



World Food Programme

A Report from the Office of Evaluation



*Full Report of the Review of WFP's
Decentralization Initiative*

(May-June 2003)

Rome, September 2003

Ref. OEDE/2003/04



Acknowledgement

This document was prepared by the team leader on the basis of the findings of the team's work in WFP Headquarters in Rome and in the field (Egypt, Côte d'Ivoire, Ethiopia, Senegal and Uganda).

On behalf of the team, the author wishes to extend thanks to all those who facilitated the team's work in the field and in Headquarters.

Responsibility for the opinions expressed in this report rests solely with the authors. Publication of this document does not imply endorsement by WFP of the opinions expressed.

Mission Composition

The review was undertaken for OEDE by Seufert, Edwards & Associates, Virginia, USA

- Mr. Don Seufert, Team Leader
- Mr. Douglas Winn
- Mr. David Head

The review was backstopped in HQ by Ms. Pernille Hougesen, Evaluation Officer/Consultant, WFP/OEDE



Acronyms

AED	Assistant Executive Director
CD	Country Directors
CO	Country Offices
DACOTA	Data Collection in Telecom Operation
DSC	Direct Support Costs
ED	Executive Director
EMOP	Emergency Operation
FRC	Fundraising and Communications Department
HR	Human Resources Division
HRC	HR Training and Career Development Unit
IRA	Immediate Response Account
ICT	Information and Communications Technology
MAP	Management and Appraisal of Performance
NGO	Non-governmental Organization
OD	Operations Department
ODO	Office of the Assistant Executive Director
ODB	Asia Regional Bureau (Bangkok)
ODC	Middle East, Central Asia and Mediterranean Regional Bureau (Cairo)
ODD	West Africa Regional Bureau (Dakar)
ODK	East & Southern Africa Regional Bureau (Kampala)*
ODPC	Latin America and Caribbean Bureau (Panama City)**
ODR	Eastern Europe Regional Bureau (Rome)
ODY	Central Africa Regional Office (Yaoundé)
OEDO	Office of Oversight Services
PSA	Programme Support and Administration budget
PRRO	Protracted Relief and Recovery Operation
PRC	Programme Review Committee
RB	Regional Bureau(x)
RD	Regional Director(s)
SP	Strategy and Policy Division
SPA	System for Programme Approval
TOR	Terms of Reference
VAM	Vulnerability Analysis and Mapping
WINGS	WFP Information Network and Global Systems

* Since mid-2002, ODK is covering East and Central Africa and a new regional bureau (ODJ) in Johannesburg is covering southern Africa.

** Formerly based in Managua, Nicaragua (ODM)



Table of Contents

Executive Summary	v
1. Introduction	1
1.1 Objectives of the Review	1
1.2 Method and Approach	1
2. Overview of the Decentralization Initiative	3
2.1 Objectives and Strategies	3
2.2 Implementation Actions and Activities	4
3. Decentralization Costs.....	6
3.1 Method and Approach	6
3.2 Evolution of Field Structures	6
3.3 Changes in Composition of Field Staff	8
4. Delegations of Authority, Responsibility and Accountability.....	9
4.1 Delegated Authority	9
4.2 Responsibility	11
4.3 Accountability	11
4.4 Moving Forward	13
5. Role of Out-posted Regional Bureaux	13
5.1 Value Added by Out-posting.....	13
5.2 Role of the Regional Director	14
5.3 Role of Regional Specialists	15
5.4 Moving Forward	16
6. Changes at Headquarters	16
6.1 Headquarters Structure and Staffing	16
6.2 Normative Guidance	18
6.3 Moving Forward	19
7. Staffing, Systems and Support	20
7.1 Staffing Levels and Capacities	20
7.2 Training	21
7.3 Technology.....	22
7.4 Communications and Reporting	22



8.	Other Objectives for Decentralization.....	23
8.1	Resource Mobilisation and Advocacy.....	23
8.2	Knowledge Sharing.....	24
9.	Key Challenges and Opportunities, with recommendations	25
9.1	Role of the Regional Bureau	25
9.2	Shared Understanding and Commitment	26
9.3	Change Management.....	26
9.4	Refinement and Normative Guidance	27
9.5	Country Director Capacities.....	27
9.6	WINGS Connectivity	27
9.7	Human Resources Management.....	27
10.	Lessons and Conclusions.....	28

ANNEXES

Annex 1: Terms of Reference



Executive Summary

In 1996, the Executive Director introduced a major organizational change for WFP designed to shift authority, responsibility and personnel to field offices closer to the programme's beneficiaries. She called for a "fundamental shift of power" with emphasis on strengthening Country Offices (COs) and further empowering Country Directors (CDs). Implementation of this "decentralization" began in early 1997.

The key elements of decentralization were:

- 1) Delegations of authority to field managers to facilitate decision-making;
- 2) Creation of regional structures to support and guide WFP's Country Offices;
- 3) Movement of senior staff and specialists to regional and Country Offices;
- 4) A shift in the focus of HQ toward field support and away from day-to-day operational decision making; and
- 5) Increased emphasis on local and regional advocacy for the hungry poor; and the upgrading of systems, processes, communications and training to support the changes.

We were engaged as consultants in May 2003 and asked to answer two main questions: a) what were the costs (or savings) associated with decentralization? b) is decentralization making progress toward its original objectives? Decentralization is relatively recent, and standard measures of programme quality are under development, so we did not try to assess the impact of decentralization on programme quality. Instead, we focused on activities, intermediate results, and the mechanisms that should be in place and working for decentralization to succeed.

We reviewed a wide variety of relevant documents and conducted interviews with staff based in HQ. Regional Directors (RDs) took part in a half-day meeting in Rome during the 2003 Annual Board Session to discuss decentralization issues and practices, and were also interviewed individually. Over 30 Country Directors representing all regions were interviewed either personally or by phone. Consultants also travelled to Regional Bureaux in Cairo (ODC), Kampala (ODK) and Dakar (ODD), and to Country Offices in Senegal, Côte d'Ivoire, Ethiopia and Uganda.

Key Findings

We can report that, six years after its introduction, there has been significant progress toward the main objectives for WFP's decentralization:

- Country Directors are directly responsible for the management of all operational activities in the countries concerned, with new authority in programme design and approval, procurement, transport, logistics, finance, inventory, and personnel management.
- The six Regional Bureaux (RBs) moved out of Rome are providing more direct support, guidance, and information-exchange to Country Offices.



- The number of senior managers outside of HQ has more than doubled.
- Normative guidance from HQ has increased and improved and been made available through the Intranet.
- Audit and inspection functions have been restructured, and Results Based Management initiated to better measure organizational and programme performance.
- Management training has expanded and Staffing Co-ordinators appointed to help develop global HR strategies.
- Resources mobilised locally have increased and new partnerships developed with NGOs and other UN agencies.

In short, authority is shifting, roles are changing, and the tools available to field offices are improving. Yet this is a pivotal point in the change process. Further progress is hampered by uncertainties about roles and capacities at the Regional Bureaux; systems problems at Country Offices; uneven capacities among Country Offices to handle new responsibility, and the lack of a focal point for organizational change and continued improvements. These issues merit the attention of senior management and the continued involvement of staff at all levels.

On the cost side, WFP budget and staffing data show that the creation and out-posting of regional structures have resulted in added one-time and recurring costs, while Operations Department-HQ costs and staffing have declined. Although costs have increased since decentralization was initiated in 1997, it has been essentially staff neutral and within existing budget approvals. Though it is difficult to determine the degree, we also note that the increase in costs occurred during a period when there was a substantial increase in the workload of the Programme.

Challenges and Opportunities

Two issues senior management is aware of and working on are 1) the need to provide full and efficient connectivity for all Country Offices to the information system (WINGS) and 2) staffing policies and procedures that ensure having the right people in the right place at the right time. Other challenges and obstacles facing WFP's change initiative include:

- Clarifying and adjusting the roles and responsibilities of Regional Bureaux and ensuring that the Bureaux are properly staffed to carry out those roles.
- Achieving a shared understanding and commitment to the original intents and long-range vision for decentralization, and a plan to move forward and focus on improvements.
- Fixing responsibility and authority, most logically in OED, for the monitoring, expediting and co-ordinating of organizational changes and improvements, particularly those that cross departmental boundaries.
- Ensuring that normative guidance from all HQ services and from RBs is consistent in style and content, clearly and simply written, well packaged and co-ordinated in delivery to minimise overload on COs.
- Creating a career development programme for Country Directors to ensure that all CDs have the capacity to assume added responsibility and authority.

Decentralization is a continuous change process, not a goal to be reached. After six years, it is no longer an initiative; it is a management philosophy, endorsed by two consecutive Executive Directors. As such, it now has to be applied, maintained and constantly improved upon. We hope this report contributes to that effort.



1. INTRODUCTION

In 1997, WFP initiated a series of actions to strengthen Country Offices through new delegations of authority, the creation of field-based regional structures to provide closer support and guidance, and a restructuring and refocusing of headquarters to increase support to field offices. This report presents the results of our review of the “decentralization” initiative. It addresses two main issues: 1) progress toward the original objectives of decentralization, and 2) the costs or savings associated with the initiative.

The review grew out of an External Auditor’s recommendation for “a precise assessment of the evolution of the financial costs and savings, the administrative cost of the Regional Offices and the global costs of decentralization.”¹ In response, at its Third Regular Session in October 2001, the Executive Board requested “a review of decentralization (including aspects of cost-efficiency, effect on programming, etc.).”² The final version of this report will be tabled at the October 2003 session of the Executive Board.

1.1 Objectives of the Review

Since decentralization is relatively recent, and standard measures of programme quality are under development, it was decided that the review would not try to assess the impact of decentralization on programme quality. Instead, it would focus on activities, and the mechanisms that should be in place and working for decentralization to succeed. The Terms of Reference called for:

- Analysis of the evolution of staff costs, posts, and travel and communications costs in the decentralized structure compared to the previous, more centralized structure.
- Qualitative assessment of progress toward the original objectives with emphasis on delegations of authority, the value added by out-posting the Regional Bureaux, and the residual role of headquarters.
- Analysis of structures and mechanisms in place to support decentralization, including staffing and training, automated systems, processes and procedures, and internal communications.
- Identification of instructive “lessons learned” and “best practices.”

1.2 Method and approach

WFP developed a results framework based on the ED’s circular ED 97/018. The framework was then consulted with senior management and used by the consultants as a working document, with minor adjustments made during the review. A short version is shown in Table 6 and the full version is included in the Annexes.

A team of three international consultants conducted the review, which covers the period from 1997 when the early delegations and regional structures were rolled out, through several stages and phases of decentralization, up to the present. We considered the work at HQ, the Regional Bureaux, Country Offices and, only indirectly, the sub-offices. Particular attention was paid to the relocation of Regional Bureaux out of Rome in 2001 and its impact on roles and relationships. We do not dwell on the initial creation of cluster offices, except for the cost implications and historical perspective. The analysis of costs and staffing relied on data provided by WFP’s Office of Budget and Office of Human Resources. It included four biennial budget periods: 1996-97, 1998-99, 2000-01, and 2003-03. Staffing data is generally limited to professional posts.

