

**CONSULTATIVE GROUP ON INTERNATIONAL
AGRICULTURAL RESEARCH**

**Report of the Second External Management Review
of the
International Food Policy Research Institute
(IFPRI)**

CGIAR SECRETARIAT

March 1991

**Consultative Group On International
Agricultural Research**

**REPORT OF THE SECOND EXTERNAL MANAGEMENT REVIEW
OF THE
INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE
(IFPRI)**

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March 1991

Consultative Group on International Agricultural Research

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February 21, 1991

Mr. Wilfried P. Thalwitz
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Dear Mr. Thalwitz:

I take pleasure submitting to you for the consideration of the CGIAR the report of the Second External Management Review (EMR) of IFPRI. This review was conducted concurrently, and in an integrated fashion, with an External Program Review (EPR), which is being submitted to you separately by the Chairman of TAC. Because of the heightened interest within the CGIAR on the outcome of this review, the major findings of the two panels were reported to the Group as an information item during the last Centers' Week. A full scale discussion is scheduled for this May.

This external review was very timely because the review period coincided with a serious management crisis at IFPRI. The crisis led to changes in the top two leadership positions of the Institute and a searching internal examination of how the Board and staff should carry out the center's business. The EMR report analyzes the factors that contributed to the crisis and makes a series of recommendations for improving the Institute's management effectiveness. These are summarized in the "Conclusions and Recommendations" section which precedes the main body of the report.

IFPRI's Board and management are in general agreement with the recommendations of the EMR and have already started implementing many. Since the review we have followed closely the Board's actions to improve its own structure and operations and are favorably impressed with the changes being made. We understand that the Board and management of IFPRI will brief the Group during the May meeting on the full range of actions they have taken as follow-up to the reviews.

TAC's commentary on the points raised in the EMR is constructive and we endorse it. Rather than repeat the points made by TAC, I call to your attention five issues emerging from the EMR that have broad system-wide implications which the Group may wish to discuss.

1. What should the CGIAR do when the board of a center fails to perform its central responsibilities? The EMR makes clear that, prior to the recent changes in leadership, the IFPRI Board saw itself more as a group of advisors to the Director on program matters than as a policy-making and oversight body responsible for all aspects of the center's work and for its overall performance. This view of the role of a board is an exception rather than the norm among the

CGIAR centers. Nevertheless, the case highlights the importance for each board of clarifying its role and responsibilities vis-à-vis those of management, of planning its activities so as to fulfill its responsibilities, and of periodically examining its own performance so that corrective action can be taken in a timely manner.

As the composition of each board changes frequently, new board members need to be briefed fully on the board's and their own role and responsibilities. While the board orientation programs organized by the Secretariat have been and can continue to be useful in this regard, each board needs to demonstrate its adherence to the basic principles governing its role and responsibilities through its actions. The two principal leaders of a center, the board chairman and the center director, carry the lion's share of the burden in reinforcing these basic principles.

If, despite these efforts, a board fails in the performance of its central responsibilities, the CGIAR could mount a special review of a center's governance. The CGIAR has the authority to initiate such a review, because, in the final analysis, a center board is ultimately accountable to the CGIAR for the center's and its own performance. In the case of IFPRI, had a review not been already in progress, the Secretariat would likely have commissioned one because of the concerns raised by a number of donors.

2. What can be done to resolve conflicts of interest, in particular in board-management relations? The answer to this question lies, in the first instance, in taking sufficient precautions to avoid conflicts of interest. This requires careful selection of board members, planning of board leadership positions sufficiently in advance, and board procedures that reduce the likelihood of collusion between individuals in positions of authority. A board member, for example, should not serve as a consultant to the center during (and possibly a few years following) his/her tenure on the board. This excludes activities undertaken by board members on behalf of and with authorization from the board.

Although ours is a system based largely on commitment and trust, and therefore the possibilities of collusion are low, conflict of interest matters should not be left to chance. The boards and their members should maintain their independence from management at all times, and the rules governing the operations of each board should protect such independence. It would be useful for each board to adopt an explicit "conflict of interest policy" as a part of its rules governing board operations.

3. Should the CGIAR reconsider the process it uses to identify and nominate/appoint some members to the center boards? This question is very germane to the IFPRI case, because, in order for IFPRI to operate as an international non-profit organization within the United States, half the membership of its Board has to be appointed (not just "nominated") by the CGIAR. If the IFPRI Board has failed in carrying out its policy-making and oversight responsibilities, is this not also a failure of the CGIAR--or, more specifically, the mechanisms it uses to appoint CGIAR members to the Board? The question is also relevant to the other centers where some (usually three) members are nominated by the CGIAR.

The issue of CGIAR nominees was also raised as a concern in the paper Selcuk Ozgediz presented to the Group last May at The Hague. As a follow-up of the discussion of that paper and the suggestion made by the IFPRI EMR, we have begun examining the options the CGIAR and the center boards could consider as alternatives to the current system. We are in dialogue with the Committee of Board Chairs (CBC) and the Candidate Information System Panel on this issue and in the near future plan to bring before the Group a range of options the CGIAR may wish to consider.

4. Should there be a limit to the length of tenure of center directors of internationally-recruited staff? The center director tenure issue was also raised with the Group last May in the Ozgediz paper and during ICW 1990 by the CBC Chairman. At its last meeting, the CBC endorsed a set of principles as guidance to individual boards. These emphasize long-term (five year) initial appointments and a rigorous system of performance assessment, including an in-depth evaluation during the fourth year of the initial term to determine if the director's term should be extended. Although no rigid cap on the length of director tenure is recommended, the expectation is that the maximum director tenure would most likely converge towards ten years. We favor the approach advocated by the CBC which stresses rigorous assessment of director performance rather than a strict cap on the length of director tenure.

Regarding the tenure of the internationally-recruited senior staff, we also advocate rigorous assessment procedures during selection and before extension of appointments. Senior staff should be hired with the clear understanding that continuity of their employment with a center would depend on their performance and that they should not view their positions at the center to be the same as tenured faculty positions in universities.

Thus, as with director tenure, we do not advocate a system-wide cap on the total tenure of senior staff. Responsibility for establishing center-specific policies on tenure rests with the boards. The Group may wish to encourage them to put in place clear policies on senior staff employment that ensure the attraction and retention of quality staff while permitting a healthy turnover.

5. How can the CGIAR ensure that the recommendations of a review which are endorsed by the CGIAR are implemented in a timely manner? In IFPRI's case, the panels found that several key recommendations of the 1984 external reviews were not implemented by IFPRI. Should the Group have to wait until the next external review (in this case, six years hence) to find out if the center has implemented them?

The current understanding in the System is that, in the first instance, the board of the center concerned carries the responsibility to have the Group-endorsed recommendations of the review implemented by the center. IFPRI is one case where the Board has failed in carrying out this responsibility. This may be due to the way the Board saw its role in the management of the Institute.

We do not advocate instituting strict System-initiated monitoring mechanisms after every external review. Instead, the follow-up actions to be undertaken on behalf of the Group should be decided on a case-by-case basis, depending on the nature of the Group-endorsed recommendations. If these call for

significant and wide-ranging institutional changes at a center, a re-appraisal conducted on behalf of the Group a few years after the review by a small team would be appropriate. Otherwise, the regular occasions when a center presents its programs and plans to the Group (such as center presentations, presentation of strategic plans and discussion of medium-term program plans and budgets) could be used to ascertain progress with implementation of external review recommendations.

In the case of IFPRI, we agree with the panels and TAC that a re-appraisal should be conducted prior to October 1992 and suggest that the Group endorse this course of action.

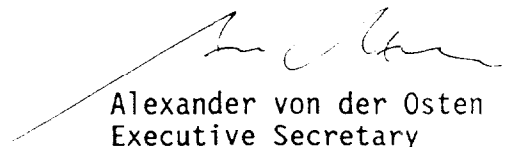
Before closing, I would like to note that the Group owes a debt of gratitude to Mr. William Gormbley, who chaired the EMR panel, and Messrs. Tilo Ulbricht and Roger Smith, who served as panel members, for the forthright and sensitive manner in which they conducted the review. Debt is owed also to Mr. Just Faaland for his chairmanship of the panel during the initial stages of the review, until he assumed the post of IFPRI's Director General at the request of the Board. In addition, the Secretariat is indebted to Professor Lowell Hardin who was able to step in at short notice as a resource person to the EMR when unforeseen circumstances necessitated several changes in the composition of the panel.

Messrs. Gerry Helleiner (new Board Chairman of IFPRI), Just Faaland (present Director General), Dick DeZeeuw (former Board Chairman) and John Mellor (former Director) fully cooperated with the Secretariat and the EMR panel during the conduct of the review. IFPRI's staff prepared very useful background documents for the review and were open and frank in their discussion of management issues with the members of the panel. Also, the quality of the logistical support provided to the panel by IFPRI was excellent.

Finally, I should note that the management difficulties faced by IFPRI were unique in the CGIAR's history and that the case should be treated as such, without over-generalization to the rest of the System. The case draws attention to the importance of having strong, independent boards and maintaining a workable system of checks-and-balances. It also illustrates the resilience of the CGIAR--in that, even when some check-and-balance mechanisms fail (for example, between the board and the management), others (such as the external review process) fill the void.

We expect a lively discussion of these and other issues by the Group in May.

Sincerely,



Alexander von der Osten
Executive Secretary

**Response of the Board of Trustees
of the
International Food Policy Research Institute
to the External Program and Management Reviews**

The Board of Trustees is pleased to comment on the second external reviews of IFPRI's program and management that have just been completed. We are grateful to the TAC and to the CGIAR for having selected and supported review teams of such highly qualified persons and to the members themselves for having worked so intensively and sensitively to understand IFPRI's program and the concerns of its staff. The considered judgements incorporated in their reports will be invaluable to the Board as well as to management as the Institute continues in its mandated task of identifying and analyzing alternative strategies and policies to meet food needs throughout the world and to reduce hunger and malnutrition in low income countries.

We are especially grateful to the Chairmen of the teams, Dr. Ali M. Khusro, who led the program review, and Dr. William Gormbley, who graciously assumed the leadership of the management review when the original team Chairman accepted the Board's offer of the directorship of IFPRI. That both carried out their tasks skillfully is evident in the thorough and insightful analysis of the issues facing IFPRI found throughout the two reports.

Although the review teams arrived at IFPRI at a difficult moment in the Institute's history, the timing of their study proved opportune. The members of the Board and the new management, fully cognizant of the need to introduce a number of changes in both the research and administrative management, now have the benefit of thoughtful recommendations by these two very distinguished panels as decisions critical to IFPRI's future are made.

A number of the recommendations will require careful study by the Board and management before action can be taken. We are committed, however, to undertaking that study and implementing needed changes with all deliberate speed. Moreover, we are in full agreement with many recommendations and suggestions; in some cases the Board has already taken action during its current meeting.

A. With respect to the most urgent recommendations in the management review, including several recommendations which were also highlighted by the program review:

1) The Board fully shares the concern that led to the team's first recommendation regarding the succession in IFPRI's top management. Action in this regard was accorded the highest priority at the meeting just completed, and we are very pleased that Dr. Just Faaland has accepted the Board's request to remain as Director General through August 1992. The Trustees have authorized Dr. Faaland to determine and

to implement the needed management changes as well as to undertake the process that will complete the preparation of a strategic plan for IFPRI. The Board expects that his acceptance of this challenge will ensure that the Institute is stable, well organized, and sharply focused when a new, long-term leader takes the helm. His acceptance also permits the Trustees to devote the time they need to agree on the qualifications it will seek in a Director General capable of leading the Institute into the next century and to identify and recruit the best possible candidate. The Board has established a Search Committee, appointed Professor Vernon Ruttan as its Chairman, and given it terms of reference which authorize the Committee to present recommendations to the IFPRI Board meeting one year from now (October 1991).

2) The Board has also taken steps to strengthen its own role in formulating and overseeing Institute policy. In advance of the current meeting, it commissioned a consultant with considerable CGIAR experience to study ways to improve its structure and operational procedures. The Board also received a thoughtful paper which the Chairman had asked one of its members to prepare, suggesting specific changes to its by-laws and procedures. As a result, the detailed suggestions contained in the EMR's governance chapter, together with these other documents, will provide the basis for a coherent set of recommendations to be laid before the full Board in February 1991. These recommendations will be developed in appropriate detail for consideration by the Executive

Committee at a special meeting to be convened in December 1990 for this purpose.

3) Among other procedures to be reviewed, the Board will consider the process of nominating Trustees and will design ways to ensure the appropriate balance of qualifications, experience, and expertise in areas relevant to IFPRI's mandate and management. Indeed, it is important that these considerations enter into the judgements made by both the CGIAR in the trustees it names and by the Board in those it elects.

4) The Board concurs with the recommendation that a Deputy Director General be appointed and plans that this be done in due course, as part of the changes in managerial structures now being defined.

5) The Board also agrees that the Institute needs a professional Personnel Manager and noted that management has taken steps to begin recruitment for the position as a matter of urgency. One of the first tasks of the new Manager will be to design a system of performance planning and review appropriate to the IFPRI context and to train staff in its implementation. Further, he/she will be instructed to complete promptly the documentation of the Institute's personnel policies for approval by the Board. This process will include a review of staff recruitment procedures as well as of compensation and other employment benefits. We have asked that special attention be given to the

employment conditions and long-term prospects of the Research Analysts and Assistants.

6) The Board has directed management to draft a conflict of interest policy applicable to the staff and to members of the Board for review no later than its meeting scheduled for February 1991.

7) The Board will consider carefully the recommendation that the total tenure of the Director General be limited to ten years but believes that this type of policy decision might better be reviewed at the CGIAR System-wide level.

8) The Board agrees that it is appropriate for senior research managers to participate in decisions on the allocation of resources and has asked management to review and report back on the process through which the Institute budget is initially drawn and subsequently amended.

B. With respect to principal recommendations of the Program Review:

1) The Board agrees that IFPRI management develop a strategic plan for Board approval and that this should be done with full consultation among Board, management, staff and external partners. It also agrees that such a plan should be developed in the context of the evolution of the world food, agriculture, and poverty situation and of

the changing international research environment. It should also be flexible enough, we agree, to adjust to altering realities. Management has already initiated, with the support of the Board, an internal process to this end, and it is planned that the Board will discuss progress at its next meeting in February 1991.

2) The Board welcomes the recommendation that there should be increased CGIAR financing to support its proposed work on the environment. As it develops its strategic plan, the Board will consider carefully the detailed EPR recommendations as to how such support can be used most effectively.

3) A number of other detailed recommendations regarding the content and structure of IFPRI research have been made by the EPR panel. The Board and management will take them very seriously as the strategic plan is developed and structures are built for its implementation. While it would be premature to respond definitively to the many thoughtful program suggestions, the Board wishes to emphasize its commitment to the creation and maintenance of excellence in IFPRI research. Program plans are scheduled to be a major topic for discussion and decision by the Board at its next full meeting in February 1991.

4) The Board and management will also review IFPRI's activities in the spheres of outreach, capacity-building and collaborating with

other CGIAR centers and the international research community more generally.

5) In restructuring its procedures, developing its strategy, and planning its future research programs, IFPRI will also review carefully the many useful recommendations concerning the structure and management of research that were made jointly by the two review panels. It is not appropriate for definitive responses to be made to these recommendations on the basis of the very limited time which the Board and management have had to consider them.

C. The Board requested management to undertake a comprehensive examination of the suggestions and recommendations contained in the two reports, including their financial and budgetary implications, and to present a first report to its meeting in February 1991.

The Board appreciates many compliments throughout both reports regarding the high quality of research at the Institute, the dedication and capability of its research staff, and the significant impact of many publications and other outreach activities. Both the Trustees and the management of IFPRI are deeply grateful for the thoughtful consideration which the panels have given to the most appropriate focus for future activities and for their careful counsel on ways to strengthen management and oversight.

The Board also wishes to acknowledge the important contribution these external reviews have made to the identification of both strengths and weaknesses at IFPRI and to charting appropriate paths for future development and more effective collaboration with partners in low-income developing countries.

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October 4, 1990

Mr. Alexander von der Osten
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Dear Alexander,

On behalf of our panel, I am pleased to submit to you the report of the Second External Management Review of the International Food Policy Research Institute (IFPRI).

IFPRI is an institution in transition. Its leadership is changing, and the many issues arising from its recent crisis are in process of examination and resolution. The Institute is not only poised for change but, we believe, has the capacity to carry through on its new directions.

We report to you here on management issues which have emerged at IFPRI since the time of the last external review. The bulk of our work, however, is forward-looking, focusing on areas that -- in our opinion -- require strengthening both at IFPRI and System-wide.

Our findings and recommendations follow from our study of the excellent documentation prepared for us by the Institute, and from extensive interviews we held at IFPRI with staff, senior management, and trustees. In addition, they reflect our dialogue with EPR panel colleagues, and with the Director and Chairman of the Board of IFPRI. Ultimately, however, the opinions expressed in this report are our own.

In submitting this report to you I wish to call your attention to the atmosphere of openness we found, and the collaboration and assistance we received at IFPRI. Clearly the atmosphere is one of high expectations. It is our hope that this report will help IFPRI to move forward on a positive course.

We have not included a statement on the cost implications of our recommendations in this report. We believe that carrying out our

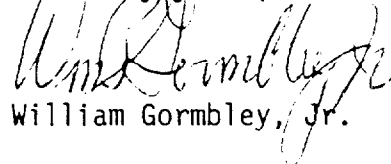
recommendation would not add materially to IFPRI's costs, as the staffing changes required in the new organizational structure can be accomplished, for the most part, by internal personnel shifts and adjustments in financial allocations.

Most of the recommendations in our report are addressed to IFPRI's Board and Management. However, we also draw attention to several CGIAR-wide concerns which you may wish to bring to the attention of the Group. These relate to: (a) CGIAR appointed/nominated board members; (b) length of tenure of the chief executives and senior staff; (c) adjudication of extremely difficult personnel issues; (d) role of donors in inducing change in a center; and, (e) the centers' responsibility to inform the CGIAR before making material commitments which are not included in the approved budgets.

You may wish to consider having an interim review in about two years. This, we believe, would be useful to the Board and the Management of IFPRI and to the Group, given the changes that we anticipate would be made in IFPRI operations over the next several years.

On my part and on behalf of each of the panel members, I wish to thank you for the excellent support we received from Dr. Selcuk Ozgediz, Ms. Elizabeth Field and Ms. Feroza Vatcha of your staff. They were important contributors to our work. Dr. Lowell Hardin's assistance to individual panel members and his contribution to our deliberations were invaluable. The support provided by Ms. Nancy Walczak, Ms. Odette Aguas, Ms. Laurie Goldberg and Mr. Bob Bordonaro of the Institute's staff, who looked after our comfort and needs for clerical and operational services, was greatly appreciated, as was the response we received from all staff, too numerous to mention, without whose help we could not have completed our task.

Sincerely yours,



William Gormbley, Jr.

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CONCLUSIONS AND RECOMMENDATIONS OF THE EXTERNAL MANAGEMENT REVIEW

IFPRI is a classic case of an organization that faced a management crisis because the styles, structures and processes of leadership and management did not keep up with the changing identity and the growing size and complexity of the institution.

It would be very easy to point the finger at this or that event as the cause of the 1990 crisis, but this would be wrong, because the crisis represents the culmination of a number of events over at least the last several years.

What went wrong at IFPRI?

First, the Institute's system of governance did not provide the checks and balances necessary for oversight on management. The Board did not see itself as the policy-making and oversight body for the Institute. Instead, it acted mainly as a policy advisory body. The Board's confusion about its role and identity is particularly perplexing as the CGIAR itself has the authority to appoint half of the Board's membership.

Second, John Mellor, IFPRI's dynamic intellectual leader, tried to manage the growing institute in the same way he managed it when it was relatively small. He overestimated his own capacity to provide supervision to the work of the senior staff, while at the same time attending to other management matters and representing IFPRI and the CGIAR in international fora.

Third, and as a corollary to the above, neither the Board nor the Director realized the urgency of having a much strengthened middle management at IFPRI. The most important recommendation of the 1984 EMR, that concerning the appointment of a Deputy Director, was never implemented. In recent years, Program Directors only played a loose coordinating, rather than managerial role.

Fourth, the personnel function was not given the attention it deserved. The Institute lacked a comprehensive set of personnel policies and procedures. Such policies as existed were enforced selectively. Ad hoc arrangements for individual staff members led to increased confusion and reduced staff morale.

Fifth, IFPRI did not have a clearly communicated and well articulated institutional strategy. The Institute's future strategic directions seemed to depend almost totally on the Director's visions at the time and the academic interests of the senior staff he appointed. The Institute still does not have a Board-approved strategic plan.

At the heart of these shortcomings lies a fundamental question about the essence and identity of IFPRI as an institution. Is IFPRI mainly an academic economics institute conducting research on food policy issues, or is

it a mission-oriented policy institute conducting first-class research and providing high-quality capacity-building services to developing countries?

IFPRI started as the former (i.e., academic institute) and over the last few years began a shift towards the latter (mission-oriented policy institute). But the shift in the identity of the Institute was more in intent and appearance than in action, as the ways in which the Institute was managed remained the same.

Thus, IFPRI is now at the most important crossroads in its history, as the management crisis of 1990 opens a brand new chapter in the Institute's evolution. The challenge for the Board, Management and staff of IFPRI is to quickly leave behind the episodes of the recent past and get on with building the Institute as a world-class organization.

There is much strength in IFPRI upon which to build a bright future. The Institute has an enviable record of research accomplishments, a nucleus of first-rate staff, and a good reputation in the international community. It has an effective and efficient administrative infrastructure (with the exception of the personnel area) and research support services. There is a momentum for change initiated by the excellent internal self-study conducted last year. Most important, IFPRI's staff is committed and dedicated to the institution and its cause.

How should IFPRI approach the institutional changes that need to be made?

The body of our report contains our analysis and recommendations for improving the management effectiveness of IFPRI. Work on most of our suggestions can start immediately. We place top priority on simultaneous action in four areas.

- First, the Board should quickly decide on how it wishes to handle the succession in top management, particularly as it regards leadership beyond the one-year term of the current Director. Whoever is the Director beyond that one-year term should move with due deliberation and speed in appointing a Deputy Director (with the advice and consent of the Board) and with completing and implementing IFPRI's strategic plan.
- Second, and related to the above, the current Director should initiate a strategic planning process. Background work on strategic issues and options does not need to await the arrival of the Institute's next long-term Director.
- Third, the Board should conduct a thorough examination of its roles, responsibilities and modes of operation, leading to a phased board improvement program. The current and expected vacancies on the Board should be filled in a way to strengthen the Board's capacity to play potential new roles.

- Fourth, the current Director should place priority on generating the improvements necessary in the personnel area. Most of the suggestions we have made on personnel do not depend on changes in the Institute's strategy or structure.

We place second priority on making changes in the Institute's organizational structure because, in our view, these should follow the formulation of IFPRI's long-term strategy. Provisional changes in structure could, of course, be made by the current Management. Structural changes could also be made in areas (such as in administration and finance) which are not likely to be affected seriously by the long-term strategy.

Notwithstanding these observations on the sequencing of management reforms at IFPRI, we make the following recommendations.

Chapter 2. GOVERNANCE

We strongly recommend:

- (1) that the Board quickly decide on how it wishes to handle the succession in IFPRI's top management, particularly as it regards leadership beyond the one-year term of the current Director;
- (2) that the Board materially strengthen the role that it plays in formulating and overseeing Institute-wide strategic concerns.

We recommend:

- (3) that the Board move forward expeditiously with the restructuring of its internal operational procedures;
- (4) that the CGIAR, when appointing trustees, give special attention to ensuring that the Board has sufficient management expertise in its membership.

Chapter 3 THE STRUCTURE AND MANAGEMENT OF RESEARCH

We strongly recommend:

- (5) the appointment of a Deputy Director-General (DDG) for Research and Development;
- (6) that IFPRI prepare a clearly articulated strategy document.

