

برنامج
الأغذية
العالمي



Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

**Executive Board
Third Regular Session**

Rome, 20–24 October 2003

POLICY ISSUES

Agenda item 4

For consideration

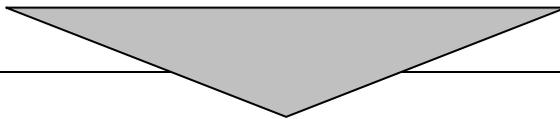
E

Distribution: GENERAL
WFP/EB.3/2003/4-B
9 September 2003
ORIGINAL: ENGLISH

SUMMARY REPORT OF THE REVIEW OF WFP'S DECENTRALIZATION INITIATIVE

This document is printed in a limited number of copies. Executive Board documents are available on WFP's WEB site (<http://www.wfp.org/eb>).

Note to the Executive Board



This document is submitted for consideration to the Executive Board.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

Director, Office of Evaluation (OEDE): Mr K. Tuinenburg tel.: 066513-2252

Evaluation Officer, OEDE: Ms P. Hougesen tel.: 066513-2033

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Supervisor, Meeting Servicing and Distribution Unit (tel.: 066513-2328).



Executive Summary

The main objectives of decentralization were to shift decision-making and personnel closer to beneficiaries, strengthen country offices and increase the normative role of Headquarters. Six years into the initiative, Country Directors are responsible for the management of all operational activities in their countries, with new authority in programme design and approval, procurement, transport, finance and human resources management. The number of senior managers in the field has more than doubled. Six regional bureaux were moved out of Rome and are providing support and guidance to country offices. Normative guidance from Headquarters has been improved and made available on the Intranet. Results-based management is being introduced to improve measurement of organizational and programme performance. Locally mobilized resources have increased; new partnerships have been developed with non-governmental organizations and other United Nations agencies. Management training is expanding to support the new structure; new staffing coordinators will help to develop global human resource strategies.

There has been significant progress toward the main decentralization objectives, but further progress is hampered by uncertainties about roles and capacities in the regional bureaux, delays in providing systems connectivity to country offices, uneven capacities in country offices and lack of a focal point for continued organizational change and improvement.

Headquarters costs and staffing have declined. Although costs have increased in relation to the 1996–1997 baseline, decentralization has been staff-neutral and costs have remained within approved budgets. Workloads have increased substantially in the examined period.

The challenges ahead include:

- adjusting roles and responsibilities at regional bureaux and providing sufficient staff;
- promoting shared understanding and renewed commitment to decentralization, and outlining a plan for progression towards its objectives;
- establishing responsibility in Headquarters for coordinating and monitoring organizational improvements, particularly those that cross departmental boundaries;
- ensuring that normative guidance from Headquarters and regional bureaux is consistent, clearly expressed, well packaged and appropriately delivered to minimize overload at country offices; and
- creating a career-development programme for Country Directors to ensure that they have the capacity to assume added responsibility and authority.

Draft Decision*

The Board takes note of the recommendations contained in this review of the decentralization initiative (WFP/EB.3/2003/4-B) and notes also the management response so far, as indicated in the associated information paper (WFP/EB.3/2003/INF/6). The Board encourages further action on these recommendations, with considerations raised during the discussion taken into account.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.



OBJECTIVES AND METHOD OF THE REVIEW

1. Since 1997, WFP has undertaken a series of initiatives to decentralize decision-making and operational support, including delegating authority to field managers, out-posting regional structures and refocusing Headquarters functions. In October 2001, the Executive Board requested “a review of decentralization (including aspects of cost efficiency, effects on programming)”.¹ In order to measure the effects on programming, however, a baseline and a set of programme quality indicators have to be developed. As this process is ongoing, headed by the recently established Office of Performance Measurement and Reporting (OEDP), this review looks only at progress towards becoming a decentralized organization and the costs involved; it was carried out in May and June 2003 by a team of independent consultants.² The objectives were to:
 - analyse the evolution of costs in the decentralized structure;
 - review progress towards the original objectives of decentralization;
 - review the mechanisms supporting decentralization, such as information systems, training and guidelines; and
 - identify lessons and best practices that might benefit the process.
2. Documents were reviewed, and Headquarters-based staff were interviewed. Regional Directors took part in a half-day meeting in Rome during the 2003 Executive Board Annual Session to discuss decentralization issues and practices; they were also interviewed. More than 30 Country Directors from all regions were interviewed, either in person or by telephone. The consultants travelled to regional bureaux in Cairo (ODC), Kampala (ODK) and Dakar (ODD), and to country offices in Senegal, Côte d’Ivoire, Ethiopia and Uganda.

