

Consultative Group on International Agricultural Research (CGIAR)

REPORT OF THE
FIRST EXTERNAL MANAGEMENT REVIEW
OF
THE INTERNATIONAL LIVESTOCK CENTRE FOR AFRICA
(ILCA)

Panel Members:

Lowell S. Hardin (Chairman)
Jon Moris
Pervaiz Rashid
Selcuk Ozgediz (CGIAR Secretariat)

CGIAR Secretariat
September 1986

CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH

1818 H St., N.W. Washington, D.C. 20433 U.S.A.

Telephone (Area Code 202) 334-8021

Cable Address - INTBAFRAD

September 19, 1986

Mr. S. Shahid Husain
Chairman
Consultative Group on International Agricultural Research
1818 H Street, N.W.
Washington, D.C. 20433

Dear Mr. Husain:

I take pleasure in submitting to you for the consideration of the Group the report of the panel which conducted the first external management review (EMR) of ILCA. This is the eleventh management review conducted within the CGIAR. The ILCA EMR was held concurrently with the second external program review (EPR) of ILCA and both reports were considered by the TAC at its meeting at CIAT last June.

The secretariat is grateful to the board of trustees, the director general and the staff of ILCA for their cooperation and assistance during the review. Thanks are also due to the representatives of many donor agencies who shared their views on ILCA with the panel. Particular debt is owed to Professor Lowell Hardin, Dr. Jon Moris and Mr. Pervaiz Rashid who constituted the EMR panel and to Mr. Paramjit Sachdeva who conducted a study of the management of human resources at ILCA as background to the EMR.

The panel has conducted a detailed and comprehensive assessment of center management. This was made possible, in part, by the excellent set of background materials prepared by ILCA and the frank and open manner in which the board, the management and the staff approached this review.

The Main Findings of the Panel

The overall conclusion of the panel is that, in terms of management, ILCA now has the basic building blocks necessary for effective program delivery. In the area of finance, one of the key building blocks, the panel notes that essential management and control systems were introduced over the last five years and these are working in a satisfactory fashion. In the human resources area, the panel praises the introduction of better processes to attract, retain and motivate staff and notes that the overall quality of staff has improved substantially since 1982. The panel finds similar improvements in the efficiency of administrative services provided and the quality of ILCA's relations with the Government of Ethiopia, other African governments, other CGIAR centers and, uniquely in the system, with private voluntary organizations. Finally, the panel applauds ILCA for building an impressive information management infrastructure which is exemplary within the IARCs.

These achievements, which cover the management of ILCA's human, financial, physical, information and environmental resources, are important from a long-term perspective. As building blocks essential for the efficient functioning of any organization, they facilitate the implementation of programs and ensure continuity of operations when there are major changes in the programs or in the institution. The director general and his management team should be commended for strengthening a weak institution in a short period of time.

The panel notes that the board's overall performance over the last five years has been less satisfactory. This judgment of the panel is based on assessment of the board's effectiveness in five areas of responsibility: replacement of the director general, policy guidance in strategic planning, ensuring financial and legal accountability, monitoring and review of programs, and the composition and organization of the board. Of these, the board is given high marks only in the area of ensuring financial and legal accountability. The panel makes several recommendations for improving the board's performance. A number of these are addressed towards improving the communication between the board and the management.

A major area of weakness that relates to management as well as the board concerns ILCA's long-term planning system. The EMR panel echoes the EPR panel's recommendation that, in the light of its broad mandate, ILCA should tighten its program strategy. The panel makes a number of suggestions on the process that could be used for arriving at a more narrowly focussed strategy.

The Board's Response

The board's reaction to the panel's recommendations is highly positive. The board has agreed with virtually all of the recommendations of the panel, although it places a different interpretation on some of the panel's judgments. The board has also tabled its detailed response to the EMR as a board minute. This is a welcome development as it will facilitate follow-up of the EMR recommendations once the mechanisms for implementing the board's decisions are established. With respect to reformulation of ILCA's strategy, the board has already established such a mechanism by setting up a joint program committee/management working group to produce a revised paper. TAC will study this paper and make recommendations to the Group on ILCA's priorities and programs next year.

Issues

Several of the issues raised by the ILCA EMR merit further comment because of their wider implications in the system.

First, this review underscores the importance of having good communications and a frank and open dialogue between the two most important officers of the organization: the board chairman and the director general. While the principal conclusion is the need for care in choosing individuals for both posts, a number of other measures such as those

outlined in Chapter 3 of the EMR could contribute to the maintenance of a healthy dialogue between the board and the management.

Second, the EMR illustrates that it is not easy to define precisely where the board's policy formulation responsibilities end and the management's policy implementation responsibilities begin. While it is the overall responsibility of the board to ensure that these responsibilities are met, whether by its own efforts or in other ways, there is no way that this can be done without a good dialogue between the board and management.

Third, the review shows that while the system should continue emphasizing protection of the autonomy of the centers and their boards, it should also support measures to strengthen their accountability. The centers should examine carefully the existing mechanisms for ensuring the management's accountability to the board and vice versa. Also, the donors, the boards and the CGIAR Secretariat need to improve their efforts to identify qualified board members who are able to approach their responsibilities in an objective manner. Similarly, more attention needs to be given to finding acceptable ways of terminating the appointments of those who do not contribute meaningfully to the work of the board.

Fourth, the ILCA review highlights the difficulties emerging from explicit or implicit board rules on regional representations on the boards of trustees. In the ILCA case the board has been striving towards attaining a 50-50 African-non-African split in the composition of the board. Further in the ILCA case there has been some tendency for board members to be chosen from countries in which field programs are located, which would encourage those individuals to serve as representatives of those programs. The policy of the CGIAR is to bring together the most qualified persons on a board, regardless of nationality or regional origin. This is a basic tenet of the system. A specific, strict criterion about national or regional representation is therefore undesirable. We note that in changing its board size from 12 to 14 the board did not follow its own rules in maintaining the proportion between CGIAR nominees (which remained at 3) and board nominees (which was increased from six to eight). It would seem sensible for the CGIAR to pay particular attention to the personal qualities of the CGIAR nominees placed on the board during the next several years. The Group might consider requesting ILCA to expand the number of such nominees by one, in conformance with its own rules of 1983, to increase the opportunity for the Group to participate in strengthening the board.

Conclusions

We suggest that the Group endorse the recommendations of the EMR. However, with a new director general and the new effort to produce a revised strategy there will be important changes at ILCA over the coming years. It seems appropriate, therefore, to suggest a new management review to be conducted two to three years hence, at a time when the strategy should be in place, the new management will have made any adjustments it decides to undertake, and the board will have had the opportunity to

implement the recommendations of the review. Such an interim management review would concentrate mainly on the issues of board performance and the planning process.

TAC has recommended that the Group support ILCA's programs in 1987 at current levels of funding in real terms. This is appropriate for a transitional year and we support the recommendation. We join the EMR panel in urging that the ILCA board and management exercise care in guiding the center so that management efficiency does not suffer unduly during the transition.

Two of this EMR's unique features are thorough assessment of the board's performance and the detailed analysis of information management. We hope the analytical framework and approach used in the ILCA case will prove useful in improving the quality of future management reviews.

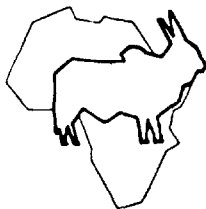
Sincerely yours,

A handwritten signature in dark ink, appearing to read "Curtis Farrar", written over a horizontal line.