We recommend:

- (7) creation of a position for and recruitment of a Director of Outreach which combines the present functions of Information Services and External Relations;
- (8) that Program Directors be given greater authority to manage their programs;
- (9) the reestablishment of the position for and recruitment of a Director of Finance and Administration;
- (10) that IFPRI establish a Senior Management Committee and a Research Committee;
- (11) that part of core funds should be reserved for seed money (pre-project) and for reflection and synthesis (post-project);
- (12) that IFPRI institute an annual internal review process which includes an in-depth examination of part of the Institute's activities each year.

Chapter 4 MANAGEMENT OF HUMAN RESOURCES

We strongly recommend:

- (13) that IFPRI recruit a competent, professional Personnel Manager;
- (14) that IFPRI institute an effective performance planning and review system;

We recommend:

- (15) that IFPRI complete the documentation of its personnel policies, with appropriate staff inputs, and implement them after review and approval by the Board;
- (16) that all senior staff positions be well advertised and candidates be reviewed by an effective internal review committee drawn in large measure from staff with knowledge and experience in the areas in which the candidates will work;
- (17) that IFPRI review and clarify any unusual employment arrangements for senior research staff members;
- (18) that, as a norm, the total tenure of the Institute's Director be limited to ten years;
- (19) that IFPRI develop a comprehensive system of job titles,

descriptions, and salary ranges and implement it following its review and approval by the Board;

- (20) that IFPRI formulate and implement a comprehensive conflict of interest policy;
- (21) that IFPRI clarify the long-term employment prospects of the Research Analysts and Research Assistants.

Chapter 5 GENERAL ADMINISTRATION AND RESEARCH SUPPORT

We recommend:

- (22) that IFPRI institute a program-budgeting system and that the Senior Management and Research Committees participate in the decisions on the allocation of resources;
- (23) that the CGIAR Secretariat clarify the responsibility of the centers to inform the CGIAR before making material commitments which are not included in the current approved budget or medium-term plan.

Chapter 6 EXTERNAL RELATIONS

We recommend:

- (24) that priorities for IFPRI's future external relationships be an integral part of the institutional strategic planning process.

1. THE EXTERNAL MANAGEMENT REVIEW AND IFPRI

1.1 The Setting

The External Management Review's (EMR) introduction to the International Food Policy Research Institute (IFPRI) has many of the problems that the marksman in a shooting gallery faces. There, the targets move in non-patterned and unexpected ways. What to aim at and when to pull the trigger?

It is doubtful that any review panel has had to address as many major changes as have recently occurred at IFPRI. From the time the panel was initially assembled by the Secretariat to its arrival on the scene for the active, hands-on portion of the review program an unprecedented series of personnel changes took place at the Institute. These developments in turn resulted in a change in the chairmanship of our panel as well.

When first assembled in Paris in February of this year, the panel members under its Chair, Just Faaland, were of the impression that our task was straightforward as was confirmed by the briefing received from the Technical Advisory Committee (TAC) and the Consultative Group on International Agricultural Research (CGIAR) Secretariat. IFPRI was viewed as a well established, stable institution, of good reputation, somewhat outside the regular run of CGIAR institutions, with some internal communication difficulties, but no startlingly unusual or special problems. From that vantage point its strengths and weaknesses appeared to be within the range normally found in CGIAR institutions.

How wrong we were. Between February and September when we arrived in Washington the following events had occurred:

- a. The IFPRI position of Director of Finance and Administration was abolished. The services of the incumbent had been terminated and a Director of Development and Administration had been recruited as the replacement.
- b. A senior Program Director resigned.
- c. Some donors had expressed concern about the management of IFPRI. This and related events led to the calling of a Special Meeting of the Board in July.
- d. The Chairman of the Board had resigned as Chairperson and as a Trustee, and a new Chair had been appointed.
- e. The Director had gone on study leave for one year.
- f. A new Director had been appointed for a one-year term.
- g. The Chairperson of the EMR had resigned to become the new Director of IFPRI.

- h. The former Director on study leave had resigned as Director with the understanding with the Board that he would be continued as a member of staff for the remainder of his contract.
- i. The Head of Personnel and Administrative Services resigned.
- j. A member of the original review panel, William Gormbley, was requested to accept the Chairmanship of the panel. He did so and a third member was appointed to complete the team.
- k. The new Chairman of the Board announced the need to begin consideration of the recruitment of a new Director.
- l. Quite understandably, intensive internal discussion had begun among staff members concerning their futures and what might be ahead for the Institute.

While the moving targets had stopped by the time of our arrival, it was obvious to us that this would be no regular review. A key paragraph in our Terms of Reference states:

The overall purpose of the EMRs is to assess the center's present and potential future management effectiveness. Here management effectiveness refers broadly to the center's success in performing essential management functions, such as setting goals, selecting strategies, providing leadership, acquiring and managing resources, planning and implementing activities, etc.

Yet IFPRI is in a state of transition. Most aspects of the Institute's "management effectiveness" in the past were shaped by the centralized management style of the former Director. Currently, policies, procedures, and indeed the organization itself, are being questioned from within and outside of IFPRI. The Institute is poised for change.

Given a management crisis and the critical, forward-looking spirit of discussion permeating and surrounding IFPRI, the focus of this EMR must be different from those that have preceded it in the CGIAR. Our approach, described below, seeks to respond to the central charge of our Terms of reference (provided in full in Appendix 1): "The panel is expected to focus its analysis on factors it regards important in improving the Institute's performance".

It was our judgement that to be most helpful to IFPRI and the CGIAR we should:

- a. Do our best to understand the reasons for the precipitous changes in management and operations;
- b. Evaluate the impact of the changes on the capacity of the Institute to cope with them and on its stability;

- c. Advance possible changes in processes and procedures that might help IFPRI overcome the crisis it faced in its management and operations;
- d. Examine the problems at IFPRI and the remedial measures that might be taken with an eye to preventing their recurrence; and
- e. Analyze the concerns that arose from our review at IFPRI in an effort to identify issues that might merit cross-center, hence CGIAR-wide attention.

Consistent with the above focus, our report provides only that amount of historical and current data required to permit an understanding of the topic under discussion and the recommendations which we make.

1.2 The Current Situation

In our judgement the developments itemized above should not be seen as undermining the basic strengths of IFPRI. Nor should they impair the Institute's ability to continue to do quality research - providing that the Board, with staff inputs, moves expeditiously and skillfully to select effective leadership for the period beyond the term of the incumbent Director. As previously stated, critically important remedial steps have already been taken. The unexpected events, acknowledged by many within and outside IFPRI to be a shocking surprise, have sensitized the Institute's staff and public to the need for transparency in the conduct of the Institute's affairs. While recognizing the need for prompt action, wisely the Board Chair is not moving precipitously but is taking the time required for consultation and participation.

The internal climate for stability in the medium-term at IFPRI is, in our opinion at this juncture, excellent although staff morale needs to be strengthened. Competent Program Directors and members of the research staff have a substantive on-going research program underway. While IFPRI's former management style was a highly centralized one, once program and projects were approved, direction and work were decentralized to the researchers. We also find that the administrative functions, with the exception of the personnel area, are well directed and in no danger of floundering.

Staff are dedicated to the maintenance and enhancement of IFPRI's performance and are eager to move forward. The Board therefore has the time to do a proper search for a long-term Director. Further, working with IFPRI's present management team, a number of needed changes, many of them already well thought through by staff, can be put in place.

The chapters that follow detail our examination of the IFPRI management structure and operations and our suggestions and recommendations for the IFPRI that will emerge from its crisis period. We commend the Institute's

former Director, the Board and especially the staff for IFPRI's SELF STUDY: An Internal Analysis of Organizational Effectiveness which was completed (except for a recent update) in September 1989. By its very existence this insightful study represents the embodiment of staff dedication to IFPRI, to its good name, growth and continued success. The Study and its update are, to our view, required reading for all of those who are involved in determining IFPRI's future direction. We find the report to be constructive and candid. Most of its conclusions and recommendations merit serious consideration. In major respects, what we suggest in this report is based on insights provided by staff - in and outside their report - as well as by trustees and others close to the Institute.

Just as the presence of the staff Self Study was helpful, the lack of an updated, well articulated strategy and long-term plan was a decided hinderance to our work. Management is not an end in itself but a means to help an institution achieve its goals and objectives. As is pointed out later, we urge the Board and Management to develop a well articulated strategy making clear their vision of the Institute's future and their operational plan for getting there. Our suggestions and recommendations are based on what we perceive to be IFPRI's current operating strategy as gleaned from the documents made available to us and the explanations provided by members of the staff and the Board.

1.3 Some Aspects of IFPRI's Evolution

IFPRI's birth was not an easy one. The concept of having a mission-oriented international research center specializing in food policy dates back to the Bellagio Conference of 1969 and before. Despite strong support from TAC and its Chair, Sir John Crawford, the CGIAR did not in 1973 accept the recommendation that the Group form such a center. When in fact IFPRI was born (1975) the Institute was created and funded not by the CGIAR as such but by three of the Group's members: The International Development Research Centre, The Ford Foundation and the Rockefeller Foundation. When in 1977 IFPRI's first Director, Dale Hathaway, resigned to become the USA's Assistant Secretary of Agriculture, the Board selected John Mellor to succeed him.

The Director's, the Board's and IFPRI's sponsors' efforts to have the small institute come into the CGIAR system were rewarded when the invitation to join was extended and accepted in November, 1979. Highlights of the Institute's substantial growth and impressive output from 1979 to date are reported in Chapter I of the current IFPRI External Program Review (EPR), so are not repeated here. However, a few observations bear some relationship to the management discussion:

- IFPRI evolved from a small institution that was at the onset simple in organization, highly collegial and personalized.

- An able, energetic Director with vision was required to help establish the identity of the Institute and, among other charges, to help bring it into the CGIAR.
- From his appointment in 1977 to August 1990, IFPRI's former Director carried an extraordinarily heavy workload. He knew every aspect of the Institute and was personally involved in making the major decisions at virtually all levels of the Institute's activities.
- From the onset, with few exceptions, the individuals who joined IFPRI's Board were attracted by the challenge of helping the Institute in its efforts to improve food policies. In overly simplified terms, their philosophy was to leave management to Management. This philosophy was fully acceptable to the Director for his view was that "if I don't manage satisfactorily, hire someone else." (Parenthetically, we feel that merit attaches to both views - if proper planning and monitoring mechanisms are in place.)
- Even though the Institute grew in size and complexity, IFPRI's centralized management system persisted.
- In the last two years of his tenure, the Director's intellectual dominance of the institution became increasingly evident. This was in part attributable to his personal style. Nevertheless IFPRI did not hire or develop another staff person (in addition to the Director) who had the mandate to or did concentrate on interpreting the broad, significant policy implications of the many individual pieces of research in the Institute's portfolio. The Director's capacity to synthesize and integrate, to conceptualize and explain the big picture, was and is in great demand. He enthusiastically responded to this demand by writing, advising, and traveling extensively as his public speaking engagements required. Doing all of the foregoing while simultaneously managing the Institute without a Deputy Director stretched the Director ever more thinly as IFPRI grew and matured.

1.4 IFPRI's First EMR and the Institute's Response

IFPRI itemized and responded to 18 recommendations/suggestions made by the 1984 EMR of the Institute (see Appendix 2 for IFPRI's detailed responses as of May 1989). Our brief observations on the major items follow:

Recommendation

Re-establish the post of Deputy Director to monitor staff relationships, and coordinate IFPRI's research, oversee research support services and coordinate the budget process.

Consider having the Executive Committee Chairperson visit IFPRI frequently in his capacity as Treasurer.

Build a cash reserve.

Increase the number of donors.

Appoint a qualified Personnel Manager and institute updated policies and procedures.

Develop a central mechanism for providing assistance on travel.

Encourage senior staff to participate in specialized management seminars.

Accord high priority to systematically meeting the Institute's computational and informational technology needs.

Our Commentary

Never done. Failure to do so rationalized on grounds that funds were short and Project Leaders could take more responsibility.

Implemented. Although that Trustee retired after 13 years on the Board he continues his visits as IFPRI's elected Treasurer.

IFPRI's year-end fund balance increased from \$42,000 in 1983 to \$703,558 as of December 31, 1989.

Increased from 13 CGIAR donors in 1983 to 18 in 1989.

Still a very troublesome area. As yet IFPRI does not have a professionally qualified Personnel Manager or a complete personnel manual.

Travel Manager appointed in 1985 but concerns continue.

The former Director and two senior staff members have participated in CGIAR management training courses.

Done. Consultants hired, committee established, advanced facilities and procedures in place.

As indicated in the above summary, action was taken, or a decision was made not to take action, on virtually all of the suggestions. Where actions were taken that were contrary to recommendations, a rationale was provided. The reasons for our negative view of the Management/Board decision not to appoint a Deputy Director and a qualified Personnel Manager are spelled out in the following chapters.

2. GOVERNANCE

1990 has been a turbulent year for IFPRI's Governing body. As already noted, the rising ferment of concerns on management matters (coming both from within and outside the center) resulted in a special meeting of the IFPRI Board of Trustees being called in late July 1990. The events of that meeting and actions taken since then have brought into sharp focus the Board's role in setting institutional policy, handling its oversight responsibilities, and conducting its relationships with Management and staff.

This chapter: (a) points out areas in which as of pre-July 1990, IFPRI's Board differs from the governing body of the typical CGIAR-associated center; (b) assesses the Board's past performance while simultaneously offering suggestions for strengthening its work in the future; and (c) examines CGIAR system-wide implications of some of the concerns under discussion.

2.1 How IFPRI's Board Differs from CGIAR Norms

The first important way in which IFPRI's Board differs from those of most IARCs is in how Board members are identified and named. IFPRI has evolved from a small Institute created in 1975. It was brought into the CGIAR in 1977. Subsequently IFPRI worked out with its host country an agreement which granted the Institute privileges, exemptions and immunities of an international organization of its type. A technical requirement of the relevant US laws is that for IFPRI to have its status as a Public International Organization, eight of the 16 trustees need to be appointed not by the Board but internationally - in this case by the CGIAR in consultation with the Institute. This compares with three or four being "nominated" (not appointed) by the CGIAR in other centers. Our review indicates that while the eight CGIAR appointments have been regularly made at IFPRI, the CGIAR itself has no systematic, effective process by which it can select and name these trustees.

A second difference has to do with the Board's identity - its perception of its roles. Some trustees tell us that they accepted IFPRI's invitation with the understanding that their primary responsibility was to serve as an advisor to and a "sounding board" for the Director. They were approached to serve as a part of IFPRI's larger think tank - which on broad food policy subject matters indeed they were. Each new trustee was provided with a handbook which spelled out the CGIAR's guidelines on roles, relationships and responsibilities of Board members. But this seems not to have been taken very seriously. In fact, virtually all trustees appear to have been identified much more for their ability to participate in the food policy dialogue than for their capacity (or inclination) to contribute to policy making with respect to programs, finances and operations and providing general oversight.

A third difference is in the Board's organizational structure. In practice the Board as a whole is the program committee. This reinforces the impression that IFPRI trustees serve more as a sounding board than as the

Institute's deliberative policy-making body. Since broad food policy matters are to most sitting trustees more interesting than Institute management and financial issues, the latter receive relatively limited board time and reflective attention. For the most part therefore, management-administrative matters were delegated to the Director (who felt that it was his responsibility to direct the Institute without much trustee consultation about them) and to the Board's Executive/Finance/Audit Committee.

The fourth significant difference had to do with trustee tenure. Most IARCs in the CGIAR System limit the tenure of a Board member to a maximum of two three-year terms. IFPRI's by-laws (1988) impose no such limit but in practice, as stated in the current handbook for trustees, only two consecutive terms are now permitted. IFPRI's last Board Chair served as a trustee 10 years; and when he resigned this past summer had two more years remaining in his chairmanship term (Table 2.1). Further, an ex-trustee with a 13-year tenure on the Board continues to serve as IFPRI's elected treasurer though he is no longer conveniently accessible to the Institute.

As an autonomous institution IFPRI obviously needs to organize and conduct its governance function in the manner best suited to its particular needs. The fact that in several respects it does not conform to CGIAR norms is not necessarily a strength or a weakness. Guidelines or norms were adopted by the CGIAR, however, because they were perceived to be conducive to successful Board performance.

2.2 How the Board Organizes and Manages its Affairs

In assessing Board performance - past and prospects for the future - our panel is requested to consider: (a) the Board's policy-setting role; (b) its policy oversight role; (c) Board-Management relationships; and (d) how the Board handles its own affairs^{1/}. In IFPRI's case it is our sense that the Board will be able to play a stronger role than previously in policy-setting and oversight, and improve its relationships with Management and staff. For that reason we start our assessment with an examination of how the Board organizes and manages its affairs.

As recently as its October 1989 meeting, the Board, having received the questions contained in the CGIAR Secretariat's Terms of Reference for the EMR, concluded that "there were no major problems with the Board's role and functioning". Now, however, the Board appears to be aware that past practices need careful scrutiny and is sensitized to the need to introduce changes in the way it conducts its business. The Board has the extensive

^{1/} See Table 2.2 for a listing of the duties of a board from a booklet by Richard T. Ingram, "Ten Basic Responsibilities of Non-Profit Boards", National Center for Non-profit Boards, Washington, D.C. 1988.

Table 2.1
INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE
Board of Trustees -- Historical Information

Board Member	Country of Origin	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	Total Years	Assignment of Current Members
Ruth Zagorin	U.S.A.	X	X	X	X	X	X	X	X	X	X	X	X	X			4	Treasurer
Ralph Kirby Davidson	U.S.A.	X	X	X	X	X	X	X	X	X	X	X	X				13	
Sir John Crawford	Australia	X	X	X	X	X	X	X	X	X	X	X	X				7	
David Bell	U.S.A.	X	X	X	X	X	X	X	X	X	X	X	X				5	
Norman Borlaug	U.S.A.	X	X	X	X	X	X	X	X	X	X	X	X				9	
Odetunji Abovade	Nigeria	X	X	X	X	X	X	X	X	X	X	X	X				6	
Mohamed El-Khash	Syria	X	X	X	X	X	X	X	X	X	X	X	X				9	
Murul Islam	Bangladesh	X	X	X	X	X	X	X	X	X	X	X	X				12	
Alfonso Pastore	Brazil	X	X	X	X	X	X	X	X	X	X	X	X				4	
Andrew Shonfield	U.K.	X	X	X	X	X	X	X	X	X	X	X	X				5	
Pucy Ungphakorn	Thailand	X	X	X	X	X	X	X	X	X	X	X	X				3	
Lucio Reza	Argentina	X	X	X	X	X	X	X	X	X	X	X	X				7	
Roger Savary	France	X	X	X	X	X	X	X	X	X	X	X	X				7	
V.S. Vyas	India	X	X	X	X	X	X	X	X	X	X	X	X				6	
Nicolas Ardito-Barletta	Panama	X	X	X	X	X	X	X	X	X	X	X	X				6	
Ivan Heed	Canada	X	X	X	X	X	X	X	X	X	X	X	X				9	
Snoh Unakul	Thailand	X	X	X	X	X	X	X	X	X	X	X	X				7	
Lowell Hardin	U.S.A.	X	X	X	X	X	X	X	X	X	X	X	X				7	
S.R. Sen	India	X	X	X	X	X	X	X	X	X	X	X	X				8	Chairman, BOT Chairman E/F/A Comm. M'ber, Non. Comm.
Dick de Zeeuw	Netherlands	X	X	X	X	X	X	X	X	X	X	X	X				10	
T. Ajibola Taylor	Nigeria							X	X	X	X	X	X				5	
Philip Mdegwa	Kenya							X	X	X	X	X	X				6	
Sabura Okita	Japan							X	X	X	X	X	X				6	
Anne de Lattre	France							X	X	X	X	X	X				6	
Eliseu Alves	Brazil							X	X	X	X	X	X				6	
Yahia Bakour *	Syria							X	X	X	X	X	X				6	M'ber E/F/A Comm. Member Non. Comm.
James McVilliam	Australia							X	X	X	X	X	X				6	M'ber E/F/A Comm. Chairman Non. Comm.
Leopoldo Solis	Mexico							X	X	X	X	X	X				5	M'ber E/F/A Comm. Chairman Non. Comm.
Charles Vally Tuho *	Ivory Coast													X			4	M'ber E/F/A Comm. M'ber Policy Outreach Comm.
Sukedji Ranuwihardjo	Indonesia													X			3	M'ber Non. Comm.
Dharma Kumar	India													X			3	M'ber Non. Comm.
Theodore Schultz **	U.S.A.													X			3	M'ber E/F/A Comm. M'ber Policy Outreach Comm.
M. Syeduzzaman	Bangladesh													X			3	M'ber Non. Comm.
Anna Ferro-Luzzi *	Italy														X		2	M'ber Non. Comm.
Gerald K. Helleiner	Canada														X		2	Vice-Chairman, BOT
Yujiro Hayami *	Japan														X		2	Chairman, Policy
Harris Mule *	Kenya														X		1	Outreach Comm.
Claude Cheysson *	France															X	1	M'ber Policy Outreach Comm.
Roberto Junguito *	Colombia															X	1	
Sjarifuddin Baharsjah *	Indonesia															X	1	
Total Trustees per year		10	14	14	14	15	15	15	15	15	15	15	15	15	15	15		

Average term: 5.5 years

* Designates current CGIAR appointee to the Board.

** Designates current host government appointee to the Board.

list of recommendations for change made in the IFPRI SELF STUDY: An Internal Analysis of Organizational Effectiveness. It also has the former Director's proposed plan for dealing with these recommendations plus a recent up-date of the Study. Until quite recently, however, communications between the Board and the staff were handled almost exclusively by the former Director and former Board Chair. These two leaders may not have sensed the gravity of the staff concerns expressed, for many of the matters raised by staff apparently were not shared with the full Board.

In order to help improve the transparency of Board actions, enhance communications and rebuild credibility, the following actions are among those that the Board may wish to give careful consideration as it revises its statutes and procedures:

- Because the selection of the Director is the Board's number one responsibility, move promptly to set up and implement an effective process for management succession. Draw on the experience of sister centers; seek appropriate participation by IFPRI staff; keep them informed; and consider naming a key person or persons from outside the Board to the search committee, as needed.
- Regularize the procedure by which the Board evaluates the Director's performance and sets his compensation. Because this is a matter of significance in Board-Director relations, we feel that the assessment of performance should be a function of the whole Board and that the setting of compensation should not be delegated to a single individual.
- Review the Board's role, if any, in selecting and setting of terms of employment of senior managers such as Deputy Director, Administrative and Program Directors. We see merit in the Director appointing and dismissing staff in these positions with the advice and consent of the Board (i.e., by the Board as a whole or by a committee of the Board charged with this responsibility).
- Review and clarify IFPRI's policies relating to conflict of interest, especially as they relate to the employment of a present or former trustee by the Institute. Present by-laws state that "trustees should not receive salaries for their services as such". Further, a Board action in 1986 states that a trustee may be compensated at the Board's daily honorarium rate "for undertaking special tasks as requested by the Chairman or Vice-Chairman". Possible conflicts of interest may be avoided by restricting "special tasks" to matters of Board business.
- Clearly specify which levels and types of IFPRI commitments or obligations require specific Board action for authorization

(e.g., capital commitments above a specified level or its equivalence in lease, contract or other obligations).

- Review the terms of reference for the corporation Treasurer. As the Board's organizational structure is revised, consider electing a readily accessible trustee or a qualified member of IFPRI's resident staff as Treasurer. Provide opportunities for those senior staff members directly responsible for financial and accounting matters to dialogue directly with trustees in meetings where their work is under consideration.
- In filling the near-term vacancies on the Board, give high priority to selecting individuals with experience, capacity and interest in the fields of administration, management and finance.
- To improve communications, transparency and understanding: (a) include more of IFPRI's senior managers in Board meetings when matters in their responsibility areas are discussed; (b) introduce the practice of the Board Chair making a report to the Institute headquarters staff at the conclusion of each Board meeting.
- Provide and communicate to staff the Board's role as a court of appeal. As an effectively governed and managed organization, only in the rarest of circumstances should the Board have to adjudicate personnel issues. But procedures need to be established whereby the Board brings its judgement to bear (preferably in consultation with the Director) should otherwise unmanageable disputes arise.
- In restructuring the Board's committees spell out the terms of reference for each. Make committees small enough for in-depth discussion and participation. Elect or name a separate Chairperson for each committee. Provide for rotation of membership and of the Chairperson.
 - Establish an official Program Committee, (much smaller than the Board as a whole); have its members participate in in-house program reviews and sub-sessions with groups of researchers - at times in the absence of the Director. Have the Committee's Chair sit on the Executive/Finance Committee (currently Executive/Finance/Audit Committee) to assure budgetary implementation of program recommendations.
 - Decide where to lodge responsibility for management surveillance, the Board's regular assessment of its own performance, and its evaluation of the performance of the Director and Senior Management. Perhaps the Executive/Finance Committee will take the lead in this area.

