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Enabling poor rural people
to overcome poverty

Final report on the special expenditure for reform actualization

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Final report on the special expenditure for reform actualization

I. Background

1. At the 104th session of the Executive Board in December 2011, the final report on the Voluntary Separation Programme (VSP) was presented, along with a draft resolution to repurpose the unspent balance of the VSP appropriation as a special expenditure for reform actualization. The repurposed balance of US\$2,233,095 was intended to finance a two-year programme for the implementation of the outcomes of the major human resources reform initiatives then under way.
2. Upon endorsement and recommendation by the Executive Board, resolution 169/XXXV was adopted by the Governing Council at its thirty-fifth session (GC 35/L.8), with a request that a final report, including expenditures, be submitted to the Governing Council in February 2014.
3. An interim report on the use of the repurposed fund was presented to the 107th session of the Executive Board in December 2012.¹ The final report was presented to the Executive Board at its session in December 2013. The Board approved submission of the report to the Governing Council at its session in February 2014 for information.

II. Final report on expenditures

A. Summary

4. The special expenditure for reform actualization was intended to cover one-time costs associated with the major outcomes of the Change and Reform Agenda (CRA). As noted in the interim report, expenditures in 2012 were purposefully conservative and limited to the implementation of the job audit process and to targeted training for IFAD staff. Activity in 2013 focused on (a) delivering additional training, (b) completing work on recommendations for reform made by the consultants who carried out the job audit exercise, and (c) providing early separation assistance under a structured Management-driven voluntary programme to help support the strategic workforce planning exercise by encouraging job redefinition and the acquisition of new skills.
5. The funds available under the special expenditure for reform actualization have been fully spent. A discussion of the major activities carried out under the special expenditure is set out below, and a summary of expenditures is provided in table 1.

Table 1

Summary of expenditures
(United States dollars)

<i>Special expenditure for reform actualization expense</i>		<i>%</i>
Opening balance upon approval (February 2012)	2 198 110	—
Job audit consultants	(112 862)	5.1
Implementation of job audit recommendations	(102 000)	4.6
Training courses on career management and enhanced interviewing skills	(21 240)	1.0
Separations	(1 946 000)	88.5
Balance *	16 008	0.7

*Total does not add to 100 per cent due to rounding.

¹ EB 2012/107/R.42

B. Overview of activities

6. **Job audit.** A team of consultants undertook the job audit of all IFAD positions with the aim of (a) grading existing jobs to confirm appropriate level and identify any over- or under-grading of jobs; (b) assisting managers in a preliminary identification of any changes in jobs that might be needed to meet the requirements of the Strategic Framework 2011-2015; and (c) recommending improvements and changes in human resources (HR) practices that were identified during the job audit exercise.
7. The consultants used the grading system of the International Civil Service Commission (ICSC) to grade every job description in IFAD. The final report of the job audit, which included recommendations for positions to be upgraded or downgraded, was shared with Management in April 2012 and provided a major input to the strategic workforce planning exercise for 2013-2015.²
8. **Reform activities recommended by the job audit consultants.** The job audit consultants noted that there were inconsistencies and a lack of standardization in certain core HR practice areas. The consultants' recommendations for improvements and changes in HR practices included (a) the definition of a standardized and simplified job-titling system; (b) the introduction of a job families system; and (c) the standardization of job descriptions and definition of generic job descriptions, together with the introduction of a revised position description template. A senior consultant was engaged to develop the revised titling and job families framework, provide a standardized job description template, and finalize new generic job descriptions, taking into account best practices in other United Nations agencies and international financial institutions. Similarly, a consultant was engaged to help develop a revised IFAD competency framework, reflecting IFAD's evolving staffing needs which, along with the revised job titles and families, will strengthen IFAD's performance and career management processes.
9. **Completion of other pending HR reform initiatives.** While most of the major HR reform initiatives were completed in 2012, a few unfinished elements were substantially completed in 2013. This included finalizing any Implementing Procedures (IPs) chapters that had yet to be issued (most of the chapters were issued in 2012). Additional policy reform initiatives, including those emanating from the 2012 Global Staff Survey follow-up, also required finalization. A senior consultant was engaged to assist with this work.
10. **Specialized training.** Training was delivered in 2012 and 2013 to address IFAD's increased focus on internal mobility and on the need for staff to adapt to a changing work environment. Courses dealing with career management and enhancing interview skills were held by external providers, and have now been internalized within the Human Resources Division (HRD) so that they can be offered regularly to IFAD staff.
11. **Early separation assistance.** Finally, as envisaged when the special expenditure on reform actualization was authorized, the strategic workforce planning (SWP) exercise has led to changes in the types and numbers of positions required by IFAD. While there will be possibilities to fill some of these positions with current staff, with little or no additional training or expense, it is also the case that some new skills are required. Therefore, a Management-driven voluntary early separation programme to help IFAD redefine positions, recruit new staff and manage the outcomes of the SWP exercise was implemented.
12. A dual-track approach was established for the separation programme, focusing on (a) staff who were eligible for early retirement in accordance with defined criteria and (b) staff whose positions were downgraded as part of the job audit and SWP exercise. The first phase of the early retirement track was limited to staff between

² See Update on Change and Reform Implementation, EB 2012/107/R.41.

55 and 59 years of age with at least 30 years of pensionable service. It was subsequently extended in a second phase to staff in the same age group with at least 25 years of pensionable service.

13. Because the programme was Management-driven, the approval of heads of departments and divisions was obtained before consulting potentially eligible staff, and some staff who would have otherwise met the technical eligibility criteria were excluded from the process. Of the 25 staff members who eventually received offers, 14 accepted (56 per cent). Only one of these was in the downgrade track. The remaining 13 were in the early retirement track. Tables 2 to 4 provide information on the demographics of the staff who accepted these offers.

Table 2

Separation programme acceptances: distribution by programme, gender, and category*

	<i>Professional</i>				<i>General Service</i>				<i>Total</i>	
	<i>Women</i>	<i>%</i>	<i>Men</i>	<i>%</i>	<i>Women</i>	<i>%</i>	<i>Men</i>	<i>%</i>	<i>Number</i>	<i>%</i>
Early Separation	1	8	2	15	10	77	0	0	13	100
Downgraded position	0	0	1	100	0	0	0	0	1	100
Total	1	7	3	21	10	71	0	0	14	100

*Total does not add to 100 per cent due to rounding.

Table 3

Separation programme acceptances: distribution by category and gender

Category	<i>Women</i>		<i>Men</i>		<i>Total</i>	
	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
Professional	1	25	3	75	4	100
General Service	10	100	0	0	10	100
Total	11	79	3	21	14	100

Table 4

Separation programme acceptances: distribution by departments and lists

	<i>Number</i>	<i>Percentage</i>
Departments		
Corporate Services Department	4	29
Corporate Services Support Group	1	7
Financial Operations Department	5	36
Office of the President and the Vice-President	1	7
Programme Management Department	3	21
Total	14	100
Lists		
List A	9	64
List B	0	0
List C	5	36
Total	14	100

C. Conclusion

14. Under the Ninth Replenishment of IFAD's Resources (IFAD9), Management plans to consolidate the achievements of the CRA to ensure that the Fund has the organization, the workforce, and the know-how to deliver on its ambitious IFAD9 commitments. The special expenditure for reform actualization has made a significant contribution to support these plans.
15. The goals that were established when the Governing Council approved the special expenditure in 2012 have been met and the funds available have been fully spent. Several major one-time elements of the CRA were financed under the special expenditure, important core HR policies and tools have been strengthened, and the continued renewal of staff and the redefinition of positions to help meet the goals of the SWP have been supported.