¹ 2003-2004 EB Programme of Work

² External Auditor’s Report on 2000-2001 biennium



Table 1: Decentralization Objectives and Indicators of Progress

	Decentralization Objective	indicators of Progress
1.	Shift of authority, responsibility and accountability to the field.	<ul style="list-style-type: none"> • New delegated authority in place and being used, with mechanisms in place to ensure accountability. • Regional structures functioning in support of COs. • More senior staff and specialists in the field with the capacities to carry out new responsibility.
2.	Shift in the role of HQ from control to support	<ul style="list-style-type: none"> • New functions and structures in place. • New normative guidance for field operations.
3.	Strengthened support mechanisms.	<ul style="list-style-type: none"> • Improved information and technology systems • Better vertical and horizontal communications. • Expanded training to support new roles. • Streamlined processes and procedures
4.	Increased advocacy and resource mobilisation	<ul style="list-style-type: none"> • New alliances with government agencies and NGOs. • Increased local resource mobilisation and advocacy for food security policies.
5.	Increased knowledge-sharing	<ul style="list-style-type: none"> • More regional meetings and visits to and from RBs. • Cross-fertilisation of ideas and approaches.

Guided by the TOR and the results framework, we first reviewed a wide variety of relevant documents on WFP's decentralization. Documents reviewed included:

- statements of the Executive Director on the objectives and intents of decentralization;
- reports and communication from the External Auditor who first requested a review;
- management responses to those audit reports;
- the main directive from OD outlining new roles and responsibility;
- circulars and directives describing delegations of authority; and
- various status reports on decentralization progress and issues.

We conducted interviews with senior management and other staff based at HQ. Regional Directors took part in a half-day meeting in Rome during the Annual Board Session to discuss decentralization issues and practices, and were also interviewed individually. Over 30 Country Directors representing all regions were interviewed either personally or by phone. The consultants then travelled to Regional Bureaux in Cairo (ODC), Kampala (ODK) and Dakar (ODD), and to country offices in Senegal, Côte d'Ivoire, Ethiopia and Uganda. A list of those interviews is included in the Annexes.

There are limitations in a general review on the topics that can be included and the depth of their analysis. Our review was not an evaluation of performance, either for individuals or for departments or offices. It was not a region-by-region comparison of activities and progress. We did not conduct a detailed analysis of staffing, grade levels or budgets, although sufficient human and financial resources are essential for successful decentralization. While we appreciate the suggestions received from staff on issues to include in our review, we regret that we could not accommodate them all.

Decentralization is a complex and often controversial organizational change, and it is not surprising that even at this stage there are still sceptics and detractors. Nevertheless, it was not our task to re-open the case for or against decentralization, or to question the original intentions and objectives. Our focus was on the present and the future, on progress made to date and on ways to further that progress.



2. OVERVIEW OF THE DECENTRALIZATION INITIATIVE

WFP was a highly centralized organization prior to 1997, with HQ making most decisions on project approval, operations, resource management, procurement, and recruitment. In July 1996, the Executive Director introduced a plan for decentralization as a key component in a broader institutional change programme. The cornerstone of the initiative was the belief that “The heart of our work is in the field. And that is where more of our senior staff, our decision-making, our capacities and our strategic thinking should be.”³ WFP managers involved in the early thinking reported that the changes were partly a reaction to increased competition for food aid resources and also a response to concerns about slow response times, a headquarters culture of second-guessing the field, and cumbersome systems and procedures.

2.1 Objectives and Strategies

The guiding agenda for decentralization was communicated in the decision document “Implementing Organizational Change” in February 1997. The ED suggested there was “...a greater need than ever for effective core services with efficient procedures being established and documented.”⁴ The short term priority was to strengthen Country Offices. The long-term vision was for *field-driven* strategic thinking and analysis, a *flexible* WFP where staff could work in both emergency and development operations and move quickly where needed, and the *accountability* of managers for their programmes.

The main components of decentralization included:

- more authority delegated to Country Directors in order to facilitate timely decision making guided by practical knowledge of the situation;
- more senior managers and specialised staff in the field;
- creation of regional structures to provide closer support and guidance to country offices and also to be able to plan and manage regional operations;
- a shift from control to support at headquarters including changes in structure and improvement of normative guidance;
- field offices more involved in analysis and strategic planning, in decision making, and in management of emergency responses;
- field staff more knowledgeable about local food security conditions and issues;
- managers with the capacities —and training—to absorb new responsibilities;
- clearly defined accountabilities and standards of performance;
- updated and streamlined processes and procedures; and
- improved internal and external communication and sharing of information.

Decentralization was a very broadly defined and ambitious undertaking. It touched upon nearly every aspect of corporate management and organization. The Executive Director appears to have understood and anticipated the difficulties and uncertainties that come with major organizational change, and that the requisite capacities, procedures, systems, and guidance were not in place and would take time to be established. She advised staff in the beginning that, “We can manage in an imperfect world while the systems catch up, but we cannot afford to lose momentum because of them.”⁵ She anticipated false starts,

³ The objectives of the former Executive Director (Ms. Catherine Bertini) for decentralization are described primarily in two documents: *Preparing WFP for the Future: An Organization to Meet Our Mandate* (July 1996) and *Implementing Organizational Change* (February 1997). We drew heavily from these documents to understand the intents, objectives and strategies for organizational change.

⁴ ED Circular 97/018, “Implementing Organization Change” (24 February 1997)

⁵ *Organizational Change—Time to Act*, 25 November 1997.



uncertainties, frustrations, adjustments and corrections. There were also several large emergencies, budget cuts, and a relocation of headquarters in Rome to contend with at the time. Yet the decision was made to push ahead with structural changes and push the organization to follow quickly with new support mechanisms.

2.2 Implementation actions and activities

Implementation began in 1997 with an ED Circular announcing and describing organizational changes; the formation of Change Teams; new delegations of authority; and the creation of regional structures commonly called “cluster offices.” At HQ Regional Bureaux in HQ were downsized and staff re-assigned to field offices. A total of 31 professional posts previously assigned in Rome were relocated to the field in the first phase of decentralization. A new Programme Review process was put in place, and a “change manager” in the Executive Director’s office took an active role in facilitating and reporting on decentralization progress.

Other key actions followed, including:

- In 1998, two additional Regional Offices (cluster offices) were opened and Regional Bureaux for two existing regions were moved from HQ to the field (Cairo and Managua) on a pilot basis.
- In October 1999, WFP hired a consultant to identify the major impediments to the implementation of decentralization, particularly in OD. The result was the report “Making Decentralization Work”
- In 2000, an Operations Directive was issued to update new roles and responsibilities of the regional bureaux, cluster offices, country offices and Rome-based OD divisions, and to define linkages with non-OD divisions. The Deputy Director of Operations was designated Decentralization Manager.
- In 2001, four more Regional Bureaux were moved from HQ to field locations (Bangkok, Dakar, Kampala, and Yaoundé) and most of the Regional Offices suppressed with their functions being absorbed by the Bureaux.⁶ Officers from HQ in Programming, Logistics, Finance, Public Affairs, Human Resources, and Procurement were placed in Regional Bureaux to provide more direct support to RBs.
- HQ services focused on adjusting structures and on updating and revising policies, manuals, procedures and systems in line with new authority and responsibility in the field. Oversight functions (audit, inspections and evaluation) were restructured and in early 2003 the Division for Results Based Management was established.

Figure 1 below provides a timeline for key implementation actions.

⁶ The Regional Bureau for Eastern Europe remained in Rome, but will become part of the ODC (Cairo) regional bureau in early 2004. In 2002 Yaoundé become a Regional Office under the direction of ODD (Dakar). The RB in Managua was moved to Panama City in 2003.



DECENTRALIZATION TIMELINE

1996-97

Change Initiative Launched

Decentralization announced

Executive Director announces organization change initiative

Staff Involvement

Change Teams formed, comprised of field and headquarters

Delegation

AED delegated authority to approve projects up to US\$ 3 million

Country Director Delegation

CDs delegated authority to approve EMOPs up to us\$ 200,000

New PRC Review

New PRC created to review all EMOPs, PRROs, CSOs, CPs & SOs

1998-99

Clusters Created

Regional Cluster Offices

13 Regional Cluster Offices created

Regional Bureaux

2 pilot field-based Regional Bureaux established: Cairo & Managua

2000-01

Implementation of Last Phase

RB Outposting

4 Rome-based Regional Bureaux outposted to Africa and Asia

Cluster Closing

10 Regional Cluster Offices closed

OD Directive Issued

Operations Depart. Directive issued listing responsibilities & delegations of authorities to AED, Regional Directors and Country Directors

PRC Delegation

Regional Directors delegated to chair Programme Review Committee for their RB

2002-03

Consolidation

Headquarters

HQ Restructuring e.g. Results-Based Management and Strengthening Oversight

Africa

RBs in Africa reconfigured to West Africa, East & Central Africa and Southern Africa



3. DECENTRALIZATION COSTS

3.1 Method and Approach

The Terms of Reference called for an “assessment of the evolution of financial costs and savings, with data such as numbers of posts created in the field and suppressed at HQ, the administrative cost of the Regional Offices and the global costs of decentralization.”⁷ The period reviewed covers from biennia 1996 – 1997 through 2002 – 2003. We were asked to compare costs, staff costs and the travel and communications costs using PSA budget data for the four biennia, based on allotments in the previous centralized environment (1996-97) to those in the new decentralized structure, analyzing any resulting additional costs or savings. Finally, the TOR stated that in advance of the review the Programme would prepare the information required to conduct the cost analysis. The Director of the Office of Budget was to facilitate this review and provide additional information.

Financial accounting systems and account structures have changed over the four biennia. None of these changes were designed to capture and isolate the kind of data that would facilitate a comparative review of staffing and funding of a decentralized environment against that of the earlier centralized organization. Therefore, WFP provided budgetary data starting with the original 1996-97 approved PSA Budget as the base. The budget does not track variances between standard or programme costs and actual costs. This is typically an important part of accountability and would give additional evaluative options. Nonetheless, the budgetary data presents a reasonably realistic picture of the costs and staffing impact of decentralization on the Operations Department-HQ, Regional Bureaux, and regional Cluster Offices, over the eight-year period.

The data included in the tables below comes from WFP's adjusted budgets. Although budgetary data has inherent limitations it depicts a clear pattern of shifting costs and staff from headquarters to the field as decentralization occurred over time. Regrettably information on travel and communications costs during the period cannot be readily isolated for analysis.

It should be noted that WFP's support costs are financed from two sources: direct support costs (DSC) and indirect support costs that WFP calls Programme Support and Administration (PSA). In attempting to isolate the costs of decentralization before the start of the consultants' review, it was determined that DSC, which normally funds the variable costs of the Country Offices, was minimally influenced by the decisions on decentralization. Almost all of the cost of decentralization was reflected in three categories of the PSA Budget: Operations Department (Headquarters); Regional Bureaux; and Cluster Offices. The data provided by WFP comparing these cost categories over the period, and the associated staff movements from headquarters to the field, provides the basis of our analysis of the costs of decentralization.

3.2 Evolution of Field Structures

Starting in 1997, WFP created a number of regional offices (so-called Cluster Offices) and out-posted its Regional Bureaux as part of the decentralization process. The phases over the past three biennia can be characterized as follows:

- 1998 – 99: Thirteen regional cluster offices created and two RBs outposted to Cairo and Managua.
- 2000 – 01: Four more Rome-based Regional Bureaux outposted to the field and ten regional cluster offices closed.

⁷ See Annex 1 - Terms of Reference for the review.



- 2002 – 03: Three remaining cluster offices closed. D-2 Directors established to head each RB. Consolidation of decentralization gains.

As indicated in Table 2, total staff and non-staff costs over the period for these cost categories increased by \$20.3 million (49 percent), or roughly \$10 million per year. The steep decline in headquarters costs (\$23.1 million, or 55%) was offset by the higher costs of setting up and operating the regional structures. Much of the change occurred during the 1998-99 biennia when 13 regional cluster offices were created and two Regional Bureaux were outposted to Cairo and Managua on a pilot basis.

