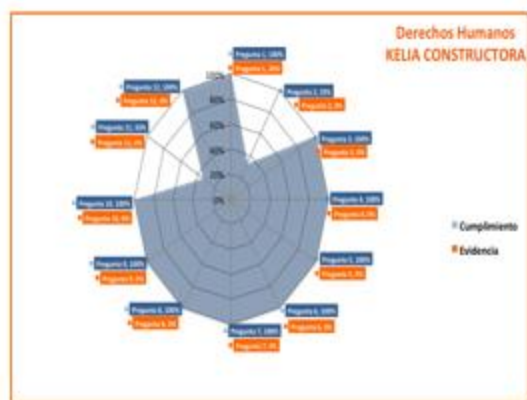
Once RSC delivered the results of their self-diagnosis in PDF format to each of the companies and interpreted the results.

The UTJAL-CA02 advises the students in identifying the areas of opportunity that each of the companies possessed with respect to their results, always taking care of compliance with Human Rights, Labor Standards, Interest Groups, Environment and Fight against Corruption (see Table No. 1).


Table 1 Where the summary of compliance of the company is shown. (Responsum Social Consultores, 2016)

RSC performed the analysis of each of the companies, but only the results of the company Kelia Comercializadora y Constructora S.A de C.V. From analyzes were the same for all of them. Regarding the answers to the questionnaire (1 to 12), in Human Rights (see graph No. 1), it is observed that compliance with this principle is high, but unfortunately the company has no evidence of any kind that Guarantee compliance.

LÓPEZ-LAGUNA Ana Bertha, ESPINOZA-AGUILAR María de Lourdes, MACÍAS-BRAMBILA Hassem Rubén, GONZÁLEZ-DEL CASTILLO Edgardo Emmanuel. The importance of administrative control in companies of the mexican chamber of construction industry in Jalisco: evidence for compliance with the UN Global Compact. ECORFAN Journal- Spain 2016

Graphic 1 Human rights. (Responsum Social Consultores, 2016)

The following graph (see graph No. 2) shows the high compliance in labor standards (questions 13 to 66 of the questionnaire), but little evidence within the organization that supports this principle.
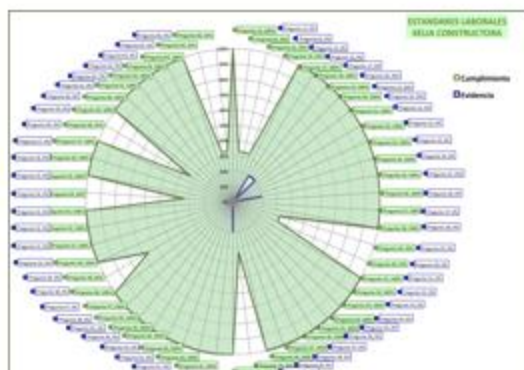

Graphic 2 Laboral Standards. (Responsum Social Consultores, 2016)

The graph that supports the Anti-Corruption principle (see figure No.3) with questions (67 to 97) of the questionnaire. Compliance is observed mostly, but unfortunately the company does not have the evidence to support its application.
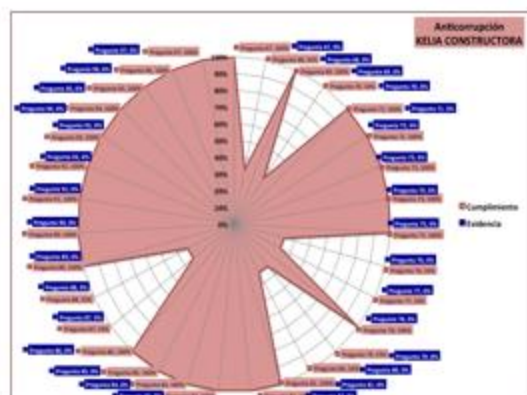
Graphic 3 Anticorruption. (Responsum Social Consultores, 2016)

Regarding the Environment (see figure No. 4), the company still has several areas of opportunity based on questions (98 to 145) of the questionnaire. And even more with the elaboration of evidences for that principle
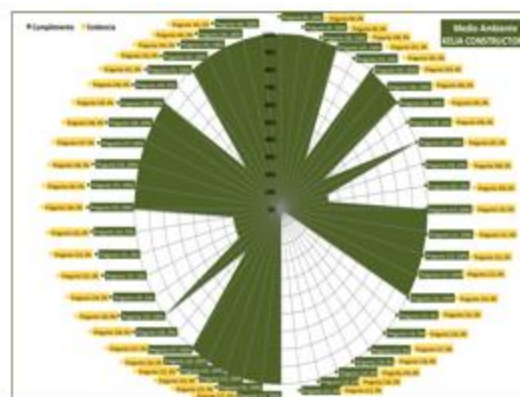