DECENTRALIZATION OBJECTIVES AND STRATEGIES

3. Decentralization was the key component of an institutional change programme initiated by the previous Executive Director. The short-term priority was to strengthen country offices; the long-term vision was to establish WFP on a basis of field-driven strategic thinking and analysis, with flexible staff able to move quickly and work where needed. The cornerstone of decentralization was that more senior staff and decision-making should be in the field, close to beneficiaries.³ Authority would gradually shift from Headquarters, which would focus on support to the field. Decentralization would facilitate corporate objectives for resource mobilization and advocacy.
4. The strategies included delegating authority and responsibility, creating regional structures to guide and support country offices, moving senior staff and specialists to country and regional offices, and providing systems and support mechanisms.

¹ Executive Board Programme of Work 2003–2004.

² The full technical report may be obtained from the Office of Evaluation, in English only.

³ The former Executive Director’s objectives for decentralization are described in two documents: “Preparing WFP for the Future: An Organization to Meet Our Mandate” (July 1996) and “Implementing Organizational Change” (February 1997).



5. In 1997, new authority was delegated to field offices. Seven regional offices, called cluster offices, were created to support country offices in programming, finance, logistics and human resources.⁴ Regional bureaux at Headquarters began to downsize; desk officer posts were moved to the field as programme officer and adviser posts. In 1998, two regional bureaux moved from Headquarters to Cairo and Managua on a pilot basis. In 2001, four bureaux moved to Bangkok, Dakar, Kampala, and Yaoundé, superseding most of the regional cluster offices and absorbing their functions.⁵ Programming, logistics, finance, public affairs, human resources and procurement staff at Headquarters were reassigned to regional bureaux to provide more direct support to field offices.
6. At Headquarters, policies, manuals and operational procedures were updated and made available on the Intranet. The Operations Department (OD) and other departments were restructured to support decentralization. Audit, inspection and evaluation functions were restructured to improve monitoring of field activities in a context of decentralized decision-making.

ANALYSIS OF DECENTRALIZATION COSTS

7. The terms of reference of this review called for “assessment of the evolution of financial costs and savings, with data such as numbers of posts created in the field and suppressed at Headquarters, the administrative cost of the regional offices and the global costs of decentralization”. The four biennia from 1996–1997 to 2002–2003 are covered by this review. Consultants were asked to compare costs of staff, travel and communications, using programme support and administrative (PSA) budget data for the four biennia and comparing allotments in the previous centralized environment in 1996–1997 to those in the decentralized structure.
8. There was insufficient time for a detailed review of decentralization expenditures, which would have been difficult given the transition from the old accounting methods to the new system. WFP therefore provided budgetary data, with the original 1996–1997 approved PSA budget as the base; this presents a realistic picture of the impact of decentralization on costs and staffing in OD, regional bureaux and regional cluster offices over the eight years. Although budgetary data has inherent limitations, the data in the tables, adjusted as new biennial budgets were developed, show a clear pattern of costs and staff shifting from Headquarters to the field as decentralization was implemented. Information on travel and communications costs during the period could not be readily isolated for analysis.
9. It should be noted that WFP’s support costs are financed from two sources: indirect support costs (ISC), which finance PSA, and direct support costs (DSC). 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 country offices, was minimally influenced by decisions on decentralization. Almost all decentralization costs were reflected in three categories of the PSA budget: OD, regional bureaux and regional cluster offices. The current analysis of the costs of decentralization is based on the data

⁴ Clusters were initially created in Abidjan, Islamabad, Kampala, Maputo, Nairobi and Sarajevo. Between 1997 and 2001 additional clusters were created in Addis Ababa, Bangkok, Lima, New Delhi, Managua, Ouagadougou, Pristina and Yaoundé.