Curtis Farrar
Executive Secretary

INTERNATIONAL LIVESTOCK CENTRE
FOR AFRICA

CENTRE INTERNATIONAL POUR L'ELEVAGE
EN AFRIQUE



ADDIS ABABA ETHIOPIA

May 22, 1986

Mr. Curtis Farrar,
Executive Secretary,
CGIAR,
1818 N Sr. NW,
Washington DC 20433,
U.S.A.

Dear Mr. Farrar,

The Panel of the External Management Review of ILCA formally presented their report to the ILCA Board of Trustees and to ILCA senior staff on Tuesday May 20, 1986.

I have pleasure in forwarding to you ILCA's reactions to the main conclusions, recommendations and suggestions made in the Panel's report. These reactions are based upon several days of joint Board and staff discussions and a careful consideration of all of the substantial points raised in the report.

The timing of the review coincided with a full Board which was extended until after the Panel presentation in order that the Board could approve a number of important recommendations very shortly after they had been made. The attached response of the Board is tabled as a Board minute.

The Board's reaction to most of the recommendations is highly favourable. This is in no small measure due to the high level of professional competence of the Panel who went to considerable trouble to understand ILCA's mission, accomplishments and needs. The Board and senior management particularly appreciated the opportunity that the Panel offered to them for full and frank dialogue throughout the whole review process and also the sensitivity and understanding with which they approached their difficult and delicate task.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Barry Nestel'.

Barry Nestel
Chairman, Board of Trustees

RESPONSE OF THE ILCA BOARD OF TRUSTEES
TO THE RECOMMENDATIONS OF THE EXTERNAL MANAGEMENT REVIEW

GENERAL

The Centre's Board of Trustees and management are greatly encouraged by the generally positive and highly supportive tone of the Panel report, and especially by the positive comments on the progress made since the 1981 Quinquennial Review. The comprehensiveness of the Panel's examination, which covered the whole spectrum of ILCA's activities, is a particularly valuable feature of the report.

ILCA's Board and management recognise that an important objective of a review of this nature is to identify and dwell upon areas in which both the Board and the management could become more effective. The Board recognises that the Panel's recommendations have been made in the spirit of strengthening ILCA's effectiveness and has responded to the specific recommendations in the same vein.

In this context the Board has taken particular note of the Panel's comments on the performance of the Board during the past 5 years. We recognise that, within the CGIAR system, Boards of Trustees are held responsible for the efficacy of the Centre in the execution of its mandate. We of the ILCA Board accept that we are held accountable for the performance of the Centre. In meeting this responsibility we further recognise that there is a division of responsibilities - the Board deals with the policy and strategy of the Centre as well as with certain essential details, the Director General deals with management. However, management inevitably affects the performance of the Centre and hence the Board must be sufficiently informed and familiar with the operational procedures and their policy implementation so that it can intervene when it perceives management to be a problem in achieving performance. This is a continuing dilemma with different perceptions when viewed from the standpoint of the management or the Board. Openness, frankness and, above all, mutual respect are essential if we are to overcome the dilemma.

Both Board and management are taking steps, including those recommended by the Panel, to strengthen their relationship in an institutional manner, in order to ensure that a more healthy and productive dialogue will take place in the future. Inherent in this is a major new effort, which has already commenced, for a more systematic approach to planning the future programme strategy.

With respect to the Panel's specific recommendations and suggestions, the Board has the following comments to offer:-

Chapter 2. ORGANISATIONAL STRUCTURE AND INTERNAL COMMUNICATION

Section 2.1 - The Board fully concurs with the recommendation to the effect that the question of the post of Deputy Director General be carefully analysed and resolved by the Board and the new DG as soon as feasible after he is in place. We are concerned that the administrative load of ILCA has increased substantially over the past five years and that a means of sharing this load be devised. We agree that this should be worked out by the new DG in consultation with the Board.

Section 2.3 - The Board recognises the cogency of the suggestions which the Panel has made concerning staff meetings and in-house communication/information. We appreciate the need to balance communication with information and shall urge the DG to consider carefully the thrust of the advice.

Chapter 3. THE BOARD OF TRUSTEES

In the general introduction to this response, the Board has acknowledged its accountability and has stressed that it can only exercise this function if it is fully informed and able to work in harmony with management. The Panel's recommendations and suggestions related to the attainment of this goal are endorsed.

Section 3.1 - The Panel has strongly recommended that the secretarial services provided to the Board be substantially strengthened. We recognise this need and have already initiated steps in this direction.

Section 3.2 - The recommendation to conduct as much as possible of the Board business in open sessions is accepted and has actually been operative during the past year.

Section 3.2.1 - The Board is concerned with the early and timely provision of documents to members. It has used and will continue to use all means available to expedite delivery.

Section 3.2.1 - We take note of the suggestions to update the rules of procedure and election of the Executive Committee chairman and, further, that the Executive Committee meet three times per year as will occur in 1986.

Section 3.2.2 - The Board shares the concerns registered by the Panel concerning the functioning of the Program Committee. We note and agree with the recommendation that ILCA should develop its strategies through an open, collegial, participatory process that mostly involves both management and Board. We further note the recommendation that detailed reviews of ILCA's programs be carried out by management using an institutionalised process monitored by and satisfactory to the Board. As noted in our comments on Chapter 4, the implementation of these recommendations is already in process.

Section 3.2.3 - The Board has noted the suggestion regarding the combining of the Finance and Executive Committees and the establishment of a separate Audit Committee with membership as indicated, and will consider these at its next Executive Committee meeting.

Section 3.2.4 - The Board welcomes the comments on the problems of selection of new Trustees. We have frozen our current vacancies pending a review of procedures to take into account the recommendation of the Panel with respect to Board appointees. This topic is scheduled for the Executive Committee to consider in November 1986 at which time it is hoped to initiate the procedure to fill the two current Board vacancies.

Section 3.3 - The analysis of the situation that pertains between the Board and the DG is essentially true. The Panel is correct in saying that the DG has made significant and long-lasting contributions to the Centre. We submit that while personality conflicts can and do exist, all of the tensions did not necessarily arise with the change of Board Chairman. All this notwithstanding, the Board is dedicated to the task of ensuring that ILCA can serve its clientele and fulfill its mandate. Again this is a part of the continuing dilemma to which we referred and which we believe can only be resolved with full trust, openness and frankness between the Board and the DG.

Section 3.3.1 (i) - The Board notes the comments of the Panel and takes exception to the "lame duck" statement. We believe that we have acted expeditiously and in good faith vis-a-vis ILCA in the selection process. The apparent inappropriate timing was a consequence of events outside of the control of the Board. The recent, mutually agreed action by the Board and the DG has, in our judgement, negated the "lame duck" criticism.

Section 3.3.1 (ii) - The Board notes and concurs with the Panel's comments on Strategic Planning.

Section 3.3.1 (iii) - The Panel's comments on Financial and Legal Accountability regarding ILCA's improved performance in these areas are noted with pleasure.

Section 3.3.1 (iv) - The comments of the Panel regarding Review and Monitoring are noted and will be discussed with the DG. They are dealt with in more detail in the commentary on Chapter 4.

Section 3.3.1 (v) - The Board is acutely aware of the problem which the Panel has identified in the area of Board composition and organisation. The Board has worked to improve relationships and to establish a more participatory Board - which we believe is now being achieved.

Section 3.3.1 (v)(i) and (ii) - The suggestions with respect to improving the quality of Board documentation are noted and will be linked to the strengthening of the Board's secretarial services.

Section 3.3.1 (v)(iii) - The Board feels that the suggestion regarding the time spent by the Chairman of the Board on ILCA affairs is misleading, since we are satisfied that the Chairman does, in fact, follow the principles as set out by the Panel. We therefore believe that the implied need for control is unnecessary.