Grahic 4 Environment. (Responsum Social Consultores, 2016)

And finally the questions of the Interest Groups that correspond to (146 to 176) of the questionnaire. Where we observe the little compliance and almost null evidence that the company has for this principle (see figure No.5).
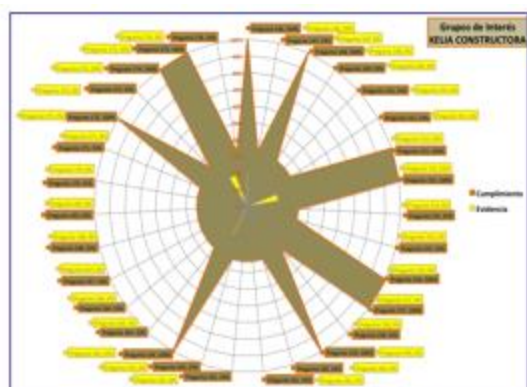
Graphic 5 Interest groups. (Responsum Social Consultores, 2016)

In short, the company Kelia Constructora y Comercializadora S.A de C.V. (See figure No.6), complies with 85.19% in Human Rights and has 1.67% of evidence in its implementation for this principle. In Labor Standards meets 85.11% and evidence 1.85%. For the principle of Environment has 84.37% and evidence 0%. In the Fight against Corruption it complies with 82.80%, but has 0% of evidence. And finally; The compliance with its Stakeholders has a compliance of 56.99% and 3.87% of evidence.

These results serve as evidence to give us an approximate idea of the other results that were obtained in the other 11 companies, since similar numbers were obtained.
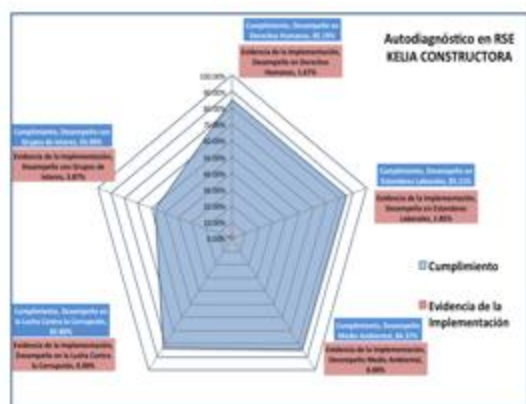
Graphic 6 Self-diagnosis (Responsum Social Consultores, 2016)

Subsequently, UTJAL-CA02 planned the tools to comply with effective administrative control and compliance with the 10 principles of the UN Global Compact, and then be elaborated by the students of stay within the organizations in the corresponding quarters.

The companies that have generated evidence of compliance in their administrative control are: Ciarco Construcciones SA de CV, Urbanizadora y Edificadora Aries SA de CV, Estructuras y Proyectos de Jalisco SA de CV, Obras y Proyecto Los Reyes SA de CV, Grupo Constructor Flota SA De CV, Kelia Constructora y Comercializadora SA de CV, Supervisores y Asociados de Occidente SA de CV, Services

Professionals and Construction Méndez Martínez S.A de C.V., ETC Ingeniería S.A de C.V., CAMITEC S.A de C.V., G

C Grupo Constructor S.A de C.V. And CMIC S.A de C.V., which shows the development of evidences that comply with the 10 Principles of the Global Compact and the achievement of administrative management control (see Table No.2).