- Establish a small separate Audit Committee empowering it to report on both financial and operational audits.
 - Strengthen the Nominating Committee, and provide it with more adequate services. This committee's terms of reference should reflect that re-nomination of a trustee for a second term is not automatic and that a closer working relationship with the CGIAR is now required.
 - Recognize that such a structure as is suggested will require that all trustees be working members of the Board. In all probability IFPRI will cluster most of its members in two major working groups: one to deal with programs; the other to focus on administration, finance and related management matters.
 - Make the committee reports that are made to the full Board go beyond a mere summary of actions taken or recommended (i.e., summarize discussions including minority as well as majority views).
-
- In drafting terms of reference for committees, make specific the need to focus on monitoring processes and on strategic and policy issues while avoiding the temptation for committees to become involved in the Director's domain of day-to-day management.
 - Carefully consider what support the Board's Secretary and other IFPRI staff members should provide. For the trustees effectively to use their time and talents as deliberative policy makers, dockets need to be carefully prepared. The appropriate staff-drafted discussion and analytical papers, relevant and concise, should be delivered to trustees with adequate lead time to permit reflective study. Periodic (quarterly?) user-friendly financial reports, tailored to the monitoring responsibilities of the trustees, should be distributed to members. The staff person serving the Board should also provide full support to the Nominating Committee in its critically important task of working with the CGIAR on the Group's appointments and in identifying and recommending other new members to the Board.
 - Devise a means whereby members regularly share in the preparation of the agenda for Board and committee meetings. Each specific item on the agenda should be identified as for: (a) information; (b) discussion only; or (c) action. Items in category (c) should be supported with proper, concise analyses of options, Management's recommended action, and the rationale for it.
 - For the next year or two at least, hold the February Board meeting at headquarters rather than in some other country.

Utilize the time thus gained to catch up with essential Board business (see suggestion at end of section 2.4).

- Set standards for the content, form, editing, prompt distribution and filing of minutes. Make their content such that in themselves, or through cross reference to appended docket items, the pros and cons on issues are identified so the reader can discern the rationale for the action taken. Highlight decisions, approvals, disapprovals and extent of discussion. Even closed meetings of the Board require minutes. Consider making Board minutes (except for those on closed sessions) available to staff, perhaps with library copies.

We recognize that the above list is lengthy but we go into this detail because IFPRI's new Board Chair requested that we do so. Also, we trust that this Board is aware that one can go too far in spelling out details of procedure, become overly structured, and leave too little flexibility for innovation and the exercise of faith and good judgement.

We strongly recommend that the Board quickly decide on how it wishes to handle the succession in IFPRI's top management, particularly as it regards leadership beyond the one-year term of the current Director. We also recommend that the Board move forward expeditiously with the restructuring of its internal operational procedures.

In addition we recommend that the CGIAR, when appointing trustees, give special attention to ensuring that the Board has sufficient management expertise in its membership.

2.3 Role in Setting and Overseeing Institutional Policy

For most matters relating to policy setting (aside from those emanating from the CGIAR) primary reliance has been placed on IFPRI's Director. Some important contributions have been made by members of the Executive/Finance/Audit Committee whose recommendations were usually endorsed by the full Board. Such approval is understandable in light of the fact that members of this committee have an opportunity to be better informed than other Board members.

Given the Board's image of its role, the non-challenging institutional culture of IFPRI as it had developed under its former Director, the domination of policy decision-making by the Institute's executive is not surprising. He had provided much of the vision, imagination, energy and drive that sustained the Institution's development and growth. Based upon the information they received, trustees saw their IFPRI as a thriving institution. Presentations by the Director - at Board meetings and throughout the world - were intellectually stimulating. Program presentations by staff, while carefully managed by the Director, were

generally informative. In the circles within which the trustees moved, commentaries on the Institute and the Director were favorable. Budgets rose, (a solid indication that donors were backing their laudatory words with money). Visible output increased. The Director received national and international recognition for his professional work (e.g. Fellow, American Agricultural Economics Association, 1980; Wihuri International Prize, 1985; Outstanding Alumni Award, Cornell University, 1987; Presidential End Hunger Award, USA, 1987). With such positive signals coming to them, the Board's implicit if not explicit administrative policy was one of continuing, relying upon, and fully supporting the person they saw as their top-flight Director.

The trustees have served as a sounding board, yes, but it is our impression that the Board has not taken the more active stance that would have made it a full participant in policy setting. For example, it worked through with Management an updating of IFPRI's mission statement. But the Board appears not to have insisted that the next step - that of developing more precise goals, priorities and clearly articulated strategies - be taken. The discussion and position papers such a step would have required do not seem to have been requested or produced. Generally speaking, alternatives were rarely spelled out in sufficient detail for the Board, jointly with Management, to agree on the options to be followed. As a result IFPRI still has to produce a fully articulated strategic plan.

Policy setting, of course, goes beyond the what-to-do decisions in the program areas. It also involves major personnel items such as tenure, staff development and looking ahead to management succession; to anticipating needs in facilities and planning for them; and to spelling out IFPRI's stance with respect to linking with and servicing other institutions.

With respect to the Board's policy oversight role, more than a superficial understanding of what is going on at IFPRI is required. Board members need to sit in on in-depth program review meetings, and offer feedback to staff as well as fellow trustees. Opportunity needs to be provided for debate that enhances understanding. In this manner the Board can, without meddling in management, monitor the degree to which proposed and ongoing programs and services conform or fail to conform to IFPRI's agreed upon mission, plan, authorized budget, and established operational policies. Most of all, it affords a means for IFPRI to draw on trustee experience, insights and judgement. Monitoring performance against established policies and plans need not wed the institution to undesirable bureaucracy or throttle dynamism. Good strategic policies have built into them processes for rapid change when prompt responses to altered circumstances dictate.

Just as the Board should receive and debate reports made by its program committee so should it do the same for reports in the administrative-management area.

We strongly recommend that the Board materially strengthen the role that it plays in formulating and overseeing Institute-wide strategic concerns.

2.4 Board-Management Relationships

IFPRI's Board has no staff of its own and has to base its decisions largely on information provided by the Institute staff and the CGIAR. The trustee with the greatest knowledge of Institute matters is the Director. He is responsible for seeing to it that trustees get the information they need (or request).

For this information exchange (and for Board-Management deliberations undertaken using this information) to work well requires that the relationship between Board and Management be open, mutually trusting but freely questioning, and conducive to challenge without inducing hostility or anger.

For the former Director's 13 years in the post, relationships between him and IFPRI's trustees were cordial and respectful. Board members did recognize, however that in his forceful style and personality attributes the Director frequently exhibited limited tolerance for difference or dissent. But trustees, like others who came in contact with him, admired and respected his intellectual leadership.

Thus, because of his expertise, years of experience in the food policy area, and fluency, most of the Director's views and recommendations were accepted with limited debate and few calls for a second opinion. There is little evidence that the area of human relations and means of dealing with major personnel problems were, in fact, discussed in Board meetings. Looking back one can recognize that information concerning deteriorating relationships between the Director and members of his staff did not become evident to the full Board until the situation was well advanced.

Another dimension of Board-Management relationships involves the working of the CGIAR's center-level system of checks and balances. This system requires that a healthy distance be maintained between the Board Chair and the Director. Otherwise the Board and Management may not be sufficiently independent to carry out their respective roles. It is our perception that in IFPRI's case the former Board Chair and previous Director may not have recognized the importance of this principle.

It is because we view Board-Management and Board-staff relationships to be so important in an institution where people are the principal resource that we make this suggestion. We suggest that as soon as feasible IFPRI's Board devote one to two days to a workshop on Board relationships, roles and responsibilities in CGIAR-sponsored institutions. ILCA's, ICARDA's and CIAT's Boards have already benefitted from such workshops organized by the CGIAR Secretariat. (Time for such a workshop might be made available at the week-long February meeting of the Board.)

2.5 Overall Assessment of Board Performance

We are requested in our Terms of Reference to comment on overall Board performance. As outsiders we have found developments at IFPRI tortuous to unravel. The principal problems we have encountered seem to revolve around the former Director's management and leadership style and personnel relations. Under the Board's regime the Institute's financial and accounting services have performed well. Though their response was late, when it became apparent to the Board that aspects of personnel management and leadership were seriously impairing morale and performance, remedial steps were taken. By moving expeditiously, IFPRI's current Director was identified, hired and installed in an extremely short time period. The new Board Chair, at considerable personal sacrifice, has brought to his post the sensitivity, dedication, and quiet leadership that could build confidence and performance.

As our earlier analysis reveals, however, the overall performance of the Board during the period under review has not been satisfactory. (As in the manner in which it handled the issue of office space. See this report, 5.7.3.)

Looking ahead, we are aware that the Board is already moving to improve its organization, procedures and statutes. This will help members to give the whole area of oversight consistent attention. With Management's help the Board can sort out strategic issues more clearly and give them higher priority in their deliberations. And all are now sensitized to the importance of opening up and building better Board-Management and Board-staff relationships. As we see the current situation, the Board is critically positioned to help the present Director and his successor to transform IFPRI's formerly highly personal structure of decision making and operation into one that is more transparent, less personal and participatory.

2.6 System-wide Concerns Requiring CGIAR Attention

Our review has brought to our attention four concerns in the policy-governance area that, in our judgement, require careful consideration. Most of these concerns are being or can be addressed at the level of the individual center. But, given the interest that the CGIAR has in the effectiveness of the center system of governance, we suggest that the Group initiate a careful analysis of these concerns and options for dealing with them.

In making this suggestion we are not inferring a lack of confidence in the system of governance which, to our view, has served and is serving the CGIAR well. We believe in the system of checks and balances which is built into the respective responsibilities of Boards and of Management. Therefore, our interest is in further strengthening the CGIAR centers' system of governance.

Concern 1. CGIAR Appointed/Nominated Board Members

Virtually all centers now have some trustees (usually three) who are identified as CGIAR Board members. IFPRI's case, where eight are in this category, brings into sharp relief the failure of the CGIAR to handle this duty. Candidly stated, the System has no systematic, effective procedure by which CGIAR trustees can be selected. To our view, expeditious action is called for to correct this serious situation.

Concern 2. Length of Tenure of the Chief Executives and Senior Scientists of the Centers

Mounting evidence suggests that in two pressure-packed five-year terms a center Director General may well have made his maximum contribution as the institution's chief executive. In the IFPRI case for example, it is conceivable that a 13-year tenure coupled with compulsive work habits may have resulted in some "executive burn out".

By the same token but for somewhat different reasons, the CGIAR needs an analysis of the pros and cons of varying lengths of tenure of senior scientists in the system.

Concern 3. Adjudication of Extremely Difficult Personnel Issues

Most Boards have no provision for adjudicating those extremely rare disputes or personnel differences which are not satisfactorily manageable within the Director General's prerogatives. Trustees can make informal inquiries of staff as opportunities for one-to-one conversations occur. But the appropriate channel for staff to communicate to the Board is through Management.

In those rare instances when the executive's management is seriously challenged from within the organization and the Director fails to inform and consult with the Board, the health of the institution requires that the staff member or group of members have some recourse. One possibility, as suggested by IFPRI's SELF STUDY: An Internal Analysis of Organizational Effectiveness, is for the center to have an Ombudsman. Further analysis of the issue will likely reveal other, perhaps superior options.

Concern 4. Inducing Change in a Center

Assume that a CGIAR member (or group of members) desires to induce changes in a center. How do they go about it? Do they rely on the CGIAR system's oversight and response mechanisms (regular reviews as well as special reviews when requested or determined to be needed)? Is it appropriate for a CGIAR member to short circuit the system by, for example, directly approaching the Center's Board and/or Management? Are other grievance or adjudication procedures needed for donors?

Table 2.2 Ingram's Ten Basic Responsibilities of Non-Profit Boards

1. **Determine the Organization's Mission and Purpose:** The Board's fundamental responsibility is to satisfy itself that everyone connected directly or indirectly with the organization understands its reasons for existing--precisely what it strives to accomplish.
2. **Select the Executive:** This responsibility undoubtedly has the greatest impact on the organization's development and effectiveness. The final decision is, and should be, the Board's to make.
3. **Support the Executive and Review His or Her Performance:** Although this responsibility is often manifested through the Board's top elected officer, it remains a Board function.
4. **Ensure Effective Organizational Planning:** Boards should insist that comprehensive organizational planning is done and done well.
5. **Insure Adequate Resources:** Many organizations confuse the executive role with the Board's responsibility on this score, particularly when the staff includes a director of development or fund raiser.
6. **Manage Resources Effectively:** An important part of serving the public trust is protecting accumulated assets and ensuring that current income is managed properly. The Board's obligations go well beyond its organization's members, constituents, or clients.
7. **Determine and Monitor the Organization's Programs and Services:** The Board's fundamental role begins with the question of whether current and proposed programs and services are consistent with the organization's stated mission and purpose. Given limited resources and unlimited demands on them, the Board must decide among competing priorities.
8. **Serve as a Court of Appeal:** One of the marks of an effectively managed and governed organization is its ability to avoid having its Board adjudicate personnel issues except in the rarest of circumstances. Nevertheless, the time may come when the executive's judgement will be challenged. The wise executive knows when to consult with the Board and ask for its judgement involving disputes not otherwise manageable within the executive's prerogatives.
9. **Enhance the Organization's Public Image:** The Board's elected leaders should ensure that the Board appropriately disciplines itself. No Board member should represent himself or herself as speaking for the Board or organization unless specifically authorized to do so.
10. **Assess its Own Performance.** This is the most contemporary of Board responsibilities: The Board's conduct of substantial periodic reviews of their own performance.

3. THE STRUCTURE AND MANAGEMENT OF RESEARCH^{1/}

3.1 Style of Leadership

John Mellor was an inspiring leader of IFPRI. He believed that IFPRI should be run rather like an academic department: have good people, let them innovate, keep administration to a minimum. The assumption is that it is better to give scientists their lead, give them general guidance and judge them ex-post than to carefully plan their work ex-ante, which stifles innovative thinking and creativity. His vision of what IFPRI was to be and his ability to communicate it, his strong hand on the Institute's management, and his insistence on the quality of the research were effective in the early years to help the young unknown institute find its way, develop its identity and establish a high reputation. The Board and the staff were content to follow this charismatic leader and accepted his autocratic style as a fair price to pay because IFPRI prospered under him.

The style of leadership inevitably affects how research is organized and managed. A few scientific leaders really are dictators and simply tell people what to do. More commonly, autocratic scientific leaders determine the main lines of the research (strategy), don't like being questioned, but leave their staff to get on with their work (tactics), while retaining the power to take all the key decisions. For such leaders, who are often very able at spotting talent, problems begin to arise when their young researchers, whom they picked themselves, begin to mature and need to think for themselves and question decisions if they, in turn, are to develop into leaders. To remain effective, the original leader has to begin to delegate.

The advantage of the autocratic style is that there is no doubt about who is the boss. Decisions are taken, and these are taken without recourse to committees and long meetings. It can work well while an organization is young and relatively small. But with increasing age and size and a larger span of control for the leader, errors inevitably begin to be made, and it becomes increasingly necessary to delegate responsibility, to spell out regular procedures and to follow them if decisions are not to appear to be arbitrary and only taken at the whim of the leader.

The alternative to autocracy is a more participatory form of organization. A group of people may share a vision and agree that one of them is to be the recognized leader. However, such a leader has to accept that his/her strategy, plan and decisions will be challenged and questioned repeatedly. Decisions may be delayed and sometimes agreed only after long meetings. But if the participants acquire sufficient patience and fluidity to make such an organization work, then, as it grows, they learn from each other and able people are ready to take charge of different parts of the enlarging organization and share leadership responsibilities as necessary. Of course, these are extremes, and more commonly one finds that leadership in

^{1/} This chapter is drafted jointly by program and management review panels and appears in both reports.

actual institutions is somewhere on an axis in between the very autocratic and the very participatory.

At IFPRI, the vision was John Mellor's, and so was the strategy, even if the strategy was in his head. The Institute became very productive and was probably near its peak at the time of the EMR in 1984, which recognized the need for more staff to participate in management and to reduce the administrative load on the Director. Some changes were made but did not work well. The most important recommendation - to appoint a Deputy Director - was not followed, although the Board claimed that this recommendation reinforced their view that such a person was needed. The centralized management style, increasingly felt by many of the staff as oppressive, was retained at the top. IFPRI continued to grow, doubling in size, bringing new problems for the Management and exacerbating the inherent weaknesses of the way the Institute was run. A series of unfortunate decisions and conflicts led eventually to the management crisis of 1990. The occurrence of this crisis reflects the failure of the Management and the Board to adapt to the changed, much enlarged institute that IFPRI had become, a failure demonstrated by the fact that when a Director was needed for the next year, the Board could not find one within IFPRI.

We believe that it was very appropriate for IFPRI in its early years to permit the research in the relatively new area of Food Policy to be very explorative in order to discover what lines would be really worth pursuing. This approach was not only appealing but also very successful. This very success, which continued in research, no doubt obscured the need for change as the Institute grew rapidly and undertook many more special projects (which now constitute nearly half of its revenue). Strategic planning and the need for cohesion became greater, requiring a change in management style and a greater recognition that, as a CG center, IFPRI had to be a mission-oriented institute. The leadership given to IFPRI has brought it to where it is; it says much for the strength of that initial impetus, that despite the deterioration of aspects of management from 1985 onwards, the Institute has remained productive.

3.2 IFPRI's Present Organizational Structure

In this section we will look first at the organization of research, then of outreach, then administration, and finally the structure and role of committees.

3.2.1 Research. As regards research, we need to distinguish between the organization which is supposed to exist, and that which actually exists. Theoretically it is a matrix, with vertical programs, each led by a Program Director, and horizontal areas, led by Research Coordinators. This is shown in Figure 1.

The matrix at IFPRI is difficult to understand. The idea that there are cross-cutting themes embracing aspects of the programs on Food Production, Food Consumption, etc. is itself comprehensible and even appealing, until one looks at the chosen themes (called "research areas"). One, but only one (Africa), is regional. A second, Technology, is virtually just another way of describing an existing program (Production). A third, (Poverty), is so broad that it could encompass the program of the whole institute. Therefore these research areas are not a coherent set which comprise logical components of a unifying strategy. This does not mean that the concept of cross-cutting themes or areas is wrong in itself.

FIGURE 1 Theoretically Existing Matrix for the Management of Research at IFPRI

Programs Areas	Food Data Evaluation Program Director	Food Production Program Director	Growth Linkages Program Director	Food Consumption Program Director	Trade and Food Security Program Director
Development Res. Coord.					
Technology Res. Coord.					
Poverty Res. Coord.					
Africa Res. Coord.					
Food Aid Res. Coord.					

Matrix management is used in some research organizations, including some CGIAR centers. The vertical divisions may be between disciplinary departments (e.g. plant breeding, pathology, biochemistry etc.) and the horizontal divisions between commodity programs composed of research projects. Each project has a leader and a defined objective, budget and life-span, and a particular multi-disciplinary team. The administrative home of a scientist is in one disciplinary department but his/her time is divided

between one or more projects. When a project is completed the scientist returns to his/her disciplinary department, perhaps to carry out some rather more basic research, or to be reassigned to another project. Such a discipline-project matrix enables one to examine "programs" (the totality of projects) in at least two ways: from the point of view of disciplines (the plant breeding program, the pathology program etc.), which is the responsibility of heads of departments; and from the point of view of projects on the same commodity (the wheat program, the rice program, etc.) or with shared non-commodity objectives (e.g., the environment program). This is shown in Figure 2.

FIGURE 2. Matrix Management at a Hypothetical Crops Research Institute

Commodities		Disciplines	Plant Breeding	Plant Pathology	Plant Biochemistry	Other Departments
		Projects				
Wheat	Project 1. Project Leader A		x	x		x
	Project 2. Project Leader B			x	x	
	Project 3. Project Leader C		x		x	
Rice	Project 4. Project Leader D		x			x
	Project 5. Project Leader E		x	x	x	
	Project 6. Project Leader F			x		x
Sorghum	Project 7. Project Leader G		x	x		
	Project 8. Project Leader H		x	x		x
	Project 9. Project Leader I				x	x
Other Commodity	Project 10. Project Leader J		x	x		x
	Project 11. Project Leader K		x		x	
	Project 12. Project Leader L			x		x

x indicates that one or more staff are drawn from those departments for the project concerned.

It is the general view of IFPRI scientists that the IFPRI matrix does not work and actually is a fiction. This is so for several reasons. In the first place, Program "Directors" do not direct. At present, programs have such small budgets that a Program Director cannot effectively allocate resources to particular activities (projects); he also does not direct the activities of his staff, and is often not involved in engaging them for the program. At IFPRI in recent years, staff have often been engaged by the Director with little or no involvement of the Program Directors. The Program Directors have, however, had some administrative functions (they receive statements of project expenditure and project reports) and they have to describe the activities going on within their program, etc. However,

budgeting is not by program but by project. Secondly, Research Area Coordinators have no authority at all that relates to their areas: no budget, no involvement in the engagement of staff, no meaningful function. There are very few research projects which were designed to bring several programs together in the designated areas, and the only activity in the areas is the writing of a series of books. The idea that these books need to be written may be very good: a synthesizing activity to show how aspects of different programs in fact relate to each other and to policy questions. They can also highlight gaps in existing research. The Research Coordinators are supposed to secure the cooperation of appropriate scientists to collaborate in the writing of these books but have no effective means to do this other than personal powers of persuasion. Needless to say, IFPRI staff are committed to their own research and the writing of books in a research area may not be high in their own list of priorities.

