

# Institutional capacity, a story of continuous improvement



**ADF-11 MTR**

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by

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## Outline

- Context of reforms
- Business processes
- Corporate services
- New budget management framework
- Moving closer to the clients
- Learning organisation
- Way forward
- Conclusion



## Context of reforms

- ADF-11 commitments
  - Operational selectivity
    - Infrastructure
    - Governance
    - Regional integration & fragile states
  - **Institutional and business process reforms**
    - **Improved delivery capacity**
    - **Sharper focus on Results**
  
- 52% increase in replenishment



## Business Processes

**COO**, Organisational coherence performance monitoring and resource arbitration.



Reconstituted **Senior Management Coordination Committee**

Information sharing and resource management.



**Operations Committee**

Alignment to strategy and operational policies.



**Country Teams**

Fit for purpose skills mix, Country Strategy Papers, Projects and Portfolio management.





## Corporate Services

- Human resources management
  - Decentralised recruitment
    - Vacancy rates: 24%/jan 09 to 13%/july 09 (8%/dec)
    - Young Professionals, 20/yr on 3yr programme
    - Multi rater performance management
  
- IT and Communications
  - Upgraded IT Architecture and Systems
    - SAP
  - Improved connectivity between FO & Tunis
    - Voice, data and video



## New Budget Management framework

- From headcount to UA budgeting
  - Allows for better mix and match of resources
- Decentralized budget management
  - Authority and accountability
- Inter/intra complex fungibility
  - Easier to match resources to strategic priorities
- Multi-year budget framework
  - Facilitates for better planning



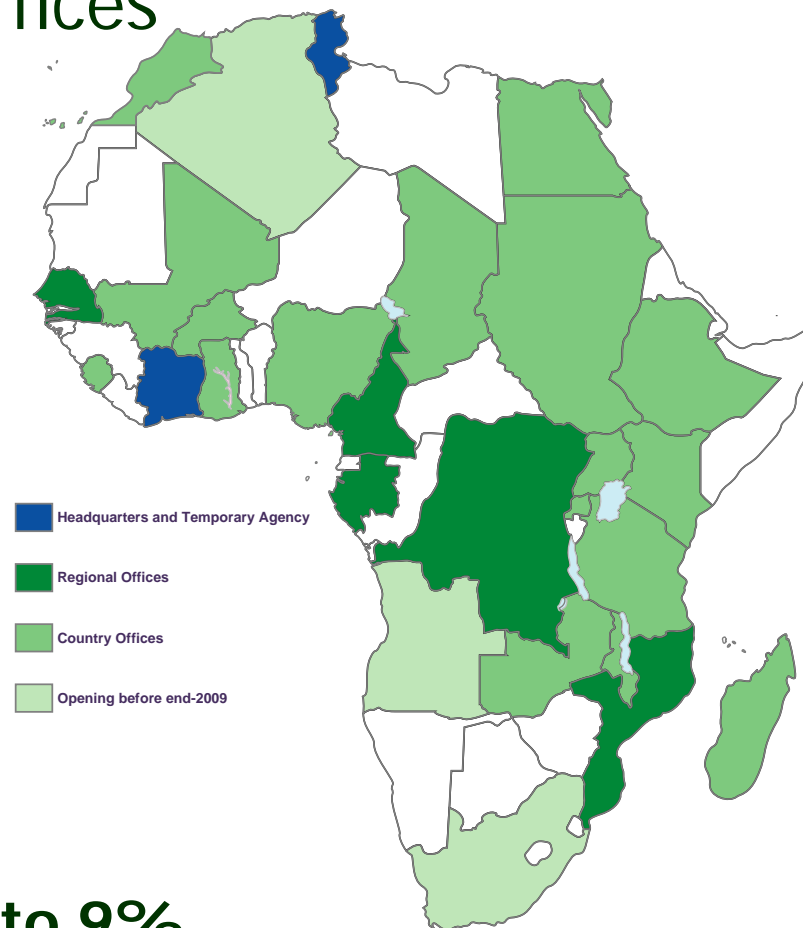
Decentra-  
lization



## Moving Closer to Clients

26 field offices

- Better dialogue and visibility
- Improved quality at entry
  - **Ops with good baseline data**
  - **up 37% to 50%**
- Lead time to loan effectiveness
  - **down 24 to 16 months**
- Elapsed time for procurement
  - **down 70 to 58 weeks**
- Project supervision
  - **Problem projects down 18% to 9%**
  - **Completion Reports up 2% to 96%**