⁵ The regional bureau for Eastern Europe remained in Rome. In 2002, the regional bureau in Yaoundé became a cluster office reporting to ODD in Dakar. The regional bureau in Managua was moved to Panama City in 2003.



provided by comparison of these cost categories over the period and the associated staff movements from Headquarters to the field.

Evolution of the Field Structure

10. Beginning in 1997, WFP created a number of regional cluster offices and started to out-post its regional bureaux in the following phases:
- 1998–1999: 13 regional cluster offices created; 2 regional bureaux out-posted to Cairo and Managua.
 - 2000–2001: 4 Rome-based regional bureaux out-posted to the field; 10 regional cluster offices closed.
 - 2002–2003: 3 remaining regional cluster offices closed; D-2 posts established to head each decentralized regional bureau.
11. Table 1 shows that staff and non-staff costs over the period for these categories increased by US\$20.3 million, or 49 percent, approximately US\$10 million per year. The steep decline in Headquarters costs of US\$23.1 million, or 55 percent, was offset by the higher costs of setting up and operating the regional structures. Much of the change occurred during the 1998–1999 biennium, when 13 regional cluster offices were created and two regional bureaux were out-posted to Cairo and Managua on a pilot basis.

**TABLE 1: EVOLUTION OF TOTAL COSTS: PSA STAFF AND NON-STAFF
(US\$ thousand)**

	1996–1997	1998–1999	2000–2001	2002–2003	% change
Headquarters					
OD	26 085	21 224	23 823	18 692	
Regional bureaux	15 723	11 307	6 004	–	
Subtotal	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	–	22 268	42 500	43 404	
Total	41 808	54 799	72 327	62 086	+49

12. Total costs rose again in the 2000–2001 biennium, when four more regional bureaux were out-posted. The cost increase was largely attributable to additional Section 416 (b) resources of US\$11.5 million that were made available to the bureaux and clusters during the biennium; these are part of the US\$72.3 million shown in Table 1. WFP indicated that US\$4 million of the US\$11.5 million were used as start-up costs for the remaining regional bureaux out-posted in late 2001. During 2002–2003, the regional bureaux in Africa were reconfigured again to include: (i) creation of the southern Africa regional bureau (ODJ) in Johannesburg; (ii) conversion of the Yaoundé bureau into a regional cluster office; and (iii) closure of the Maputo cluster office. The cost of reconfiguration is not included in the analysis, however, because the 2002–2003 budget had not been adjusted to reflect this change.



Changes in Staffing

13. Table 2 shows that staffing ratios between Headquarters and the field have changed during decentralization, which is not surprising. In 1996–1997, before decentralization began, there were 202 Professional and General-Service staff in OD. PSA-funded staff in OD increased by 122 to 324 when regional cluster offices were created and the first two regional bureaux were out-posted in 1998–1999. During the next two biennia, the number of posts remained stable, despite the out-posting of four more regional bureaux.⁶ Most of the regional cluster office posts were shifted to the regional bureaux when they were out-posted and the cluster offices phased out.

TABLE 2: EVOLUTION OF PSA STAFFING: HEADQUARTERS AND FIELD									
	1996–1997		1998–1999		2000–2001		2002–2003		% change
	Prof.*	G-S**	Prof.	G-S	Prof.	G-S	Prof.	G-S	
Headquarters									
OD	53	59.5	47	68	47	72	48	69	
Regional bureaux	47	42.5	32	33	0	0	0	0	
Subtotal	100	102	79	101	47	72	48	69	-42
Field									
Regional bureaux	0	0	11	21	79	89	79	98	
Cluster offices	0	0	45	67	10	19	10	16	
Subtotal	0	0	56	88	89	108	89	114	
Total posts	100	102	135	189	136	180	137	183	
Total staff	202		324		316		320		+58

* Professional staff.