Section 3.3.1 (v)(iv) and (v)(v) - We welcome the recommendations that the Board systematises the process in which it annually evaluates the DG and its own performance. Both measures will be adopted.

Section 3.3.1 (v)(vi) - The thoughtfulness of the Panel's recommendation on reviewing the procedures employed and the lessons learned in the Director General selection procedure are appreciated. We will institute a review of it at the earliest convenient time. The results will be part of the corporate memory of ILCA.

Section 3.3.1 (v)(vii) - The Board recognises the value of the suggestion that its work load be shared more widely among its members in order to involve more of them in the decision-making process and has made considerable progress in doing this during the past year. One problem is that all civil servants, particularly in the African scene, must receive permission from their governments to stand for election to a Board of Trustees and to travel outside of their home country in order to attend meetings. We share the concern expressed by the Panel regarding re-election but trust that they also recognise the sensitivity of this issue.

Chapter 4. GOAL SETTING, PLANNING AND REVIEW

The thinking of the Board is in full harmony with that expressed by the Panel in this chapter. We agree fully with the analysis of the current mandate and challenge presented to the Board and management.

Section 4.2 - The Board commends the Panel for its thoughtful and perceptive analysis of the challenge which faces ILCA, both management and Board, and which is so clearly reflected in the strategy drafting exercises. We agree with the observations which the Panel has made, in particular with the need for "an interactive process" and with the recommendation that ILCA, in its future strategic planning efforts, employ a process that ensures strong participation from the future implementors of the strategy. The Board anticipates ongoing active and perceptive discussions in the further elaboration and crystallisation of ILCA's strategy. A joint Programme Committee/management working group has been established to work on a revised strategy paper.

Section 4.3.1 - The Panel has strongly recommended that ILCA makes its annual in-house review an important stock-taking, communication, staff development and forward-planning

exercise. Again may we say that we are in full agreement with the observations and suggestions which the Panel has made concerning the review process. Those among us who have had an opportunity to take part in internal reviews at other IARCs have found that they provide the basis on which to forge the team spirit of staff and Board. We shall explore with the DG the possibility of having the Director of Research and the chairman of the Programme Committee jointly attend an internal review at a sister IARC in order to exchange experiences.

Chapter 5. HUMAN RESOURCE MANAGEMENT

ILCA is pleased to note the assessment of the Panel regarding the improvement in the Personnel Section since 1981 and expects further strengthening in this area following the appointment of an experienced international staff member as Personnel Officer.

Section 5.3.3 - There would be a number of advantages to having a uniform date for calculating increments, cost of living adjustments etc. for the whole institution, and the Personnel Section will explore this issue.

Section 5.3.5 - The Board and management agree with the recommendation regarding the provision of detailed up-to-date job descriptions for all staff. On-going action on this subject will be accelerated.

Sections 5.3.4, 5.3.5 and 5.4.1 - The Board noted the recommendations that professional staff should be hired on two-year contracts after a probationary period and that procedures should be instituted to improve the job security of support staff. We also note the suggestion that ILCA begin developing policies and procedures for internal mobility. We agree, in principle, with these three proposals and will refer them for advice to the consultant who is nearing completion of the revised staff personnel manual. This manual includes a section on staff development.

Section 5.4.3 - The Panel has recommended that ILCA speed up current efforts in the area of post and staff classification. This task is expected to be completed later this year.

Section 5.5 - The Panel has recommended that a Board sub-committee monitors the personnel function. The Executive Committee of the Board already sets personnel policies but has not, to date, kept close track of key aggregate indicators. It welcomes the Panel's analysis which suggests several useful indicators that might be readily monitored annually. The Board does not, however, see the need for a specific sub-committee to do this and prefers that the Executive Committee retains this task.

Sections 5.5 and 5.4.2 - The need for an appropriately qualified and experienced staff member to lead the Personnel Section has been recommended by the Panel. Steps to recruit such a person have already been initiated. Early tasks for the new Personnel Officer will be to implement the Panel's recommendation that management take steps to improve the support staff performance evaluation process and also to engage in the implementation and active follow-up of the activities listed in Section 5.5 paragraph 4.

Section 5.5 - The Panel has suggested that the Board should meet annually with the staff councils to enable them to present issues of concern. The Board considers relations with the staff councils to be a management issue, with the Board only hearing representation if the councils feel that management has misinterpreted staff views.

Chapter 6. RESEARCH AND FIELD MANAGEMENT

The review of ILCA's research and field management has been a stimulating and rewarding exercise and has produced results which form a strong and constructive basis for assisting ILCA's management in their desire to further improve research and field management procedures.

Section 6.2 - The Panel has recommended that ILCA establish a Research Review Committee, to help guide the further evaluation of the Centre's scientific programmes. ILCA is well aware that its complex research problems can only be dealt with within an interdisciplinary manner. Therefore we welcome the recommendation to form a Research Review Committee for planning, reviewing and evaluating the scientific programme.

Section 6.3 - Two recommendations relate to strengthening ILCA's contact with African scientists - first, that it should increase current efforts to identify and support young African scientists, and second, that it should do the same in terms of senior African scientists visiting ILCA for 2-6 months. These recommendations are timely, in that ILCA has, in the past years, greatly strengthened its involvement in component research and now finds it possible to expand its research collaboration with National Research Institutions and African scientists. ILCA is encouraged by the Panel's favourable view of the already existing involvement of young African scientists in the research programmes and with the collaboration with senior African scientists through the visiting scientist programme, and will actively engage in expanding these collaborative linkages with African scientists.

Section 6.4 - We agree with the Panel's suggestion that consultants employed for research purposes should come under ILCA's research directorate.

Section 6.5.2 - ILCA's Board and management fully agree with the recommendation that before further research networks are developed, ILCA should assess carefully the nature and scale

of resources needed over the longer term for their support. We also recognise that networks need to be problem oriented in order to attract the appropriate level of financial and physical support at the local level (see also Section 8.7).

Section 6.5.2 - The need for a desk officer to serve as the headquarters link for field programmes is apparent. Steps will be taken to provide such a post as soon as funds are available.

Section 6.6 - The Panel has considered the institutional weaknesses in ILCA's research management as being not simply a matter of inadequate formulation of research protocols but relating to staff resources being spread too thinly over many projects. It has stated that the balance between ILCA's available resources and its present commitments should be a cause of concern, that management should focus on priority areas and that the Board and management should pay more attention to a careful weighing of priorities. The Board sees these issues as a major future task.

Chapter 7. FINANCIAL MANAGEMENT

ILCA is glad to observe that the Panel is impressed with the considerable improvement in the financial management function at ILCA over the last five years and in the financial position and viability of the Centre. Eleven recommendations have been made with respect to financial management. All of them are agreeable in principle, although some may take time to implement.

Section 7.1.4 - The Panel recommends the development of a fund-raising strategy in an effort to expand the funding base and reduce reliance on a few donors. This proposal will be studied.

Section 7.2.3 - The Panel recommends that consideration should be given by management to the preparation of multi-year indicative budget plans as a basis for annual funding decisions and improved planning, and also recommends that consideration should be given to implementing a system of periodic reviews of benefits and costs of programmes for improving research operations and prioritising research activities. The Board and management are in general agreement with these recommendations and will look into the practicality of their implementation; however, prioritising research activities has already begun.