## Learning organisation

- Results and Quality Assurance Department
  - Managing for Results
  - Lessons learnt
  - Quality at entry
  - Readiness review process



## Way forward

- Continuous improvement
  - Consolidate decentralization
    - Delegation of authority
    - More skills near the client
- Already Underway
  - Refine operations review and approval process
  - Review enterprise risk management framework
    - Growing institution, private sector
- Refinement of devolved budget management
- Continue to build on success



## CONCLUSION

- Fundamental reforms undertaken
  - Managed ambition through Strategic Focus
  - Impact and Results culture taking root
  - Learning organisation through feedback
  - Results endorse decentralisation
  
- RMC demand for Bank Group services proof that the brand is growing strong.



**THANK YOU!**



# Increased demand for Bank financing is matched by increased capacity to deliver results

## Decentralization

23 offices operational and 26% of professional staff in the field, resulting in enhanced dialogue with countries and improved portfolio management

## Operational business processes

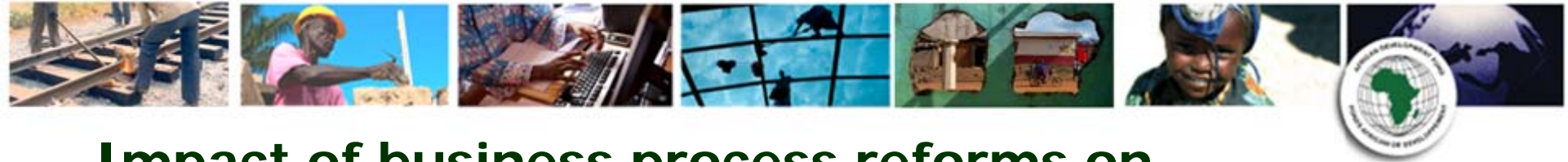
Enhanced cross-complex coordination, empowered Country Teams and streamlined processes for greater strategic alignment and delivery.

## Human Resources

Accelerated recruitment of high-caliber staff (professional staff increasing from 853 to 960 since late 2008) and strategic shift towards operations and field offices for improved delivery and effectiveness

## Budget

Reforms to better align resources to priorities, increase flexibility and fungibility, decentralize resource management and strengthen accountability



# Impact of business process reforms on institutional effectiveness...

	Baseline Value 2006	Target Value 2009	Achieved as of December 2008
<b>Ensuring Quality-At-Entry for Strategies and Operations</b>			
Percentage of new CSPs with satisfactory baseline data at entry	33	70	38
Percentage of operations with satisfactory baseline data at entry	37	70	50
Percentage of budget support disbursed on schedule	55	75	69
Average elapsed time between approval and first disbursement (months)	24	12	15.8
<b>Instilling a Continuous Supervision Culture</b>			
Percentage of operations formally supervised twice a year	36	50	45
Percentage of problem projects in ongoing portfolio	14	10	14
Annual disbursement rate of ongoing portfolio* (%)	18	22	21
Average elapsed procurement time (weeks)	70	40	58
Share of projects eligible for cancellation (%)	27	15	23
<b>Enhancing Learning and Accountability Through Evaluation</b>			
Percentage of exiting projects with a timely completion report	9	45	96
Percentage of PCRs rated satisfactory	45 in 2003-05	75	90
Percentage of PCRs reporting gender-disaggregated data	45 in 2006-07	n/a	47
<b>Improving On-the-Ground Results Through Decentralization and Harmonization</b>			
Percentage of professional staff based in Field Offices	5	15	15.4
Percentage of portfolio managed from Field Offices	0	15	7.4
Percentage of missions conducted jointly (Paris Indicator 10a)	19 in 2005	40 in 2010	13 in 2007