** General-service staff.

Changes in Workload

14. Although decentralization costs have increased from the 1996–1997 base, the workload as expressed by turnover (total expenditures) has increased substantially over the same period. Table 3 shows the growth in expenditures and volume of food distributed from the 1996–1997 base to the estimated levels for 2002–2003: WFP's expenditures increased by 65 percent, with a volume increase of 77 percent. The increases appear reasonable when these volume indicators are compared with the increased PSA cost of 49 percent and staffing increases of 58 percent for OD, the regional bureaux and regional cluster offices over the four biennia. The analysis could not identify the proportion of the increase attributable to workload as opposed to decentralization.

TABLE 3: TOTAL WFP EXPENDITURES AND VOLUME, 1996–1997 TO 2002–2003				
	1996–1997 actual	1998–1999 actual	2000–2001 actual	2002–2003 estimated
Expenditures (US\$ million)	2 671	2 918	3 190	4 404
Volume (million mt)	4.916	6.182	7.031	8.716

⁶ The former Executive Director had insisted on stability in overall staffing numbers as further decentralization occurred.



Changes in Composition of Field Staff

15. One of the major objectives of decentralization was to upgrade the competence and professional standing of staff in a field structure with expanded authority and out-posted senior decision-makers. Table 4 shows the change in post grades, especially the number of D-1 and D-2 posts, which increased threefold. Part of the increase is attributable to decentralization, but the Strengthening Management Initiative approved by the Executive Board in 2000–2001 accounts for increases in field-post grades. It should be borne in mind that professional-grade data are different from the staff numbers in Table 2, which are limited to PSA-funded posts; Table 4 includes DSC-funded professionals.

**TABLE 4: PROFESSIONAL POSTS BY GRADE (FIELD STAFF ONLY)
FUNDED BY PSA AND DSC**

Biennia	D-2	D-1	P-5	P-4	P-3	P-2	P-1	Total
2002–2003	13	28	72	109	159	123	7	511
2000–2001	10	24	76	120	171	139	8	548
1998–1999	0	18	61	96	124	65	0	364
1996–1997	0	13	45	127	128	56	0	369

ASSESSMENT OF PROGRESS TOWARDS THE ORIGINAL OBJECTIVES

16. An analytical framework was made to facilitate assessment of progress toward the initial objectives of decentralization. A summary version identifying working indicators for each objective is shown below. The objectives and indicators are taken mainly from documents introducing the change initiatives in 1996–1997.⁷

	Objective	Indicators of progress
1	Shift of authority and accountability to the field	Authority delegated and applied Regional structures supporting country offices More senior staff and specialists in the field with the capacities to carry out new responsibilities Mechanisms to ensure oversight and accountability
2	Shift in the role of Headquarters from control to support	Functions adjusted to new roles Normative guidance adjusted to new responsibility
3	Increased advocacy and resource mobilization	Alliances with government and United Nations agencies and NGOs Increased local resource mobilization and advocacy
4	Increased sharing of knowledge	More regional meetings and visits to and from regional bureaux Cross-fertilization of ideas and approaches
5	Strengthened support mechanisms	Improved information and communications technology (ICT) systems Expanded training to support new roles Streamlined procedures

⁷ Ibid.