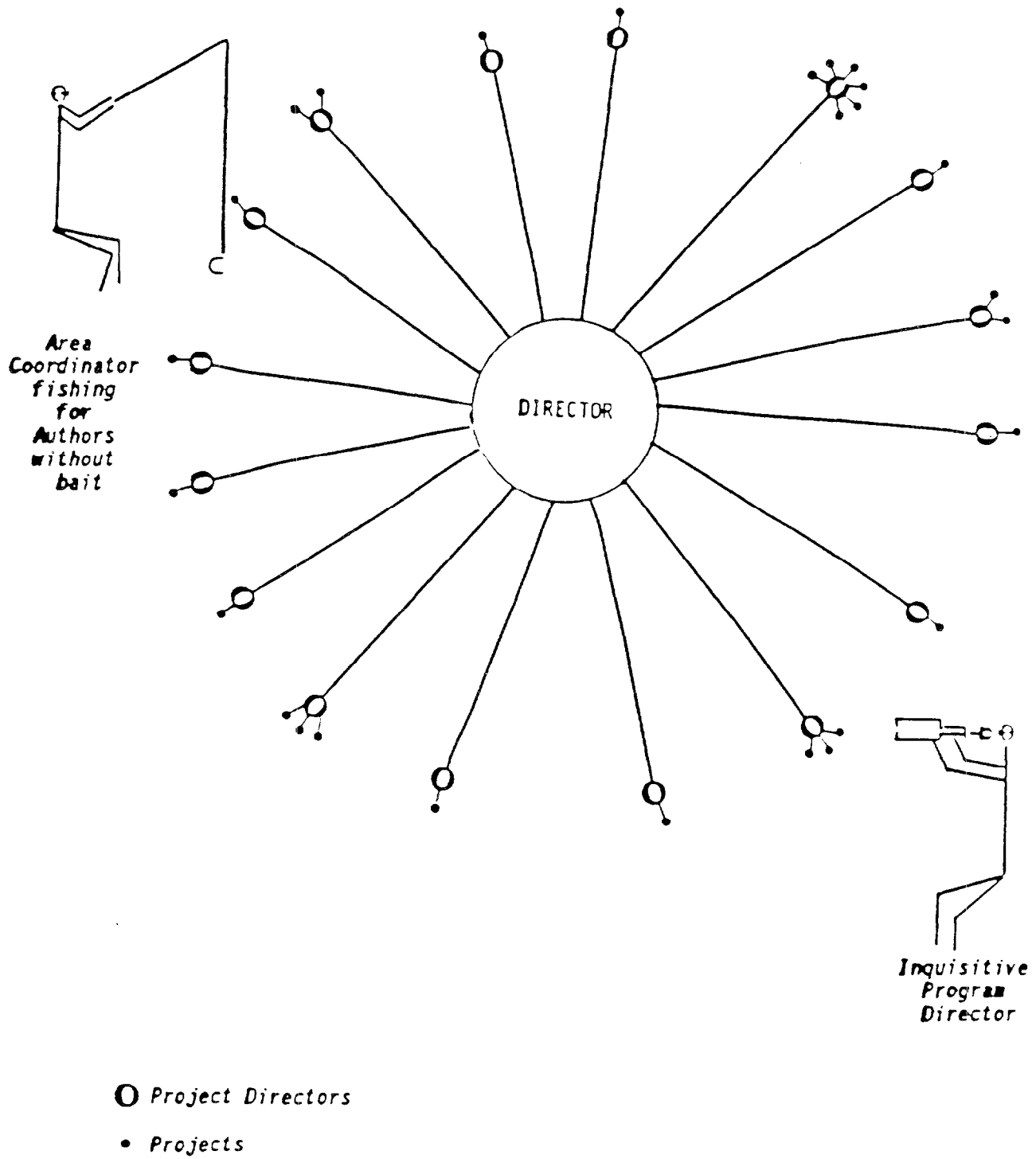
Curiously, IFPRI's research is presented in the Medium-Term Program and Budget Plan 1988-92 in terms of Research Areas, and in its Annual Reports in terms of Programs; curiously because, as already stated, resource allocation is neither by Programs nor by Areas. The real focus of activity at IFPRI is the project. There are over fifty projects in all. Each project has been conceived by the Project Director, together with the Institute Director. The key steps required his approval (except in one Program, no approval or even consultation was sought from the Program "Director" or from the Research Area Coordinators) and, after donor funds were obtained, the decisions regarding how to implement the project, what staff to engage etc. were, again, taken by the Institute Director and the Project Director. Formal approval for engaging staff was supposed to be given by the Program Director, but he would not know the budgets of the projects or the salaries of the staff. The decisions as to which program a project was to belong to were taken by the Institute Director and sometimes made no sense to anyone else.

This actual structure cannot be easily illustrated by a figure. The EMR panel's view is shown in Figure 3. This figure only shows lines from the Institute Director to Project Directors, some of whom have more than one Project; the figure should really show one line for each project. It is hard to know how Program Directors should be shown in such a diagram as they are also Project Directors in their own right.

Two related questions may be asked about the present organization of research. Is it manageable at all, and is there, despite the multiplicity of projects, some coherence of themes in the different programs?

The current system did work up to a point, partly because of the authority given to Project Directors, and partly because the former Director was a prodigiously hard worker with a great intellectual capacity. His highly centralized management style was effective in the days when the Institute was smaller. It has proved unsatisfactory for the larger institute that IFPRI

Figure 3--The EMR Panel's View of the Current Organization of Research at IFPRI



has become. It has become impossible to manage the Institute's research activities through the present organizational structure; no individual can play the dominating and integrating role that the structure demands, and also fulfill all the other roles which a Director is expected to play.

Internal coherence varies between programs (see EPR Report, Chapter 3). The greatest coherence is in the programs on International Trade and Food Security, and on Food Consumption and Nutrition, partly because they each have some significant major projects to which smaller projects can relate. Least coherent in theme is the large program on Food Production, which, in fact, houses projects in distinctly different research fields (farm management, factor markets, and public goods). Obviously, internal coherence in a program increases the likelihood of productive results being achieved and of eventual impact, and also facilitates effective management.

A third question which has become really critical for IFPRI is the current balance between "hard" money (core) and "soft" money (non-core, mainly special projects) (see EMR Report, Chapter 5). Table 1 shows the revenue contributions by different donors, and raises concerns about the consequences of having become so dependent on soft money and a few large donors. Three issues arise:

i) Efficiency: soft money is bound to have an influence on the kind of research carried out; it will rarely if ever provide "seed" money (see Section 4 of this chapter) for pre-project preparation, or give the research scientist, after completion of the final project report, time for reflection; the pressure will be to begin another soft money project immediately;

ii) Equity: an innovator, successful in obtaining soft money, may remain indefinitely dependent on special projects, whereas a mediocre research worker may be given security by being given core funding;

iii) Continuity: donors change their minds; politics play an important role; and there are fashions in development policies, not necessarily well-based on systematic analysis. An institute too reliant on soft money may be at the mercy of the whims of the donors.

To sum up, the danger to which Table 1 alerts us is that IFPRI may become donor-driven rather than strategy-driven. IFPRI needs to do some hard thinking about this, during the preparation of its long-term strategy.

Thus, the main feature of the present organization of research at IFPRI is that it is project oriented. In one sense, comically emphasized in Figure 3, it is a highly centralized structure. It is also decentralized, in the sense that considerable responsibilities have been delegated to the large number of Project Directors. However, it has weakened the authority of the Program Directors as they have had their management responsibilities reduced, has led to weak cohesion in some of the programs, and a budgeting process fundamentally at odds with setting major priorities derived from a strategy.

Table 1. Revenue by Donors

DONOR	1988 (Actual)			1989 (Actual)			1990 (Budgeted)		
	CG	SPECIAL *	TOTAL	CG	SPECIAL *	TOTAL	CG	SPECIAL *	TOTAL
		PROJECT			PROJECT			PROJECT	
Australia	\$202,134	\$22,790	\$224,924	\$255,500	\$40,680	\$296,180	\$234,000	\$10,000	\$244,000
Belgium	\$29,661	\$0	\$29,661	\$56,713	\$0	\$56,713	\$57,000	\$0	\$57,000
CIDA	\$485,035	\$0	\$485,035	\$503,526	\$0	\$503,526	\$540,000	\$0	\$540,000
China	\$10,000	\$0	\$10,000	\$10,000	\$0	\$10,000	\$10,000	\$0	\$10,000
EMBRAPA	\$0	\$16,751	\$16,751	\$0	\$52,366	\$52,366	\$0	\$3,000	\$3,000
Ford Foundation	\$150,000	\$109,231	\$259,231	\$150,000	\$112,462	\$262,462	\$150,000	\$174,000	\$324,000
France	\$86,570	\$0	\$86,570	\$96,669	\$0	\$96,669	\$106,000	\$0	\$106,000
Germany	\$179,137	\$412,639	\$591,776	\$162,658	\$284,760	\$447,418	\$168,000	\$332,000	\$500,000
IDRC	\$0	\$37,979	\$37,979	\$0	\$115,238	\$115,238	\$0	\$201,000	\$201,000
India	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000
Italy	\$144,260	\$146,680	\$290,940	\$145,375	\$293,109	\$438,484	\$127,000	\$211,000	\$338,000
Japan	\$787,594	\$35,525	\$823,119	\$699,759	\$55,999	\$755,758	\$710,000	\$0	\$710,000
Netherlands	\$241,194	\$0	\$241,194	\$225,245	\$78,911	\$304,156	\$250,000	\$202,000	\$452,000
Norway	\$159,747	\$0	\$159,747	\$220,572	\$0	\$220,572	\$274,000	\$0	\$274,000
Philippines	\$33,848	\$0	\$33,848	\$30,000	\$12,525	\$42,525	\$30,000	\$17,000	\$47,000
Rockefeller Foundation	\$0	\$242,937	\$242,937		\$266,682	\$266,682	\$0	\$127,000	\$127,000
Spain	\$0	\$0	\$0	\$25,000	\$0	\$25,000	\$25,000	\$0	\$25,000
Switzerland	\$144,928	\$124,714	\$269,642	\$161,812	\$357,035	\$518,847	\$197,000	\$495,000	\$692,000
U.K.	\$355,026	\$0	\$355,026	\$332,500	\$0	\$332,500	\$344,000	\$0	\$344,000
USAID	\$1,575,000	\$1,460,409	\$3,035,409	\$1,575,000	\$2,059,031	\$3,634,031	\$1,563,000	\$3,151,000	\$4,714,000
World Bank	\$1,680,000	\$93,863	\$1,773,863	\$1,600,000	\$162,077	\$1,762,077	\$1,638,000	\$209,000	\$1,847,000
Investment and Other	\$124,025	\$326,425	\$450,450	\$141,393	\$629,275	\$770,668	\$269,000	\$620,000	\$889,000
TOTAL	\$6,438,159	\$3,029,943	\$9,468,102	\$6,441,722	\$4,520,150	\$10,961,872	\$6,742,000	\$5,752,000	\$12,494,000

* This includes Special and Restricted CG Project Revenue.

	1988	1989	1990
USAID as % of total	32%	33%	38%
WB as % of total	19%	16%	15%
USAID & WB as % of total	51%	49%	53%
USAID as % of Special Projects	48.2%	45.6%	54.8%
Special Project as % of total	32%	41%	46%

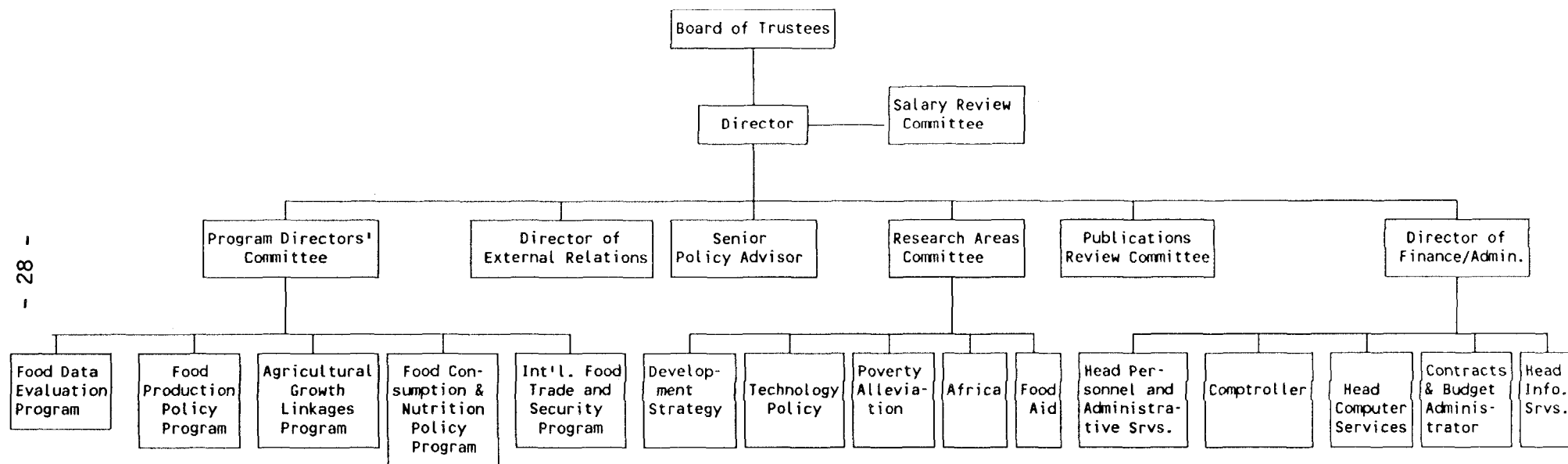
In addition, the issues arising from the heavy reliance on soft money are a cause for concern.

3.2.2 Management of Outreach. Talking to IFPRI staff, it is not always clear what is meant by "outreach". For some, "outreach" seems to include any activity involving collaboration with people outside IFPRI. In this Report, "outreach" is used to cover the activities which disseminate the results of IFPRI's activities to the outside world, training, both formal and informal, and participation in policy debates. Thus, the whole publications activity is part of outreach. So are major conferences and workshops held, for example, at the end of a large project. Then there is training, in the IFPRI sense of that term: training on-the-job, i.e., projects designed to involve collaboration with scientists and administrators in developing countries so that they become able to conduct such research themselves. Finally, there is the attempt to influence policy formation more directly, by running policy seminars, producing policy briefs, as well as occasional more substantial papers. In the past, this latter activity was very much the prerogative of the former Director.

At the present time, IFPRI has an excellent Information Services Unit, which includes the Library. The work of this Unit (see EPR Report, Chapter 4, Section 3) other than the Library, is concerned with disseminating the results of IFPRI's research to the outside world. The External Relations Unit is concerned with organizing and running policy seminars, and liaison with the European Office and the European Advisory Committee. Thus, the bulk of the work of the Information Services Unit and of the External Relations Unit is concerned with outreach, as defined above, but the two units are administratively separate. The Library provides a highly valued service specific to the research staff in IFPRI but is placed on the administrative side of the organization. We question whether these are the ideal arrangements (see 3.3.3).

3.2.3 Administration. The former Director regarded administration as a regrettable necessity, believing that it should be kept at a minimum and that any changes there should follow changes in the organization of research. That would be completely acceptable if the functions were performed well and provided the support which the research needed. Fortunately there was, until March 1990, an effective and well-liked Director of Finance and Administration, with overall responsibility for finance, personnel, support services, information, etc., described in Chapters 4 and 5 of the EMR Report. Figure 4 (which is IFPRI's most recent organization chart, dated February 1990) shows all the research activities on the left, under the Director, and all the non-research activities on the right, under the Director of Finance and Administration. All the functions have been carried out well except for personnel. IFPRI has not had a trained and experienced personnel manager for some years and therefore, despite the efforts of the devoted junior staff, important personnel functions have been neglected (see EMR Report, Chapter 4).

Figure 4. IFPRI's Present Organizational Structure



In June 1990 the Director appointed a Director of Development and Administration in place of a Director of Finance and Administration. Like virtually all the staff, we are unable to understand the rationale of combining development (fund-raising and so on) together with administration in one post. The senior administrative officer of the Institute needs to be a very experienced person in all the previously mentioned administrative functions. On the other hand, whoever is responsible for development needs to have a thorough understanding of the research of the Institute in order to be able to present it to clients and donors, and to command the respect of the scientific staff. It is unreasonable to expect one person to be able to do well in both.

3.2.4 Committees. Subsequent to the elimination of the post of Director of Finance and Administration in March 1990, and in response to IFPRI's SELF STUDY: An Internal Analysis of Organizational Effectiveness, the management committees at IFPRI, all with an advisory function, were as shown in Table 2. The Management Committee was constituted very recently; the other committees had existed previously, though in some cases, changes were made in their composition.

The Director's Advisory Committee (recently renamed Program Directors' Committee) functioned well until about 1985. It then consisted of the Institute Director, the Program Directors, and the Director of Finance and Administration. It met frequently, often weekly, and discussed matters of substance, in particular, the programs of the Institute and its policy. Later, the Director did not attend and the committee met less frequently. It tended to discuss administration, and was used to announce decisions taken by the Director.

Of the other committees, the Research Areas Committee and the Administrative Review Committee have failed to function. The Appointments Review Committee was abolished in 1986 and appointments have often been made, especially since then, without consulting staff or in conformity with agreed procedures. The Publications Review Committee has carried out its important function well.

Obviously, it is not possible to say how the Management Committee might have functioned. In the absence of representation from the Program Directors it is difficult to see that it would or could have tackled the fundamental issue of the allocation of resources not just between research and non-research activities, but between major research activities, whether by programs or projects.

3.3 Suggestions for Improving IFPRI's Organizational Structure

The way a research organization is structured needs to follow the strategy of the Institute. What structure makes sense for IFPRI now? What weight should be given to research and to non-research activities? Since we do not know what strategy IFPRI will formulate for itself, hopefully in the

Table 2. Management Committees at IFPRI from March 1990

Management Committee

The Director
Senior Policy Advisor
Director, Development & Administration
(with the advice of the Head, Personnel
& Administrative Services)

Function: to consider major policy
issues of the Institute, promotions
and salaries.

Program Directors' Committee

(previously Director's Advisory
Committee)

Director
Senior Policy Advisor
Director, Development and Administration
The Program Directors
Chairman, Publications Review Committee
Secretary: Director, External Relations
(Head, Personnel & Administrative Services,
to support Program Directors
in administrative matters)

Function: to review and analyze IFPRI's
research programs. Advise on senior
research appointments.

Research Areas Committee

The Research Area Coordinators
Chairman: Senior Policy Advisor
Secretary: Director of External Relations
(until March 1990, the Director was
the Chairman)

Function: "to give greater responsibilities
to research areas."

Publications Review Committee

Chairman: A Research Fellow

Function: "to advise the Director on
publication policy and specific
publications." Review of IFPRI Research
Reports.

Administrative Review Committee

Chairman: A Program Director

Function: to advise the Director on
administrative problems and likely
solutions. Previously existed, and was
supposed to meet quarterly but has only
met twice in four years.

Appointments Review Committee

Chairman: A Research Fellow

Abolished 1986. Met annually.

near future, we can only offer some suggestions for improvements in the structure. These suggestions are options for consideration though some specific recommendations are made. They are intended to strengthen IFPRI's senior and middle management and to facilitate a planning process which will be closely linked to the allocation of resources.

3.3.1 Research. One thing is clear: regardless of the eventual details of the organization, the Director-General (as the Director may soon be called, as in almost all other CG centers) needs a deputy to support him/her in his/her many and demanding responsibilities. We therefore **strongly recommend the appointment of a Deputy Director-General (DDG) for Research and Development.** Such an appointment is long overdue. We envisage that the DG will play a principal role in the development function, in negotiations with donors, liaison with other IARCs etc. but that he/she will need the assistance of an experienced and effective deputy. It would be a serious mistake to see the post of DDG merely as a high level administrative assistant. If the DG is also acting as the Director of Research, then the DG would chair the Research Committee (see below), and the DDG would be the deputy for the non-research activities (see Figure 5). On the other hand, if the DG, though an experienced and respected research scientist, has primarily a management role, then the DDG would be a research scientist of high calibre, act as the Director of Research and chair the Research Committee (see Figure 6). In either case, the DDG would act as DG in the latter's absence, with effective authority.

We now have to consider how the research itself is to be structured. The EPR panel recommends that IFPRI concentrate on six programs in future. The Production Program would be divided into two (and named as IFPRI find most appropriate); and the other four will be: Food Consumption; Trade; Development Strategies (formerly Growth Linkages); and Natural Resources and Environment. The programs should be redefined to ensure cohesion and disciplinary balance, and each should have a minimum critical mass of staff and resources; at present, the programs are too unequal in size. Each program should be headed by a Program Director with clearly defined responsibility for that program, not only financial and administrative, but also professionally for all the staff. **We recommend that Program Directors be given greater authority to manage their programs.** Research areas, as structural elements in the organization, would be abolished, but this does not mean that IFPRI does not need to examine cross-cutting themes (see Section 3.4).

3.3.2 Outreach. The EPR Panel emphasizes that IFPRI in future will need to be more concerned with capacity building, "country policy reviews and global visions" (EPR Report, Section 3.4.1) and the importance of high level policy seminars and the preparation of Policy Briefs (EPR Report, Section 4.2). As noted above, this activity has been dominated by the former Director, who was certainly very able in this field, but now IFPRI needs to encourage its Senior Research Fellows to become more active in this area. We believe, therefore, that all the activities previously defined as outreach (publications, conferences, training, policy seminars) should be combined

Figure 5. One Possible Organizational Structure for IFPRI

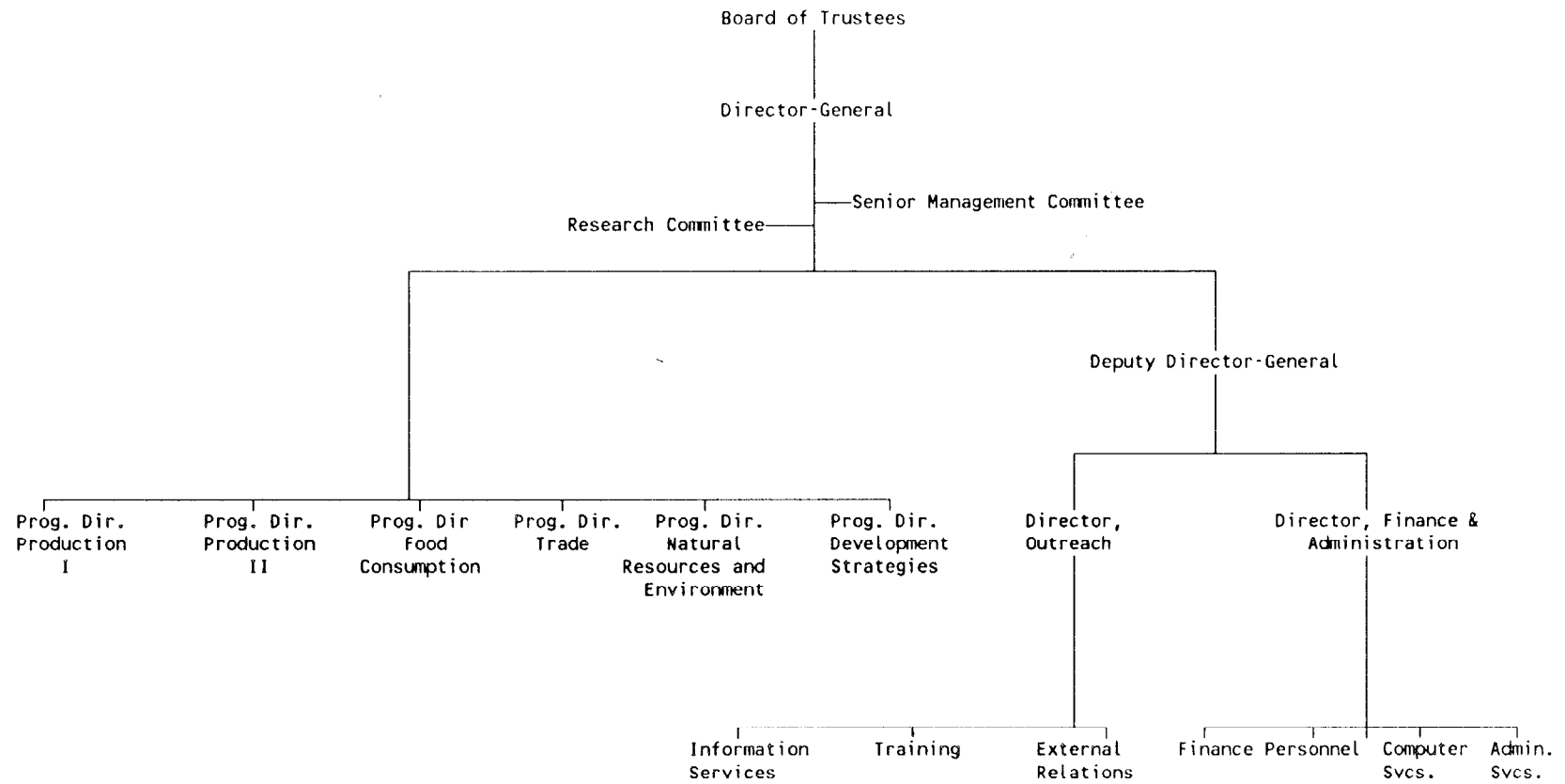
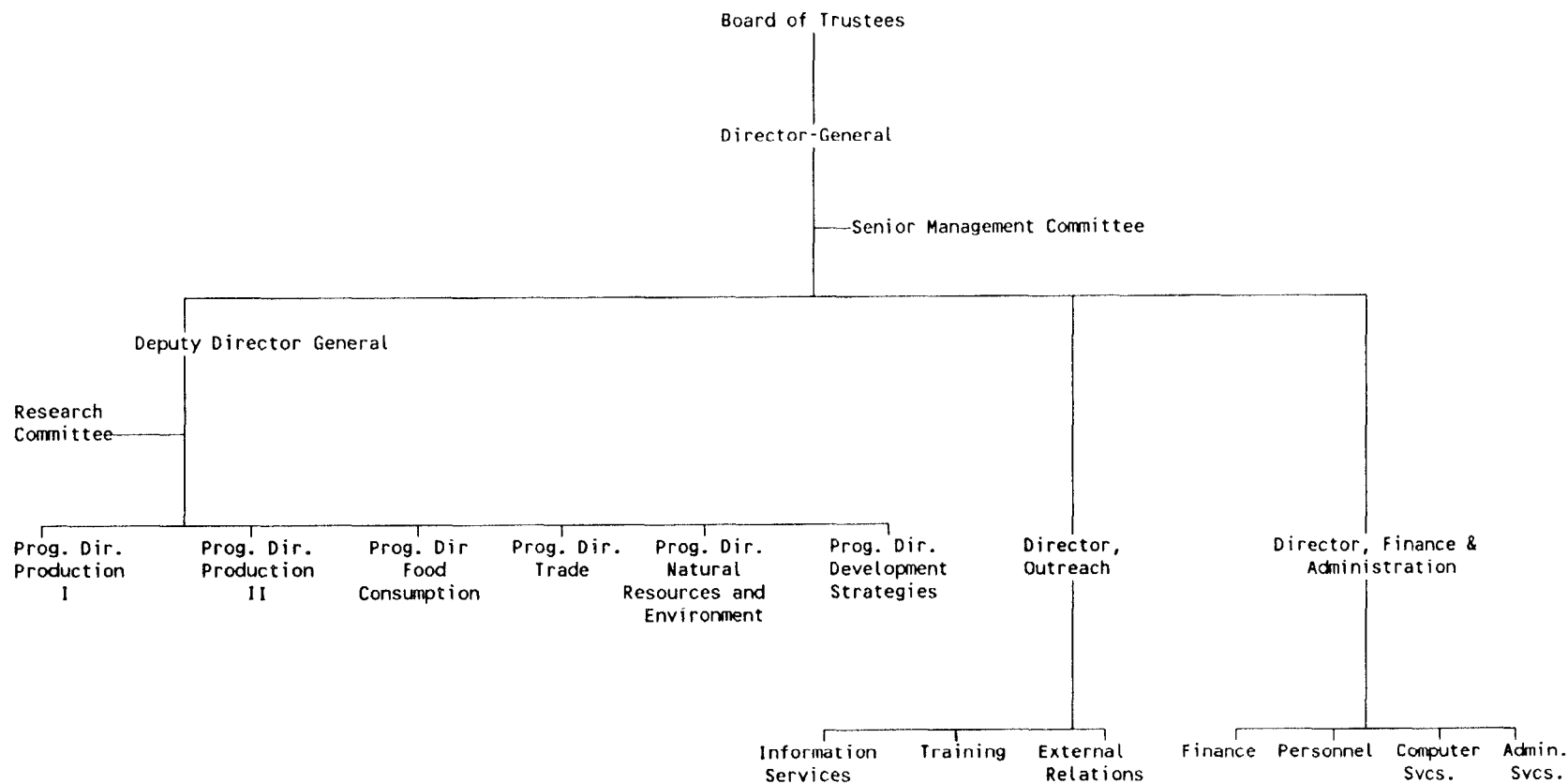