Table 2: Evolution of Total Costs – PSA Staff & Non-staff (in 000 USD\$)

	1996 – 97	1998 – 99	2000 – 01	2002 – 03	% Change
Headquarters					
OD	26,085	21,224	23,823	18,692	
Regional Bureaux	15,723	11,307	6,004	--	
Subtotal HQ	41,808	32,531	29,827	18,692	-55%
Field					
Regional Bureaux	--	5,042	40,874	38,486	
Cluster Offices	--	17,226	1,626	4,918	
Subtotal field	--	22,268	42,500	43,404	
Total Costs	41,808	54,799	72,327	62,086	+49%

Total costs rose again in the 2000-01 biennium when four more RBs were outposted to the field, although the cost increase was largely attributable to additional Section 416(b) resources of \$11.5 million that were made available to the Bureaux and Clusters during the biennium (and are included in the above data). WFP indicated that \$4 million of the \$11.5 million were used as start-up costs for the remaining Regional Bureaux that were out-posted in late 2001. During 2002-03 the Africa Regional Bureaux were re-configured again, to include (1) the creation of the Southern Africa Regional Bureau (ODJ) in Johannesburg; (2) the reconfiguration of the Yaounde Regional Bureau; and (3) the closure of the Maputo and Islamabad cluster offices. The cost of the re-configuration, however, is not included in the analysis as the 2002-03 budget had not yet been adjusted to reflect this change.

Changes in Staffing: Not surprisingly, as indicated in Table 3 below, staffing ratios between HQ and the field have changed during decentralization. Before RB outposting there was 202 staff at OD-HQs (1996-97). The overall number of posts in OD/HQ, RBs and cluster offices rose to 324 when regional cluster offices and the initial two Regional Bureaux were outposted. Within this total, OD-HQ declined by 22 posts (11%). During the next two biennia posts at OD-HQ have continued to go down while posts in RBs and cluster offices remained about the same, despite further outposting of four more RBs. It is important to note that the number of professional posts have remained constant since the initial decentralization move in 1998-99, which was a point that the former Executive Director insisted on as further decentralization movements were made. Most of the regional cluster office posts were shifted to the Regional Bureaux when they were out-posted.

Table 3: Evolution of PSA Staffing: HQ & Field

	1996 – 97		1998 – 99		2000 – 01		2002 – 03		% Change
Headquarters	Prof.	GS	Prof.	GS	Prof.	GS	Prof.	GS	
OD	53	9.5	47	68	47	72	48	69	
Regional Bureaux	47	42.5	32	33	0	0	0	0	
Subtotal HQ	100	102	79	101	47	72	48	69	-42%
Field									
Regional Bureaux	0	0	11	21	79	89	79	98	



	1996 – 97		1998 – 99		2000 – 01		2002 – 03		% Change
Cluster Offices	0	0	45	67	10	19	10	16	
Subtotal field	0	0	56	88	89	108	89	114	
Total Posts	100	102	135	189	136	180	137	183	
Total Prof. & GS	202		324		316		320		+58%

Changes in Workload: Although decentralization costs have increased from the 1996-97 base the workload of the Programme, as expressed by the turnover (total expenditures) has increased substantially over the same period. Table 4 below shows the growth in both expenditures and volume of food distributed from the 1996-97 base to the estimated levels for 2002-03. It indicates that WFP's total expenditures increased by 62% over the period, against volume increases of 77%. When comparing these volume indicators to the PSA cost and staffing increases noted above for OD-HQ, the Regional Bureaux and Cluster Offices over the four biennia (49% and 58%, respectively), the increases do not appear unreasonable. What our analysis could not isolate was to what extent the increases were attributable to workload as opposed to decentralization.

Table 4: Total WFP Expenditures and Volume, 1996-97 to 2002-03

	1996-97 Actual	1998-99 Actual	2000-01 Actual	2002-03 Estimate
Expenditures (\$ M)	2,671	2,918	3,190	4,404
Volume (million MT)	4.916	6.182	7.031	8.716

3.3 Changes in the Composition of Field Staff.

One of the major objectives of the decentralization effort was to upgrade the competence and professional standing in a field structure which now had expanded and new authority, and have senior decision makers working in the field. Table 5 suggests very clearly that the post grade levels have been upgraded, especially the number of D-1 and D-2 posts that have grown about three-fold from pre-centralization days to 2002-03. While part of the increase is attributable to decentralization, the 2002-03 EB-approved strengthening management initiative also accounts for increases in field post grade levels. Note that professional post grade level data is different from the staff numbers shown in Table 2, which was limited to PSA-funded posts, while this table includes DSC-funded professionals as well.

Table 5: Professional Posts by Grade (Field Staff Only), PSA and DSC funded

Biennia	D-2	D-1	P-5	P-4	P-3	P-2	P-1	Total
2002 – 03	13	28	72	109	159	123	7	511
2000 – 01	10	24	76	120	171	139	8	548
1998 – 99	0	18	61	96	124	65	0	364
1996 – 97	0	13	45	127	128	56	0	369

The costs of the new de-centralized Programme are higher than those of the former centralized structure. However, during the same period there have been increases in workload, price rises, and costs attributable to related change initiatives. The shift of substantial resources to the field was accompanied by declines at HQ operations as was intended. In concert with one of the pre-stated goals of decentralization, there has also been improvement in the number of higher level posts in the field, although this is partially attributable to a separate management strengthening initiative during the past two biennia.



4. DELEGATION OF AUTHORITY, RESPONSIBILITY AND ACCOUNTABILITY

A key component of decentralization was the delegation of new authority and responsibility to field offices in order to facilitate timely decisions guided by practical knowledge of the local situation. While delegations from the ED to the AED were the starting place for delegations, our focus is primarily on those granted to Regional Bureaux and, most importantly, to Country Offices. We sought to determine, through interviews, the usefulness of new delegations, but time did not permit the collection of hard data on how often each new authority has actually been employed since its delegation.

The Executive Director said in 1996: “The corollary of letting managers manage is to expect managers to manage, to take responsibility, make decisions, and be held accountable.”⁸ We reviewed the mechanisms currently in place to ensure adequate financial and results oriented accountability.

4.1 Delegated Authority

A series of delegated authorities have been made since 1997 for actions in project design and approval, financial management, human resources, procurement, inventory control, transport and acceptance of contributions.⁹ Key delegations include the following:

To the AED:

- authority to approve and release initial funds for development projects, EMOPS/PRROs and Special Operations up to US\$ 3m;
- authority to approve budget revisions up to US\$ 3m or 10 percent of food value, later delegated to RDs.

To Regional Directors:

- authority to deploy any staff members in the region on temporary duty to another part of the region;
- approval of EMOP/PRRO project expansions up to US\$ 3m or 10 percent of food value;
- responsibility for chairing Programme Review Committees.
- approval up to US\$ 200,000 for an immediate response to new regional EMOPs, in which the duration won't exceed 3 months.

To Country Directors:

- WFP representational status and authority to hire and manage national staff;
- approval up to US\$ 200,000 for immediate response to new EMOPs, in which the duration won't exceed 3 months;
- approval of 12 month extensions of EMOP/PRRO projects within existing budgets;
- approval of competitive food purchases up to US\$ 200,000; non-competitive up to US\$ 100,000;
- receipt of local contributions up to US\$ 200,000;
- approval of internal transport arrangements, contracts and payments;
- authority to recruit UNVs, consultants and professionals on 11-month contracts;

⁸ ED Circular 96/ "Preparing WFP for the Future: An Organization to Meet Our Mandate," (July 1996)

⁹ The 1997 circular "Implementing Organizational Change" outlines new authority. Additional food procurement authority was issued in 1999. More detailed guidelines appeared in an Operations Department Directive issued in November 2000 (OD-2000/004) and a recent OD directive (OD-2003/001 of 30 January 2003) summarizes updated delegations for budget revisions.



- approval of resource reallocations from one Country Programme (CP) activity to another up to 10 per cent.

One of the most important new authorities for CDs was the granting of WFP representational status, formerly held by UNDP's Resident Representative. This has increased the CD profile and status locally and facilitated contacts and alliance building with governments, NGOs and other agencies. Also helping to empower Country Directors was a decision made in 2000 by the Executive Director to upgrade CD posts in line with other United Nations organizations. Nineteen CD posts were upgraded: two from D-1 to D-2; six from P-5 to D-1; ten from P-4 to P-5; and one from P-3 to P-4.

CDs generally understand their financial delegations and view them as useful but still modest. CDs do have more authority and autonomy and can take decisions and initiate actions within existing guidelines and procedures. We note, however, that the authority to approve an immediate response to a new EMOP up to US\$ 200,000 is very limited in relation to the average cost of a WFP EMOP and a very small percentage of the Immediate Response Account (IRA) fund, currently with a funding availability (at the time of writing this report) of some US\$28 million. WFP has discussed raising the Country Directors' EMOP immediate response authority to US\$ 500,000 since 2000, but no final decision has been taken.

From the CD perspective, before the WINGS information system there was little relationship between their responsibility for projects and the funds related to projects. CDs were responsible for project management, yet funding came from a central pool managed at HQ, which tightly controlled budgets and spending. Now, CDs with new delegations and WINGS connectivity (where available) are better able to access and manage their budgets and monitor spending. COs without WINGS connectivity cannot exercise their full authority because they lack easy access to budget and financial information. They may have to rely on their Regional Bureau for help with processing tasks. We also note that budget revisions for both COs and RBs require prior consultation with ODP at Headquarters and could therefore be considered "conditioned" delegations.

A common concern of CDs is their limited ability, even with WINGS, to track resources, particularly bilateral contributions to and from HQ. CDs also report that the inability to retain and track local contributions creates a disincentive for local fundraising. This is partly a business process issue. WFP has therefore engaged a team of consultants to conduct a review of related business processes and has initiated a pilot programme in Iraq that gives the CD "full access to up to date project/contribution information."¹⁰ It is also an organizational culture issue. CDs have in the past not been considered "fund managers," with information and decisions on resource utilisation and allocation occurring in Headquarters.

Prior to decentralization, HQ basically determined staffing needs and structures for field offices. Now, CDs have more authority to hire local staff and national officers. They can hire consultants (with RB sign-off) and international professionals on 11-month contracts selected from a central database of applicants meeting basic corporate requirements. The availability of Regional HR Officers to assist and guide on local staff issues has reinforced new authority and is considered a helpful service. CDs report that there is still a tendency on the part of HQ to "second-guess" staffing decisions, but that is not unique to WFP.

Initial strategies for decentralization called for *selective* delegations that would be added or even rescinded depending on the ability and willingness to use them. We have seen no indication that selective delegation is being applied, but it would seem logical for Regional Directors to be able to make adjustments as warranted, even on a trial basis. We are also not aware of any significant new delegations

¹⁰ WFP –RFP No. 022/03 OED-02, "Scope of Work: Review of Business Processes Related to Programme Management."



of authority since the delegation, in 2001, to RDs for chairing PRC meetings.¹¹ This may reflect a shift in focus to major emergencies or other more pressing issues, or perhaps a desire to wait until systems, support and HQ oversight capabilities catch up before adding new authority. On the other hand, we heard little demand from CDs for additional authority except as relates to resource management. This is understandable as long as systems and other support mechanisms are not fully in place and relationships with RBs are still forming. A good sign of successful decentralization is when field managers demand more delegation and are fully prepared and supported to accept the responsibility that go with the authority.

4.2 Responsibility

Delegations of *responsibility* can have as much impact as the delegation of *authority*, particularly for small- and medium-size Country Offices with limited staffing and resources. More responsibility usually means more work and often more training requirements, either for the CD or his/her staff.

