IFAD’s transformational institutional change

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Why change is necessary
Ensuring IFAD’s continued relevance and sustainability

• IFAD needs to expand and deepen its impact towards Agenda 2030, ensuring no one is left behind;
• IFAD needs to work with new partners, including private sector;
• IFAD needs to mobilize more resources, including borrowing;
• Emergence of the COVID-19 pandemic required efforts for:
  o increasing investments in developing countries;
  o adapting existing operations;
  o enabling our staff to operate.
IFAD12 Theory of Change
How it all fits in

1. **SDG Contribution**
   - **Expanding Impact**: Expanding outreach and speeding up delivery to accelerate progress towards the SDGs
   - **Deepening Impact**: Building resilience through the mainstreaming agenda and making impact sustainable

2. **Development Impact**
   - **Transformational Institutional Change**: Strengthening and innovating people, processes and systems for an effective and efficient IFAD
   - **Transformational Country Programmes**: Closer interaction with clients; tailored solutions and adaptable programming to drive rural transformation
   - **Transformational Financial Framework**: Maximizing resources for the poorest countries while ensuring IFAD’s financial sustainability

3. **Operational Pillars**

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<tr>
<th>Principles of IFAD’s results delivery</th>
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<tr>
<td><strong>PROXIMITY</strong></td>
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- **Enhanced institutional capacity** required for transformational country programmes and **builds on recent reforms**;
- **Proximity** and **adaptability** are 2 key principles
Focus of the transformational institutional change

Overall picture

- Increasing Decentralization
- People, Processes, Technology Plan (PPTP)
- Improving Efficiency, Transparency and Results-Focus
- Sexual Harassment, Sexual Exploitation and Abuse (SH/SEA)
Focus of the transformational institutional change
Increasing Decentralization

IFAD Staff: Field-based vs HQ-based
(2022-2024 projected)
Focus of the transformational institutional change
People, Processes and Technology Plan

<table>
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<tr>
<th>PEOPLE</th>
<th>PROCESSES</th>
<th>TECHNOLOGY</th>
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| ✓ Strategic Workforce Planning  
✓ Performance Management  
✓ Employee Value Proposition | ✓ Business Process Re-engineering  
✓ Enterprise Risk Management Framework | ✓ Enabling solutions in PEOPLE and PROCESSES workstreams  
✓ Automation pilots |

- Global Staff Survey 2018
- McKinsey HR Study
- Alvarez & Marsal BPR report
- ERM Reviews
Focus of the transformational institutional change
People, Processes and Technology Plan

• Approved in April 2020 (see EB 2020/129/R.3/Rev.2);
• 3 years plan (2020-2022), with investments in the three workstreams worth US$14.675 million (of which US$11.855 million is one-time Targeted Capacity Investment);
• Underpinned by a strong focus on change management, and with Key Performance Indicators to monitor and report on progress;
• Regular communication with staff and reporting to Senior Management and the Executive Board;
• Despite the challenges presented by the COVID-19 pandemic, implementation is on track, 2022 last year of implementation.
Focus of the transformational institutional change
Improving Efficiency, Transparency and Results - Focus

• A number of significant initiatives under the umbrella of IFAD’s organizational reform have been delivered throughout IFAD11;

• **2022 budget is a cornerstone for doubling impact by 2030**, which will bring IFAD forward on its trajectory of right-sizing its workforce and deepening and broadening its presence in the field through D2.0;

• The enhanced efficiency and resource management (SMART Budget) Initiative seeks to:
  o enhance transparency by clearly segregating direct from indirect costs starting with the 2023 Regular Budget;
  o enhance efficiency by refining efficiency measures and review practices;
  o enhance results-focus by strengthening the link between IFAD12 commitments and resources and by attributing direct costs to projects.
Focus of the transformational institutional change
Sexual Harassment, Sexual Exploitation and Abuse

• IFAD’s Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse approved in 2018. IFAD is committed to work with all partners to promote IFAD’s zero-tolerance policy at all levels;

• In addition to informing the Executive Board, Management informs promptly Member States of SH/SEA allegations received through the Member States Interactive Platform. IFAD has also joined the United Nations Secretary-General SEA reports and “Clear Check” Screening Database;

• During IFAD12, we will continue to develop biennial IFAD action plans to prevent and respond to credible SH/SEA and provide regular implementation updates to the Executive Board;

• In line with its Strategy on Diversity, Equity and Inclusion, IFAD is committed to achieving a diverse working environment that values the richness of different identities, experiences, beliefs, perspectives and skills of its workforce as well as a workplace free of any form of discrimination.
Thank you!