Sections 7.2.4, 7.2.5 and 7.2.7 - The Panel strongly recommends that ILCA develop and implement a programme-based budgeting system; recommends the adoption of a modified system of project costing which would not require elaborate accounting, but would generate the data required for research management and decision-making; and recommends that the annual budget submission memoranda be improved to ensure a more meaningful review of budget submissions. These three recommendations would lead to the provision of a much sharper focus on the relationship between programmes and

budget. Their implementation will require time and effort which should be highly relevant in the context of the current approach to research programming. ILCA will implement these proposals as rapidly as facilities permit. The provision of a full-time budget officer, which has been authorised by the Board, should facilitate this action.

Board and management concur with the following three recommendations which are suitable for early implementation: Section 7.3.1 - in future years the decisions on which field programmes should be audited and the scope of the audit work to be carried out should be left to the discretion of the external auditors.

Section 7.3.2 - management should appoint an internal auditor, with full-time responsibilities to carry out an appropriate and comprehensive programme of internal auditing at the Centre. (The implementation of this recommendation is linked to splitting the post of Budget Officer/Internal Auditor into two separate posts.)

Section 7.3.4 - the Audit Committee, in its regular periodic meetings with the External and Internal Auditors, should place more emphasis on ascertaining the efficiency and effectiveness of the internal auditing function, and on ensuring that appropriate systems exist for the implementation and follow-up of audit recommendations.

Section 7.4 - While maintaining a conservative approach, we agree with the Panel's recommendation that Board and management should re-assess ILCA's current investment strategies and policies to consider a broader range of investment instruments and maturities.

Chapter 8. INFORMATION MANAGEMENT

The Board has been particularly pleased with the progress made by ILCA in its information, publication and computer activities and notes the Panel's comments in these areas.

Section 8.2 - The Panel's observations on the occupational classification of library staff within ILCA's personnel system have been noted and will be referred to the new Personnel Officer for early attention. The question of forward planning of library services will be taken into account in the revision of the strategic plan. Physical expansion of the library is earmarked as a priority in ILCA's capital development programme and is only constrained at present by shortage of funds.

Section 8.7 - The Panel has recommended that ILCA limit itself to networks which have active participation by members and ample administrative resources or a high degree of donor interest capable of supplying such assistance as the networks expand. The Board is conscious of the individuality of specific networks and of the dangers of overcommitment in what appears to be a very effective way of helping to build national agricultural research systems in Africa. Nevertheless, it accepts the Panel's cautions on this subject and has asked management to prepare for its

consideration a network policy paper which incorporates the Panel's views (see also Section 6.5.2).

Section 8.8 - The need to seek added resources to strengthen ILCA's bilingual capacity throughout its programmes features in the Panel's list of recommendations. ILCA would welcome extra resources for this purpose.

Chapter 9. ADMINISTRATION AT HEADQUARTERS

The Board is pleased to note that the efficiency of Administration at Headquarters has improved considerably in recent years, which has enhanced the quality of services to the organisation.

Section 9.2 - We endorse the recommendation to decrease the number of organisational units and staff reporting to the Head of Administration, as well as the recommendation to realign the Administration Department functions and to appoint a professional to handle certain functions including the liaison with field programmes, and the procurement and office services. The details of such realignment will be left to management.

Section 9.4 - On the issue of purchasing, the Board endorses the desirability of purchasing locally whenever possible, and also in nearby countries such as Kenya. It wishes to point out that such an approach, although desirable, is hampered by the scarce and irregular availability of goods in Ethiopia and by a serious taxation problem in neighbouring countries. We note the suggestion that ILCA carry out systematic local market surveys, but are concerned about their relevance in view of the very irregular availability of goods. Efforts will nevertheless be made to do this.

Chapter 10. EXTERNAL ENVIRONMENT AND RELATIONSHIPS

The Panel's analysis of the complexities of dealing with countries in which ILCA has major field programmes is recognised by the Board.

Section 10.3.2 - The proposal regarding zonal advisory committees is an interesting one which ILCA will explore further. However, before taking further action on this we prefer to await the results of the CGIAR priorities discussions, since if African regional CGIAR centres are established the attachment of ILCA's zonal programmes to these would obviate a number of the Panel's concerns. The comments on ILCA's response to the EPR report are also relevant in this context.

Section 10.4 - The Board welcomes the suggestion that ILCA should analyse its experiences with private organisations with a view to strengthening PVO-IARC collaboration.

INTERNATIONAL LIVESTOCK CENTRE
FOR AFRICA

CENTRE INTERNATIONAL POUR L'ELEVAGE
EN AFRIQUE



ADDIS ABABA ETHIOPIA

May 20, 1986

Dr. Curtis Farrar
Executive Secretary
CGIAR Secretariat
The World Bank
1818 H. Street NW
Washington, DC 20433
USA

Dear Dr. Farrar,

We the members of the External Management Review Panel for the International Livestock Centre for Africa are pleased to submit the report you commissioned. We have made a conscientious effort to address the substantial range of issues with which you charged us in our terms of reference.

In conducting our review we personally interviewed more than 40 professional staff members, a cross section of support staff, most of the members of ILCA's Board of Trustees and a sample of donors, cooperators and representatives of African governments. Without exception ILCA's Board and staff cooperated fully. They were open, constructive and always helpful.

To an extraordinary degree, TAC's QQR of 1981 and the changes brought about thereafter constitute a major turning point in ILCA's evolution. While performance is not yet fully at the level sought by the QQR panel, the headquarters unit now has a substantial component/disciplinary research capability. The Centre's human resource management system is basically a good one although ILCA very much needs a professional personnel officer. ILCA's financial affairs are now tightly and effectively managed with very good systems in place. The Centre's excellent information management capability is one of ILCA's real strengths. While the Head of Administration, like many of ILCA's able staff members, is overloaded, the essential elements of the Centre's physical plant and service structure are in place.

Our analysis suggests that improvement in ILCA's planning, goal and priority setting process is the Centre's number one need. We hasten to add, however, that major steps are being

taken to improve and institutionalize ILCA's research review and planning process.

Because our terms of reference were specific in that area, our report analyzes in some depth the effectiveness of ILCA's Board of Trustees through the 1981-85 period. Employing the criteria we used we conclude that the overall performance of the Board has been less than satisfactory. The Board recognizes many of the shortcomings that exist and has begun to make a concerted effort to strengthen its composition and organization.

In the course of our interviews we found that an increasing number of members of the donor community have a deepening appreciation of the progress the Center is making and the pressing need that exists for the scientific and technical advances it can help generate. We join them and other close observers in their positive assessments. We feel however that ILCA's greatest challenge at the moment is to sustain its substantial momentum through the current process of management change.

We have identified Selcuk Ozgediz as one of the co-authors of our report. We recognize that this differs from usual practice. To have done otherwise in this case could grossly understate the major professional contributions that he made to all areas of the team's work.

You have entrusted us with a challenging review. It is our hope that our report will be of assistance to ILCA, to the CGIAR system at large, and especially to the ever increasing member people in Africa whose agriculturally-related problems ILCA is helping solve.

We thank you for the learning opportunity this stimulating assignment provided.