A Task Matrix attached to the Operations Department Directive of the year 2000 on decentralization summarised the assignment of tasks to the various levels. Examples of the responsibility passed to COs include:

- Writing, editing and revising documents.
- Processing documents through the SPA.
- Budget entries and clearance of resource availability for PLANOPS, CPs.
- Follow up of resource and pipeline situation.
- Ensure release of cash resources.
- Prepare and process budget revisions.
- Analyse food allocation projections and provide feedback.
- Reply to audit recommendations.
- Prepare briefs for Executive Staff.
- Clearance of UNV recruitment.
- Process funding requests for mission/technical assistance.
- Brief HQ on country security situation.

We do not doubt that these are proper functions for a CO, or that the time required performing these functions may in some cases be offset by time saved by having new authority to take decisions. But it is important for HQ, with input from Regional Bureaux, to assess the time and staffing requirements of any significant task re-distributed to field offices.

4.3 Accountability

Managers with delegated authority are expected to manage, to take responsibility, make decisions and be held accountable. Most organizations struggle to set clear performance standards and then find ways to enforce those standards consistently and fairly. WFP is no exception. Accountability depends on clearly defined goals and objectives; a clear definition of tasks and responsibility for those tasks; clearly defined standards and guidelines; sufficient delegated authority, budget and other resources; and the willingness of management to enforce expected results.¹² The mechanisms in place at this point to ensure accountability for WFP field staff include:

¹¹ ED Circular ED99/001, Food Procurement Delegated Authority, 8 July 1999.

¹² Paraphrased from an External Auditor's Management Letter: "Review of the decentralisation process-Results of the survey conducted," (4 July 2002)



- WFP mission statements and strategic objectives.
- Policies and procedures to be followed as spelled out in normative guidance and in many cases built into automated systems.
- Programme Review Committees, which give feedback on quality of project documents.
- The Management and Appraisal Performance System (MAPS) in which supervisors evaluate performance against pre-determined standards and annual work plans.
- Internal monitoring and evaluation, and financial and operational audits and inspections that evaluate compliance with standards and procedures.

The extent of normative guidance, including policies, procedures and standards, has increased and improved since 1997 and is discussed in Chapter VI. An array of manuals and guidelines on project design, emergency assessment, procurement, PRROs, transport, school feeding, environmental review, supplementary feeding, gender checklist and other technical assistance areas have been issued by HQ. While such guidance could be more user-friendly in style and format, it nevertheless provides managers the information they need to understand the parameters within which they can operate. A further control on CD actions is the automated systems that have built-in financial limits, checks and balances, and rigid procedures to follow.

The Programme Review Committee (PRC) is a mechanism that holds Country Directors accountable for the quality of project documents. Standards are spelled out in the Programme Design Manual (PDM). CDs are expected to submit documents that meet the quality standards set by the AED. After review, the CD is expected to make the changes recommended.

The MAP system is the official tool of accountability at WFP. However, some RDs and CDs question the timeliness and, more importantly, the seriousness of this review. There is said to be a corporate resistance to MAPs and no repercussions, i.e., *accountability*, if not completed. The annual work plans on which MAPs are partially based are a good tool to hold managers accountable for achieving stated goals and objectives.

Evaluations, internal audits and inspections are tools of accountability although sometimes long after actions or decisions are taken. WFP has recently restructured these functions at HQ in light of more dispersed decision-making. We found some internal audit findings of COs based on “best practices,” with recommendations made to comply with these best practices. These best practices have not been officially adopted as WFP standards. Best practices can be a sound approach used for benchmarking operational performance and for re-engineering processes, but as long as they have not been transformed into WFP standard, in fairness CDs cannot be held accountable for applying them.

CDs question the fairness of accountability without adequate human and financial resources and support systems in place. There is a context to accountability, and a corresponding accountability of supervisors for providing sufficient guidance and standards and adequate resources. However, few managers have all the tools and resources they might like. Good supervisors routinely have to take into consideration resource realities and limitations when conducting performance evaluation.

Ideally, managers would be held accountable for programme quality and results. At this point, WFP has not identified clear measures of programme quality, but the recent establishment of a Division for Results



Based Management at HQ to provide guidance on organizational and programme performance measurement is a positive step in that direction.¹³

4.4 Moving forward

In general, we found that delegations of authority to Regional Directors and Country Directors do make it easier to manage programmes. Realistically, however, these are still modest delegations and the effectiveness of Country Offices depends on more than just financial authority. Much depends on the manager's ability to move quickly and easily through the larger system of guidance, approvals and controls at all levels.

We encourage WFP to add to the delegations as managerial capacities, resources, and support mechanisms permit. It would be useful at this point to collect data from Country Directors on actual use and on which delegations are actually making them more effective and efficient, and which may be only marginally useful. WFP needs to then determine its long range targets for delegated authority and responsibility to Country Offices and determine what is needed to reach those targets.

We also believe Regional Directors need expanded delegations that enable them in turn to delegate additional authority to Country Directors on a selective basis depending on the size of the programme and the experience of the Country Director. In all cases, new responsibility delegated to the field should first be reviewed to determine the implications on time, staffing and capacities, a sort of "impact statement."

We are encouraged by the work being done now on Results Based Management. This should eventually permit accountability of field managers for outcomes as much as inputs, and provide useful information on where additional delegation might be helpful.

5. ROLE OF OUTPOSTED REGIONAL BUREAUX

The out-posting of the Regional Bureaux was the most dramatic change associated with decentralization and probably the most controversial, not so much in concept but in the implementation. The main issues are 1) the extent to which the proximity of the RBs to the Country Offices actually enhances support for those offices, 2) how to balance Regional Director involvement in corporate decision-making with their role in overseeing field operations, and 3) matching RB staff and capacities with their multiple roles and expectations.

Our review devoted considerable attention to role of the Regional Bureaux in support of Country Offices, partly by design and partly because the importance of this issue became apparent during the interviews. Clearly there is a strong interest in figuring out the most appropriate and useful functions to be carried out at each level in the organization, especially at the regional level.

5.1 Value Added by Out-posting

Only two years after the out-posting, Country Directors and Regional Directors report that the proximity of Regional Bureaux to field offices is paying dividends. These are the significant benefits, in line with the original objectives of decentralization:

- Regional Bureaux better understand the programmes, work, staff and capabilities of Country Offices.

¹³ The new Division for Results Based Management (OEDR) includes an Office of Performance Measurement and Reporting (OEDP), which started work in mid-2003.



- There are more frequent visits to Country Offices, particularly smaller COs, enabling familiarity with CO issues.
- Regional Public Affairs Officers are increasing media coverage and visibility of WFP.
- Regional Bureaux are planning and managing regional operations.
- There is increased collaboration with regional and local partners.
- Some Country Directors report quicker decisions and more timely responses to problems.
- There are more regional training opportunities.
- Regional “esprit de corps” and even a healthy competition between some RBs is developing.
- RBs are coming up with innovative management practices which may be applicable to other regions. (See Chapter VIII, Knowledge Sharing)

As would be expected, larger COs with more experienced CDs and staffing equal to or greater than that of the RB are less likely to call on the RB for support. This is good news, not bad. Self-sufficiency of one office frees time to work more directly with another. Self-sufficiency does not negate the role of the RB in oversight, quality management and information sharing. The better-managed COs can be models for, and even provide direct guidance to those needing more support.

5.2 Role of the Regional Director

Some CDs and staff at HQ expressed concern about RDs being “not completely here or there,” and being less involved in corporate thinking and policy-making. Regional Directors themselves ask for clearer Terms of Reference. They raised questions about supervisory and quality control authority over CDs and supervision over functions like HR and Finance in which they are not necessarily experts. RDs also expressed concern about being bypassed by HQ in those same functions and their lack of authority to transfer staff within the region on a permanent basis.

The early writing on decentralization emphasised the support role of RDs and downplayed supervision.¹⁴ That may have resulted in a reluctance of some Regional Directors to exercise their supervisory authority, and confusion on the part of CDs as to how that authority should be exercised. Despite the need to avoid micromanaging, oversight and performance management are key parts of the RD's duties. The challenge for the Director is to determine which offices need special attention and which can function more independently, and to focus their attentions and support accordingly.

Concerns were expressed that the “triangulation” between COs, RBs and HQ takes added time. No doubt some of this existed when the Bureaux were based at HQ, and we would expect that a clearer definition of roles and responsibilities, and further refinement of procedures would mitigate some of this triangulation.

In contrast with Country Directors and Regional Managers, the role of the Regional Director has been expressed by describing what a Regional Bureaux is responsible for rather than specifically describing the responsibilities of the RD post. As originally set out and later amplified, Regional Directors are responsible for a mix of management, support and advisory functions.¹⁵ The OD Directive of 2000 is the last detailed listing of the RB role and responsibilities. At that time Regional Cluster Offices were in operation. The Directive describes the roles and major functions of RBs, Regional Cluster Offices and COs.

¹⁴ ED Circular 96/ “Preparing WFP for the Future: An Organization to Meet Our Mandate,” (July 1996)

¹⁵ *Implementing Organizational Change (February 1997)*



Table 6: Regional Director Supervisory & Support Responsibilities

Management & Supervisory	Support
Provides strategic policy & overall management	Contributes to corporate image
Manages Bureaux	Provides strategic issue support to ED
Approves operational projects through delegated authorities	Reviews CO programme & project documents to ensure quality
Coordinates large scale & complex emergencies	Provides advice and technical assistance to COs
Ensures compliance on operational & financial accountability issues	Participates in mobilization, allocation & monitoring of financial, personnel & non-food resources of region
Provides overall functional responsibility for compliance with corporate systems	Proactively seeks technical guidance of relevant HQ Divisions and Services – FS, HR, MS, etc.
Provides advocacy for region	Coordinates input from various services

The OD Directive, in our view, needs to be made current to reflect the most recent organizational structure and to provide clearer Terms of Reference for Regional Directors. Country Directors and Regional Directors themselves ask for these.

The RD's management role is now defined as guidance, support and supervision of their Bureaux and of the CDs in their region. The management role needs to be magnified to better reflect responsibility of the Director for planning and controlling, organizing and staffing, problem-solving, performance and results.

5.3 Role of Regional Specialists

It had been agreed corporately in 1997 that each RB would have an average of 16 core funded international staff, including a Regional Director and Deputy, programme advisers, and support officers specializing in logistics, commodity pipeline management, human resources, finance and administration procurement, public information and information /communications technology. Considerable discussion went into what their roles would be, but it was understood that adjustments would be needed.

Our interviews found a mixed review on support from regional specialists:

- There were generally good marks on logistics help.
- HR is said to be helpful on local staff matters
- Programme specialists in VAM, gender, etc are particularly valued by CDs;
- Programme advisors are said to have too many countries to cover, and that could get worse in growing regions like ODC;
- Regional specialists get a mixed review on the extent of their travel to COs and not visiting COs often enough;
- Regional specialists are still doing a lot of processing work for COs, in part because of the lack of connectivity.

Regional officers and advisers, particularly those in Finance, HR and ITC, have multiple and sometimes ambiguous roles: advice and guidance to COs, oversight and quality control, administration and support for the Bureau itself, and processing for COs. With little or no backstopping available at the Bureaux, regional specialists who are without the requisite competencies are exposed, damaging the credibility of the RB and may not provide the support needed; CO staff are forced to turn to HQ for guidance.

This has raised questions about staffing levels and capacities; that is, do the Bureaux have enough staff with the right skills to provide the expected support to COs? These are staffing, not training issues and



current staffing policies and procedures may need to be re-considered in light of the unique nature of RB work. The solution depends on determining the most appropriate and useful role for Regional Officers in support of COs. It may vary by function and by region.

We think the first priority has to be providing advice and guidance and, as needed, quality control and oversight to Country Offices. Second is the direct involvement in regional operations that can potentially serve as models. For this role, regional specialists need to be the most experienced and most qualified staff available. These posts should carry a status on the level of Country Director, and be viewed as an important career achievement.