Figure 6. Another Possible Organizational Structure for IFPRI



under one head. We recommend the creation of a position for and recruitment of a Director of Outreach which combines the present functions of Information Services and External Relations. The person recruited would need to be a respected scientist who understands the policy issues and can participate in training as well as be able to organize conferences and seminars.

3.3.3 Administration. If a DDG is appointed and, together with the DG, is responsible for development at the level of Senior Management, then the present post of Director of Development and Administration will have to be changed. What IFPRI needs is what it had before, namely, a Director of Finance and Administration, effectively supported by the present staff and a properly managed personnel function. We recommend the reestablishment of the position for and recruitment of a Director of Finance and Administration. (The appointment of a full-time, properly qualified Personnel Manager is recommended in EMR Report, Chapter 4.)

As far as support services are concerned, recommendations in the EPR Report will require some changes to be made.

The EPR recommends that research on food data evaluation should not continue, but that the data bank of secondary information needs to be maintained, a task which could be assigned to the Computer Services Unit. In addition, there is need for a primary data bank based on the household surveys, and for statistical and econometric expertise. The question arises as to where, administratively, the staff performing these tasks should belong. A similar question applies to the Librarian, whose function - supplying information to the scientists for their research - is different from that of the rest of Information Services, who are disseminating information to the outside world. Thus, the group discussed in this paragraph is supplying special support services which are very directly linked to research. In Figures 5 and 6 they therefore belong on the left of the figure (research i.e., with the Programs), rather than on the right (services). Where exactly they are to be placed depends on the exact structure developed at IFPRI. For administrative convenience, they could be placed in one of the programs, or they could report directly to the DDG.

The development function, as previously indicated, would be carried mainly by the DG together with the DDG.

3.3.4 Committees. The new committees that would probably be needed to help the Senior Management are shown in Table 3. The Senior Management Committee would consist of the DG, the DDG, the Director of Finance and Administration, the Director of Outreach (combining the present functions of information and what is called "External Relations") and some of the Program Directors, serving by rotation (all six would probably be too many). This committee would consider Institute policy questions: its strategy, its medium-term and operational plan, senior appointments, etc. The Research Committee, chaired by the DG or DDG (see 3.3.1), would consist of the Program Directors, the Director of Outreach, and two Research Fellows (also serving by rotation). This committee would be primarily concerned with the content

of the research programs and projects. How these committees might work is described in Section 3.4. When IFPRI has developed a strategy approved by the Board and a new long-term Director-General has been appointed, other organizational options may need to be considered, but we believe that two committees like the above will be needed. We therefore recommend that IFPRI establish a Senior Management Committee and a Research Committee.

Table 3. Management Committees Suggested for IFPRI

Senior Management Committee

The Director-General	Institute strategy and policies;
The Deputy Director-General	allocations <u>between programs</u> ;
The Director, Finance & Administration	major projects; senior appointments.
The Program Directors	
The Director of Outreach	

Research Committee

The Deputy Director-General (and/or Director-General)	Allocations <u>within</u> programs and of projects to programs; preparation of major projects; technical advice to Senior Management.
The Program Directors	
Two other Research Fellows	
Director of Outreach (depending on agenda)	

Publications Review Committee

No change in structure or function.

Administrative Review Committee

The need for such a committee should be considered when the new management structure is in place.

If the DG is also the Research Director, a variation of the above structure would be not to have a DDG, and for the DG to work through the Research Committee. We would not favor that, as we believe that the workload on the DG was already too great in 1984 when the EMR recommended the appointment of a deputy, since when IFPRI has doubled in size.

We suggest that, to make an effective link with the Board, strengthen their involvement in IFPRI's strategy and aid their taking of decisions on the allocation of resources, the DDG for Research and Development should serve as the Secretary of the Board's Program Committee (as in many other centers).

3.4 The Planning, Budgeting and Review Processes

3.4.1 Strategic Planning. The CGIAR System is helping third world countries to alleviate hunger and poverty by increasing sustainable food production through agricultural research and related activities. It has a long-term strategy to achieve this and expects its centers, within that larger framework, to have their own strategy. Each center, therefore, has to define and have in mind certain goals that relate to the kind of center it is, and to indicate by what means those goals are to be reached. It is then possible to determine priorities in research and to allocate resources to different activities.

IFPRI has no approved strategy document (see EPR Report, Chapter 2). One exists in draft, but bears very much the imprint of IFPRI's former Director. It is strongly felt in the Institute, and we agree completely, that IFPRI lacks a clear strategy and must develop one. For the present, what we have is IFPRI's Medium-Term Program and Budget Plan 1988-92. According to this, "in setting research priorities the Institute allocates its resources to areas of policy research that promise to elucidate the complex and often dynamic interrelationships between technology, growth, and human nutrition." However, neither from this document nor from what we have learnt from the staff, do we have the sense that strategic planning has taken place.

The planning process should begin by formulating a strategy for IFPRI, including the setting of some long-term goals. **We strongly recommend that IFPRI prepare a clearly articulated strategy document.** This should be carried out by a participatory process in which Senior Management involve the research staff, especially the Program Directors, the Board, administrative staff, and also IFPRI's key collaborators in developing countries (EPR Report, Chapter 2).

Strategic planning is not an inward-looking process: it needs to take account of the interests both of clients and of stakeholders. The CG itself is in a major process of change, with new goals, proposals to include additional institutions and possibly, in due course, to merge some of the centers. It could be helpful to IFPRI to run workshops in which clients could state their needs and participate in a major dialogue on IFPRI's identity as this would help IFPRI to become more client-oriented, providing it did not unduly delay the formulation of the strategy. The strategy document resulting from such a process would be submitted to the Board for approval and then to both TAC and the CGIAR for comment.

The momentum for change is there, both in the CG and in IFPRI. IFPRI needs to take this opportunity to move ahead and explore fully its strategic options.

3.4.2 Operational Planning: Program Budgeting. The preparation of IFPRI's next Medium-Term Plan should follow the new strategy. The main change that is needed is to move from a project- to a strategy-driven program orientation. Each program should have its own goals, its own budget, and be effectively led by its Program Director. This will strengthen middle management in IFPRI. Projects will still remain important but should find their rightful place in the context of programs.

To aid this process, we suggest that IFPRI adopt the procedure which has been found to be useful in many sizeable research institutions: program-based budgeting, in which the allocation of resources is carried out at different levels.

The Senior Management Committee, knowing the size of the budget, would recommend to the Board which programs are to be pursued and the allocation of resources between them (and also to outreach and IFPRI's other non-research activities). Similarly, it would recommend which are to be the Institute's key projects ("flagship" projects), without concerning themselves with the technicalities of the research. (This is the top-down approach.) The Research Committee would consider proposals coming from the Research Fellows (bottom-up approach), including new soft-funded projects, and recommend allocations to projects within programs. It would have more of a technical advisory function and would supervise the preparation of major project proposals for Senior Management.

As already noted, the suggested structures shown in Figures 5 and 6, although they do not include any cross-cutting themes to constitute a matrix, do not exclude them in principle. By analogy with the more classical matrix shown in Figure 2, we suggest that, to be effective, a cross-cutting theme needs to be recognizable as a distinct entity, e.g., a major project with its own budget, defined life-span, staff and Project Leader. (The term "Director" has become debased in IFPRI and we suggest that it is not used below the level of Program Director. Those in charge of projects should be given the more usual title of Project Leader.)

IFPRI already has some projects which overlap programs, and projects in the Natural Resources and Environment Program are particularly likely to cut across other programs. We suggest that IFPRI should deliberately seek funds for major projects cutting right across the programs in order to advance the integration of past work in the different programs.

Seed money should be provided from core funds for pre-project planning activities such as project design, review of methodologies, the development of hypotheses and the assessment of relevance to critical policy issues, to ensure that projects are not "money-driven". Each program should have a number of large projects of medium- to long-term duration (the "flagship"

projects) around which smaller projects could evolve. These major projects should receive priority attention from all the staff of a program and may require the reallocation of staff. Quite naturally, in the course of time, staff may need and indeed ought to move from one program to another. This should be regarded as normal. Research Fellows should be allowed a significant say in the choice of projects in line with their personal interests, but all projects must be relevant to the goals of the Institute.

As indicated previously, one of the weaknesses resulting from so much reliance of many of the staff on soft money is that they do not have time to reflect on their work after the completion of a project. This is a serious disadvantage to those staff and a loss for IFPRI, as the capacity to reflect and integrate cannot develop in an atmosphere of hectic project-chasing. Hence we recommend that part of core funds should be reserved for seed money (pre-project) and for reflection and synthesis (post-project). This recommendation means that the distinction between Research Fellows supported by core and those who are not will cease.

The participatory processes which we have described should enable IFPRI's Senior Management to prepare its Medium-Term Plan and budget by deciding on priorities between and within programs in accord with the goals of its strategy.

3.4.3 Monitoring and Review. There is at present no formal mechanism for sharing information amongst Research Fellows during the preparation of a project. The responsibility for ensuring that projects complement each other, fit into a program and the overall Institute strategy, priorities and objectives, has rested entirely with the Institute Director. This being so, it becomes critical that the mechanisms for monitoring the progress of the research ("How is it going?"), for review ("Where have we got to, where should we go now?") and for evaluation ("What has the research achieved?") are effective.

As the EPR Report stresses, a principal mechanism for this and one which has been very well carried out at IFPRI, is the whole publications program, the responsibility of Information Services. The procedures, using the Publications Review Committee and outside referees for the major publications, has worked well.

Monitoring the quality of ongoing research has been the responsibility of the Project Directors, reporting to the Institute Director; there is no approved institute mechanism whereby a Program Director can do this, and the Director's Advisory Committee has not carried out that function at institute level for some years. We suggest that in future regular reports on the progress of projects should be sent to the Program Directors, who once a year or more often, as the need arises, should send a formal report on the work of the whole program to the Institute Director.

Since the 1984 EPR, one internal program review has been held, in 1989. This appears to have been of some benefit though it is felt that the outside

experts chosen were unlikely to be publicly critical of the IFPRI programs. However, the mechanism itself is to be commended and is one in which the research staff, members of the Board Program Committee and outside experts can interact to assess the quality of research. What is important is to be clear about the purpose: is it for scientists to justify what they have been doing in as favorable a light as possible, or is it to share doubts, question old hypotheses and explore new ones, and attempt to see how one line of research relates to others? The Senior Management can set a very important example to the research staff by their attitude to and participation in this process. We recommend that IFPRI institute an annual internal review process which includes an in-depth examination of part of the Institute's activities each year.

In the interests of improving transparency and dialogue, IFPRI might also consider occasionally inviting outside experts or peers to review the whole of a particular program. This can be particularly valuable after the completion of a major piece of research, when a significant reorientation may be required. Thus, the timing of such a review is likely to be critical and needs to be chosen carefully. Such a review is not regular or routine.

We also suggest that IFPRI consider instituting an internal management review on a regular basis. The IFPRI SELF STUDY: An Internal Analysis of Organizational Effectiveness was immensely valuable to all the participants and to the EMR, and it will continue to help IFPRI. To a significant extent it has been the source of the momentum of change which we feel to be present at the Institute and which augurs well for the future.

Assessment of the performance of the research staff is also an essential feature of an institute's own review mechanism, and is dealt with in Chapter 4 of the EMR Report.

4.0 MANAGEMENT OF HUMAN RESOURCES

Morale and productivity of IFPRI staff have been affected by recent events. Normal practices in the human resources area have been disrupted as is discussed in this chapter. However, the great majority of IFPRI employees have remained dedicated to the tasks at hand, have been supportive of their fellow employees, and have conducted themselves in a thoroughly professional manner. The real value of IFPRI as a research institute is its employees, not just individually, but as a whole.

4.1 Staff Classification

IFPRI staff members are divided into five classifications: The Director, Senior Research Staff, Senior Administrative Staff, Scientific Support Staff and Administrative Support Staff. The major differences in the administration and provisions for these five classifications are that the positions of Director, Senior Research Staff (Research Fellows and Post Doctoral Fellows) and some members of the Senior Administrative Staff are recruited internationally while all others are not. Candidates for all classifications include those foreign nationals eligible for a G-4 visa, US citizens, and permanent residents in the US.

Because the differences in classifications do not significantly affect overall personnel practices, the comments that follow will apply to all employees except when specifically noted, such as for example, some problems specific to G-4 visa holders.

4.2 Composition of Staff

IFPRI is small in comparison to most other CGIAR institutions, consisting of 37 senior scientific positions, supported by 97 management, scientific support, and administrative positions, for a total of 134. Almost all employees are located in Washington, except for a small number of outposted staff at other centers or on site in developing countries (eight in 1990). Of the total staff 44% are U.S. citizens, with the remaining 56% from 25 other countries.

Currently, 61 of the employees located in Washington are on G-4 visas. These are non-US residents who are eligible for employment at IFPRI because of IFPRI's status as an international organization. The downside to this employment status is that these individuals can remain in the USA only so long as they are employed by IFPRI or another international organization. During the past few years, many staff at IFPRI were concerned that voicing opinions contrary to the Director's could jeopardize their jobs. Many G-4 visa holders have felt particularly vulnerable. Because of these staff concerns, it is important that Management at IFPRI create an atmosphere of mutual confidence and trust, where dissenting opinions are not only tolerated but are welcome.

As of September 1990, 46% of total IFPRI staff were women. Eight or 17% of Senior Staff are women (one is part-time); six (including the part-time) are in research and two in administration. 61% of staff at the Research Assistant/Analyst level (bachelors or masters degree) and almost all staff at the secretarial level are women. We have found no apparent barriers to the recruitment or advancement of women at IFPRI. Women researchers appear to have access to the same Institute resources as men, and have been producing comparable output. Thus, we conclude that at this time the gender issue at IFPRI is one of under-representation of women at senior levels of responsibility. Given the increasing number of women graduates in the field of agricultural economics, IFPRI should recruit more women to its Senior Staff ranks in the future.

4.3 Organization and Staffing of the Personnel Function

As with other administrative activities at IFPRI, the personnel function has, since IFPRI's inception, been considered mainly as a record keeping, procedural function with little involvement in policy determination or in decisions concerning recruiting, hiring, maintaining and terminating IFPRI staff. The Director of Finance and Administration made the majority of personnel decisions concerning Scientific Support and Administrative Support Staff, and the Director, with such assistance as he believed necessary, made those concerning the Senior Staff. Recent changes led to the departure of the Director of Finance and Administration and the staff member heading the personnel function. Today, the function is in the hands of a Personnel Coordinator, under the overall supervision of the new Director of Development and Administration.

Improving the management effectiveness of IFPRI is dependent to a considerable extent on ensuring that the personnel function is handled well. This requires having a personnel officer with a sound professional background and relevant experience take charge of the function. This has not been the case for some time.

The need for such a person is described in some detail in the IFPRI SELF STUDY: An Internal Analysis of Organizational Effectiveness and in Chapter 3. We strongly recommend that IFPRI recruit a competent, professional Personnel Manager.

4.4 Personnel Policies and Procedures

As with so many areas of management at IFPRI it is difficult to find, in writing, the various policies which govern the management of personnel. When one does find some documentation it is difficult to determine who approved it and when. The lack of written policies, which can be distributed to staff and can be referred to when problems arise, is certainly an important contributor to staff discontent. But having written policies and

procedures is of little value, unless Management and staff realize their importance and are willing to conduct the operations of the Institute in conformity with them. Otherwise, we are afraid the next external review of IFPRI will repeat our (and the 1984 EMR's) comments on the need for having a set of simple and clearly laid out personnel policies and procedures. IFPRI is no longer a small institution that can get by without formalizing its personnel practices. Thus, we recommend that IFPRI complete the documentation of its personnel policies, with appropriate staff inputs, and implement them after review and approval by the Board.

4.5 Recruitment of Staff

Nothing is more important for an institution of excellence than the recruitment of high quality people whose skills and interests are complementary and consistent with the strategies of the Institute.

IFPRI has not followed its stated recruitment policies and procedures consistently. For internationally recruited staff, including Senior Scientific and Administrative Staff, "The authority to recruit . . . rests with the Director of IFPRI in consultation with the Program Director and an internal review committee. Internationally recruited positions are advertised internationally and IFPRI makes every effort to reach a broad audience".

This policy, when followed, attracts the greatest number of qualified applicants, ensures a rigorous collegial examination of qualifications, complementarity with existing expertise, and compatibility with the research goals of the Institute. Over the past few years positions have been filled without advertisements, appointment of an internal review committee, or consultation with Program Directors. In addition to the obvious risks of such a narrow selection process, making appointments in this manner undermines the effectiveness of Program Directors to whom these individuals are assigned.

We recommend that all Senior Staff positions be well advertised and candidates be interviewed by an effective panel drawn in large measure from staff with knowledge and experience in the areas in which the candidates will work. We suggest that IFPRI, because of its Washington location, consider the possibility of inviting local experts from outside IFPRI to serve on such interviewing panels. In addition, as suggested in Chapter 2, staffing of the top scientific and administrative management positions should be subject to the advice and consent of the Board.

4.6 Conditions of Employment

4.6.1 Outside interests. Most organizations have strict requirements concerning outside interests of professional employees. In most cases any

outside employment must receive advance approval of the employer and be judged to augment the professional's contribution to the employer. In many cases the remuneration from such employment is refused or is paid to the employer.

IFPRI has a current policy on the outside interests of Senior Research Staff. The current policy is as follows:

Honoraria. IFPRI does not object to Senior Research Staff retaining modest honoraria for professional services, such as teaching/lecturing, addressing an external group or preparing a paper for presentation to an external group, with the understanding that the staff member will make a careful determination of the professional benefits which would accrue to the staff member and to IFPRI by accepting such invitation. Honoraria payments are expected to be reported to the Accounting Department, reviewed quarterly by the Director, and made available to the Board as the Board requests.

IFPRI Consulting. If a Senior Research Staff member is requested to provide consulting services outside of IFPRI, the agreement will be between IFPRI and the requesting organization and IFPRI will be reimbursed for the services according to existing policy guidelines. The details of the agreement will be finalized between the requesting organization and the Director of Finance and Administration. The staff member will continue on IFPRI's payroll during this period.

Implicit in these statements is the idea that IFPRI employees are first and foremost working for IFPRI, with any consulting arranged through IFPRI.

However, IFPRI has hired as IFPRI employees Research Fellows who are also employees of universities. They teach and do most or all of their research at those universities, and are only periodically at IFPRI. We recommend that IFPRI review and clarify any unusual employment arrangements for senior research staff members. This can be done by deciding who is the employer: IFPRI or the university. If it is the university, a consulting agreement should be signed which is consistent with IFPRI's consultancy policies. If IFPRI is the employer then the employee should not receive compensation from others without full disclosure to and approval of the Institute.

4.6.2 Duration of Appointments. Senior research staff hold fixed-term appointments, mostly of three to five years, but occasionally for a shorter term. Most support staff have indefinite appointments.

There are no current policies limiting the total tenure of IFPRI Research Fellows or of the Director. While some centers have considered such policies to force staff turnover, we are unable to suggest limits on tenure for Research Fellows. While this is a complex issue which requires a flexible approach tailored to the dynamics of IFPRI's research strategy, it deserves the attention of the Board and Director. As regards the Director, however, we recommend that, as a norm, the total tenure of the Director be

limited to ten years. The CGIAR should explore this as a policy for guidance throughout the System.

4.6.3 Compensation Policies and Practices. At IFPRI all employees are paid in US dollars. Internationally recruited Senior Staff holding G-4 visas with fixed-term appointments of three years or more are entitled to home leave travel (every other year) and limited tuition assistance for dependents. All other benefits, which are provided by IFPRI to all classifications of staff, are equal: pensions, medical, insurance and leave.

For all positions below the level of Senior Research and Administrative Staff, a system of job titles, grades, and competitive salary scales has recently been proposed by a consultant. His report awaits further review by Management so that it can be modified as needed, discussed with staff, and implemented. We urge the Management not to consider implementing such a system in a piecemeal fashion. The installation of such a system is time consuming and stressful to all concerned. In addition, the proposed system should be reviewed carefully, giving particular attention to the procedures and instructions for preparing job descriptions. Accurate job descriptions are a requirement for effective salary administration. Based on comments we have received, we caution that the job descriptions produced by the study may have been flawed.

We recommend that IFPRI develop a comprehensive system of job titles, descriptions, and salary ranges and implement it following its review and approval by the Board.

Within the time-frame of the External Management Review it was not possible to conduct a rigorous evaluation of Senior Staff salaries. Only rough comparisons could be made and any comments can only be suggestive of areas which may require some additional analysis.