Respectfully submitted,

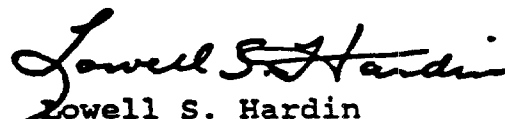

Lowell S. Hardin
Chairman, ILCA EMR
(for the Panel)

TABLE OF CONTENTS

Report of the First External Management Review of the International Livestock Centre for Africa (ILCA)

	<u>Page</u>
Acknowledgements	
List of Acronyms	
Conclusions and Recommendations	
Chapter 1. Introduction	1
1.1 Background	1
1.2 Conduct of the Review	2
1.3 Some Observations on ILCA's Development	3
Chapter 2. Organizational Structure and Internal Communication	6
2.1 Top Management	6
2.2 Management Style	8
2.3 Internal Communications	8
2.3.1 Advisory Committees and Staff Councils	9
2.4 Research	9
2.5 Outreach	10
2.5.1 Zonal Units	10
2.5.2 Networks	11
2.5.3 Collaborative Research	11
2.6 Training and Information	11
2.7 Financial Management	12
2.8 Administrative Management	12
Chapter 3. The Board of Trustees	13
3.1 The Board	13
3.2 Board Committees	16
3.2.1 The Executive Committee	16
3.2.2 Program Committee	17
3.2.3 The Audit/Finance Committee	18
3.2.4 Nominating Committee	18
3.3 Effectiveness of the Board	20
3.3.1 Execution of Key Board Functions	22
Chapter 4. Goal Setting, Planning and Review Process	26
4.1 ILCA's Mandate	26
4.2 ILCA's Strategy	27
4.3 Planning and Review Process	29

4.3.1	Internal Program Review	31
4.3.2	Program budgeting	32
4.3.3	Project management	32
Chapter 5.	Human Resource Management	33
5.1	Introduction	33
5.2	Profiles of Staff by Categories	34
5.2.1	International Staff	34
5.2.2	Local Professional Staff	36
5.2.3	Support Staff	38
5.3	Assessment of Personnel Activities: Professional Staff	39
5.3.1	Recruitment	39
5.3.2	Performance Evaluation	40
5.3.3	Salary Administration	41
5.3.4	Internal Mobility	43
5.3.5	Other Issues	43
5.4	Assessment of Personnel Activities: Support Staff	44
5.4.1	Recruitment	44
5.4.2	Performance Evaluation	45
5.4.3	Salary Administration	46
5.5	Management of the Personnel Function	48
Chapter 6.	Research and Field Management	51
6.1	The Complexity of African Livestock Research	51
6.1.1	Field Constraints	51
6.1.2	Recruitment of Scientists	52
6.2	Research at Headquarters	52
6.2.1	Scientific Direction and Quality Control	52
6.2.2	Research Planning and Monitoring	53
6.2.3	Research Support	55
6.3	Encouraging African Scientists	56
6.4	Consultancy Research	57
6.5	Field Programs	58
6.5.1	Zonal Research	58
6.5.1.1	The Team Leader's Role	58
6.5.1.2	Working Conditions	59
6.5.2	Research Networks	60
6.5.3	Collaborative Assignments	62
6.5.4	Liaison at Headquarters	62
6.6	Evaluating Research Output	62
Chapter 7.	Financial Management	64
7.1	Overall Financial Performance of ILCA	64
7.1.1	Financial Growth	65
7.1.2	Shifts in Resource Allocation	65
7.1.3	Liquidity	66
7.1.4	Changes in ILCA's Funding Base	67
7.2	Financial Planning and Budgeting	68
7.2.1	The Current Planning and Budgeting Process	68
7.2.2	Suggestions for Improvement	69

7.2.3	Long-Term Financial Planning and Review	69
7.2.4	Program-based Planning and Budgeting	70
7.2.5	Program-based Financial Information System	71
7.2.6	Performance Indicators	72
7.2.7	Annual Budget Submissions	72
7.2.8	Expenditure Approval and Commitment Process	73
7.3	Financial Accountability	73
7.3.1	External Auditing	74
7.3.2	Internal Auditing	75
7.3.3	Internal Control Systems	76
7.3.4	The Role of the Audit Committee of the Board in Internal Auditing	76
7.3.5	Financial Reporting at the Headquarters	77
7.3.6	Financial Accountability of Field Units	77
7.3.7	The Finance Manual	79
7.4	Cash and Investment Management	80
Chapter 8.	Information Management	82
8.1	Introduction	82
8.2	Library and Information Services	83
8.3	Internal Communication	85
8.4	Computer Services	85
8.5	Records Management	87
8.6	Publications	88
8.7	Information Networks	89
8.8	The Language Issue	90
8.9	Training	92
Chapter 9.	Administration at Headquarters	93
9.1	Introduction	93
9.2	Operations and Organization	93
9.3	Physical Plant	94
9.4	Procurement and Stores	94
9.4.1	Procurement	94
9.4.2	Stores Management	96
9.5	Warden -- General Services	97
9.6	Office Services	98
Chapter 10.	External Environment and Relationships	99
10.1	The Addis Community	99
10.2	The Government of Ethiopia	100
10.3	Other Governments	100
10.3.1	Country Agreements	100
10.3.2	Countries with Field Programs	101
10.3.3	Relationships with All African Countries	102
10.4	Private Voluntary Organizations	102
10.5	Members of the CGIAR Family	103

Appendices

Appendix A.	Biographical Information on Panel Members	104
Appendix B.	List of Issues -- ILCA External Management Review	106

ACKNOWLEDGEMENTS

To the many individuals who helped us in our task we, the members of the EMR Panel, express our sincere appreciation. The list is a long one. We wish to thank everyone who in one way or another contributed to our effort. Special acknowledgement goes to the ILCA Board of Trustees and its Chairman, Dr. Barry Nestel, for inviting us to attend an Executive Committee meeting and for sharing their experience and concerns; to Dr. Peter Brumby, ILCA's Director General, for his conscientious effort to help us understand the Centre, and he and Mrs. Brumby for their warm hospitality; to Koenraad Geerts, Head of Administration and the ILCA coordinator for our study, for facilitating our work in many ways; to so many other ILCA staff members in the field and at headquarters, for putting aside other duties to accommodate us.

We are also grateful to ILCA donors for meeting with us and to Dr. Curtis Farrar, Executive Secretary, CGIAR Secretariat, and his staff for their counsel.

Special acknowledgement goes to Mrs. Heather Cunningham and Wzo. Tezetta Gebeyehu who, working long hours under pressure, did a thoroughly professional job of typing our report. Finally, we would be remiss were we not to recognize John Thersby and his attentive, energetic crew who cared for us in royal style.

Because of all of you we were able to complete our assignment on schedule!

LIST OF ACRONYMS

AGRIS	International Information Service on the Agricultural Sciences and Technology (FAO)
AGRICOLA	National Agricultural Library (USA) database
ARNAB	Agricultural Research Network on Agricultural By- Products
ALPAN	African Livestock Policy Analysis Network
CGIAR	Consultative Group on International Agricultural Research
DG	Director General
DDG	Deputy Director General
ECA	United Nations Economic Commission for Africa
EMR	External Management Review
EPR	External Program Review
FAO	Food and Agriculture Organization of the United Nations
FNE	Forage Network for Ethiopia
FY	Financial Year
GTZ	Gesellschaft für Technische Zusammenarbeit, German F.R.
IARC	International Agricultural Research Center
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics
IDEAS	ILCA Data Entry and Analysis System
IDRC	International Development Research Centre
IIE	Institute of International Education
IITA	International Institute of Tropical Agriculture
ILCA	International Livestock Centre for Africa
ILRAD	International Laboratory for Research on Animal Diseases
IS	International staff
OAU	Organization of African Unity
ODA	Overseas Development Administration, UK
PADL	Policy Analysis Distribution List
PANESA	Pasture Agronomy Network for East and Southern Africa
PVO	Private Voluntary Organization
RAM	Random Access Memory
SDI	Selective Dissemination of Information
SPSS	Statistical Package for Social Scientists
kb	kilobyte
mb	megabyte
USAID	United States Agency for International Development
UN	United Nations
QQR	Quienquennial Review
TAC	Technical Advisory Committee for the CGIAR

CONCLUSIONS AND RECOMMENDATIONS

The External Management Review Panel found ILCA to be a lively and dynamic organization. We were much impressed with the dedication and commitment of the professional staff to ILCA and its mandate. We were equally impressed with the quality of support staff at the headquarters and in the field.