5.4 Moving Forward

While we found that the proximity of Regional Bureaux to Country Offices is paying off, problems and uncertainties associated with the roles of Regional Bureau Directors and staff are diverting attention from the positive aspects of the relocation.

WFP now has two years of experience with out-posted Regional Bureaux. Country assignments have changed, CDs have a better sense of the support that is most useful, and RDs know more about the capacities needed to provide that support. We know now that the “cookie-cutter” approach doesn’t work. Structure, staffing and perhaps location of Bureaux will have to remain flexible and adaptable to changes in WFP’s work, priorities and support needs of COs.

It is essential at this point to re-evaluate RB roles and responsibility, determine what works and what doesn’t, and make adjustments to staffing levels and capacities accordingly, keeping in mind the objective of keeping WFP flexible. Beyond that, the Bureaux need to avoid “mission creep,”¹⁶ and try to get the most value added from their proximity to COs. A large, full-service RB may enhance support to COs but also limit flexibility and mobility. This is a key challenge for the organization.

6. CHANGES AT HEADQUARTERS

To reinforce decentralized decision-making, Headquarters was to change from a culture of control to one of supporting the field. It would focus on providing normative guidance, setting standards, developing broad strategies and priorities, and advocating for the hungry poor at the highest levels. We sought to determine the changes that have taken place at HQ either directly or indirectly in response to decentralization, and to review the availability, accessibility and applicability of normative guidance from OD and from other support services at HQ.

6.1 Headquarters Structure and Staffing

Since the introduction of decentralization, as foreseen OD has been the most directly affected department at HQ and has seen the most dramatic staffing changes. In the early stages, Desk Officer posts at HQ were eliminated in favour of Programme Officer or Adviser posts in Regional or Country Offices. The out-posting of Regional Bureaux in 2001 was another significant change for OD. At 31 January 2003, there were 66 OD staff in HQ, including Transport and Logistics staff. In 1997, prior to decentralization, there were 110 staff at HQ in those same functions.¹⁷ With the exception of very high-profile and exceptional emergency projects such as Afghanistan and Iraq, operational decision-making has been largely delegated to the field.

¹⁶ “Mission creep” occurs when an organization, division, bureau, etc., takes on functions, on its own, that are beyond its designated role and capacities.

¹⁷ Variances between the staffing data reported in table 3 and specific points in time reflect differences between the actual posts at that point in time versus a particular biennial budget.



In 2001, OD established the post of Regional Bureau Liaison Officer, based in Rome, with two main functions in their Terms of Reference:¹⁸

- To represent operational interests and field experience at Rome-based activities, such as working groups, task forces, and meetings with donors and EB members, especially when the Regional Director cannot participate directly.
- To be representatives and spokespersons for the RBs in Rome and to keep Regional Bureaux and Country Offices informed of relevant developments on policy and programme formulation and implementation.

This role has been much discussed in other reports and there is consensus even among Liaison Officers that changes are needed. We don't presume to suggest an alternative job description, but we do suggest below that Liaison Officers could play a significant role in co-ordinating and rationalising guidance from HQ to the field. There may also be an appropriate role for the Liaison Officers in reviewing new policies, processes and procedures to determine the impact on field staffing and capacities.

OD has recently initiated another re-organization, this one to focus more clearly on programme preparedness, emergency response and the whole food delivery chain including food procurement.¹⁹

Other structural changes have been made at HQ recently that have at least an indirect bearing on decentralization and the intended role for HQ. The ED announced the formation of a new Policy and External Affairs Department dealing mainly with policy, strategy, programme support, and relations with the UN and other agencies.²⁰ A new Fundraising and Communications Department, comprised of units directly related to fundraising and formerly part of Resources and External Relations, was announced in March.²¹ This unit will be involved in strengthening the role of CDs and RDs in resource mobilisation. The ED has also taken actions to reinforce oversight and accountability functions at HQ. The internal audit and inspection functions have been combined into an Oversight Services Division. A Results Based Management Division, incorporating the Office of Performance Measurement and Reporting and the Office of Evaluation, has been established and is working to develop new standards to measure and report on organizational and programme performance.

Field staff questioned growth in HQ staffing at a time when authorities and personnel are supposed to be shifting to the field. They raised doubts about the value of various HQ functions in comparison to the work done in the field. These and other staffing issues are discussed briefly in Chapter VII. Whether reality or perception, these are questions that senior management needs to be aware of and address openly.

HQ functions: As suggested in a 2000 status report to the EB on decentralization, "It is important to identify the normative technical services that need to maintain a corporate profile and that cannot be decentralised completely (e.g., nutrition and needs assessment) so that WFP does not disperse its normative focuses too widely."²² There remains both at HQ and in the field a healthy debate over which functions belong where. Opinions vary widely, as reported in our interviews and in a questionnaire distributed by the External Auditor in 2000. Some would re-centralize everything, while others would considerably expand the delegations to include fund administration and monitoring of donor contributions.

There is consensus that shipping, administration of international staff, and international tenders are properly centralized. (We note also that aviation transport is being re-centralized.) There is an

¹⁸ OD Memorandum, Terms of Reference-Regional Bureaux Liaison Officers," (21 November 2001)

¹⁹ ED-2003/002 of 31 January 2003.

²⁰ Ibid

²¹ ED2003/004 (31 March 2003)

²² WFP/EB.3/2001/11-B, "Status Report on WFP's Decentralization Initiative," 24 September 2001.



understanding that policy development (SP) must remain centralized, but there is also a strong belief that policy-makers need field experience and field input to make sure that policies are workable at the field level. There is also agreement that many processing, administrative and maintenance activities may be just as easily done in Rome as at the RB. Cost-benefit comparisons would need to be done to establish which is the most efficient location for these activities, however.

At this point, Rome still manages major, high profile emergencies such as in Afghanistan and Iraq, pulling staff from various regions as needed. There were suggestions that this reflects a lack of confidence in Regional Bureaux, but we see it as more a reflection of political realities and view these activities as exceptions. It would seem that managing a new, large-scale emergency (especially one with strong political overtones) out of a regional bureau might detract from time available to support smaller programmes.

Questions of where specific functions are most appropriately placed in an organizational structure are not unique to a decentralized operation, although the issues may be more complicated in a structure with regional layers. These are ongoing discussions and a primary responsibility of senior management. WFP is a dynamic organization. The key is to have formal and informal mechanisms to foster debate and capture ideas, and then to translate ideas into organizational change.

6.2 Normative guidance

A major component of decentralization and a vital role for headquarters is the development and continuous updating of normative guidance. We include under this heading rules and policies, procedure manuals, regulations and standards, circulars and directives. Normative guidance may also come in the form of formal advice or interpretations by e-mail, memorandum or letter.

The decentralization initiative began with the understanding that formalised guidance would follow after WFP began to implement the initiative. Our experience is that it usually does. In 1997 a working group was formed to design a basic package of normative guidance. In January 1998 WFP's Change Manager called for a more concentrated effort, with particular emphasis on the Programme Design Manual. He suggested that the package be issued as a set of information modules available on the Intranet. Despite the slow start, there has been significant progress in improving WFP's normative guidance and making it more accessible. Table 7 below shows some of the key components of the normative guidance package and the year in which they were updated and distributed:

Table 7: Issuance of Key Normative Guidance

Year	Functional Area	Guidance
1997	General	ED Circular: Implementing Organizational Change
1998	Programme management Finance HR Resources	<ul style="list-style-type: none"> • Guidelines for use of IRA/EMOPs • Country Office Accounting Guide • Master WFP Guidance for orientation programme • RE Directive: Guidelines for Resource Mobilization and Acceptance of Local Contributions
1999	Procurement	<ul style="list-style-type: none"> • WFP Non-Food Procurement Manual
2000	Operations	<ul style="list-style-type: none"> • Operations Department Directive: guidelines for model structure, unit definitions, etc.
2001	Operations Ops/Finance/Budget Operations Operations	<ul style="list-style-type: none"> • Emergency Field Operations Pocketbook • Procedures for Allocation, Spending Authorisation and Expenditure for LTSH, ODOC, DSC • OD Directive: Operational Guidance and New Formats • OD Directive: Emergency Response Roster



2002	Resources Operations Operations Operations	<ul style="list-style-type: none">• Directive: Resource Mobilisation in Decentralized WFP• OD Directive: Commodity Pipeline Co-ordination• Updated PDM on WFPgo• OD Directive: Preparation of DSC Budget
2003	HR HR	<ul style="list-style-type: none">• Manual for Administration of Local Staff• Delegation of Authority matrix

The accessibility of this guidance and other useful information on WFPgo (Intranet) gets high marks. We found this to be an excellent source of information for our own review. Field staff, responding to a questionnaire distributed by the External Auditor in July 2002, gave high marks to the guidelines and procedures for programme design, food and non-food procurement, transport and logistics, and to a lesser extent, accounting and finance. Improvements were suggested for human resources and budget. The Emergency Response Manual received compliments in our interviews, and we note that HR has recently introduced a manual on the Administration of Local Staff. However, the primary document providing guidance on decentralization roles and authority is an OD Directive from November 2000, written before Regional Bureaux were out-posted. OD acknowledges the need to update the guidance.

Field staff now talk about “too much” instead of “too little” guidance coming regularly from HQ in different formats and sometimes inconsistent in content. They urge better co-ordination of guidance across departmental lines; more user-friendly formats; publication of key guidance in WFP's main working languages; and guidance written for specific functions in field-manual format. As evidence of the demand for a simpler format, staff in both RBs and COs brought to our attention their own “field-manuals” extracted from WFPgo and put in CD ROM format. (We also note, however, that some field staff reported not having or taking the time to read all the guidance.)

From our experience, we too found many of WFP's manuals to be lengthy, overly formal and not organized in a user-friendly way. Most of the WFP's manuals are written by external consultants, and that makes it hard to achieve a consistent style and readability. Writing readable and usable manuals is a unique skill. WFP does not currently employ a technical writer with that expertise.

There are also no corporate policies in effect on format, style, content, languages and distribution of written guidance. A working group had been created to make recommendations in this area but apparently made little progress. Our experience is that working groups are generally not the best mechanism for writing corporate policy. We do however support the use of a working group to review, consolidate, co-ordinate and help simplify normative guidance. Consideration could be given to making the Regional Bureaux Liaison Offices responsible for managing such a focal point, with representation from other HQ services.

6.3 Moving Forward

HQ has in fact undergone changes in structure, staffing and functions and there has been considerable activity and impressive progress in the development of normative guidance. At the same time, the debate continues as to which functions belong in the field and which, if any, should be re-centralized. This is a normal, continuing debate in any decentralized organization.

In our view, WFP still retains a strong headquarters culture. Resource control and distribution, policy-making, strategic thinking and major organizational change still reside in Rome driven by headquarters thinking. Realistically, this isn't likely to change soon or easily. Power can continue to shift to the field incrementally, but accountability to the Board for operations and financial management remain with Executive Management. What is needed are new mechanisms that ensure that corporate policy making, normative guidance, resource management and other key decision-making start with the view from the field and then apply a corporate vision. This would be a “field-driven” organization.



7. STAFFING, SYSTEMS AND SUPPORT

Successful decentralization requires enough well trained staff; availability and access to automated financial and other systems that give managers information to make sound decisions; efficient processes and procedures for vital programme activities; and effective formal and informal communications and reporting. Progress in these areas is mixed. Staffing levels for Regional Bureaux and Country Offices are questioned and may need further review. Training has expanded but may need better focus and more managerial input. Excellent new automated systems have been developed but not made fully available to Country Offices. The review of EMOP, PRRO, and Country Programme documents has been shifted to the regional level but delays still occur. Communications to and from field offices have improved but now need co-ordination and simplification.