Activities carried out (new evidence)	Number of companies	Principles of the UN Global Compact
Procedural Manuals	8	1, 2, 4, 5, 6, 8 y 9
Information Cards	6	1, 2, 5, 7, 8 y 9
Employment contracts	2	1, 2, 3, 4, 5, 6, 8 y 10
Complaints and Suggestions Box	5	1, 2, 4 y 6
Internal regulations of work	4	1, 2, 3, 4 y 6
Culture and Organizational Structure (Organizational Chart, Mission, Vision, Values, Policies and Organizational Philosophy, etc.)	12	1, 2, 4, 6, 7, 8, 9 y 10
Campaigns (environment, anti-corruption, drug addiction, etc.)	5	7, 8 y 9
Signs (Occupational Safety and Health)	4	7, 8 y 9
Courses (induction, Global Compact, CSR, etc).	5	1, 2, 4, 7, 8, 9
Training (annual plan, design of various subjects courses and courses).	3	1, 2, 6, 8 y 10
Detection of Training Needs (DNC)	3	1, 2 y 6
Description of profiles and posts	2	1 y 2
Satisfaction surveys (internal and external).	2	1, 2, 6, 8 y 9
Inventory Control	3	1, 2, 4 y 6
Code of ethics	4	1, 2, 3, 4, 5, 6, 7, 8, 9 y 10
9 S's of Quality	3	1, 2, 7, 8 y 9
Recruitment and staff selection	4	1, 2, 6 y 10

Table 2 Evidence generated within the companies of the CMIC. Own preparation (August, 2016)

To complete the process of the projects, UTJAL-CA02 delivered a Compact Disk (CD) to the companies, another to the Academic Secretariat of the UTJ and another to the CMIC with the general summary of the project that the students carried out within the companies. Titling 12 students from the career of TSE in ARH with such projects.

Acknowledgement

Conclusions

This project is a long-term project. And so far we are aware of the results obtained in the diagnosis that in the SMIC of the CMIC is complied with the good theory that complies with the 10 Principles of the UN Global Compact but unfortunately all of them do not have Evidence to demonstrate its application to its stakeholders.

So that; the collaboration of the students of ARH's career and the advice of UTJAL-CA02 was fundamental for all companies to implement new and effective administrative controls. And that the evidence generated in each of the companies fully complies with the 10 Principles of the UN Global Compact.

Likewise; The CSR consultancy was the fundamental axis to carry out the adhesion and analysis of the self-diagnosis of the companies to the UN Global Compact.

The adhesion of companies to the UN Global Compact is a considerable economic saving for them, since CEMEFI did require them as a consultant and to obtain the CSR badge. But nevertheless; with this strategy of adherence to the Global Compact, the SMEs of the CMIC, saved an expense and demonstrated to their stakeholders the new practices in CSR that they implement in their Administration.

In the present work we can conclude that so far all the initial objectives have been satisfactorily fulfilled and that an important aspect observed during the process is that adherence to the UN Global Compact is an effective strategy for all SMEs in the region. CMIC and any others that wish to carry out CSR good practices within their organization, before starting their process with CEMEFI and invest large amounts of money.

References

Cámara Mexicana de la Industria de la Construcción. (05 de Enero de 2009). cmicjalisco. Recuperado el 25 de Mayo de 2016, de cmicjalisco: http://www.cmicjalisco.org/area-tecnica/sectores-cmic/responsabilidad-social

Kofi, A. (s/d de s/m de 2004). El Pácto Mundial en México. Recuperado el 15 de Febrero de 2015, de Pacto Mundial México: http://www.pactomundial.org/category/aprendizaje/10-principios/

Kofi, A. (N/A de N/A de 2004). El Pacto Mundial en México. Recuperado el 01 de Junio de 2016, de Pacto Mundisl México: http://www.pactomundialmexico.org.mx/index.php?token=c3becc8b879ebde33f3baa4b530bae3c&schannel=&src=lrs&query=Indicadores&afdToken=CvQBChMI5YKY7MGlzQIVjncBCh1yxwgLGAEgAVDtkn5QxNieAVDw0KABUKHIyQVQt9DQB1CNwM4JUN_Ctw5Q4YPrEFC8jPspULHawSxQ-brXL1CZpNw5UJbo7TpQtdKhO1Cj189gUJjsgGVQ7ejoelCFq5OPAVDI-ZSVAVDr8e2XAVCInu6XAVCWn-6XAVDAn-6XAVDFgOm_AVCyn7njAVCuv622AlDuu2bA1DusvaGBVCfkYrhBlCVrZWoB2jE2J4BaPDQoAFxHdwOO90H506CARMI7e-Z7MGlzQIVlR2HCh2kxgWvjQE-o84NkQHkCwiomSyGIBIZAG06ipCO_RVvdLHfp8qUsunIVt_CzrM0iQ

Responsum Social Consultores. (12 de 10 de 2016). Responsum Social Consultores. (M. D. Espinoza Aguilar, Productor) Recuperado el 04 de 06 de 2016, de Responsum Social Consultores.