Our overall conclusion is that ILCA now has the basic management infrastructure necessary for implementing an effective program. This is an extraordinary achievement considering the poor state of affairs that existed five years ago. In our view a major share of the credit for this remarkable recovery is attributable to the leadership provided by the Director General, Dr. Peter Brumby, and to the management team he assembled over the past five years.

Even so, ILCA has not been able to make full use of this infrastructure in developing a well-focused and effective program delivery system. This is partly by design, as ILCA has been in a constant search for novel ideas and approaches during the last five years. It is also due in part to uncertainties associated with the prospect of a change in the Director General which has surely diverted some of the Centre's energies.

In the ten chapters of our report we cover in detail ILCA's accomplishments in the management area and discuss the challenges that lie ahead. We limit the discussion here to what we consider to be, on balance, ILCA's key management strengths and weaknesses.

Areas of strength

Financial management. We are impressed with the considerable improvement in the financial management function at ILCA. The systems which have been developed over the last five years are in place and are operating effectively. Over this period ILCA's revenues have grown an average of 12 percent per year, and this growth has been accompanied by a relative increase in the resources allocated to research, information services and training. Also, there has been an overall improvement in ILCA's financial position to meet its future liabilities and the number of donors has increased from 22 in 1981 to 34 in 1985. Our recommendations for further improvement in the financial area relate mainly to reducing ILCA's continuing dependence on two major donors and to the development of a program-based planning and budgeting system.

Human Resource Management. The personnel function at ILCA was weak and disorganized in 1981. Policies were unclear; procedures were non-existent or not followed; and recruitment, selection, transfer and promotion decisions disregarded objective

criteria. The situation is very different now. A comprehensive personnel manual prescribes detailed policies and procedures; recruitment is competitive, salary decisions utilize objective criteria and seek to maintain internal parity, professional staff are generally evaluated against specific job-related criteria and targets, and the leadership style is open and informal. As a result, the overall quality of staff has improved substantially since 1982. Morale is generally good. ILCA's salary and benefits package for professional staff is fully competitive in the international market, and within Ethiopia ILCA is a preferred employer for local staff. Yet, there are several tasks that are unfinished and some that need to be undertaken. The most important need is for ILCA to have an appropriately qualified and experienced personnel manager. There is also need to improve personnel procedures affecting the support staff, the national professionals and the post-doctorates.

Information Management. ILCA deserves high praise for putting in place an impressive information infrastructure. Further, the components of this infrastructure are well managed. The researchers are able to acquire the information they need to carry out their work efficiently; the information entering and generated at ILCA is processed and communicated efficiently within the headquarters; and the information flowing out of ILCA is conveyed to its target audiences effectively. The latter achievement is even more impressive when one considers the obstacles to the flow of information in Africa.

Administration. The efficiency of the administrative services provided at ILCA has improved steadily in recent years. The housing shortage which has plagued ILCA for years has been partially eased by building some additional staff and hostel accommodations. ILCA's grounds are extremely well kept and its hostel and cafeterias are efficiently run. The procurement procedures have been improved and a new purchasing system is being designed. Stock room facilities have also improved and the inventory records are now computerized.

External Relations. Over the years ILCA has established an impressive network of contacts within and outside of Africa. Its relations with the Government of Ethiopia are much improved, in part due to the efforts of the host country representatives on ILCA's Board. ILCA has also established good formal and informal relationships with many other African governments. In some countries, the memoranda of agreement give ILCA full diplomatic status with the same privileges the staff of the U.N. agencies receive, and several countries are seeking greater involvement with the Centre. ILCA, almost uniquely among the CGIAR centers, has built working relationships with several private voluntary organizations during the recent famine in Ethiopia. Some of them, on their own initiative have provided modest support for some ILCA projects. Through these contacts and mutually beneficial joint work ILCA is building a reputation as an institution capable of helping Africans solve some of the continent's pressing problems.

Emphasis on Research. Following the quinquennial review (QQR) in 1981, ILCA gradually increased the proportion of its budget going to headquarters research and to its training and information activities. At the same time it decreased the proportion of its research funds allocated to field programs from 39 percent in 1981 to 20 percent in 1985, while increasing headquarters research activity from 24 percent to 46 percent. This was done to strengthen component research at headquarters. During the same period changes in research organization have been made to facilitate coordination and provide an opportunity for joint reviews and accountability. Equally important, a strengthened research management system is being introduced to provide a logical breakdown of programs into subprograms and projects, and to improve research planning and monitoring.

Areas of Weakness

The Board of Trustees. The panel examined the Board's overall performance during the recent past in terms of its effectiveness in five areas: selection of the Director General, policy guidance in strategic planning, ensuring financial and legal accountability, monitoring and review of programs, and the composition and organization of the Board. Our collective judgment is that of these five areas the Board has performed well in ensuring financial and legal accountability. We are less impressed with the Board's effectiveness in the other areas. We conclude, therefore, that the Board's overall performance has been less than satisfactory. In our chapter on the Board of Trustees we make a number of recommendations for improving the composition and operations of the Board and of its committees. In this connection we commend Dr. Barry Nestel, ILCA's Board Chair, for the effective and participatory manner in which he is conducting the meetings of the Board.

Communication between the Board Chairman and the Director General. We did not find at ILCA the healthy dialogue between the Board Chairman and Director General that is essential for the Centre's effectiveness. To the extent these conflicts are long-standing, one wishes that the present deadlock had been anticipated and avoided before it became a problem. We do not want to attribute fault to individuals, as this is moot in the light of the decision taken by the Board during our stay to ask the DG to step down by the end of the year. In what we trust is a constructive view, we make some suggestions for establishing and maintaining good relationships in future.

Broad strategies and Limited Resources. Because of its mandate, ILCA has operated throughout its history with slender resources but ambitious research objectives. This resource squeeze has been a factor contributing to ILCA's rather opportunistic approach to the choice of research strategies. We consider that ILCA has now sufficient resources to approach the planning of its strategies more systematically. We see coupling of a broad mandate with a broad program strategy as detrimental to the future work of ILCA. We concur with the EPR Panel that

ILCA should attach utmost priority to the development of a tighter and more-focused strategy. We suggest that in the future ILCA employ a process that ensures strong participation from the principal implementors, and we make several suggestions for improving the current planning and review process.

Strengthening the Field Programs. Responding to the QQR's counsel, ILCA has held constant the resources going into field programs while strengthening those at headquarters. During the past five years, there was a prolonged period of uncertainty about the fate of certain units, and debate over which of several modes of field operation would be most cost effective in the future. Removal of these uncertainties and stabilization of ILCA's field commitments can help those units left in operation to carry out their field research more effectively.

Encouragement of African Institutions. When senior ILCA scientists are hard pushed to accomplish their own research, it is difficult for them to take the time to visit outside institutions within Africa. We consider that ILCA's program has reached a stage of maturity where the institution has much to offer to African scientists. We commend ILCA's plans to further involve African junior scientists within its training program, but we also stress the need for ILCA to establish more active links to African national institutions and senior scientists.

A Look Ahead

ILCA has a strong management base from which to move. The most important management issue facing ILCA now is to sustain the momentum it has gained over the last five years. The Board has an important responsibility in ensuring that the many gains of the last five years are not lost during the management succession. Loss of these gains, in our view, could push ILCA back toward the days of 1981.

List of Recommendations

Organizational Structure and Internal Communication (Chapter 2).