7.1 Staffing Levels and Capacities

Decentralization is a major organizational change and as such it exposes and magnifies issues related to staffing levels and capacities. Our review identified several interesting, complex and perhaps controversial staffing issues that merit further analysis. This would require detailed comparisons of staffing over time and across organizational layers and job categories and careful consideration of budgets, staffing rosters, and job descriptions to determine equivalencies, and was therefore beyond the scope of our review. But we do make note of these issues and where possible, provide readily available data to help define them.

A key objective of decentralization was the movement of senior staff and specialists to the field. In January of 1997, prior to decentralization, there were 14 D-1 and D-2 level senior managers in the field; now there are more than 35.²³ We note that six of the D-1 posts were already in the field as P-5s, but upgraded in 2000 in conjunction with an effort to bring WFP levels up to those of other UN agencies. Still, the increase in senior staff in the field is noteworthy. On the other hand, in that same six-year period the number of D-1 and D-2 managers at HQ dropped by only one, from 24 to 23. So while the field gained senior level managers, HQ stayed about the same.

With respect to specialists, in 1997 there were 56 P-4 and P-5 level Programme, Logistics and Emergency Officers and Advisers in Country Offices. As at January 2003, the number of staff in roughly equivalent posts in the field had increased to 109, with 26 located in Regional Bureaux.²⁴

Country Directors in smaller offices are particularly concerned about staffing levels in light of added authority and responsibility. One RD estimated that 50% of Country Offices were understaffed. Again, we cannot verify that claim, but we would note that a logical role for the Regional Human Resources Officer is to conduct staffing analyses and “rightsize” Country Offices.

We discussed in Chapter V the issue of staffing levels and capacities of specialists at the regional level. It was said at ODD, for example, that the total number of specialists at the Bureau now is less than the combined number of specialists at the previous cluster offices in the same region. Time did not permit a detailed examination of this issue. But we repeat here that adding staff to the RBs should be done only after each Bureau determines the most appropriate role for its specialists. We cautioned about “mission creep” and the loss of flexibility if RB staffing grows too much.

Field staff also expressed concerns and some scepticism about growth at HQ when authority and power are said to be shifting to the field. Comments about the “red tower” (new space which HQ is hoping to

²³ Statistics on HQ and Field staff are taken from Composition of WFP International Professional Staff, WFP/EB.A/97/7 and WFP/EB/2003/8-C.

²⁴ Ibid



lease, adjacent to its current office space) were common. Statistics confirm that there is growth at HQ. From 1998-99 to 2002-2003, HQ total staffing (PSC and DSA funded) grew from 530 to 567 while total field staff decreased.²⁵ Concerns were also expressed about an apparent backsliding in the enforcement of the rotation policy for HQ staff. We were unable to verify the claim, but we note that there were 102 rotations in 2003 compared to 294 in 2002.²⁶ This was attributed to a cost cutting measure. However justified HQ growth may be, senior management needs to be sensitive to the perceptions of field staff and fully and openly communicate with staff to explain the changes and growth at HQ.

With regard to competencies and capacities, decentralization tends to highlight strengths and magnify weaknesses. On one hand, added authority and responsibility for Country Directors have enabled the most experienced to be more effective, providing a good model of the competencies needed. But Regional Directors and Country Directors both report “uneven” levels of experience and capacities among Country Directors and urge better and much earlier training and career development for new and inexperienced CDs. Several RDs suggested a “staff college” to train new CDs. It was also suggested that new CDs be teamed with experienced CDs within the region in a mentoring relationship. This is a key challenge for WFP, one that will require an investment of time and money. We note that HR is in the process of addressing career development and training for all managers, including Country Directors.

An interesting question raised about staffing is whether programming capacities are being diminished while administrative functions increase. A thorough analysis of the issue was not possible in this review, but we do note that from the 2000-2001 period to the 2002-2003 period, programme support (OD) posts at HQ decreased from 129 to 122 while administration and support posts increased from 439 to 445.²⁷

We note that HR has recently begun filling Staffing Co-ordinator posts in each major function (e.g., Programme Officers, Logistics, Finance, HR) to help develop global HR strategies by 1) co-ordinating staffing requirements identified in staffing plans, 2) monitoring appropriate levels of staff resources per functional area, and 3) ensuring that mobility requirements are adhered to. This action may help address some of the difficult staffing issues, but this function will have to be monitored to make sure HQ “support” doesn’t become a centralized staffing “control.”

7.2 Training

The decentralization objective for training was to ensure that staff would have the capacity to handle new responsibility and be able to work in both development and emergency programmes. In 1999, HRC initiated a three-year training strategy with the following objectives:

- Strengthen current skills;
- Ensure staff are equipped to deal with both emergencies and development projects;
- Strengthen skills to manage new delegations of authority;
- Provide staff will skills to manage change;
- Develop flexibility and mobility potential;
- Change the organizational culture.²⁸

In 2000, the three-year plan was updated and more responsibility was delegated to regional offices for identifying training needs and co-ordinating delivery.

²⁵ WFP Budget, 2002-2003

²⁶ HR transfer statistics, 1995 through 2003.

²⁷ WFP Budget, 2002-2003

²⁸ Three-year Training Strategy, 1999, from HR power point presentation.



Since 1997, HRC has conducted at least two Management Training programmes each year for professional staff. Also in 1997, they organized Executive Leadership Seminars for senior managers including Country Directors, although that programme is no longer offered. More recently, management training, still a corporate level responsibility, has been redesigned and will now be made available to P-2 level and above including National Officers. WINGS training is partially decentralized, and new modules have been developed for Emergency Management, Contingency Planning, and Financial Orientation. Regional Bureaux are now developing regional training plans. For example, in 2002 ODD provided training in Programme Management, Logistics and Procurement, Finance and Administration, HR, ICT and WINGS, with over 800 staff participating.

CDs and RDs expressed concern about staff time devoted to various workshops. They wanted more say in who takes what training and when they take it. They urged “demand-driven” training that would be tailor-made based on training needs identified by managers as opposed to a menu offered to interested staff. This push-pull argument is common, and organizations struggle to achieve a balance between what staff needs to learn for the immediate job and what they may need for the future. This is particularly true at WFP where staff generally rotate to a new post every four years.

7.3 Technology

The WFP Information Network and Global Systems, WINGS, covers project systems, budgets, financial management and accounting, transport, food and non-food procurement, human resources, payroll and travel, as well as the resource mobilization system (RMS) and commodity tracking system (COMPAS).²⁹

Direct access by Country Offices to HQs information systems is critical to decentralization. Lack of connectivity affects the access of COs to applications essential in a decentralized environment such as WFPgo, the Programme Design Manual, as well as WINGS and COMPAS. At this writing, only 15 COs, and all six out-posted RBs have full or read-only connectivity. Another 29 COs are scheduled for connectivity by the end of 2003. Twenty-seven COs will remain to be connected from early 2004 onwards. Even COs that are fully connected report that access can be slow and at times problematic. Additionally, some Country Offices reported gaps of up to a year between the time when their staff were trained in WINGS functionality until they had full connectivity, which has diminished the benefits of the training. Further training for project and budget management is needed. Despite the problems, the demand for the system is testament to its perceived longer-term importance.

Lack of connectivity affects the work of Regional Bureaux as well. If a high percentage of their COs is not connected, such as in West Africa (ODD) with only two of 19 COs connected, the Bureau becomes a processing centre for financial, programme, HR and other administrative transactions. This may take priority over technical assistance and advice and in turn diminish the value of proximity.

7.4 Communications and Reporting

Communications encompasses a wide range of organizational activities. For this review, we considered three aspects most closely related to the objectives of decentralization: 1) downward communication from HQ or Regional Bureaux, 2) upward communication and reporting from the field, and 3) horizontal communication between and among offices and regions.

Downward communications includes the formal normative guidance already discussed in Chapter VI, and the more informal communication that keeps staff abreast of corporate and regional thinking and activities. The former tells staff what they should be doing while the latter tells staff about what others are doing that might have an impact on their work, or just might be interesting information. Examples of information field staff have asked for include: relations with donors, decisions on funding, policies under

²⁹ ED2001/002



consideration and the thinking behind them, working group discussions and outcomes, ongoing consultancies, organizational change initiatives and progress, and periodic information about staff. We note that WFP reinstated its *Pipeline Magazine*, which provides information primarily about staff and field activities. But that fills only part of the need, and new communication tools and approaches are needed, both at HQ and in the Bureaux.

Upward communications from the field includes formal reporting and more informal means of providing input into corporate thinking and policy-making. With decision-making more dispersed, there is added need for accurate and timely reports. COs report an increase in reporting requirements, particularly ad hoc reports. (HQ was referred to as a reports factory by some staff interviewed). Regional Bureaux are asked to consolidate some reports, which requires added lead times for COs. Small offices with limited staff and no Reports Officer are particularly burdened by reporting requirements. Field staff complain about requests for information coming from nearly every department at HQ with little or no co-ordination. In response, a Results Monitoring and Reporting Task Force was formed in 2002 and has initiated a reports inventory exercise in part to help streamline reporting procedures. Another positive development is the introduction in 2002 of the DACOTA system, which is designed to collect data for standard reports in one single data collection exercise instead of separate efforts. That data can then be manipulated to produce a variety of reports for HQ or other use.

Finding ways to keep Country Directors and out-posted Regional Directors directly involved in corporate thinking is crucial for a *field-driven* WFP. The strategy for communications has included: 1) improved electronic communication with country and regional offices, 2) fortnightly conference calls with HQ senior management and Regional Directors, 3) meetings with RDs after each Executive Board meeting (three per year), 4) the introduction of the WFP Intranet (*WFP GO*) and 5) the creation of Regional Bureaux Liaison posts at HQ to facilitate information flow. In terms of quantity (particularly e-mail) and accessibility of information and data, the progress is substantial. But the perception remains that the influence of RDs and CDs on policy and normative issues has decreased since the Bureaux were moved to the field. One RD receiving 50 e-mails a day from HQ is not a prescription for meaningful participation. It is the responsibility of HQ senior management to ensure active and sustained communications with Regional Directors, Country Officers and their bureaux. At this point there is no clear focal point for the flow of information between HQ and the field. The RB Liaison Officers need to be more than go-betweens and need a broader mandate to review and enhance the quality of Field/HQ communications.

The need for staff to be informed on what is happening in other countries or regions, and to share knowledge about what works and what doesn't is an often-overlooked communications task. Increased knowledge-sharing is seen as an important objective or outcome of decentralization and, in particular, the creation of regional structures. The subject is discussed separately in Chapter 9.

8. OTHER OBJECTIVES FOR DECENTRALIZATION

8.1 Resource mobilisation and advocacy

In conjunction with decentralization, the ED had directed that Country Directors and Regional Managers (now Regional Directors) increase efforts to mobilise resources locally and also become more active in advocacy for improvements in national food security policies.³⁰ Resource mobilisation in particular had mainly been a HQ function. But with some donors basing funding decisions more on input from their field offices, the need was seen to improve WFP visibility and contacts at the local level.

³⁰ ED Circular 97/018, "Implementing Organization Change" (24 Feb 1997)



Advocacy and resource mobilisation are similar in their need to articulate WFP's message locally, develop new alliances, and use the media to increase visibility of WFP programmes. But their objectives and targets are quite different. Advocacy seeks to support the development or improvement of a national government's policies on food security. It requires a full understanding of a country's food security situation and the role WFP can play. Resource mobilisation has a fundraising objective, and entails making donors aware of WFP activities and involving them in project design, assessment and evaluation whenever possible in order to get their financial support.