The salaries of the Senior Staff were compared with other CGIAR centers and US universities. This comparison suggests that while the salaries are fairly comparable at the lower end of the scale, the top salaries are substantially above those of US universities and the other centers. In addition to salary levels being higher, the salary-related benefits (defined pension contribution, life and disability insurance) are based on before tax for US residents and "grossed up" salary for G-4 visa holders, not net salary as at other CGIAR centers, making them higher by an amount equal to US taxes.

Discrepancies in salary levels between IFPRI and the other centers may be due to difference in disciplines, and/or to IFPRI's location in Washington and its proximity to The World Bank and other Washington institutions. In addition, salary is only one part of a compensation package which at other centers may include subsidized housing, automobiles, and other trappings of expatriate life. However, the data do suggest the need for a more in-depth, critical review of this matter. We suggest IFPRI carry out such a review in conjunction with its study of salary scales.

Apart from the question of external comparability of IFPRI's salaries, the panel attempted to analyze the internal consistency of salary levels. The panel observed wide salary discrepancies among Senior Staff within the same job title. This may be because current classifications are too broad, and sub-classifications may be required. Salary administration, without appropriate salary scales, may eventually result in salaries in excess of the market or their worth to IFPRI. Fair and equitable salaries are one of the keys to effective human resource management.

4.7 The Performance Appraisal Process

IFPRI's process for conducting annual staff appraisals is based on mutual setting of individual goals and the appraisal of the individual's performance in reaching these goals. Such a system is particularly useful in research organizations. It has, however, been considered unsatisfactory by many staff. For the research personnel the appraiser/goal-setter was the Director, who had very limited time to devote to this process. Furthermore, appraisers had little training or experience in the collaborative process which must take place between the appraiser/appraisee, and thus there seems to have been a lack of appreciation for the need to set mutually agreed upon goals against which future performance could be judged.

Our understanding is that the appraisal process seems to have been carried out almost exclusively to determine salary increases. We believe, however, that the major goals of the process are to provide an opportunity for the employee, on a one-to-one basis with his/her immediate superior, to discuss his/her goals and aspirations, strengths and weaknesses, need for further training, and in the case of professionals, to assess how he/she is keeping up with the advances in his/her field of research. Thus, we **strongly recommend** that IFPRI institute an effective performance appraisal system.

The new Personnel Manager should devote considerable attention to this area, some to the actual administration, but most to necessary training of the participants.

4.8 Conflict of Interest Policy

IFPRI has no conflict of interest policy. We believe it is important that IFPRI should not only have the highest ethical standards but also be seen to adhere to them, and that there should be a procedure which reminds staff of IFPRI's desire to maintain such a standard.

We **recommend** that IFPRI formulate and implement a comprehensive conflict of interest policy. The policy should include a statement of standards and the periodic requirement for all employees to sign that they are in compliance with it. As other CGIAR centers have long had such statements and procedures, it should not be difficult to adapt one for IFPRI's needs.

4.9 Staff Development

IFPRI professes to be concerned with the quality of its staff and takes pains to give credit to its staff for the status it has achieved among policy institutions, and to the contributions staff have made to its progress. It has relied, wrongly, we believe, on staff assignments, the collegiality of its organization and the innate ability of staff to absorb knowledge from those surrounding them, to provide for staff growth and development. It would be our judgement that, to remain a leader and on the cutting edge of the policy research field, IFPRI must either have a policy that promotes high staff turnover - to keep the Institute's knowledge base at high levels of currency and depth - or IFPRI must accept the need to provide specific time and funds to permit staff the opportunity to stay abreast of developments in their fields, whether they are Research Fellows or secretaries. This may take many forms, based primarily on IFPRI's needs and the directions its strategy dictates, such as study leaves, in-house training, attendance at professional meetings, temporary assignments at other CGIAR institutions or those outside the system, after hours assistance for courses in local institutions, a competitive fellowship program for first and advanced degrees, etc. The list of what and how is long.

We are not the ones to suggest the form and content of an IFPRI staff development program, but we can and do urge both the Director and his staff to explore this need and encourage the Board to support, with the necessary allocation of funds, the program that will result.

4.10 The Special Place of RAs

The largest group of IFPRI staff are the RAs - Research Assistants and Research Analysts. In many ways they resemble graduate assistants in an academic institution, but unlike graduate assistants, their tenure with the Institute is longer and the position is seen by many as a career position rather than temporary.

The RAs are responsible for performing the basic research functions and activities that facilitate the research efforts of senior researchers. Of the 134 staff at IFPRI, 30 are RAs. A recent self-study by the RAs reveals that roughly 36% are US citizens. Approximately 32% have been at IFPRI for two years or less; 16% have service of five years or more. All have degrees at the bachelors or masters levels. Some 48% do not intend to pursue a doctorate.

With the exception of complaints about the internal/external fairness of their salary program (currently under review by Management), the RAs find employment at IFPRI to be satisfactory and have good working relationships with the Research Fellows with whom they work.

RAs, however, are uncertain as to IFPRI's concern for their future. There are few opportunities within the present structure for this group to advance. The requirements for appointment as Research Fellow of international recruitment and a doctorate will effectively block this path for most. RAs wonder whether, like graduate assistants, they should consider IFPRI as a short-term experience-building employer and should look elsewhere for career opportunities.

We are not able to advise on the question, but recommend that the Management at IFPRI clarify the long-term employment prospects of the Research Assistants and Analysts.

4.11 Other Personnel Concerns

At all levels of IFPRI there were consistent expressions of concern about:

- reporting relationships
- job enrichment
- promotional opportunities
- technical help in G-4 matters
- internal communications
- and many more.

Each of these concerns is important to individuals, groups and indeed the proper functioning of IFPRI as a whole. They result in some cases from lack of effective personnel policies; in other cases from inconsistent adherence to what in essence may be good policies. We are not prepared to offer specific recommendations in each of these areas to the new Personnel Manager. Indeed it would be somewhat gratuitous to write what would amount to a personnel manual for him or her.

5. GENERAL ADMINISTRATION AND RESEARCH SUPPORT

5.1 Overview

Until recently IFPRI had a Director of Finance and Administration who managed Budgets and Contract Administration, Accounting, Personnel and Office Administration, Computer Services, and Information Services. These responsibilities recently have been combined with those of developing IFPRI's funding base into the position of Director of Development and Administration. We have questioned the logic of combining these duties (see Chapter 3) and suggested the return to having a full-time Director of Finance and Administration. In this chapter we review these areas, except for Personnel which was covered in the preceding chapter, from a functional rather than a strictly organizational perspective.

Overall we consider IFPRI's finance and administration to be effectively and efficiently run. One must always keep in mind the size of an organization and the resources that can appropriately be allocated to administration. Larger organizations must have and can usually afford more documentation, more separation of duties, more backup, more equipment than an organization of IFPRI's size. There are few absolute standards in these areas so any evaluation should be based on what is cost-effective. We have tried to appraise IFPRI's performance in relation to its resources.

5.2 Financial Status

Since the time of the last external review in 1984, IFPRI's funding has doubled from \$6.1 million (1984) to \$12.5 million (1990 projected). This increase has supported a doubling in Senior Staff positions, from 21 (1984) to 43 (1990 TAC-approved) and an increase of approximately 50% in total staff positions, from 88 (1984) to 134 (1990 TAC-approved). IFPRI's 1990 revenue projection falls \$3.2 million short of the \$15.7 million requirement called for in the Medium-Term Program and Budget Plan 1988-92; the Institute would have to increase funding by 50% within two years to meet the Plan's 1992 (TAC-approved) financial requirement of \$18.9 million.

Since 1984 the number of CGIAR donors providing unrestricted core funds to IFPRI has remained relatively constant at about 18 (which is comparable to the average of other CGIAR centers during the same period). USAID and The World Bank have been the two largest donors, with a combined contribution that rose from 47% (1984) to 53% (1990 projected) of IFPRI's total revenue. Currently USAID provides approximately 38% of the total. (For details of donor contributions, see Table 1, EMR Report Chapter 3.) IFPRI's Management and Board recognize the need to broaden its funding base.

In 1984, 70% of IFPRI's funds were unrestricted. Since then, the rate of growth of restricted and special project funding has outpaced that of unrestricted funding so that unrestricted funds now comprise only 54% of the total.

IFPRI Funding: 1984 and 1990 Projected in Millions \$US

	1984		1990 projected	
Unrestricted Funds	\$4.3	70%	\$6.7	54%
Restricted Funds/Special Projects	\$1.8	30%	\$5.8	46%
Total Funds	\$6.1	100%	\$12.5	100%

Although we are impressed by the increase of the total funding level at IFPRI, we call attention to the proportion of restricted/project funding at IFPRI which may have troubling strategic implications for the Institute in the long-term.

5.3 Accounting and Financial Reporting

The accounting systems and the control of receipts and expenditures are good. There are a few management letter comments from IFPRI's external auditors, mainly involving timeliness of reconciliations, but none indicating absence of control. The accounting department is responsive to the comments but it is inevitable that some sporadic backlogs will occur in an accounting department of this size.

Accounting is computerized using a network of micro computers and purchased software. The software was originally designed for contract reporting and appears to be flexible; the contract management system is useful for special project accounting and reporting. Accounting and Budget and Contract personnel have direct on-line access (some on a read-only basis) to both contract and actual expenditure information, allowing rapid response to questions and easy access to information needed for decision-making. Password and file protection facilities are provided by the software. The purchase, installation and training for about \$100,000 (program and equipment) seems to have been an exceptional bargain.

Due to its size IFPRI has not been able to justify a full-time internal auditor position. The external auditor is engaged to do some additional testing including a "surprise audit". The external audit also includes an examination of compliance with USAID contract standards which is reported directly to USAID. For IFPRI the combination of the annual audit, the USAID A-110 audit, and additional checking of internal controls by the external auditors is cost effective in the use of external auditors and minimizes internal staff time preparing for and cooperating with the auditors while assuring Management and the Board of the effectiveness of IFPRI's financial and accounting system.

The external auditors meet annually with the Executive/Finance/Audit Committee of the Board, part of the time without IFPRI Management present,

and report that the Committee appears interested in the audit and asks pertinent questions of the auditors. The auditors tell us that financial management has been completely open and candid with them and on only one occasion did Senior Management not fully cooperate with them.

The financial reports to the Board and the donors are professionally prepared and timely. One minor issue, which is a CGIAR system-wide question under current review, is the proper reporting of the depreciation of assets by the centers. By some standards IFPRI has been the only center doing it right - not showing the purchase of long-lived assets as an expense when purchased, but showing the depreciation of those assets as an expense spread over their estimated useful lives. Other centers generally show the capital purchase as expense as recommended in the CGIAR accounting manual. If depreciation is disclosed in footnotes to the statements or in supplementary reports, an accountant can extract the same information from financial reports in either format. The method selected should be determined by the users of the reports and should be consistent across the centers. Most donors are probably more comfortable seeing capital expenditures matched against funding in the year of expenditure.

In the absence of further guidance from the CGIAR Secretariat on the depreciation issue, IFPRI should continue with their current method as long as they, their Board, and other users of their financial reports are satisfied with it.

CGIAR standards for financial reports require the reporting of revenue and expenses broken down into unrestricted CGIAR, restricted CGIAR, and restricted special projects (Statement of Activity by Funding Source). IFPRI prepares this information; it is audited; it is presented to the Board. It is not, however, included in the reports sent to the CGIAR or to donors. Also required by the CGIAR is the breakdown of revenues by donor divided between core funding and special projects (Statement of Grant Revenue). It is useful information which currently is omitted from the reports distributed to the Board. We suggest that IFPRI increase the transparency of its Financial Reports by including the Statement of Activity by Funding Source and the Statement of Grant Revenue.

5.4 Cash Management

Cash management and banking functions at IFPRI are performed by the Controller. Funds are deposited in an interest bearing account with a local bank. Balances above about \$75,000 not needed for current operations are moved to a trust account to earn higher interest. The trust account invests these funds in US government backed securities or in prime rated certificates of deposit not exceeding \$100,000 from any one institution. Due to these limits all investments are guaranteed by agencies of the US government. These investment guidelines are prudent and have been approved by the Board.

Because donor funds are not received evenly throughout the year, The World Bank, through the CGIAR Secretariat, furnishes bridging loans when delays in receiving pledged funds deplete a center's working capital. As a second backup IFPRI has established a line of credit for \$800,000 at its bank. This line of credit was approved by the Trustees. Within the limitations of the predictability of the timing of receipts of funds from donors, it is our opinion that IFPRI manages its cash well.

5.5 Budgeting

Budgeting is an organization-wide exercise. In the broadest sense it spans from the long-term strategic allocation of resources through to the detailed comparison of actual to planned expenditures, and therefore often reflects the style of leadership. This is true at IFPRI.

The details of IFPRI's budget process are as follows. Funds are budgeted for all fixed expenses such as salaries, rent and support functions, Director's office and so on. Other funds are allocated to all Research Fellows, with Program Directors getting an extra amount for program-wide expenditures. If non-core special project funds are available to support core-funded Research Fellows, this is not taken into account; they still receive their full salary and that of their Research Assistants allocated from core. The core amount not used due to time charged to the special project(s) is left in the individual Research Fellow's budget to be spent at his/her discretion. If not spent by year end, funds are used to cover deficits in other projects or moved to working capital.

This procedure has two major consequences. First it gives individual core-funded Research Fellows a strong incentive to develop special projects, to free up their core funds for hiring collaborators, consultants or even buying computers. Second, since core funds can't be saved, the Fellow has an incentive to expand existing work or start new initiatives by year end, without the need for any formal approvals.

This system was apparently designed to motivate the raising of special project funds. In this system the only real resource allocation decision made by Management is in choosing which Research Fellows are designated as the core-funded positions.

The weakness in the system is that even though Management knows in advance from the ongoing special projects approximately how much restricted funding is going to be available to supplement the core-funded positions, it does not go through any process, collegial or otherwise, to reallocate unrestricted resources based on the research strategy.

It is true that the reallocation of resources by individual researchers was not undirected. It is apparent that the former Director influenced the programs through his direct contacts with individual researchers. However,

such decisions have not been guided by a strategy document (see Chapter 3), or by established priority-setting mechanisms.

As IFPRI fills top management positions, and collegially examines its strategy, we believe the budget process will have to evolve so that resource allocations are not a mechanical pro rata process but a thoughtful one in which the strategic aims of IFPRI and differing needs for resources of different research activities are fully reflected. This type of process will call for very close interaction with the Senior Management Committee and Research Committee during the budget process. The actual computer systems in use appear quite robust and will probably need little if any change. We recommend that IFPRI institute a program budgeting system and that the Senior Management and Research Committees participate in the decisions on the allocation of resources.

Special project contracts appear to be well controlled by administrative staff. Budgets and Contracts personnel are involved with Research Fellows from early phases to make sure special project contracts meet IFPRI guidelines. They break the multi-year contracts into the current year's work for the budget, they track all expenditures against budget and contract monthly, and monitor deadlines for reporting to the donors and the delivery of project output. In short, financial administration of the projects is well done.

5.6 Research Support Services

5.6.1 Computing Services. The computing needs at IFPRI are largely met by the extensive use of micro computers of which some are networked but most are stand-alone. The computers are centrally purchased as is the software by the small Computer Unit which also furnishes hardware troubleshooting, training and some programming assistance. Both researchers and administrative personnel indicated that equipment and support provided are sufficient for their needs.

Large software systems for the Accounting Unit, Library, and desk top publishing are purchased, not developed in-house. Purchases are demand driven, that is requested and selected by the user with advice from the Computer Unit. In general IFPRI seems to be successfully skirting the mine field of large integrated systems.

IFPRI started purchasing micro computers in 1985 and by the end of 1989 there were 152 micro computers whose average age was less than two years. Since there are only 134 employees, one might conclude that the heavy capital expenditures for micro computers should slow significantly. Our concern is that while actual purchasing is centralized in the Computer Unit, the discretion to request the purchase of computers is distributed to each Research Fellow. This does not guarantee that computer purchases are made to compete with other resource needs. Changing to the top-down resource

allocation process suggested in Chapter 3 would alleviate our concern; additionally the annual setting of an Institute-wide budget for computer purchases would eliminate it.

5.6.2 Information Services. Information Services carries out the formal dissemination of information pertaining to IFPRI through the development of continuing information exchange links with policy makers, administrators, and national and international leaders in the developed and developing worlds. This is accomplished by producing and disseminating publications, identifying and contacting potential users, responding directly to inquiries channeled through the department, and presenting research results to the media.

IFPRI's publications are extensive, amounting to approximately 2,500 pages in 1988, and generally of high quality. Distribution is managed with a computerized, stratified mailing list of some 8,500 individuals and organizations which is fully responsive to the inputs from staff and which is periodically reviewed to preserve its currency.

The Library acquires relevant research material and makes it available to the research staff. Through current awareness services, acquisitions, and inter-library loans, it strives to keep the research staff abreast of pertinent information in their areas of concentration. The Library remains small as IFPRI's location in Washington gives easy access to over 500 specialized libraries.

Our perception is that the work of Information Services is of high quality and efficient.

5.7 Administrative Services

5.7.1 Travel. The most obvious point to any outsider who looks at IFPRI travel is the sheer amount of it and the very rapid increases in both total trips and total expense. Trips have increased from 175 in 1987 to 400 in 1989. Expenses doubled from \$260,522 in 1987 to \$525,000 in 1989.

IFPRI's policy is to use economy class fares, with excursion and other fare reductions where possible. This policy leads to considerable savings for the Institute. We agree with the former Director that such a policy is not only cost effective but appropriate for an Institute concerned with alleviating poverty and hunger. IFPRI's SELF STUDY: An internal analysis of Organizational Effectiveness did stress and we agree, however, that there should be more flexibility in the policies when circumstances indicate they create inefficiencies or hardship and that policies be reviewed on an ongoing basis.

5.7.2 Current Office Facilities. Initially the reasons for considering a move to new office space were that current office space is cramped, and the lease which was expiring might not be renewable since the building was for sale. Other considerations such as poor ventilation and asbestos concerns appear to have been exaggerated or have been remedied in the intervening period. The building is now no longer for sale and additional space has been leased in it. We believe the existing building adequately meets IFPRI's current space needs.

5.7.3 The Corcoran Affair - A Case Study of How IFPRI Went Astray And What Can Be Learned From It. In this section we use IFPRI's major decision to move to the Corcoran Building addition (now abandoned) as a case study. How this major decision was made exemplifies many of the findings of the previous chapters. It shows the decision was made autocratically with little staff, external stakeholder or effective Board participation. This has led to two recommendations to improve system-wide oversight of centers' financial affairs, one of which is found in Chapter 2.

From the beginning in early 1989, all aspects of the planned move were handled personally by the Director, advised by the Head of Personnel and Administrative Services and an outside real estate broker. The finance and accounting staff were asked to answer specific questions on occasion but never to evaluate any proposed transactions in their entirety or in respect to their financial viability. Only after the Director had signed the letter of intent for the 15-year lease of space in the new building were any comprehensive financial analyses performed by IFPRI's finance and accounting staff.

Financial Implications of the Lease

There is no controversy, at this time, about the facts of the lease. The cost of office space in 1993, the first year of the new lease, at \$1.5 million would have been \$690,223 per year more than the current building's rent projected to 1993. Because of increases in base rent in the 4th, 7th, and 11th years of the 15-year lease in addition to inflation adjustments, total rent increases on the new office space beyond 1993 would have exceeded inflation.

As mentioned earlier in this chapter, IFPRI's budgets have grown rapidly during the 1980s. However, this growth has slowed substantially. CGIAR funding to IFPRI has shown no growth for the last three years. Contributions from the CGIAR have been substantially below TAC-approved budgets. Even if TAC approves a center's medium-term plan there is no guarantee that the increases would be funded by the donors. In our judgement it was not prudent for IFPRI's Management to anticipate that TAC would approve planned budget increases or to assume that such approvals would automatically generate increased funding. Heavy dependence on future increases in short-term projects to support long-term financial commitments, could be considered unwise.

Information to the Board

The Board was informed of the prospect of a potential move at the Tokyo meeting in the Fall of 1988.

In May 1989 at the Executive/Finance/Audit Committee meeting, the leasing of the Corcoran Building was presented by the former Director. In his written report to the Board he took a clear advocacy position and downplayed the consideration of other options. The financial implications mentioned, but not explained were said to be, "an additional CG cost for added space of \$150,000 per year starting in 1992." "A 5 percent per year increase on our rent cost each year for the next 8 years." "An additional CG cost of \$84,000 for rent increase beyond a 5 percent inflation rate." "That means rent which is \$1.4 million in 1996 . . .".

The letter for the September 1989 Board meeting from the former Director did not mention that the economics had changed, but by then, an attachment showed the 1996 rent to be \$1.7 million, \$0.3 million over the amount cited in the May letter. It also stated "We are going to have to deal with some very complex problems . . . how we deal with the TAC, and how we deal with the donors on this."

For the May 1990 meeting of the Executive/Finance/Audit Committee an extensive file was prepared which included detailed analyses of the building economics which were prepared subsequent to signing a letter of intent in January 1990. The cover letter from the former Director now clearly stated that the "incremental rent in 1993 will be \$690,223". The former Director proposed paying for this increase by obtaining CG funding of \$8.5 million in 1993 and special project funding of \$6.5 million, and increasing the percent of revenues devoted to rent from 6.2% to 10%. These projections represent a 26% (1990 to 1993) increase in unrestricted CG funding (in which there has been no increase from 1988 to 1990), and a 44% (1989 to 1993) increase in special project funding.

At this meeting the Executive/Finance/Audit Committee reconfirmed the Director's authority to sign the 15-year lease.

Information to Other Stakeholders

At various times it was mentioned to TAC that IFPRI's rent was going to increase in the next medium-term plan submittal, but there was clearly no formal communication to TAC or the CGIAR Secretariat on the options being considered or the magnitude of the change. IFPRI did not consider that it needed TAC or CGIAR approval to sign a 15-year lease obligation with payments exceeding \$30 million even though it did send the CGIAR Annual Report and other financial data on the CGIAR system to the potential landlord in support of IFPRI's financial capability. IFPRI's two largest donors are its neighbors in Washington but no donor contacts were made to build support for the move until after the Executive/Finance/Audit Committee meeting in May 1990.

Summary and Recommendations

In summary, it is clear that the Director took direct personal charge of the project and did not solicit advice from his staff. The Board was never presented with a clear, impartial analysis of the real issues - particularly the financial and donor relations aspects - and apparently did not effectively demand this information. If a donor had not become aware of the impending transaction or if the developer's financing had not fallen through, the commitment would have been made, presenting TAC and the CGIAR with a fait accompli.

We understand the long tradition and overall effectiveness of institutional autonomy which the individual CGIAR centers enjoy. It is generally well understood, though, that in return for the relatively secure long-term funding, the centers must act "as if" they were directly accountable to the CGIAR. This implicit accountability requires consultation with major stakeholders before the institute makes irreversible decisions.

The question is whether any additional restraints on financial autonomy be exercised; by Group members directly with the centers or by the CGIAR Secretariat? While informal methods will always exist, we support some additional formalization of the oversight responsibilities of the CGIAR Secretariat.

We recommend the CGIAR Secretariat clarify the responsibility of the centers to inform the CGIAR before making material commitments which are not included in the current approved budget or medium-term plan.

The recommendation in Chapter 2 is designed to encourage the CGIAR to give increased attention to nominating Board members with ample management expertise.

6. EXTERNAL RELATIONS

6.1 General Philosophy and Practice

In this brief discussion we refer to selected aspects of IFPRI's relationships with other organizations and individuals. These go beyond the seminars and related activities handled by the Institute's External Relations Department.

The substantive content of those components of the programs which form the fundamental building blocks of IFPRI's external relationships is in other chapters. Discussions of training, conferences, publications, linkages and international cooperation are in EPR Chapter 4. Their administration is covered in our joint chapter on Structure and Management of Research.

Many of the linkages involved in the above activities are initiated by IFPRI with specific short-term objectives in mind (e.g., doing collaborative field research in a specific location; joining with a sister IARC to acquire needed inputs from production scientists; etc.). Thus, these relationships are relatively opportunistic; built more on personal than on longer-standing institutional connections.