\* includes PBLs

Key: CSPs = Country Strategy Papers

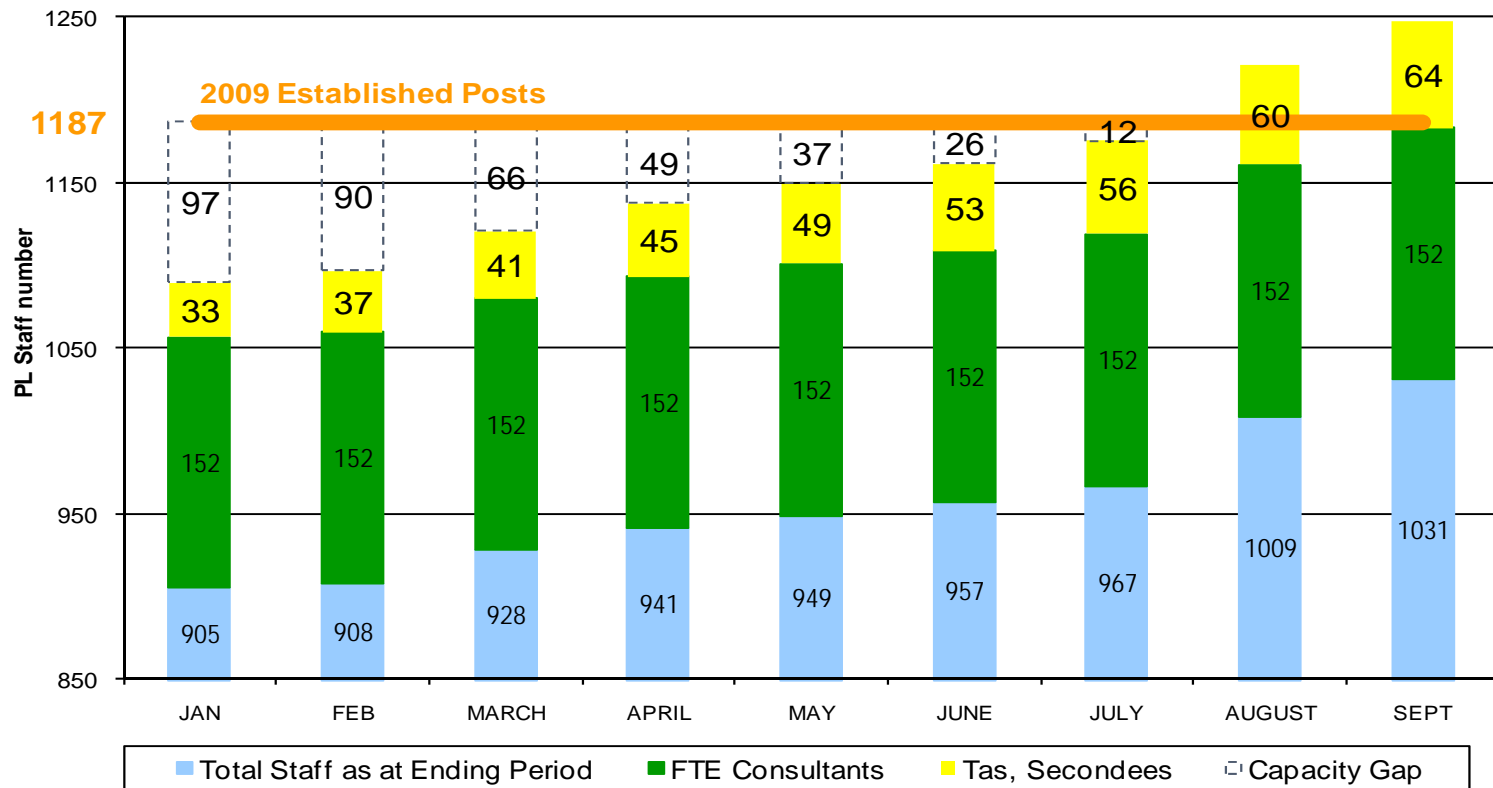




# The Bank has enhanced its human resource capacity and management

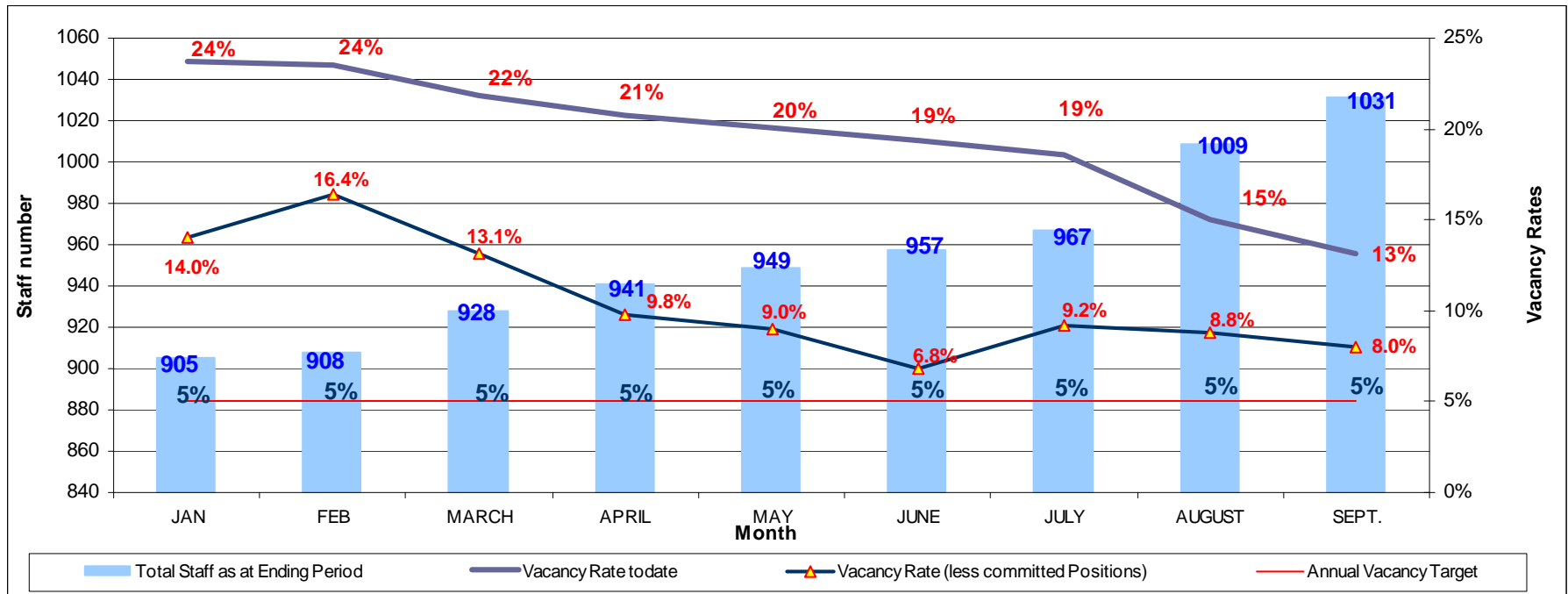