At 31 January 2003, Public Information Officers had been placed in four Regional Bureaux and seven large Country Offices. RDs and CDs report that WFP's visibility has increased significantly as a result. Regional Bureaux are located in cities with more UN agencies, donors, government representatives, and international media. New alliances have been formed, for example with UNICEF in several countries and with World Vision in Dakar.

However, careful monitoring of field activities and normative guidance on public relations is needed to ensure a consistent WFP message to the public via the media

Country Directors, given new authority to accept contributions, report increased contacts with local donor representatives. WFP's newly created Fundraising and Communications Department (FRC) reports that contributions confirmed or negotiated locally by Country Offices have increased from US\$ 2m in 1997 to over US\$ 30m in 2003. Country Directors who are natural advocates and more comfortable with the media and donors are making progress without specific training, but others need guidance in establishing and maintaining needed alliances. Country Directors also report that the inability to retain and track local contributions creates a disincentive for local fundraising. WFP is now in the process of reviewing its contribution management practices and related business processes. A pilot project is underway in Iraq that gives additional delegated authority to the Country Director for budget and resource management.

In the area of advocacy for food security, one high-profile success was the publication of "The Food Insecurity Atlas of Rural India," prepared in co-operation with the M.S. Swaminathan Foundation, which contributed to the development of a government planning document "A hunger free India in 2007."

One of the keys to increased advocacy is ensuring the Regional and Country offices have a broad, up-to-date knowledge of each country's food security situation and the potential role that WFP can play. We sense from our interviews that advocacy is being confused and used almost interchangeably with resources mobilisation, whereas the objectives are quite different. The emphasis at this point is on donor contacts and fundraising rather than information gathering, government contacts and support to improve food security policies. Clarification and new guidance are needed if advocacy is to achieve its desired impact.

8.2 Knowledge Sharing

A desired outcome of decentralization was increased knowledge sharing and the cross-fertilization of ideas among field offices, partly as a result of the proximity and advisory focus of Regional Directors and specialists. Knowledge sharing can be useful in several ways:

- Capturing lessons learned and innovative practices;
- Answering common questions about policies and procedures;
- Sharing and learning from experiences and avoiding repeating mistakes;
- Leveraging knowledge for the whole region or entire organization;
- Reducing costs, improving efficiency;
- Improving access for advice and technical assistance.



Knowledge sharing is taking place in part through 1) periodic meetings of Country Directors and of staff in similar functions, 2) discussions at regional training sessions, 3) visits by specialists and RDs to COs, 4) visits by CO staff to RBs, and 4) e-mail and telephone exchange of ideas with counterparts. Regional loyalties and relationships are developing along with a desire to solve problems regionally. But much of the knowledge sharing is informal happenstance rather than the result of any conscious effort to share best practices or creative approaches.

Regional Directors are seeking and finding ways to make their regions more effective. They shared with us some “innovative practices” they suggested could be applicable in other regions. We do not call these “best practices” because they have not been proven as widely applicable and effective:

- Using Country Directors as a “Board of Directors,” making decisions on regional strategies and resource allocations. (*This depends on management style of RD and on maintaining a manageable number of COs in the region.*)
- Providing support to COs on “demand driven” basis, that is, only when requested by the CD. (*Assumes CDs know or will accept that they need help. In some cases the RD will have to determine that support is needed.*)
- Weekly or, in one case, semi-weekly conference calls with CD’s. (*Demands clear agenda and time limits.*)
- Systematic and well-planned phase-out of ODR. (*A good model should RBs move or be eliminated in the future.*)
- Creating their own “desk manuals” on CD for Programme Officer jobs with information extracted from various parts of WFP GO. (*Possibly also a lesson in demand for user-friendly guidance.*)

A good example of corporate knowledge sharing is the annual Regional Logistics Meetings, from which the outcomes and recommendations are reviewed in HQ and incorporated into the Transport Manual as appropriate. But in general, there is said to be less knowledge sharing taking place from region to region in a decentralized WFP. This coincides with a concern expressed by Regional Directors that they don’t have enough time to spend with each other, discussing common problems and best-practice solutions. RDs need periodic meetings, or at least conference calls, at which they set their own agenda.

We would like to see more formal and informal mechanisms to collect and communicate innovative practices from throughout the organization, practices that might find their way into “field-driven” normative guidance. This could be a useful by-product of the work done in monitoring and evaluation, and even internal audit.

9. KEY CHALLENGES AND OPPORTUNITIES

Decentralization is a complex and controversial change initiative that cuts across a wide variety of organizational and managerial issues, across functional areas, and across layers in the organization. It tends to expose and magnify already existing organizational issues, particularly the people management issues. We have identified below five “Key Challenges” we think merit attention from executive management in order to sustain the momentum for change. In addition, we discuss two issues management is already aware of and taking action on, but which may need extra emphasis.

9.1 Role of the Regional Bureaux

The most dramatic change associated with decentralization was the out-posting of Regional Bureaux. Two years after the relocation, there are doubts and uncertainties about the roles and relationships of



Regional Bureaux that need immediate attention. There are concerns about Regional Directors losing corporate influence because of their distance from Rome and because of the time demands of direct operational responsibility. There are questions among CO staff about the ability of specialized staff to provide the full range of support needed. The credibility of the Bureaux depends on clearly defined roles and authorities, adequate staffing and capacities, and the ability to adjust to the needs of the region. The natural tendency might be to simply add staff but, instead, the first step should be to reconfirm what is the most useful and appropriate role for the Bureaux based on two years now of practical experience. Each Bureau may have different staffing needs and priorities based on their mix of programmes and Country Directors. Key considerations should be a) the need to remain “flexible,” b) to avoid “mission creep,” and c) to get the most value-added from the proximity to COs.

Recommendation 1:

- Based primarily on input from Regional Directors and their respective Country Directors, determine on a region-by-region basis the most appropriate and useful role for the Regional Bureau in light of the region's particular mix of country programmes and Country Director capacities.
- Based on that role definition, assess each Bureau's staffing needs and capacities.
- Consider additional delegations of authority to Regional Directors that could in turn be delegated to Country Directors on a selective basis.

9.2 Shared Understanding and Commitment

Decentralization is a complex and sometimes threatening process. It requires changing the culture of the organization — never an easy task. Not surprisingly, we found doubts about certain elements of decentralization, a degree of “issue fatigue” and some loss of confidence in the process. We also found there is not a common understanding, appreciation, and commitment among staff to the original objectives, intents and long-range vision for a decentralized WFP. This is understandable. It has been six years since decentralization was introduced by the previous Executive Director. Over the years various documents have described the objectives and priorities differently. The original vision of what a decentralized WFP should look like may by now have been obscured by implementation processes and problems. Without a shared understanding and belief in the goals of decentralization, and the commitment and full support of managers, there is a risk that momentum will be lost. WFP has too much invested at this point to let that happen.

Recommendation 2:

- The Executive Director should meet with executive staff to confirm his support for decentralization and discuss actions needed to maintain the momentum for change.
- Following that meeting, prepare and distribute to all staff a brief paper that reconfirms the ED's commitment, describes the vision for a truly decentralized WFP, and identifies steps to be taken to ensure further progress and those responsible for each action.

9.3 Change Management

Decentralization has been the subject of a considerable number of status reports, questionnaires, e-mail exchanges, interviews, meetings, retreats, and now this review. Many cover the same territory and raise similar concerns and suggestions. It is impossible to follow through on every idea or criticism, but we think the re-establishment of the change management responsibility would be beneficial. At present, there is no formal mechanism or clearly assigned responsibility in place to ensure the continued monitoring and fine-tuning of organizational change initiatives.



Recommendation 3:

- Fix responsibility within the Office of the Executive Director for change management, to include overseeing, co-ordinating, expediting, and communicating with staff on change initiatives that cross departmental lines.

9.4 Refinement of Normative Guidance

WFP has responded well to the need for more normative guidance to support decentralization. But now some say there is too much guidance and that it needs to be simpler, more user-friendly and better co-ordinated among HQ departments. There are at present no corporate policies in place regarding style and content for normative guidance. There is also no technical writing capability at HQ; external consultants write most guidance. In a decentralized structure, there is an increased need to monitor, co-ordinate, simplify and make more user-friendly the written guidance that comes from HQ, and to review proposed guidance in terms of time and resource requirements imposed on COs.

Recommendation 4

- Develop corporate policies on format, style and languages for normative guidance.
- Establish a working group to advise on ways to make all guidance more “field-friendly” and to review drafts to provide field perspective.
- Consider employing a technical writer.

9.5 Country Director Capacities

Decentralization works only if CDs can handle new authority and function independently. Those lacking experience and skills, including management skills, are not in a position to fully utilise new decision-making authority and responsibility. CD capacities are said to be uneven, suggesting the need for a more extensive, focused training and career development program, particularly for new or inexperienced CDs. Also mentioned were mentoring and the designation of certain deputy posts for training purposes. This subject merits further review and creative thinking. It is more than a training issue: it is a career development issue.

Recommendation 5:

- Instruct RDs to prepare an inventory of CD experience, capacities and training needs for their region.
- Develop a training programme specifically for Country Directors that includes leadership, financial management, personnel management, programme management, resource mobilisation, advocacy, media relations, donor relations, VAM, etc.
- Consider linking new CDs with senior CDs within the same region in a mentor relationship.

9.6 WINGS Connectivity

The WINGS information system is a valuable tool that allows managers to use their delegated financial and other authority most effectively. We noted in Chapter VII that only 15 Country Offices have full connectivity, with another 30 scheduled by the end of the year. The pressing need to provide full WINGS connectivity to all Country Offices is well known to WFP. The resources and actions needed to bringing the remaining 37 offices online in the near future and the cost of requisite training are presumably included in budget forecasts and work plans and therefore we can only add our voices to those suggesting a higher priority for this task.

9.7 Human Resources Management

Added authority for Country Offices, the unique pressures on regional specialists, and the new roles at HQ all demand more attention to competencies. At the same time, there are corporate requirements for mobility and rotation that may conflict with individual job or office requirements. Decentralization



requires careful monitoring of recruitment, hiring, posts assignments and career strategies, and that WFP may need to review its rotation policy. WFP has taken two steps that may address these issues: 1) hiring a consulting firm to identify and document competency requirements, and 2) the hiring of Staffing Coordinators to help develop global hiring and mobility strategies in each functional area. In light of the many questions raised about staffing (see Chapter VII), these actions may need to be combined with a more detailed staffing analysis.

10. LESSONS AND CONCLUSIONS

From interviews, we identified some of the lessons WFP might take from its experience with decentralization, some of which could apply to change processes in general:

- Staff, particularly field staff, are wary of any organizational change that adds a perceived new layer of management or review to existing structure and process.
- Organizational change creates insecurities and uncertainties about status and authority and therefore requires careful communication and periodic reassurance.
- The standardized “cookie cutter” approach to staffing and resources doesn’t work when applied to regions with different mixes of programme size, different CD capacities, and different management styles of Regional Directors.
- Perhaps in the interest of “selling” decentralization to Country Directors, the original documentation overplayed the role of the RD in supporting CDs and underplayed their responsibility for supervision and oversight.
- Staff placed in Regional Bureaux to advise Country Offices must be experienced and respected in their field or risk a loss of credibility for the RB.
- Maintaining the value, cost-efficiency, and effectiveness of out-posted Regional Bureaux will require regular review and a willingness to make periodic adjustments. Structure, staffing and perhaps location of Bureaux will have to remain flexible and adaptable to changes in WFP’s work, priorities and support needs of COs. Both staff and the Board may have to accept the sort of constant change that flexibility and mobility bring.
- Decentralization is a work in progress and, given the nature of WFP’s work, it will always require monitoring, adjustment and fresh ideas.