Delegations of Authority and Accountability

17. Since 1997, new delegations of authority have been made for project design and approval, financial management, human resources, procurement, inventory control, transport and acceptance of contributions. The Assistant Executive Director was authorized to approve initial funds for projects up to US\$3 million. Regional Directors can revise budgets up to US\$3 million and have responsibility for chairing programme review committees (PRCs). Country Directors have authority to approve allocations and related food purchases for emergency operations (EMOPs) of up to US\$200,000 from the Immediate Response Account (IRA). Country Directors found it particularly helpful to be granted representational status, formerly held by UNDP, which enhanced WFP's profile and standing.
18. Country Directors consider that the new financial delegations are modest but useful, especially for smaller offices. The IRA/EMOP authority is still limited in relation to the average cost of an EMOP; an increase to US\$500,000 is under consideration. Country Directors expressed a need for more authority to manage locally raised resources in order to show donors how their money is being spent. Regional Directors are currently unable to delegate additional financial authority, although delegations were initially intended to be selective.
19. In addition to new authority, decentralization gave new responsibility to country offices for document production and processing, budget and financial entries, reporting, food-allocation projections and resource follow-up. Some Country Directors report that this has placed considerable and sometimes excessive strain on staffing and capacities, especially for smaller offices.
20. Authority also requires accountability. The mechanisms for holding Country Directors accountable for their decisions and actions in a decentralized structure are:
 - standards and procedures described in written guidance or built into automated systems;
 - PRCs, which give feedback on quality of project documents;
 - the Management and Appraisal of Performance (MAP) system, in which supervisors evaluate performance against predetermined standards and annual workplans; and
 - internal monitoring and evaluation, and financial and operational audits and inspections that focus on compliance with standards and procedures.
21. Normative guidance has been improved and is available through *WFPgo*; PRCs are now chaired by the Regional Directors, who supervise the Country Directors; oversight functions at Headquarters have been restructured to increase synergies. Many Country and Regional Directors questioned the timeliness and quality of MAPs, however, and suggested that there is corporate resistance to the process.⁸
22. Managers should be accountable for programme quality. WFP has not yet identified consistent measures of programme quality, but establishment of OEDP is a major step in this regard.

⁸ The Human Resources Division (HR) is currently reviewing staff appraisal.



Role of Out-Posted Regional Bureaux

23. Regional offices were established primarily to support country offices, which are the key organizational units in the field. Field staff report that the proximity of the bureaux has shown positive results:
- regional bureaux have a clearer understanding of the work and capabilities of country offices;
 - there are more frequent visits to country offices, particularly smaller ones;
 - regional bureaux plan and manage regional operations;
 - there is increased collaboration with regional and local partners; and
 - innovative ideas are shared within the regions.
24. The role, responsibilities and authority of Regional Directors need to be clarified, however. They have to balance involvement in corporate and strategic thinking with hands-on support for their Country Directors. Some have regional operations to manage; all have regional specialists to manage in fields such as human resources and finance. Regional Directors do not have significantly more delegated financial authority than Country Directors, except for budget revisions. Their role could be enhanced with financial authority, which could be selectively delegated to Country Directors.
25. Each regional bureau initially had the same basic staffing allotment and was expected to cover about 12 countries. Regional officers and advisers were to focus on guiding and supporting country offices. At the time of writing, two years into out-posting, regional specialists have multiple and sometimes ambiguous roles: advice and guidance, oversight and quality control, administration and support for regional bureaux and transaction processing for country offices; this applies particularly to specialists in finance, human resources and ICT. The situation has raised doubts whether regional bureaux have enough staff with the right skills to support country offices consistently. Regional configurations have changed: Regional Directors have an enhanced sense of purpose, and Country Directors have a clearer perception of needs. This is a good time to re-evaluate the roles, responsibilities and workings of regional bureaux, and to adjust staffing levels and capacities accordingly. It must be borne in mind that a large, full-service regional bureau may limit flexibility in the future.

Shift in the Role of Headquarters

26. To reinforce decentralized decision-making, Headquarters was to shift from control to supporting the field, focusing on normative guidance, standards and corporate strategies and priorities.
27. The most dramatic changes were in OD, as desk-officer posts at Headquarters were replaced by programme officer or adviser posts in regional or country offices. By 31 January 2003, there were 66 OD staff at Headquarters, including transport and logistics personnel, compared with 110 in 1997. Regional bureau liaison officers were appointed in 2001. OD has recently restructured to focus on programme preparedness, emergency response and needs assessment, and the food-delivery chain including food procurement. The reorganized Strategy, Policy and Programme Support Division (PSP) has therefore expanded its normative guidance and programme-support role for WFP's Strategic Plan. Less dramatic changes have been made in other Headquarters services.
28. Significant progress has been made in improving normative guidance, especially in enhancing access to guidance, manuals, directives, circulars and other information on the Intranet. The revised Programme Design Manual and Emergency Response Manual are