If IFPRI elects to increase its emphasis on institutional capacity building, networks more like those sponsored by some of the other centers may be formed. This would increase the educational services, backstopping and counsel provided by IFPRI. And it would likely require longer-term connections with groups of LDC institutions. In other words, the nature of IFPRI's future linkages and collaborative efforts will be determined by the strategy that the Institute evolves.

It is our sense that in the five-year period under review IFPRI has been increasing its connections with other institutions. Earlier there was some tendency to "go it alone". More staff members are now being out-stationed at sister CGIAR or other organizations; new linkages and alliances are being formed.

As in other areas, management of IFPRI's linkages with its key stakeholders was dominated by the former Director. In effect he was the gatekeeper. He established, approved or disapproved the establishment of most of IFPRI's significant external relationships. Individuals could and did act on behalf of their own projects. But above that level of decision making, strategies, policies, and delegation of authority were not such that staff members could act authoritatively in pursuing new relationships.

IFPRI is entering into a new era with respect to its strategy. In that strategy, in the goals that are set and in the priorities that are established, external relationships will, we judge, be of increasing importance. New directions in programs will require the forming of new partnerships with other institutions. It is with that rationale in mind

that we recommend that priorities, for IFPRI's future external relationships be an integral part of the institutional strategic planning process.

6.2 Some Additional Aspects of External Relationships

The European Advisory Committee. In the last two years the Institute has launched some new external relationship-building initiatives. One is the creation of a European Advisory Committee (actually the Committee has some members from developing countries). Formed only in 1989, it has already held three meetings. Another is planned for May 1991. The purposes of this committee are to: (1) provide IFPRI with programmatic connections, counsel and guidance; (2) assist in identifying research collaboration; (3) help IFPRI and its work become better known in Europe; and (4) aid the Institute in mobilizing more financial support from existing and prospective donors. To date much of the direct cost of funding committee meetings has been provided through special project grants - resources that presumably would not otherwise have been available for IFPRI's work. Initial response from committee members and IFPRI staff members (who, along with invited participants, provided the issue papers for discussion at the meetings) is favorable. Opportunity costs (e.g. alternative uses of staff time) and travel are not unsubstantial items. Costs not withstanding, progress is apparently being made toward all four committee objectives.

The first question that comes to our mind about such an initiative is: if advisory committees are helpful and useful, would it be desirable to have one made up of individuals from client developing countries? Perhaps the European Committee is an experiment - to be followed by other such advisory bodies if they are found to be cost effective sources of needed counsel? As we are unclear about IFPRI's long-term strategy in this area, we suggest that Management evaluate this initiative as part of its overall strategic planning effort.

The European Office. A second initiative involved the establishment of a European office last year. The office is in space rented from ISNAR in The Hague, Netherlands. It is staffed by a Dutch national recruited as the office's Administrative Assistant. She reports to the Director of External Affairs in Washington.

The office was established to provide: (1) a visible evidence of IFPRI's interest in collaborating with European policy researchers and policy users; (2) a European address for the new Advisory Committee discussed above; and (3) a base for fund raising activities. The office provided support for the Institute's former Board Chair when, prior to resigning his trusteeship, he worked in his Board capacity to help mobilize European funding and expertise for IFPRI.

The estimated cost of operating the European Office for 1991 is approximately \$95,000, primarily payment for the use of the facilities and

the cost of the Administrative Assistant. This sum does not include salary or consultant costs for a person to carry on the work previously done by the former Board Chair. Nor does it include the costs of proposed committee meetings.

IFPRI's Director of External Relations (whose office manages the Institute's seminars) has indicated that the international activities for which his group is responsible can be carried out without help from the office in The Hague. He feels that they can be adequately handled from Washington. The Head of Information Services concurs with this position in so far as her operations are concerned.

The need for the European office, therefore, rests on the Director's and Board's evaluation of the need for an expenditure of \$95,000 for a facility to support the Advisory Committee's several meetings a year and its European fund raising efforts. Up until recently most of the direct cost of the office was provided by a special grant from the government of the Netherlands.

While the European Advisory Committee, the office in The Hague and the employment of a European consultant (part-time) for fund raising and public relations purposes have been conceived as a three-part package, IFPRI may well examine each of the components separately. If flexible funds (resources not tied exclusively to this special project) are to be used to support the European initiative, the opportunity cost in other program work foregone could be quite high. Nevertheless, it should be recognized that continuation of any or all of the parts of the European initiative is closely tied to IFPRI's future strategy. Therefore if the required funds are available from special project sources, Management and the Board may elect to continue the European external relations initiative providing that future priorities in the external relations area place a premium on it.

Public Awareness. The third relationship-building effort discussed here is IFPRI's public awareness activities. The Institute is an active participant in and supporter of the work of the CGIAR's Public Awareness Association (an activity initiated by the Center Directors).

The direction and tone of an institution's public relations program, including the level of resources to be allocated to it, is a top management function. However, it is not one that should be developed, decided and carried out exclusively by the Director. Nor is it one that at IFPRI, as we see the situation, requires a formal committee structure or the hiring of a public relations specialist.

IFPRI has an excellent information program. Its wide range of special purpose and general publications meet high standards of content, design and effectiveness. While these materials are distributed as widely as is feasible, most recipients are individuals who already have an interest in IFPRI and/or in the work it does.

There is a wider, highly diverse group - the general public - which can be reached only through the use of established general purpose publications. IFPRI is just now - with the encouragement of the Public Awareness Association - beginning to reach out to this group.

In light of the high priority which IFPRI's SELF STUDY: An Internal Analysis of Organizational Effectiveness has given to "improving IFPRI's image" the Information Services unit will need to increase its media related activities. But staff and the Board will need to understand that public awareness work involves everyone, with an especially heavy load falling on the Institute's principal spokespersons.

In this vein we compliment IFPRI, and especially its articulate former Director, for the major contributions they have made to public awareness and understanding. John Mellor has played a major global role in advancing public appreciation of the impact of investing in scientific research that generates improved, sustainable agricultural technology. Concurrently he has helped demonstrate that proper policies ("rules of the game") are essential for rapid and widespread use of that new technology. Because it is uniquely positioned to do so, we challenge IFPRI to continue to develop and deliver research-based public awareness messages as an integral part of its service to policy makers and to the public at large.

7. OVERALL ASSESSMENT AND RECOMMENDATIONS OF THE EXTERNAL PROGRAM REVIEW

7.1 Introduction

Overall we are highly impressed by IFPRI's achievements in research and outreach. The Institute has, to a great extent, maintained many of the praiseworthy features observed by the 1984 EPR Panel, namely the high calibre of its staff; the quality and impact of its work; the collaborative nature of its activities with developing country partners and other IARCs; and the demand in many developing countries for the products of its research. The recent abrupt and anxiety-provoking changes in IFPRI's leadership have meant that administrative matters occupied more of our attention than is expected in a programme review. In that connection, we have worked closely throughout the review process with the EMR Panel and are jointly advancing a set of recommendations for the establishment of greater transparency and collegiality in the management of IFPRI.

We also found that this turning point in IFPRI's history was an excellent opportunity to seek to further increase the quality and policy impact of its work. This has led us to advance a set of recommendations to change or expand several of the thrusts of its research and outreach activities and a set of procedures to achieve greater professional excellence and relevance in its work.

7.2 IFPRI's Importance and Uniqueness

Before presenting our recommendations and suggestions, we wish to stress both the importance and the uniqueness of IFPRI. Importance derives from the continuing validity of the founders' observation that the "right" policy framework is a sine-qua-non for the successful diffusion and impact of the CGIAR's efforts in agricultural technology. Significant changes have occurred in this framework in the last ten years, induced in part by necessary responses to economic crises but also by the availability of new information on the efficiency and welfare costs of bad policy. New challenges are emerging that make policy analysis both more important and more difficult than ever, including large expected changes and greater instability in the world economy, unresolved development strategies for Africa and other regions in crisis, and new pressures on the effectiveness of technology arising from deterioration of the environment and the rising number of absolute poor.

IFPRI is in a unique position to make significant contributions to the resolution of these food policy problems, more so than other CGIAR centres, international organizations (World Bank and FAO particularly), bilateral donors, agricultural universities, and consulting firms. This privileged position is due to:

- (a) IFPRI's neutrality and objectivity in addressing policy reforms that eventually have profound income redistribution effects;
- (b) the ability to sustain a research effort over several years on critical issues, achieve economies of scale, and engage in international comparisons;
- (c) sufficient budgetary and institutional stability to attract and maintain a critical mass of top-quality expert staff and thus bring to bear frontier analytical tools, establish stable cooperative agreements with developing country institutions, and, most importantly through its association with the CGIAR system, link with experts in the biological sciences.

7.3 Mandate

The formal mandate of IFPRI has remained unchanged since 1980. Operationally however, the mandate has been interpreted to extend beyond the narrowly-defined food sector. If the CGIAR endorses the proposal to redefine its own mission and goals as suggested by TAC in document AGR/TAC:IAR/90/24: "A Possible Expansion of the CGIAR", and enlarge its activities to include forestry, fisheries and irrigation management, the Board might wish to reconsider IFPRI's mandate with a view to broadening it to incorporate these new areas. Of more immediate concern perhaps, with respect to the mandate, is our recommendation that IFPRI become involved in more formal training activities. This suggestion is consistent with the current emphasis in the CGIAR system on institution-building and the strengthening of national research capabilities in developing countries but stretches the terms of the IFPRI mandate.

7.4 Strategy

IFPRI currently does not have a Board-approved strategic plan and one is urgently needed. To develop such a plan, alternative scenarios as to what is likely to lie ahead for world food and agriculture in different regions of the world should be specified and optimum use of resources for policy research determined for each scenario. The strategy should take into account the international research environment within which the CGIAR system, with its expanded mandate, will operate; the changing needs and research capacities of developing countries; and the availability of resources for research. Finally, IFPRI should assess its comparative advantage relative to other organizations, narrowing the full range of research topics to focus on what it ought and is best able to do.

We recommend that the IFPRI Board and management proceed promptly with the task of developing a strategic plan in consultation with IFPRI's staff, other stakeholders and partners.

In addition to setting out the strategy, the plan should identify a process whereby the strategy may be adjusted over time to take account of altered circumstances and of the lessons from IFPRI's own successes and failures, and provide guidance on how priorities are to be established for implementation.

7.5 Research Programmes

In Chapter 3 we have attempted to assess IFPRI's programmes and research areas. Research at IFPRI is organized in a matrix of 5 programmes with 5 cross-cutting research areas (technology policy; development strategies; poverty alleviation; Africa; and food aid). Although this system has been in place since 1986, the principal unit of research in reality is the project. Each project has a director and is assigned to a programme. Programme directors currently have no budgetary control and very little, if any, authority over project directors. Research area coordinators have virtually no leadership role at all.

Our review, however, confirms that IFPRI's research has continued to address many of the major policy issues of importance especially to small farmers and the rural poor and has resulted in some outstanding publications that have wide acceptance in both developing and developed countries. IFPRI has maintained generally high standards of quality and the selection of topics demonstrates the creativity and technical competence of the research staff. But we see a need for a redefinition of several its existing programmes, for enhancing the excellence of its research, and for bringing it to bear more effectively on current sweeping policy reforms.

The main recommendations that derive from our review of IFPRI's research are the following:

- The Food Data Evaluation Programme should be phased out and the research fellows in this programme reallocated as appropriate to other programmes.
- A primary data bank that archives IFPRI's household surveys needs to be organized with assistance from a data management expert and core funding support.
- Professional support in statistics and econometrics needs to be secured, possibly on a contractual basis.
- The Food Production Policy Programme should be subdivided into two programmes with maximum internal disciplinary homogeneity, possibly along the lines of farm management and public goods.

- The Agricultural Growth Linkages Programme should be renamed "Development Strategies" and focus its research on the main themes that pertain to the role of agriculture in economic development.
- The Food Consumption and Nutrition Policy Programme should develop collaborative arrangements with centres of excellence in nutrition and health, rather than trying to build up this expertise at IFPRI by hiring isolated specialists.
- The International Trade and Food Security Programme needs to be expanded to take on new research and outreach responsibilities.
- The current organizational approach to Research Areas coordination should be abandoned, but the efforts at syntheses in the form of edited books should be thoroughly redesigned and pursued.
- Seed money should be made available on a competitive basis for pre-project work to enhance the quality and innovativeness of special projects.
- Post-special project money should also be available to allow the extraction of broader policy conclusions and the writing of scholarly papers.
- Country policy reviews and white papers on instances of "hot" policy reforms should be prepared in support of conferences that bring IFPRI to the front line of current policy debates. Preparation of these materials should be the primary responsibility of the senior research staff and fully coordinated with the Institute's outreach programme.
- Following the new personnel evaluation procedures outlined in EMR Chapter 4, staff performance should be thoroughly reviewed when contracts come up for renewal, with the objective of reducing the disparity in performances and of creating resource mobility toward implementation of suggested changes in research priorities.

Specific suggestions were made to enhance the excellence of research at IFPRI and to call attention on important new directions in research and the need for greater concern for gender issues in IFPRI's research.

7.6 Outreach and International Collaboration

Chapter 4 presents our review of IFPRI's outreach activities, capacity building in national systems and international cooperation. Training is not a formal activity at IFPRI, but is done as an in-service function through collaborative research with national institutions in developing countries. The principal vehicles for outreach are conferences, workshops and policy seminars. IFPRI's publications, particularly its

research reports, monographs, books and working papers are an important component of the outreach agenda. In the past five years, in addition to carrying out joint activities with developing-country institutions, IFPRI has collaborated with several international institutions and agencies such as IRRI, ICRISAT, CIAT, IFDC, FAO and the World Bank.

IFPRI has been very effective in several aspects of its outreach activities. Its conferences, policy seminars and workshops have been remarkably popular and successful. Its publications have been in great demand by policy research scientists and research analysts in developing countries. On the other hand, IFPRI's enhancement of national research capacities through collaborative research effort is proving to be a very slow and extended process, which has not produced sufficient tangible results compared to the needs of developing countries. We think that a more intensive and formal approach to training by IFPRI is now required in order to achieve impact on policy-making and capacity-building in developing countries.

Following our review of outreach activities and external cooperation, we recommend that:

- The Institute should reinforce its outreach and developing country capacity-building in policy research according to a well-defined strategy. These activities should be professionally managed by the Director of Outreach.
- In-service training through collaborative research should be continued. Training should be broadened to include more formal teaching in policy research, particularly through short courses based on IFPRI's materials.
- Conferences and seminars should be held as much as possible in association with developing-country institutions. These should increasingly focus on front-line food and poverty policy issues and on current debates of concern to developing countries.
- IFPRI should design and implement a strategy for post-research project follow-up activities to secure sustained collaboration with the developing country policy research communities.

We also make a number of suggestions to help strengthen collaboration between IFPRI, institutions of the developed countries, international organizations and CGIAR centres, both to reinforce the research and training activities at IFPRI and to enrich social science research in the CGIAR system.

7.7 The Impact of IFPRI

The contributions of IFPRI to policy research and analysis can be assessed in terms of scientific, institutional and policy impacts.

IFPRI's scientific product is made available in the form of a variety of publications. Over the last five years, it has published 33 reports, 7 books and 91 journal articles. One way of assessing IFPRI's impact is to note citations in documents such as the World Bank's World Development Report 1990 which addresses the subject of poverty. The citations of IFPRI research are both quite extensive and directed at materials which used extensive primary data or which used solid methodological analysis.

Results of an internal IFPRI survey presented to the Board of Trustees in February 1990 record significant IFPRI impact on policy by providing information that contributed to the elimination of price distortions in a large number of countries, allowed early identification of food deficits in certain critical areas, brought new dimensions to the GATT negotiations, influenced donor support for investment in infrastructure, etc. However, there is little evidence of IFPRI's impact on institution and capacity-building in client countries. We suggest that IFPRI should develop criteria for assessing the impact of its national capacity-building activities, since this is the instrument through which the greatest policy impact will be achieved in the long run.

7.8 Research Management

The review of research organization and management at IFPRI was a joint responsibility between the EMR and EPR Panels, and appears in this report as Chapter 5. The panels have examined leadership style, present organizational structure, planning, budgeting and review processes at IFPRI, and made specific suggestions for improvements.

We found the centralized leadership style of the former Director to have been very effective in the earlier stages of IFPRI's life. But this has outlived its usefulness with rapid growth of the Institute. A more participatory style of management and greater delegation of authority have become necessary given the growth in size and diversity of IFPRI's operations. Improvements suggested by the panels include the appointment of key administrators, giving greater authority and responsibility to programme directors, establishing new committees and re-vitalizing some of the former committees. It is suggested that the number and subject matter content of programmes should be reviewed, and that while the principle of having cross-cutting themes should be preserved, a different approach for achieving these objectives should be considered.

In relation to the organizational structure we recommend:

- The appointment of a Deputy Director General for Research and Development.
- The appointment of a competent, professional Personnel Manager.

We also recommend:

- The re-establishment of the post of Director of Administration and Finance.
- The creation of a position for a Director of Outreach who would be responsible for training, information and external relations.
- A Senior Management and a Research Committee should be created and explicit procedures established for personnel reviews.

With regard to planning and review processes, two recommendations have also been made in addition to the one on strategic planning in section 7.4. We also recommend that Programme Directors be given greater authority to manage their programmes.

The need to monitor the quality of research has been emphasized by both panels. There is no approved Institute mechanism for doing this. Therefore, we recommend that IFPRI should introduce an annual internal review process, including in-depth examination of part of the Institute's research and outreach activities.

7.9 Future Prospects and Opportunities

In accordance with proposals for an expanded CGIAR, we support IFPRI's intention to incorporate, as a new research thrust, environmental policy issues relating to agricultural sustainability, including forestry and fisheries. We recommend that:

- IFPRI should create a new programme entitled "Natural Resources and the Environment" and immediately establish two staff positions, including a Natural Resources Economist as Programme Director.
- IFPRI should reformulate its environmental policy research agenda in close collaboration with other agencies.

We strongly suggest that, using a series of international workshops, IFPRI should clearly develop a prioritized research agenda, before deciding on the full composition of expertise to be added to the research staff.

7.10 Future Scale of IFPRI Activities and Budgetary Implications

In order to determine the critical investments in human and physical resources necessary for IFPRI to fulfill its mandate adequately and take up the new challenges which we have identified in this review, a strategy and a clearly defined set of priorities for research and outreach are needed. In their absence, it is difficult to define and quantify precisely the future scale of activities for IFPRI, both at headquarters, and in its collaborative research and outreach programmes. Nevertheless, based on our review, we do feel able to make several recommendations that should be implemented without delay. Potential expansion of resources beyond these recommendations should await further assessment after the strategic planning exercise has been completed.

Our recommendations fall into two categories. The first is a set of changes to be made to the existing research and outreach programmes and to the administrative structure. These changes include the phasing out of some programmes and the expansion of others, added dimensions to the training programme, and greater involvement in policy outreach. We recommend that the resources needed for these changes be obtained by reallocation of existing resources.

Based on our review of research and outreach, we believe that there is reasonable scope to do this as follows:

- Reallocate resources across programmes as research staff interests change over time. Movements of personnel toward the emerging issues should be facilitated by opportunities for retraining and consultancies.
- Use the recommended personnel evaluation procedures (see Chapter 4 and EMR) to engage in thorough reviews of staff performance when contracts come up for renewal. As mentioned in our analysis of research and outreach, while performance is on the average highly satisfactory, we observed a rather wide variation among staff. A hard look should be taken at the lower end of this distribution.
- Following the recommendations of the EMR, review the salary range and the legitimacy of the outliers, particularly for part time contracts and management positions at the upper end.
- Increase excellence and efficiency in research and outreach following the suggestions enunciated in this report.

The second set of recommendations consists in the creation of a new programme in Natural Resources and the Environment. For this, additional resources will be needed and we urge the CGIAR to allocate immediately two additional senior staff positions to IFPRI. These positions will be used to hire a resource economist, who will serve as programme director, and a forest

policy specialist (one year consultant) followed by a resource specialist. After a strategic plan and priority research topics for this programme have been developed, requests for additional resources may be considered.

There is much work that needs to be done to improve the policy-making environment, and so to benefit the poor and underprivileged while achieving the goal of food security. The scope of relevant research greatly exceeds the predicted level of core support. We appreciate the richness of IFPRI's research that has been made possible by an aggressive stance toward special project funding. We believe that IFPRI should draw sharper distinctions between what is essential and what is desirable but not critical to its mission. The CGIAR should then endeavor to fund most, if not all, of the essential research. Anything less would risk undermining the quality and continuity of this unique centre.

Appendix 1

Draft Terms of Reference for External Management Review Panels

Background

A system of periodic external management reviews (EMRs) of international agricultural research centers was initiated by the CGIAR in 1982 following the recommendations of the Second Review of the CGIAR. The Group assigned the responsibility for organizing the EMRs to its review component complementing the external program review (EPR) that is conducted by or on behalf of the Technical Advisory Committee (TAC).

In 1988 TAC and the CGIAR Secretariat conducted a study of the CGIAR's review processes. The recommendations of this study were discussed and endorsed by the CGIAR at its annual meeting in October 1988. This study provides the policy and principle framework within which different types of reviews are to be conducted about every five years by two small panels. The panels are expected to work closely with each other and produce separate, but well integrated reports.

The CGIAR Secretariat commissions an external panel to conduct the EMR and provides backstopping to the panel as necessary. The secretariat forwards the report of the panel first to TAC, for it to consider along with the EPR, and next to the CGIAR for discussion and decision. The center, TAC or the CGIAR may endorse or disagree with all or some of the recommendations of the EMR panel.

Purpose of the EMRs

The overall purpose of the EMRs is to assess the center's present and potential future management effectiveness. Here, management effectiveness refers broadly to the center's success in performing essential management functions, such as setting goals, selecting strategies, providing leadership, acquiring and managing resources, planning and implementing activities, etc. The EMR is also concerned with management efficiency, i.e., whether the center's management practices encourage efficient utilization of human, financial, physical and information resources. Thus, the main focus of the EMRs is on management factors that enhance or limit the center's overall performance. The specific objectives of the EMRs are:

- (1) to provide the Group with a broad-gauged assessment of how effectively the center is being managed and on actions that could improve the center's performance in the future;

- (2) to provide the board of trustees and the management of the center advice on improving management effectiveness and efficiency, both formally through the report and on an informal basis;
- (3) to identify particularly effective management practices at one center that may have broader application in the system;
- (4) to identify practices of donors, TAC, and the CGIAR Secretariat that have particularly positive or negative influences on the center's efficiency, and, where appropriate, to suggest constructive change.

Conduct of the EMR

The mandate of the EMR panel is to carry out a frank, objective and independent assessment of the center's management effectiveness in a manner to accomplish the purpose and objectives of the EMRs noted above. The panel should collaborate closely with the EPR panel throughout its work. It should carry out its work in an atmosphere of open dialogue and fruitful exchange with the center board, management and staff.

The panel's assessment should cover the broad topics outlined below and the appended list of questions.

(1) Center Guidance

- Overall effectiveness of the Board of Trustees in governing the center.
- Conduciveness to performance of the center's guiding values and culture.
- Effectiveness of leadership throughout the center.
- Appropriateness of the center's strategic planning process.

(2) Management of Resources

- Effectiveness of the center's human resource management systems, policies and procedures.
- Effectiveness of financial management and control systems, policies and procedures.
- Appropriateness of administrative policies and procedures.

- The center's success in obtaining and managing information necessary for decision-making.
- The center's efficiency in utilizing human, financial, physical and information resources.

(3) Management of Programs

- Appropriateness of the center's operational planning process.
- Appropriateness of the center's internal control and review processes.
- Appropriateness of the center's organizational structure and internal communication mechanisms.
- Appropriateness of the processes the center uses for managing tasks in program units.

(4) Management of Relations with the Center's Environment

- the center's skills in managing its relations with:
 - its clients;
 - its host country;
 - other research institutions in developed and developing countries (including other CGIAR centers); and
 - donors, the CGIAR and TAC.