Despite the change in strategy on regional offices and the lagging behind of systems and other support mechanisms, WFP has made significant progress toward the main objectives for decentralization. Operational authority and decision-making have shifted from Headquarters, and the tools available to field offices are improving. Regional Bureaux are providing more direct support and guidance to Country Offices and helping to increase WFP local and regional visibility. Headquarters is more focused on normative guidance and policy-making. Operations have been substantially decentralized, while other functions continue to define a workable HQ-field division of labour. Changing from a headquarters culture to a field-driven organization is an ambitious agenda, but clearly progress is being made.

With respect to the cost of decentralization, we found that costs have risen over that of the previous centralized structure. During the same period there have been increases in workload, price rises, and costs attributable to related change initiatives. The shift of substantial resources to the field was accompanied by declines at HQ operations as was intended. In concert with one of the pre-stated goals of decentralization, there has also been improvement in the number of higher level posts in the field, although this is partially attributable to a separate management strengthening initiative during the past



two biennia. There is still a need however, for putting in place processes to track and assess the one-time and recurring costs of such initiatives in advance of their implementation is another measure that would strengthen the Programme's ability to evaluate the cost impact.

After six years, decentralization is no longer an initiative, it is a management philosophy, endorsed by two consecutive Executive Directors. As such, it now has to be applied, maintained and constantly improved upon. It is hoped that this report contributes to that effort.



Annexes



Annex 1

Terms of Reference for the Review of WFP's Decentralization Initiative

A. Background

WFP's Executive Board (EB) has asked WFP for "a review of decentralization (including aspects of cost-efficiency, effect on programming, etc.)."³¹

The need for a formal review of WFP's decentralization initiatives has also been repeatedly mentioned by the External Auditors. Their report on the 1998-1999 biennium recommended that the review should: "include a precise assessment of the evolution of the financial costs and savings, with data such as numbers of posts created in the field and suppressed at HQ [Headquarters], the admin cost of the Regional Offices and the global costs of decentralization"³², and in the report on the 2000-2001 biennium: "take into account the unit cost of the posts concerned in order to determine the overall impact on staff costs... The impact of other costs such as telecommunications and travel should also be examined."³³

As it is still relatively early to detect effects on programming, this part of the exercise will be limited to a review of the systems and procedures put in place to ensure an effective decentralization. The report of this review will need to be completed by July 31, 2003 to meet the deadline for documents to be tabled at the October 2003 session of the EB.

B. Scope of Work

The consultants will work under the general guidance of OEDE (Office of Evaluation) and in continuous consultation with relevant units at Headquarters as well as in Regional Bureaus (RBs) and Country Offices (COs).

The consultants will produce a comprehensive report reviewing specific elements of WFP's decentralization initiative, covering the period from its 1st phase of implementation in February 1997 to 2003

More specifically, the report will address the following main areas, to be reviewed within the overall context of WFP's decentralization initiative.

a) Cost Analysis.

As per the EB's explicit request and the recommendation of the External Auditor, the report will include an "assessment of the evolution of the financial costs and savings, with data such as numbers of posts created in the field and suppressed at HQ, the admin cost of the Regional Offices and the global costs of decentralization".³⁴

- Using the PSA for the budget cycles of 1996-1997, 1998-1999, 2000-2001 and 2002-2003, compare the posts, staff costs and the travel and communications costs based on allotments in the previous centralized environment to those in the new decentralized structure, analyzing any resulting costs or benefits.

³¹ 2003-2004 EB Programme of Work

³² External Auditor's report on 1998-1999 biennium

³³ External Auditor's report on 2000-2001 biennium

³⁴ External Auditor's report on 2000-2001 biennium



b) Attainment of original objectives of decentralization

As the process is still relatively recent, this review would only look at the progress towards the attainment of the original objectives or in evaluative terms at activity and output level depending on the advancement of the process in the particular RB and CO. A results framework will be developed based on the Executive Director's (ED) circular ED 97/018 and consulted with senior management. Among the elements to review would be:

- Shift of power from HQ to field
- Resource mobilization at regional and country level
- Advocacy for food security at regional and country level
- Knowledge sharing at regional level

c) Delegation to Decentralized RBs/COs

The shift of power from HQ to the field would be reviewed by analysis of the delegation of authority:

- Through a qualitative analysis, review the added value of the regional structures, e.g. knowledge sharing and decentralization to the field. The review will concentrate on the emergency response and humanitarian operations (EMOPs & PRROs).
- Review, through qualitative analysis, the extent and efficacy of delegation of decision making power from Rome to field based Managers, and the effects on HQ functions. The review will include the extent to which decentralized functions are accompanied by requisite decision making authority, and the required resources to carry out the delegation. In this context, review the extent to which decision making extends to the COs. Review the extent to which delegation is accompanied with instruments that provide for accountability, i.e., instruments that provide for information that can “*demonstrate that work has been conducted in compliance with agreed rules and standards.*”³⁵ The instruments to be reviewed will include those developed in response to the report on ***Making Decentralization Work***, June 20, 2000 and Operations Department Directive “Guidelines for model structure, unit definitions, distribution and allocation of functions, functional statements, workflow and delegation of authority for the Operation Department (OD) Bureaux” OD2000/003 & 004.

d) Analysis of Processes

- Review the corporate information systems (communication and information exchange systems, formal and informal management reporting by Headquarters to the field and field based Managers back to Rome, etc.) to determine if they are in place, respond to the current needs and are being used.

e) Lessons

- Review what has worked best on the decentralization of processes in the different RBs (to include Headquarters management to RBs and RBs to COs), so as to extract a list of “lessons learned” and “best practices” for future reference.

³⁵ WFP M&E Glossary



C. Information Collection & Methodology

In advance of traveling to Rome the consultants will be provided with the documentation referred to in these Terms of Reference and any other documentation deemed essential for the review. The consultants will peruse this and all available information related to this subject, e.g., relevant EB documents³⁶; ED Circulars and communications³⁷; OD communications³⁸; OEDB PSA allotments; internal audit observations³⁹; External Audit (EA) Letters⁴⁰ and WFP responses to same; External Auditor's decentralization questionnaire to the regional bureaus of ODM and ODC; OEDE evaluation reports (full reports and matrices as required)⁴¹; OD quarterly management reports (QMRs)⁴²; sample Standard Project Reports (SPR) and other reports.

In advance of the review WFP will prepare the information required to conduct the cost analysis referred to in paragraph 3 (a) under Scope of Work, above. The Director of the Office of Budget will facilitate this review and provide additional information if required.

The consultants will travel to Rome and interview (through questionnaires and by telephone interview as appropriate) various key Rome- RB- and CO-based staff (including senior level Managers) on their views and experiences with the above mentioned elements of WFP's decentralization process. Consultations may also include telephone interviews and teleconferences with RB and CO staff. The consultants will conduct interviews with the RDs and CDs when in Rome to attend the Executive Board Meeting, 26th through 30th May 2003.

For the periods of the contract when the consultants are required to be in Rome, the Office of Evaluation will provide the consultants with facilities and the necessary support to arrange for interviews (both in Rome and by telephone calls to the field), collection of information and preparation of the report.

In view of the limits on time and the very heavy work load of most COs and RBs the questionnaire should be limited to three or four questions phrased to motivate direct response and require a minimum of time and follow-up in analysis. The questionnaire will include all of the RBs. The COs to be included will be from all Bureaus and represent a cross section of the different size offices. When the questionnaire responses are received, or earlier in the process if required, the consultants will conduct telephone interviews with the COs, RBs, etc. to discuss the response and clarify points or elicit additional information. This is especially true for collecting data on the items referred to under **Scope of Work**, paragraphs 3 (b) and (c), above. The Office of Evaluation, the Liaison Officers and OD will provide the necessary support in conducting the telephone interviews and the collection of data.

³⁶ i) WFP/EB.A.97/5-B, "Reform and revitalization measures in the World Food Programme"
ii) WFP/EB/1/99/3-B, "Organizational change at WFP – a status report"
iii) WFP/EB.3/2001/11-B, "Status report on WFP's decentralization initiative"
iv) WFP/EB.3/2002/5-A/1/3, "Audited biennial accounts (2000-2001) – section III (pages 47-60)
v) WFP/EB.3/2002/Trans2
vi) WFP/EB.3/2002/Trans9

³⁷ ED Circular 97/018, 21st February 1997, inc "Implementing organizational change" (24th Feb 1997); and "Preparing WFP for the future: an organization to meet our mandate" (Jul 1996)

³⁸ i) OD Directive ***, "Guidelines for model structure, unit definitions, distribution and allocation of functions, functional statements, workflow & delegation of authority for the OD Bureaux" (10th Nov 2000)
ii) OD Africa reconfiguration, 2002

³⁹ OEDA supplied audit observations ***

⁴⁰ i) EA Letter (26th Jun 2002) and WFP response to same (9th Jul 2002)
ii) EA Letter (4th July 2002) and WFP response to same (17th Jul 2002)

⁴¹ OEDE supplied reports ***

⁴² QMRs for 4th quarter 2001 as well as 1st, 2nd, 3rd and 4th quarters 2002



In the review of what worked best on the decentralization of process in different RBs to identify “lessons learned” and “best practices” the consultants will interview the Regional Directors (RD) and CDs individually when in Rome for the Executive Board; former RDs now in Rome and the Decentralization Project Manager of OD will be interviewed as well. After the individual interviews are completed, a group meeting will be held with the current and former RDs and Regional Managers (RM) in which the information gathered from the individual interview process will be discussed.

D. Timing

Following is a guide which can be adjusted within the given timeframe and budget:

The consultancy will be divided into the following main phases:

May 2003:

Information collection phase in WFP HQ in Rome. This phase includes adjustment of a pre-designed qualitative questionnaire, design of interview process, and a logical result framework that captures the issues to be reviewed, group/individual meetings with key staff in Rome and telephone interviews with the field, based on the questionnaire.

Outputs to be submitted:

- Draft annotated table of contents for the report
- Initial findings from the information collection phase

June 2003:

Production and submission of 1st draft report to be shared with OD/Rome, RBs, a sample of COs and all Rome based offices for their feedback. During this period a focus group meeting will be held with RDs visiting Rome for the Executive Board Meeting. This meeting will bring out conclusions on lessons to be learned. Depending on the workload/advance of the consultants, this meeting could be facilitated/reported by WFP or a third party.

Outputs to be submitted:

- 1st draft report
- 1st draft summary report (5000 words)
- Short Paper on lessons to be learned

July 2003

The month of July is for consultation. The first draft will be circulated to all relevant actors on the 30th of June. A period of 10 working days will be permitted to submit comments. These will be consolidated into a 2nd draft by the consultants, which will be circulated on the 21st of July. Executive staff will then have 5 working days to submit comments, which will be consolidated into a 3rd and final draft by the consultants to be presented to OEDE on the 4th of August.

During this period the consultants will travel to 3 Regional Bureaus to present the 1st draft. To the extent possible CDs should be present at the briefing

Outputs to be submitted:

- Final document on the Review of WFP's decentralization initiatives and a summary report (5000 words)



E. Team composition

The team should consist of 2 people, in order to fulfill the TORs in the time assigned

The team members should share the following capacities between them:

- Knowledge based on theory as well as on practice of decentralization processes in the public sector, international aid organizations or bilateral aid agencies
- Practical experience with the UN, ideally with WFP or other humanitarian organisations
- Capacity to analyze management issues, specially related to policies and procedures, human resource management, cost analysis, information and communication systems
- Solid experience with qualitative analysis instruments, and other evaluative tools such as logical result models
- Both team members should have excellent communication skills and fluency in spoken and written English