particularly helpful; HR has recently introduced a manual on Administration of Local Staff. The primary document providing guidance on decentralization roles and delegated authority is directive OD/2000/004 of 10 November 2000: "Guidelines for model structure, unit definitions, distribution and allocation of functions, functional statements, workflow and delegation of authority for the OD bureaux". OD acknowledges the need to update the guidance in the light of experience of out-posting.

29. Field staff report that there may be too much guidance rather than too little, and request more coordinated guidance from the various Headquarters departments. They would like simple, clearly written guidance in the main working languages and user-friendly formats for field use. There is currently no corporate policy on the format and style of normative guidance, and no central control of consistency and readability. Much of the guidance is written by consultants, which contributes to inconsistency of style. Field staff were also concerned that guidance is approved and implemented too rapidly for adequate consultation with the field or for country offices to train and adjust.

Field Involvement in Resource Mobilization and Advocacy

30. In conjunction with decentralization, the Executive Director required Country Directors and Regional Managers to increase efforts to mobilize resources locally and increase advocacy for improvements in national food-security policies. Resource mobilization had mainly been a Headquarters function, but a need was identified to improve WFP's visibility and contacts at the local level because some donors were increasingly basing funding decisions on input from their field offices.
31. On 31 January 2003, public information officers were placed in four regional bureaux and seven large country offices; WFP's visibility has increased significantly as a result. Country Directors report increased contacts with local donor representatives; the Fundraising and Communications Division (FRC) reports that contributions confirmed or negotiated by country offices increased from US\$2 million in 1997 to US\$30 million in 2003. Country Directors also report that inability to retain and track local contributions creates a disincentive for local fundraising. WFP is now reviewing its management of contributions and related business processes. A pilot project in Iraq gives additional delegated authority to the Country Director for budget and resource management.
32. A high-profile success in advocacy for food security was the publication of *The Food Insecurity Atlas of Rural India* in collaboration with the M.S. Swaminathan Foundation, which contributed to a government planning document "A Hunger-Free India in 2007". Advocacy in general is being used almost interchangeably with resource mobilization, however, whereas the objectives are quite different. Clarification and new guidance are needed if advocacy is to achieve the desired impact.

Regional Knowledge-Sharing

33. An objective of decentralization was to increase knowledge-sharing among the field offices in each region to capture lessons and innovative practices, answer common questions and leverage knowledge. This is being achieved through regional meetings, visits to and from country offices and communication among Country Directors and counterparts. A good deal of knowledge-sharing is of course informal.
34. It appears, however, that there is now less knowledge-sharing among regions. Regional Directors report that they have insufficient time to discuss common problems and solutions. The annual regional logistics meetings are an example of corporate knowledge-sharing: outcomes and recommendations are reviewed at Headquarters and incorporated into the Transport Manual.



