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COUNCIL

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Immediate Plan of Action Implementation Progress Report

Executive Summary

- This document summarizes the 2010 annual progress report on implementation of the Immediate Plan of Action (IPA) for FAO Renewal presented by Management to the February 2011 meeting of the Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE). It covers both quantitative and qualitative aspects of implementation, addresses change management and risk issues, and outlines the way forward.

Suggested action by the Council

- The Council is requested to take note of the information provided in document CL 141/13.

Queries on the substantive content of this document may be addressed to:

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I. Summary of progress achieved

1. Management presented a 2010 annual IPA progress report to the February 2011 meeting of the Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE), responding to the request made by Council at its 140th session for progress reports on IPA to cover both the quantitative and qualitative aspects of implementation. This annual report was made available to Members¹, as summarized in this progress report.

Quantitative Progress

2. The good progress on IPA implementation reported at the end of 2009 continued in 2010. Of the 154 IPA actions comprising the 2010-11 programme, 25 were completed in 2010. This represents progress as anticipated half way through the biennium because many of the IPA actions in the 2010-11 programme are large, complex actions that will complete later in 2011.

3. Of the remaining 129 IPA actions, 102 (80 percent) are on track for delivery by the forecast completion date, 15 actions are subject to minor delays, and no actions are subject to major delays. The remaining 12 actions do not fall under a timeline of implementation for various reasons, as detailed in the February 2011 IPA progress report to CoC-IEE.

4. Of the 102 actions on track for delivery by the forecast date, 74 are anticipated to complete prior to end 2011, and it is predicted by IPA Project leaders that only 55 actions will remain in the 2012-13 programme. Whilst this corresponds to 20 percent in number of the integrated IPA programme of 272 actions, it represents 40 percent of the outstanding effort in time and costs, as this contains some of the largest and most complex IPA actions.

5. The 2010 Annual Report fully describes these quantitative data and provides a cumulative assessment of overall progress since 2009, together with a comprehensive listing of the status of all actions since IPA inception in 2009. However, these quantitative indicators provide only a partial measure of progress during the year owing to the wide variation in size, scope and complexity of IPA actions. Supplementing this with qualitative information on achievements during the year and progress towards reaping tangible benefits provides a more robust and complete picture of IPA progress.

Qualitative Assessment

6. IPA implementation covers a 5 year timeframe and many of the benefits of this major change programme will only be achieved following completion of the large, complex projects that comprise the programme. However, although it is too early to realize the full benefits of many of the renewal actions, some key achievements and tangible benefits are starting to emerge.

7. While these are detailed in the 2010 annual IPA progress report, key examples include:

- the completion by all organizational units of 2010-11 operational work plans, providing a concrete base for improved monitoring and reporting on results, thus enabling better management of Organizational results-based activities;
- structured advice by the five Regional Conferences on regional priorities, and Technical Committees providing guidance on priority areas of work within their mandates;
- successful introduction of the new Performance Evaluation Management System supporting improved accountability for performance across FAO and representing a concrete change in the way the Organization works as, for the first time, all staff members, including senior managers up to the Deputy Director-General level, have linked the objectives of their daily work to Organizational results;
- transfer of responsibility for supervising technical and substantive aspects of FAO Representatives to the Regional Assistant Directors-General, significantly strengthening the coordinating role and accountability of the Regional Offices;

¹ http://typo3.fao.org/fileadmin/user_upload/IEE/CoC_IEE_IPA_Rep_e.pdf

- network capacity upgrades in 56 Country Offices providing improved access to corporate systems and the availability of high-definition video conference facilities to all Regional and Sub-Regional Offices to improve inter-office communications, with video conferencing facilities now available in over 50 countries;
- the financial savings achieved by the Common Procurement Team of the three Rome-based agencies.

Change management and risk

8. Whilst the above progress is encouraging, the 2010 Annual Report describes the mismatch that often occurs between stakeholder expectations of immediate performance improvements and the timeframe typically required to move from the early “disruption” stage of major change initiatives to the mature stage, when major, lasting benefits can be achieved. A comprehensive Organizational Change Management process can limit any adverse performance impact in the early stages of major reform, and effective risk management is part of that process.

9. Management commissioned an external IPA Risk Assessment review, the results of which were presented to CoC-IEE in October 2010. The review considered risks at the IPA Programme level as well as risks within each IPA project. At the IPA programme level, it highlighted risks with internal governance of the IPA programme and the Director-General responded by taking immediate steps to improve internal governance of the IPA:

- establishing an IPA Programme Board (IPB) of the Organization’s senior managers, including both Deputy Directors-General, to improve internal oversight;
- assigning responsibility for IPA programme management to the newly established Programme Management Unit;
- assigning responsibility for IPA communications to the Office of Corporate Communications and External Relations (OCE);
- ensuring that the Senior Management Meeting (SMM) has FAO renewal as a standing item on its agenda, with alternate meetings dedicated to renewal;
- in accordance with continuing integration of the IPA actions into the Organization’s work programme, ensuring that renewal topics are regularly discussed by the Executive Leadership Team (ELT).

10. Effective staff communication is an essential component of Organizational Change Management, and preparatory work for the first all-employee survey on FAO Renewal was completed in 2010. The survey was launched by the Director-General on 18 January 2011 and closed on 28 February. It was open to all employees, irrespective of contract type or location, and made available in all FAO languages. The topics covered included employees’ knowledge and attitudes towards the Organization as a whole, working environment and relationships, employee awareness and understanding of and support for the many areas of renewal, and employee communication and engagement needs.

11. Results indicate a very high response rate, with more than 4,700 employees providing their input. The survey results will be analyzed by the external consultant Hay Group engaged to run the survey, and feedback provided to FAO Management in April. The results will provide an empirical benchmark to aid staff communication and effectively monitor the uptake of IPA changes by FAO employees. An action planning phase will be defined to ensure that Management is able to capitalize on the insights provided by the survey. The survey results and management follow-up will be reported to Members in future progress reports.

II. Way forward

12. Positive progress with IPA implementation has been achieved in 2010, and Management looks forward to a continuing active and participative partnership with Members as IPA implementation continues, and the IPA is fully integrated into a reformed Organization across 2011 and the 2012-13 biennium.

13. Management attaches the highest priority to successful completion of the FAO renewal, and has proposed an IPA programme for 2012-13 that fully reflects the remaining tasks. Whilst confident of full Member support, Management is aware of the difficult economic and financial circumstances faced by many Members, and the consequent need for fiscal discipline in public expenditure.

14. The Director-General has insisted that further savings be found in FAO programme expenditures, and this included a re-examination of the savings achievable under the IPA programme and its remaining programme of work for 2012-13. A mechanism being utilized to deliver further efficiencies in the IPA context includes the collaborative inter-agency work amongst the Rome-based agencies, where the experience gained in the area of joint procurement has brought about a renewed commitment to increase collaboration in other areas as well².

15. As a result of these further considerations, Management proposes higher savings estimates for 2012-13 associated with IPA action 7.14 (on common procurement) of USD 2.95 million and with IPA action 7.15 (on travel) of USD 1.97 million.

16. These adjustments and the main IPA programme activities have been reflected in the Programme of Work and Budget (PWB) 2012-13³

17. In the PWB 2012-13, the IPA programme has been fully mainstreamed by including the proposed financial requirements in the net appropriation figures, which are presented within the budgetary chapters for the Strategic and Functional Objectives and Capital Expenditure⁴.

² C 2011/3 paragraphs 193-218 and FC 138/INF/7 paragraphs 10-16

³ C 2011/3 paragraphs 114-145

⁴ C 2011/3 Table 3