## PL Staff Capacity

Evolution from January to end-September 200





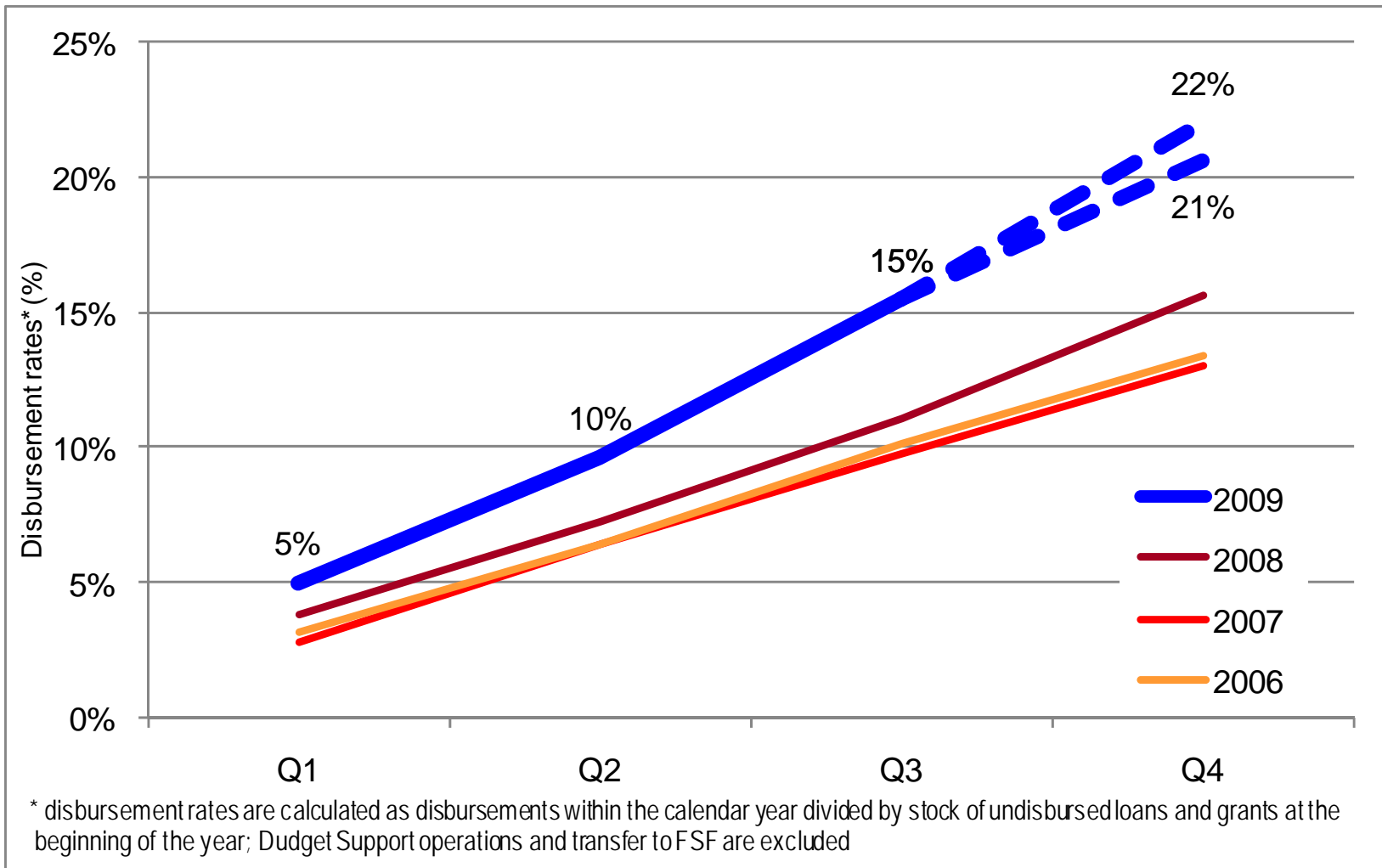
# The Bank's HR Agenda is addressing vacancy concerns



- Over the course of 2009, the Bank has brought down the vacancy rate from 24% to 13% as of end-September.



# Disbursement rates increased significantly





## Details of disbursements

	Data	
in UA m	2008 (12 months)	2009 (9 months)
Projects	687	701
FSF	150	408
PBL	288	318
<b>Grand Total</b>	<b>1,125</b>	<b>1,427</b>