Staffing and Capacities

35. A decentralized structure magnifies staffing and capacity issues. Additional authority and responsibility, for example, have increased the effectiveness of experienced Country Directors, providing a model for competencies. Uneven capacities observed among Country Directors to handle new responsibilities have led to calls for clearer career paths and better and earlier training for new appointments, combined with a system whereby they can be mentored by experienced colleagues. HR is currently working on a new training and career-development programme for managers and Country Directors.
36. Regional specialists lack the peer support they had when they were based at Headquarters. If they lack expertise or are unavailable they cannot provide adequate support to country offices, which may then have to request assistance from Headquarters. Specialists are expected to advise Country Directors and provide quality control, so they need to be WFP's most experienced and qualified staff. Such posts should have status equivalent to Country Directors and be seen as a career objective. These are staffing rather than training issues; current staffing practices may need to be reconsidered in view of the unique nature of the regional bureaux.
37. Field staff questioned growth at Headquarters at a time when authority and responsibility are shifting to the field: an additional 37 DSC and PSA posts have been added at Headquarters since 1998–1999.⁹ Concerns were also expressed that fewer Headquarters staff accepted reassignment to the field in 2003. It is understood that the Executive Director is reducing staff transfers in 2003 as a cost-saving measure. The full report gives details of this and other staffing issues, but a staffing analysis may be needed to assess the impact of decentralization.
38. HR recently created staffing coordinator posts in each major function—programme, logistics, finance and human resources—to develop global strategies by coordinating staffing requirements, monitoring staffing levels and ensuring adherence to mobility requirements. This may address some difficult staffing issues, but the function should be monitored to prevent Headquarters support from becoming centralized control.

Training

39. The objective was to ensure that all staff could handle new responsibilities and work in emergency and development operations. In 1999, the Staff Development Branch (HRC) issued a three-year plan for expanded training, with emphasis on understanding organizational change, leadership, programme development and financial management. It was updated in 2000 to include decentralization of much of the responsibility for coordinating and delivering training.
40. Management training, which is still a corporate responsibility, is being redesigned and made available to P-2 level and above, including national officers. Training in WINGS has been decentralized; new training modules have been developed for emergency management, contingency planning and financial orientation. Since 1997, HRC has conducted at least two management training programmes each year for Professional staff; in 1997 it organized executive leadership seminars for senior managers, including Country Directors, but the programme has been discontinued. Regional bureaux are developing training plans: in 2002, for example, ODD provided training for 800 staff in programme management, logistics and procurement, finance and administration, human resources, ICT and WFP Information Network and Global System (WINGS).

⁹ WFP Budget, 2002–2003.



41. Field managers suggest that training should be more demand driven and tailored to needs identified by managers; it should not be a menu offered to interested staff. Some conflict is inevitable between training for current needs as opposed to future requirements.

WFP Information Network and Global System

42. WINGS was launched in early 2001, coinciding with the out-posting of regional bureaux. At the time of writing, only 15 country offices and 6 out-posted regional bureaux are fully connected; 29 country offices are scheduled to be connected by the end of 2003, leaving 27 still to be connected. Even fully connected country offices report that access can be very slow; some report gaps of up to a year between staff training in WINGS and full connectivity, which diminished the benefits of the training. Further training for project and budget management is needed.
43. Lack of connectivity also affects the work of regional bureaux. If a high percentage of country offices are not connected, as is the case in ODD where only 2 out of 19 are connected, the regional bureau becomes a processing centre for financial, programme, human resources and other administrative transactions. This may take priority over technical assistance and advice, and so diminish the value of proximity.

Streamlined Processes and Procedures

44. Streamlining processes and procedures was emphasized at the outset of decentralization “to facilitate organizational agility and accountability”.¹⁰ Some streamlining occurred in the early stages, but most recent efforts relate to developing automated systems. Considerable attention has been devoted to updating and automating normative guidance and other manuals, but the focus has been on documentation and distribution rather than on streamlining them and making them user-friendly. Ironically, field staff commented that some new automated procedures, such as electronic approvals, are more cumbersome than before.
45. There are mixed views at this point as to whether holding PRCs at the regional level has streamlined the process or improved document quality. A review of the PRC process is scheduled for late 2003.

CHALLENGES AND OPPORTUNITIES

46. Despite the progress and benefits of decentralization, there are several challenges and potential obstacles. These are outlined in the following paragraphs.
47. Out-posting regional bureaux has resulted in some confusion and overlapping of roles and responsibilities among country offices and regional bureaux, and to a greater extent between Headquarters and regional bureaux.

¹⁰“Preparing for the Future: An Organization to Meet Our Mandate” (July 1996)



Recommendation 1

- ⇒ Determine the most appropriate role for each regional bureau in the light of the region's mix of country programmes and the capacity of the country offices.
- ⇒ Evaluate the staffing of the regional bureaux.
- ⇒ Give Regional Directors new powers to increase or decrease authority delegated to Country Directors.