The Panel:

-- recommends that the question of re-establishing the post of Deputy Director General be carefully analyzed and resolved by the Board and the new DG as soon as is feasible after he is in place.

The Board of Trustees (Chapter 3). The Panel:

-- strongly recommends that secretarial services provided to the Board be substantially strengthened.

-- recommends that the Board carefully think through the planning of its annual meeting agenda to include as much of its deliberations in open sessions as is feasible.

-- strongly recommends that ILCA develop its strategies through an open, collegial, participatory process that jointly involves both management and the Board.

-- recommends that detailed reviews of ILCA's programs be carried out by management using an institutionalized process monitored by and satisfactory to the Board.

-- recommends that both African and non-African Board members be chosen because, on the basis of a wide search, they are the best qualified individuals ILCA can identify.

-- recommends that the Board systematize the process by which it annually evaluates the performance of the DG, discusses it with him and determines his salary.

-- recommends that the DG be invited annually to share with the Board (or an appropriate Board committee) his views concerning ways the Chairman's and the Board's effectiveness could be improved.

-- recommends that the Board review the procedures employed and the lessons learned from its current search for and employment of its next Director General.

Goal Setting, Planning and Review Process (Chapter 4). The Panel:

-- recommends that ILCA, in its future strategic planning efforts, employ a process that ensures strong participation from the principal future implementors of the strategy.

-- strongly recommends that ILCA make its annual in-house review an important stock-taking, communication, staff development, and forward planning exercise.

Human Resource Management (Chapter 5). The Panel:

-- recommends that ILCA bring to early completion the process already begun (following the recommendations of the QQR) to prepare written descriptions of duties of all staff, with particular emphasis on staff just joining ILCA.

-- recommends adoption of two-year contracts for ILCA's professional staff, though retaining a probationary period as at present.

-- recommends that ILCA institute procedures to improve the job security of support staff.

-- recommends that management take steps to improve the support staff performance evaluation process as soon as in-house professional capacity to do so is acquired.

-- recommends that ILCA speed the efforts already initiated in the area of classification of posts and staff.

-- recommends that a Board sub-committee keep track of key aggregate indicators of the overall effectiveness of the personnel function, using information provided by management.

-- strongly recommends that ILCA employ an appropriately qualified and experienced staff member to head the Personnel Section.

Research and Field Management (Chapter 6). The Panel:

-- recommends that ILCA establish a research review committee to help guide the further evolution of the Centre's scientific programs.

-- recommends the strengthening of the effort ILCA is already making to identify and support young African scientists who would most benefit from ILCA's challenging research environment.

-- recommends that ILCA strengthen its efforts to attract senior African scientists who can contribute to ILCA's program, coming for short periods (2-6 months).

Financial Management (Chapter 7). The Panel:

-- strongly recommends that ILCA management, with the assistance of the Board, develop and implement a fund-raising strategy in an effort to expand its funding base and reduce the reliance on a few donors.

-- recommends that consideration be given by management to the preparation of multi-year indicative budget plans as a basis for annual funding decisions and improved planning.

-- recommends that consideration be given to implementing a system of periodic reviews of benefits and costs of programs for improving research operations and prioritizing research activities.

-- strongly recommends that ILCA develop and implement a program-based budgeting system.

-- recommends the adoption of a modified system of project costing which would not require elaborate accounting, and yet generate the data required for research management and decision-making.

-- recommends that the annual budget submission memoranda be improved to ensure a more meaningful review of budget submissions.

-- recommends that authority to commit expenditures be set out for various levels of staff so that the managers of each cost center can incur certain expenditures in accordance with their authority and budget without prior approvals.

-- recommends that in future years the decisions on which field programs should be audited, and the scope of the audit work to be carried out, be left to the discretion of the external auditors.

-- strongly recommends that the management appoint an internal auditor, with full-time responsibilities to carry out an appropriate and comprehensive program of internal auditing at the Centre.

-- recommends that the Audit Committee, in its regular periodic meetings with the external and internal auditors, place increased focus on ascertaining the efficiency and effectiveness of the internal auditing function, and on ensuring that appropriate systems exist for implementation and follow-up of audit recommendations.

-- recommends that the management reassess its current investment strategies and policies to consider a broader range of investment instruments and maturities.

Information Management (Chapter 8). The Panel:

-- recommends that ILCA limit itself to networks which have active participation by members and ample administrative resources or a high degree of donor interest capable of supplying such assistance as the network expands.

-- recommends that ILCA seek added resources to strengthen bilingual capacity throughout its programs.

Administration and Headquarters (Chapter 9). The Panel:

-- recommends a realignment of Administration Department functions and the appointment of a professional to handle certain functions now reporting directly to the Head of Administration, including liaison with field programs.

-- recommends that the resource planning for a program of priority construction, as agreed with the Board, be carried out sufficiently in advance to allow time for tendering in view of shortage of materials and suitable contractors.

1. INTRODUCTION

1.1. Background

The International Livestock Centre for Africa (ILCA) was established in Ethiopia in 1974. Signing of the Memorandum of Agreement with the host country in July 1974 followed more than four years of work by task force groups, preparatory committees, the Technical Advisory Committee (TAC), and the Consultative Group for International Agricultural Research (CGIAR). A sister institution, also dealing with livestock, the International Laboratory for Research on Animal Diseases (ILRAD), had been established in Kenya a year earlier. ILCA stated its goal thus: "To assist national efforts which aim to change production and marketing systems in tropical Africa so as to increase the total yield and output of livestock products and improve the quality of life of the people in this region." More recently, ILCA has said that its aim is to improve livestock and food production in sub-Saharan Africa.

In 1975 ILCA was established as a legal entity; architectural work for the design of the headquarters began the same year. Construction was started after the signing of a 99-year lease with the Ethiopian government for 10 hectares near Addis Ababa. Staff began to move into the headquarters unit in 1981. Occupancy was completed in 1982, though much remedial construction work had to be done.

These attractive facilities, including more recent additions, are now stretched to capacity to accommodate current levels of training, analytical and information services, and research activities.

In 1976 an agreement was signed with the government of Mali for the establishment of the arid zone program. In the same year, a field experimental station at Debre Zeit was made available to ILCA by the Ethiopian government and an agreement was signed with the Kenyan government for the establishment of a field program in that country.

The field programs are today based on five zones. The highlands program has two principal sites in Ethiopia, Debre Berhan and Debre Zeit (the latter also serves as an expanding station for headquarters research and training). ILCA's humid zone program is based at Ibadan, Nigeria, where work is conducted in association with the International Institute of Tropical Agriculture (IITA). The sub-humid program, also in Nigeria, is based at Kaduna in the north with a nearby sub-station at Zonkwa, and is operated in association with the host government. The Sahel zone (combining the arid and semi-arid zones) for West Africa is based at Bamako in central Mali, with sub-units at Niono and Mopti. Some additional work is carried out in Niger, in close collaboration with the Sahelian Center of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT). ILCA also has a rangelands program in southern

Ethiopia and in Kenya among the Maasai pastoralists. Headquarters for the Kenya rangelands unit, along with ILCA's trypanotolerance network (a headquarters function), is on the ILRAD campus near Nairobi. In recent years ILCA has also added several collaborative projects, such as its joint IDRC project in Zimbabwe.

As one of the 13 centers in the CGIAR network ILCA receives funding from 26 donors.* ILCA's expenditures in 1985 were U.S. \$15.7 million. Operations consume about 90% of the budget, leaving 10% for capital expenditures. The operating budget is allocated about 60% to research, 10% to training, and 10% to information services, with 20% going for hostels, transport, building maintenance and administration. Staff costs are of the order of 50% of the operating budget. ILCA is governed by an international Board of Trustees. The 82 individuals listed on the professional staff roster came from more than 25 different countries. The total staff comprises 58 international and 24 local senior scientists and administrators, plus 514 technical and support personnel (about one-third of whom are in field locations).