(5) Management Skills and Teamwork

- Management skills of staff in management and supervisory positions.
- Success of the center in team-building and effective teamwork.

The panel is not expected to address each topic listed above or in the appended list of questions in equal depth. The panel is expected to focus its analysis on factors it regards important in improving the center's performance. This would normally follow a comprehensive diagnostic study of the topics listed plus others the panel regards as potentially significant.

The EMR Report

The panel is expected to present its analysis, conclusions and recommendations in a report addressed to the Executive Secretary of the CGIAR. The report should be short (less than 50 single spaced pages) and

written in plain language. Supporting material can be presented in annexes or in an accompanying volume.

Portions of the report addressing research and program management issues should be prepared jointly with the EPR panel. This chapter or chapters should appear in both reports essentially in identical form.

The EMR report should be completed at the center during the main phase of the review and formally presented to the center's board of trustees before the panel's departure from the center.

In addition to the report it forwards to the CGIAR, the panel may write one or more confidential reports or letters covering sensitive and potentially damaging matters. These would normally be addressed to the board chairman and/or the center director. If such confidential reports are prepared, the CGIAR and TAC chairmen should be informed of their content.

Attachment (List of Questions)

CGIAR Secretariat
September 1989

List of Questions

Second External Management Review of IFPRI

A. Overall Assessment

1. Do management systems, policies and practices at the center lead to effective program performance? Do they foster innovation and creativity?
2. To what extent are efficiency and accountability reinforced throughout the center?
3. How satisfied are staff at all levels with their jobs? How are morale, trust, communication and teamwork perceived among the staff?
4. What is the attitude of the center board and management towards organizational development and change? Does the center have effective internal management review mechanisms?
5. Has the center responded adequately to the recommendations of the last EMR?

B. Center Guidance

a. Guiding Values and Culture

1. What principal guiding values/philosophies appear to shape the actions of the board, management and staff? Are they conducive to high performance?
2. What are the main features of the center's current organizational culture? Do aspects of culture serve as barriers to performance?
3. How well do the center's strategy, structure and management practices fit its organizational culture?

b. Legal Status and Governance

1. How effective is the board in policy and strategy formulation?
2. How effective is the board in policy and strategy oversight?
3. How effective is the board in managing its business (selecting and developing members, board and committee leadership, committee structure, board procedures, managing meetings, teamwork, etc.)?
4. Is the relationship between the board and the management healthy?
5. Is the center's legal status appropriate for carrying out its mission effectively?

6. * Are compensation practices for board members and the board chairman reasonable, and are the policies governing compensation clear and understood?
7. * Does the board (or a board committee) evaluate the performance of the director general on a regular basis?

c. Leadership and Senior Management

1. How effectively has the center been led by the director general and his top management team since the last EMR?
2. How well do senior managers work as a team?
3. How effectively do senior managers balance demands on their time from external and internal stakeholders?
4. * Do staff at IFPRI feel they can openly voice criticism to the director general and senior management on internal policy matters? Do staff feel that their voices will be heard and opinions seriously considered?
5. * How does IFPRI ensure that its decision-making is consistent and objective?

d. Strategic Planning

1. How effective is the strategic planning process used by the center? What lessons can be drawn for other centers conducting strategic planning?
2. Has the center effectively addressed the management implications of the center's strategy?
3. * Does IFPRI have in place priority-setting mechanisms and strategies to adjust programs to limited financial resources? Examine how this process dealt with the new initiative on sustainable agriculture.

C. Management of Resources

a. Human Resources

1. Has the center been able to attract and retain international and local staff of the highest calibre?
 - * - What has been the rationale for the departure of high calibre staff at IFPRI in recent years?
 - * - Does IFPRI have effective mechanisms for recruiting and maintaining an appropriate balance of nationalities, and will these mechanisms continue to be viable in the future?

2. What policies and practices govern the length of tenure of senior staff? Is the turnover rate sufficient for ensuring program continuity and undertaking new initiatives?
3. Is there over or understaffing for any category of staff? What measures should be taken to prevent over or understaffing?
4. Are compensation policies (classification, grading, salaries and benefits) for international and local staff, including those stationed outside the headquarters, appropriate? Are they effectively enforced?
5. Are personnel policies (recruitment and orientation, performance planning and assessment, spouse employment, retirement, etc.) for international and local staff, including those stationed outside the headquarters, appropriate? Are they effectively enforced?
6. Are career development policies (management development, professional training, study leaves and sabbaticals, secondments) for international and local staff, including those stationed outside the headquarters, appropriate?
7. Does the center actively promote recruitment, retention and career development of women? Are there barriers to women's advancement in the center?
8. How effectively is the human resource management function managed? Are the staffing and organization of the human resource units appropriate?

b. Finance

1. How successful has the center been in securing resources to finance its activities? How stable is the center's funding base? Does the center have a fundraising strategy? How effectively is the fundraising process managed?
2. Have special project and restricted core funding led to fragmentation of activities? How limiting are the conditions attached to restricted contributions?
3. How effective are the mechanisms and processes used for financial management of headquarters and field activities, including financial planning, accounting, budgeting, internal and external auditing, financial analysis and reporting, cash and currency management, and control?
4. How strongly is financial management linked with program management? How much financial responsibility do the individual scientists have? Does the system encourage individuals to spend center funds prudently?

5. How well is the financial management function managed? Are the staffing and organization appropriate?

c. Administration

1. How successful has the center been in establishing an administrative infrastructure that meets the needs of staff in an efficient and effective manner? Are senior staff excessively burdened by administrative procedures?
2. How cost effective are the systems and policies used for managing:
 - procurement operations (foreign and local purchasing, receiving, stores);
 - general services (security, housing and dormitories, food services, transport, travel services);
 - construction and property management and maintenance;
 - insurance?
3. How well are the administrative services managed? Are the staffing and organization appropriate?
4. * Has Management studied the options for rental of new office space with sufficient care?

d. Information

1. How successful is the center in acquiring, generating and managing the information it needs for decision-making, communication and integration of activities?
2. How effectively are information services and technology (computing, telecommunications, office automation, records management, archives, library and documentation) managed?
3. Are information services and technology plans integrated with the center's strategic plan?
4. How effective are the center's management and governance information systems?

D. Management of Programs

a. Organizational Structure

1. What pattern of internal organizational structure exists on paper? What is the perceived pattern? What are the reporting relationships? What coordination mechanisms are used? What are the advantages and the disadvantages of the present structural arrangement?
2. How are the regional programs and outreach staff linked with the headquarters? What mechanisms are used for coordination across programs? Are these effective? Does the current structure enable the center to have an effective dialogue with NARS?
3. What alternative structures could serve the center well in the future in light of the center's program strategy, its organizational culture and the requirements of the new CGIAR resource allocation system?

b. Operational Planning

1. How effective is the center's short- and medium-term planning process? How well are operational plans linked with the center's strategic plan?
2. Are operational plans linked effectively with the center's resource management plans (for human, financial, physical and information resources)?

c. Internal Reviews

1. What processes does the center use to monitor progress in the implementation of its strategic and operational plans? Are these cost effective?

d. Management of Program Activities

1. How effectively are individual program and research support units managed? (The panel is not expected to conduct a detailed management audit of each organizational unit, other than the resource management units covered above. It should focus its efforts towards identifying management strengths and weaknesses shared by many program or support units.)
2. How effectively are outreach activities managed? Are outreach activities coordinated well with the activities at the headquarters?
3. To what extent is the center contracting research to outside institutions? How effective are these arrangements?
4. * What are the Terms of Reference of the IFPRI European office? What role does this office play in increasing public awareness of the CGIAR

in Europe? How does this office relate to the CGIAR Secretariat and the TAC? To what extent does this office collaborate with the CGIAR public awareness office in Rome? Is this IFPRI office likely to be cost effective, and are there plans for future funding?

E. Relationships with the External Environment

1. How good is the fit between the center as an organization and its key external stakeholders? How successful has the center been in managing its relationships with:
 - its clients in developing countries;
 - institutions in the host country of its headquarters;
 - other research institutions in developed and developing countries (including other CGIAR centers); and,
 - donors, the CGIAR and TAC?
2. How well does the center manage its relations with other stakeholders (such as the media and the general public)?
 - Are the resources devoted to public relations appropriate?
 - * - Are there specific plans or initiatives to improve these activities?
3. Does the center review its relationships with the external stakeholders periodically? To what extent does the center's strategic planning encompass relations with stakeholders?
4. Are there measures the CGIAR community (donors, other centers, TAC, the CGIAR Secretariat) should take to minimize adverse effects or constraints they impose on the center?
5. How effectively are the center's communication, publication and distribution activities managed? Are these activities:
 - carried out in a cost effective manner?
 - * - effective in disseminating the results of IFPRI's research?
6. * Are there effective mechanisms in place to ensure that IFPRI outputs are brought to the attention of the management and boards of other CGIAR centers?
7. * IFPRI, more than most centers, must keep staff current with policies and management of bilateral donors. Are there mechanisms in place that enable regular reviews of these policies to occur? Are similar

procedures available for contacts with major regional groups (e.g. SADCC, INSAH, etc.)?

8. * Does IFPRI have effective channels of communication with national policy-makers?
9. * Should the location of IFPRI in the United States be reconsidered?

F. Management Skills and Teamwork

1. How successful are managers and supervisors in managing people and tasks under the constraints the center operates within? In particular, how skillful are managers and supervisors in:
 - goal setting and work planning;
 - selecting and developing staff;
 - organizing and coordinating;
 - directing/delegating;
 - supporting the work of subordinates and problem solving;
 - reviewing and providing feedback;
 - rewarding and motivating;
 - communicating effectively?
2. Do staff work effectively in teams? Is there a widely shared spirit of teamwork in interpersonal and intergroup relations? Do the structure and operating procedures of work groups facilitate cooperation and teamwork?

Appendix 2

Recommendations and Responses, IFPRI 1984 EMR as Prepared by the Institute

<u>Area</u>	<u>Recommendations/Suggestions</u>	<u>Action Taken (as of Sept. 1986)</u>	<u>Comments (as of May 1989)</u>
Deputy Director	1. The post of Deputy Director should be re-established. Having regard to the heavy responsibilities currently being carried by the Director and other senior management staff, a Deputy Director could play a key role in the future management of IFPRI. The Deputy Director should be either a social scientist or a natural scientist and should have an active involvement in research. His or her primary responsibility should be to monitor staff relationships and to coordinate research activities.	Search Committee formed. Terms of Reference drafted. Formal search for candidates postponed due to IFPRI's funding level in 1986.	The Executive/Finance Committee had subsequent discussions on the Deputy Director position. In light of further delegation through the establishment of Project Directors with authority and responsibility for major projects and intellectual guidance to less senior research fellows assigned to the project, the Committee concurred with the Director's view that a Deputy Director position was not required at IFPRI. The appointment of a Senior Research Adviser to the Director also assisted in the delegation of responsibilities previously under the direct authority of the Director of IFPRI.
	2. The organizational structure should be amended so that the heads of support services for research report to the Deputy Director, and his/her responsibilities be re-defined to include a strong coordinating role in all matters relating to the administration of research.	See above.	Head of Information Services and Head of Policy Seminars Program have direct interaction with the Director on substantive issues, and relate to the Director of Finance and Administration on administrative matters. This approach functions smoothly.
	3. The responsibility for administering the core budget for research should be assigned to the Deputy Director and, at his discretion, he might further delegate responsibility for budgetary control to those Program Directors who wish to accept such responsibility.	See above.	The budget process was decentralized with the implementation of the new accounting system in 1989. Each researcher and administrative manager will be responsible for balancing the total funds available to them against expenditures through a combination of CG and special project funding. However, cost centers will be monitored centrally by the financial staff to ensure budget compliance on special projects and to determine the financial status at the institute level. The financial staff are responsible for reports on the institute financial status to the Director, the Treasurer, the Board and the TAC, and to the donors.

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Deputy Director	<p>4. The Deputy should be assigned responsibility for dealing with problems related to research assistants and for establishing policies for guiding and administering them.</p> <p>5. The Director's Advisory Committee should be renamed the Research, Appointment and Promotions Committee and operated on a more formal basis to resolve issues relating to research and the management of human resources.</p>	<p>The Director of Finance and Administration serves as liaison with the research assistants, meeting quarterly. Director meets with the research assistants annually.</p> <p>Name changed to Program Directors' Committee, meeting once a month, depending upon the schedule of the Director, on all aspects of the operation of the Institute. All new research appointments be discussed with the Committee. In addition, a separate Appointments Review Committee established to assess the balance of the research staff, to provide guidance to the Director and to serve a liaison function with the senior research staff on these matters.</p>	<p>The workload of the Director of Finance and Administration over the past 12 months has precluded regular quarterly meetings with the research assistants but it is recognized that regular meetings should be reinstated. The Director continues to have his annual meeting with the RAs which appeared to be beneficial to all involved.</p> <p>Program Directors continue to meet once a month with the Director. The membership on the Appointments Review Committee (previously the program directors) was changed with 3 research fellows serving on the Committee. The terms of reference of the Committee are attached.</p>
General	6. The title of Associate Director for Finance and Administration should be changed to Director for Finance and Administration. The Director, his Deputy, and the Director of Finance and Administration constitute the Management Group.	Change June 1985.	
Board of Trustees	7. The Board should review whether it would be reasonable to expect the Chairman of the Executive/Finance/Audit Committee to visit the Institute more frequently in his capacity as Treasurer.	Implemented by the Executive/Finance committee at the May 1984 meeting.	Upon retirement as Chairman of the Executive/Finance Committee, Dr. Kirby Davidson still serves as Treasurer and meets with the financial staff quarterly to review the financial status in addition to attending the EFC meeting in his capacity as Treasurer. The Chairman of the Board now serves as Chairman of the Executive/Finance Committee.

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Board of Trustees	8. The Board should review the honoraria payable to its key officers in relation to the tasks expected of them, following the guidelines outlined in the draft paper prepared for the CGIAR Secretariat entitled "Rules, Relationships and Responsibilities of Trustees of International Research Centers." It might also wish to formulate guidelines for those who hold responsibilities, such as those of Treasurer, in future years.	Executive/Finance Committee established a sub-committee to review Board honoraria. The Board concurred with the recommendation of retaining the honoraria at \$1,000 per year for attendance at the two full Board meetings, with additional compensation of \$200 per day portal to portal for attendance at committee meetings held other than in conjunction with a full Board meeting, and for special tasks, as requested by the Chairman or Vice-Chairman.	At the September 1988 meeting, the board concurred with the recommendation of increasing the annual honorarium to \$3,000 for attendance to the two full board meetings each year, with additional compensation of \$300 per day portal to portal for attendance at committee meetings held other than in conjunction with a full board meeting, and for special tasks, as requested by the Chairman or Vice Chairman.
Financial Management	9. IFPRI should specifically plan for income to exceed expenditure each year until it has a sufficient cash reserve to buffer adequately the timing differences between income and expenditure. Planned expenditure should include greater allowances for contingencies. IFPRI should make a concerted effort to increase the number of donors.	Implemented by tight budgetary controls, the effect of which has been an increase in the year-end fund balance from \$42,000 in 1983 to \$616,000 in 1985. See above. Ongoing. Increased from 13 CG donors in 1983, 16 in 1985, and with 15 in 1986.	IFPRI's fund balance now stands at \$1,376,000 as of December 31, 1988 with the Working Capital Fund used for cashflow emergencies of \$900,000. See above. For 1989, we have 18 CG donors.
	10. IFPRI should gradually move towards analysis and control over core funding at the level of individual research projects.	CG funding has been allocated at the program level.	As noted under item 3, CG funds are now allocated at the individual research fellow level.
Office/Personnel Management	11. The section dealing with personnel and office management should be split into two, to be headed by a personnel manager and office supervisor. 12. IFPRI should develop a central mechanism for providing assistance on travel.	Changes effected in July 1986 with all office services functions being transferred to the overall supervision of the Travel Manager. The day-to-day functions are provided by support staff. In the highest sense of the term, the cohesive management of IFPRI personnel is being assumed by the Director of finance and Administration. A Travel Manager position was initiated in the summer of 1985.	In June 1987, an Office Services Coordinator was appointed. In August 1988, the position of Personnel Administrator was abolished for both budgetary reasons and as part of the reorganization of Support Services. Administrative Services now covers Personnel, Travel and Office Services and includes a Personnel Coordinator, Travel Coordinator and Office Services Coordinator all reporting to the Head of Administrative Services.

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Office/Personnel Management	13. IFPRI should formulate a procedure for approving and reviewing its operating manuals and ensuring that they are made available as soon as possible.	The Personnel Manual was approved by the Executive/Finance Committee in May 1986 and distributed for reference by all IFPRI staff.	The updating of the Operations Manual is now in process. The Personnel Manual will also be updated. As soon as the updating is completed then all staff and new employees will receive their own copies of the Operations Manual and the Personnel Manual for ease of reference.
	14. The maintenance of an overview of the concerns of all secretarial staff is desirable and the responsibility should be assigned to the Personnel/Office Manager.	Monthly meetings with Personnel Manager and secretaries have been implemented. The Director of Finance and Administration meets as appropriate. Director meets annually.	Since the last quarter of 1988, regular meetings have been disbanded as the secretaries at that time felt that a monthly meeting was no longer necessary and that adhoc meetings on specific issues would be preferred.
	15. Performance appraisal reviews should be introduced into the management procedures of IFPRI and they should cover all staff up to and including senior research staff.	Program Directors submit performance reviews on Research Fellows in September of each year to the Director. The Director holds individual meetings with research fellows in February and September of each year, the latter including performance appraisal reviews.	The Director holds formal individual meetings with each research fellow annually around September of each year to review accomplishments against the research fellow's work plan and the research fellow's plan of action for the coming year which serve as a basis for discussion of performance. A similar procedure is pursued by the Director of Finance and Administration with each of the Support Services managers. A performance appraisal form is completed for each program support staff member at IFPRI including a self-appraisal with the subsequent discussion with the respective supervisor.
	16. Senior staff should be encouraged to participate in management seminars such as those proposed by the CGIAR Secretariat, and to attend courses to improve their management skills, where appropriate.	The Director of Finance and Administration attended the pilot senior management course organized for the CG Centers. The course was extraordinarily successful. An IFPRI Program Director is scheduled to attend the 1987 course. It is also expected that a course for the Director Generals of the CG System will be initiated in June 1987. IFPRI will actively pursue other management courses or courses on specific management areas for IFPRI senior staff.	The Director attended the Management Training Course for CDs in 1987. The Head of Policy Seminars Program also attended the senior management course organized for the CG centers. The plan for a Program Director to attend the 1987 course did not materialize due to his travel schedule.
	17. IFPRI should employ a consultant to review the Institute's requirements for computing facilities and information technology. Meeting these needs should	Consultants from the University of Maryland retained. A major shift to microcomputers accomplished late 1985/early 1986, which puts IFPRI out	Management Consulting Dept. of Peat Marwick, IFPRI's external auditors, were contracted to assist in the implementation of the new automated financial management system. The new accounting software and hardware was

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Office/Personnel Management	<p>be accorded high priority in the internal allocation of resources.</p> <p>18. Contacts with the research staff regarding the library and computing services should be further strengthened by establishing two small "user" committees to be chaired by the Deputy Director.</p>	<p>front in the major use of micros. Compatible word processing equipment has been procured. Consultants continue to advise on as needed basis re ancillary equipment, software, and central administrative systems to be implemented for the micro computers.</p> <p>User committee for micro users has been established and meets monthly. Research staff determined a user committee for the library was unnecessary.</p>	<p>implemented and January 1989. A new Head of Computer Services was appointed in May of 1988 with solid technical experience in hardware and software matters. A computer Advisory Committee has been established which meets on a regular basis to discuss program-wide and institute-wide computer needs.</p> <p>See above.</p>

Appendix 3

Conduct of the Review

The review process began in February 1990 when the three-person EMR panel, consisting of Drs. Just Faaland (Chairman), William Gormbley, Jr. and Tilo Ulbricht met in Paris with EPR panel members and Drs. Alexander McCalla (TAC Chairman) and Selcuk Ozgediz (Management Adviser, CGIAR Secretariat) for a two day briefing and planning session. Following this, the panel sat in on meetings of the IFPRI Board of Trustees in Paris. Dr. Faaland then joined EPR panel members on a trip to Senegal and Niger where they visited IFPRI project sites, met with IFPRI staff and with policy-makers from the national agricultural research systems.

In May, Drs. Faaland and Gormbley made their initial visit to IFPRI headquarters in Washington, D.C., where they and EPR panel members attended meetings of the IFPRI Executive/Finance/Audit Committee.

In July, Drs. Faaland and Gormbley returned to IFPRI to attend the Special Meeting of the Board.

In August Dr. Faaland stepped down from the panel to accept IFPRI's offer of the position of Director of the Institute. The CGIAR Secretariat invited Dr. Gormbley to assume the panel Chairmanship and Mr. Roger Smith to join as a new panel member. In addition, the Secretariat asked Dr. Lowell Hardin, long-term veteran of the CGIAR system, to serve as a Resource Person to the panel on technical Board-related matters.

The reconstituted three-person panel and Dr. Hardin met in September to discuss developments at IFPRI and plan their review strategy, prior to the three week main phase of the EMR.

The main phase of the review began in mid-September with presentations by IFPRI programs to the EMR and EPR panels. Following these, EMR panel members, as a group or individually, met with groups of staff from all programs at IFPRI. In addition, they conducted individual interviews with current and former IFPRI staff, at the panel's initiative or that of the staff member. During this process, the panel met regularly with Dr. Faaland and twice with the Chairman of the Board to discuss their progress and formulate recommendations. In addition, they interacted on an ongoing basis with the EPR panel.

Dr. Selcuk Ozgediz and Ms. Elizabeth Field of the CGIAR Secretariat served as Resource Persons to the panel. They attended selected panel meetings and commented on draft chapters of the report.

Appendix 4

Biographical Information on Panel Members

WILLIAM P. GORMBLEY, JR., Panel Chairman

Dr. William Gormbley, Jr. is an independent consultant with extensive experience in international management and has been involved with the CGIAR System since its inception. For the major part of his career, from 1962-85, Dr. Gormbley was employed by the Ford Foundation (New York). He held various positions there, including Officer in Charge of Personnel and Administration in which capacity he was responsible for personnel activities for professional and nonprofessional staff in the U.S.A. and overseas, as well as the Foundation's information and communication services, building, transportation and office operations. Prior to joining the Ford Foundation, Dr. Gormbley was a member of the faculty and Director of the Advanced Management Program at the Harvard Business School. Dr. Gormbley was graduated with a BS from American International College; he has an MBA from Boston University, and a DBA from the Harvard Business School. He is a U.S. citizen.

ROGER A. SMITH

Mr. Roger A. Smith retired from Atlantic Richfield Company after a varied career ranging from engineering research to financial management. A highlight was a posting as the Chief Financial Officer of Atlantic Richfield's Brazilian subsidiaries. From 1987 to 1989 he was the Director of Budgets and Finance at the International Institute of Tropical Agriculture in Nigeria. Mr. Smith was graduated with a B.S. in Chemical Engineering from Rice University in Houston, Texas and an MBA from New York University.

TILO L.V. ULBRICHT

Dr. Tilo Ulbricht of the U.K. has devoted his career to research, research policy and management. During the early phase of his career he undertook research in the frontiers of chemistry, physics and biology, as a Research Associate at Yale University and a Fellow at Cambridge University. In 1960, he moved into industrial research, built up his own research group, became Manager and finally Director of R&D of Twyford Laboratories, Ltd. (a subsidiary of Arthur Guinness Son and Co.). Dr. Ulbricht went into government research policy and management in 1971, as Head of the Planning Section and then Senior Scientific Adviser of the Agricultural Research Council (London). Since 1983 he has been working as an independent consultant for organizations that include CGIAR centers. Dr. Ulbricht earned a BSc First Class Honors, a PhD and DSc from the University of Bristol. In 1966 he was elected Fellow of the Royal Society of Chemistry. Since 1984 he has been Honorary Visiting Professor in Food Policy Studies at the University of Bradford.