48. There is a lack of common understanding and commitment regarding the objectives of decentralization. Without commitment, particularly among senior staff, the process of improving the decentralized structure may lose momentum.

Recommendation 2

- ⇒ Prepare and distribute to all staff a paper reconfirming the Executive Director's commitment to decentralization, explaining the concept of a flexible field-driven organization, describing the vision of a truly decentralized WFP and identifying steps to ensure further progress.

49. There is no formal responsibility at Headquarters for monitoring, expediting and coordinating organizational changes that cross departmental lines.

Recommendation 3

- ⇒ Establish responsibility and authority for overseeing and monitoring change initiatives, most logically in the Office of the Executive Director (OED).

50. As Headquarters departments produce more guidelines and standards for distribution to the field, guidance must be consistent in style and content, clearly expressed, well packaged and appropriately delivered to minimize overload at country offices.

Recommendation 4

- ⇒ Develop corporate policies on format, style and language for normative guidance.
- ⇒ Establish a working group that will advise on ways to make guidance more user-friendly and review drafts to provide a field perspective.
- ⇒ Consider employing a full-time technical writer.

51. Country Directors who lack experience and confidence or who have insufficient managerial capacity cannot fully utilize new authority and responsibility. Career development, training, apprenticeship and mentoring are needed, particularly for new Country Directors.



Recommendation 5

⇒ Create a career-development programme for Country Directors that includes identification of career paths, mentoring by senior Country Directors and training in leadership, management, human resources, finance, resource mobilization, advocacy, media relations, donor relations and vulnerability analysis and mapping (VAM).

CONCLUSIONS

52. The costs of decentralization are neutral in the context of workload change. Analysis of OD costs and staffing show that the shift of substantial resources was accomplished as intended by reductions in Headquarters operations. In line with one of the goals of decentralization, decision-makers have been moved to the field through the first stage of the Strengthening Management Initiative in 2000–2001.
53. WFP has made significant progress toward the main objectives of decentralization, despite changes in strategy with regard to regional bureaux and slow development of systems and support mechanisms. 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 are helping to increase the Programme's local and regional visibility. Headquarters focuses more on normative guidance and policy-making; operations have been substantially decentralized and other functions continue in a workable division of labour between Headquarters and the field.
54. Maintaining the effectiveness and cost-efficiency of out-posted regional bureaux will require regular review and a willingness to make periodic adjustments. The structure, staffing and perhaps location of the bureaux will have to remain adaptable to changes in WFP's work and priorities and the support needs of country offices. Staff and the Board have to accept the ongoing change that flexibility brings.
55. Various reviews and improvements are needed to make decentralization successful; WFP recognizes many of these and is pursuing them. There are also challenges that require the attention of senior management to give renewed impetus to the decentralization initiative. Two consecutive Executive Directors have endorsed what is now a management philosophy that should be applied, maintained and constantly improved.



ACRONYMS USED IN THE DOCUMENT

DSC	direct support cost
EMOP	emergency operation
FRC	Fundraising and Communication Division
HR	Human Resources Division
HRC	Staff Development Branch
IRA	Immediate Response Account
ICT	Information and Communications Technology
ISC	indirect support cost
MAP	Management and Appraisal of Performance
NGO	non-governmental organization
OD	Operations Department
ODC	Mediterranean, Middle East & Central Asia Regional Bureau, Cairo
ODD	West Africa Regional Bureau, Dakar
ODJ	Southern Africa Regional Bureau, Johannesburg
ODK	East and Central Africa Regional Bureau, Kampala
OED	Office of the Executive Director
OEDP	Office of Performance Measurement and Reporting
PRC	Programme Review Committee
PRRO	protracted relief and recovery operation
PSA	programme support and administrative
PSP	Strategy, Policy and Programme Support Division
VAM	vulnerability analysis and mapping
WINGS	WFP Information Network and Global System