This is not ILCA's first external review. TAC sent review missions to ILCA in both 1977 and 1978. TAC's 1981 quinquennial review (QQR), chaired by Sir John Crawford, covered both program and management matters. Thus, this is the first review in which the scientific and management aspects of the Centre's work are examined by two panels: an External Program Review Panel (EPR) and an External Management Review Panel (EMR).

1.2. Conduct of the Review

Members of the EMR panel were involved periodically in this exercise over the period extending from November 1985 through May 20, 1986. The chairman met with three of the Centre's managers and two of its trustees in Washington during International Centers Week 1985. The panel, excluding Dr. Moris, but including consultant Paramjit Sachdeva, met with staff and trustees in Ethiopia January 25 - February 2. This afforded us an opportunity to sit in as observers at a meeting of the Executive Committee of the Board of Trustees. Consultant Sachdeva continued on at ILCA through February 5 to complete his interviews of a cross-section of staff members. In the process ILCA opened its files and provided the data which, with the results of the interviews, became the basis for the consultants' subsequent analysis and report to the Centre. That report in turn provides much of the substantive base for Chapter 5.

*Current donors are: Australia, Belgium, Canada, China, Denmark, Ethiopia, the European Economic Community, Federal Republic of Germany, Finland, Ford Foundation, France, India, the International Development Research Center of Canada, the International Fund for Agricultural Development, Ireland, Italy, Netherlands, Nigeria, Norway, Sweden, Switzerland, United Kingdom, United States, and the World Bank.

Following their initial period at ILCA two of the panelists visited ILCA programs and staff in Kenya. At this time detailed discussions were also held with the Centre's external auditors.

On February 24 the full panel met in Chicago to share and discuss their findings, plan next steps and assign responsibilities. Dr. Moris accompanied the EPR panel on its April 1986 visits to ILCA field operations, interviewing a cross-section of staff in each location. Pervaiz Rashid made an independent visit to ILCA's Nigerian programs in April 1986. The full panel again assembled in Addis Ababa for the period April 30 - May 20, 1986. During this time we again had an opportunity to interact with members of the Board of Trustees, management and staff.

In summary, the numbers of interviews conducted with professional staff members were of these orders: Hardin, 22; Moris, 28; and Rashid, 24. These interviews involved 46 individual staff members as several were seen by more than one panel member. In addition, both Ozgediz and consultant Sachdeva interviewed staff at all levels. A cross-section of the support staff, consultants and post-doctoral students, was interviewed and one or more panel members visited all field locations. Almost all present, and some past Board members, were interviewed individually. Also, during the period of our assignment we held discussions with the TAC Chairman and CGIAR Secretariat staff, several ILCA collaborators, representatives of five ILCA donor organizations, and talked with representatives of several of the host countries in which ILCA works.

We feel that our early familiarization visits materially assisted in establishing priorities, dividing responsibilities and planning our coverage. Our two concentrated periods at headquarters enabled us to come to know the institution, to familiarize ourselves with the procedures employed, and to visit with staff at all levels.

1.3. Some Observations on ILCA's Development

For one to appreciate the substantial advances that ILCA has made in improving management effectiveness, it is helpful to reflect on some of the changes the Centre has undergone in its development.

Over time, a substantial number of projects designed to improve livestock production and productivity have been undertaken in Africa. Relatively few of these, aside from some of the animal health initiatives (e.g. development and use of vaccines for rinderpest) have been successful. This disappointing track record did not provide ILCA's founders, its management, its Board, or TAC with guidelines for a proven program strategy. Thus, the search for an appropriate model to guide ILCA's programming became a continuing process.

Initially it was hypothesized that if one understood African animal production problems more fully, one could identify technologies developed elsewhere and import them. To do so, ILCA needed to orient its efforts toward description, monitoring, and technology transfer. So a set of rather loosely coordinated field programs was established with headquarters providing administrative and service functions. One objective of these units was for them to identify constraints that could be ameliorated through technology transfers. Experience, however, revealed that part of this strategy did not work. "Fixes" imported from abroad were unsuccessful. Hence, TAC, in its earlier reviews and the 1981 QQR, strongly urged a shift to a more analytical and experimental research approach.

One might characterize Phase I of ILCA's operations as being focused on systems description. ILCA's Phase II could be called one of constraint identification and a build-up of central research facilities and scientific research capabilities. Phase III of ILCA's development, into which it is well-launched, may be described as component research within a systems framework -- all tailored to African circumstances.

ILCA's efforts to evolve its program strategy have been further complicated by the understandable differences in expectations that exist among (and within) the groups that shape, support, and expect to benefit from the Centre's work. ILCA must hear and weigh the counsel of its African clientele (host governments, national institutions, and a daunting array of animal producers), donors, TAC, its governing board, staff and management. To harmonize these often diverse views, without spreading available resources too thinly, poses a continuing management challenge.

It may well be that divergent views with respect to how ILCA deploys its resources is a major source of the tension that exists between the Centre's management and its Board. This problem is not new. It appears to have characterized the situation, at times more acutely than others, throughout the life of the Centre. ILCA's first two Directors General, at the invitation of the Board, left the Centre before completing their contracts. On one of these occasions, a trustee became the acting Director General on an interim basis. Thus in ILCA's earlier years continuity in senior management left much to be desired. Changes in chief executives, in program emphases and in management style have been both frequent and interconnected. At one stage just prior to the present Director General's assuming his post, ILCA was in serious financial difficulty. One reviewer characterized ILCA's status as verging on bankruptcy.

The serious political developments and security concerns in Ethiopia in the late 1970s and early 1980s posed additional complications with which management had to cope. Field work was disrupted and had to be discontinued at some locations. Several staff members were relocated to another country. While working conditions are now stabilized and relationships with the

government of Ethiopia quite supportive. ILCA's program still bears the scars incurred during this unsettling period.

In contrast, the Centre today is in much improved financial health. Its commercial bank accords it an unused, unsecured line of credit of U.S. \$1 million. The necessary but nonetheless extraordinary improvement that ILCA has achieved in budgetary and financial matters is a major accomplishment.

Without question, TAC's QQR of 1981 and the changes brought about thereafter constitute a major turning point in ILCA's evolution. The Centre's prompt and positive response to the QQR's 53 recommendations under its new DG set the institution on its present programmatic and managerial course. Performance in all areas is not yet at the level sought by the QQR panel. But the headquarters unit now has a substantial component/disciplinary research capability in terms of scientific staff, laboratory facilities and equipment. Management and decision-making procedures, along with manuals that spell them out, now exist. Overall, as indicated above, the institution's financial affairs are now tightly and effectively managed.

It is against the foregoing background of significant managerial progress that we discuss areas in which we feel that the Centre can make further improvements.

2. ORGANIZATIONAL STRUCTURE AND INTERNAL COMMUNICATION

In this chapter we describe and comment briefly on ILCA's evolving organizational structure and internal communications. This is presented here as a backdrop to subsequent chapters, as one needs to have some comprehension of ILCA's structure and management's style in order to understand how the Centre sets its goals and establishes priorities (Chapter 4).

2.1 Top Management

ILCA's most recent organization chart (Table 2.1) shows that the three Directors (of Research, Outreach and Information and Training), the Financial Controller and the Head of Administration report directly to the Director General (DG). The field team leaders report to the Director of Research and have a staff relationship with the Director of Outreach.

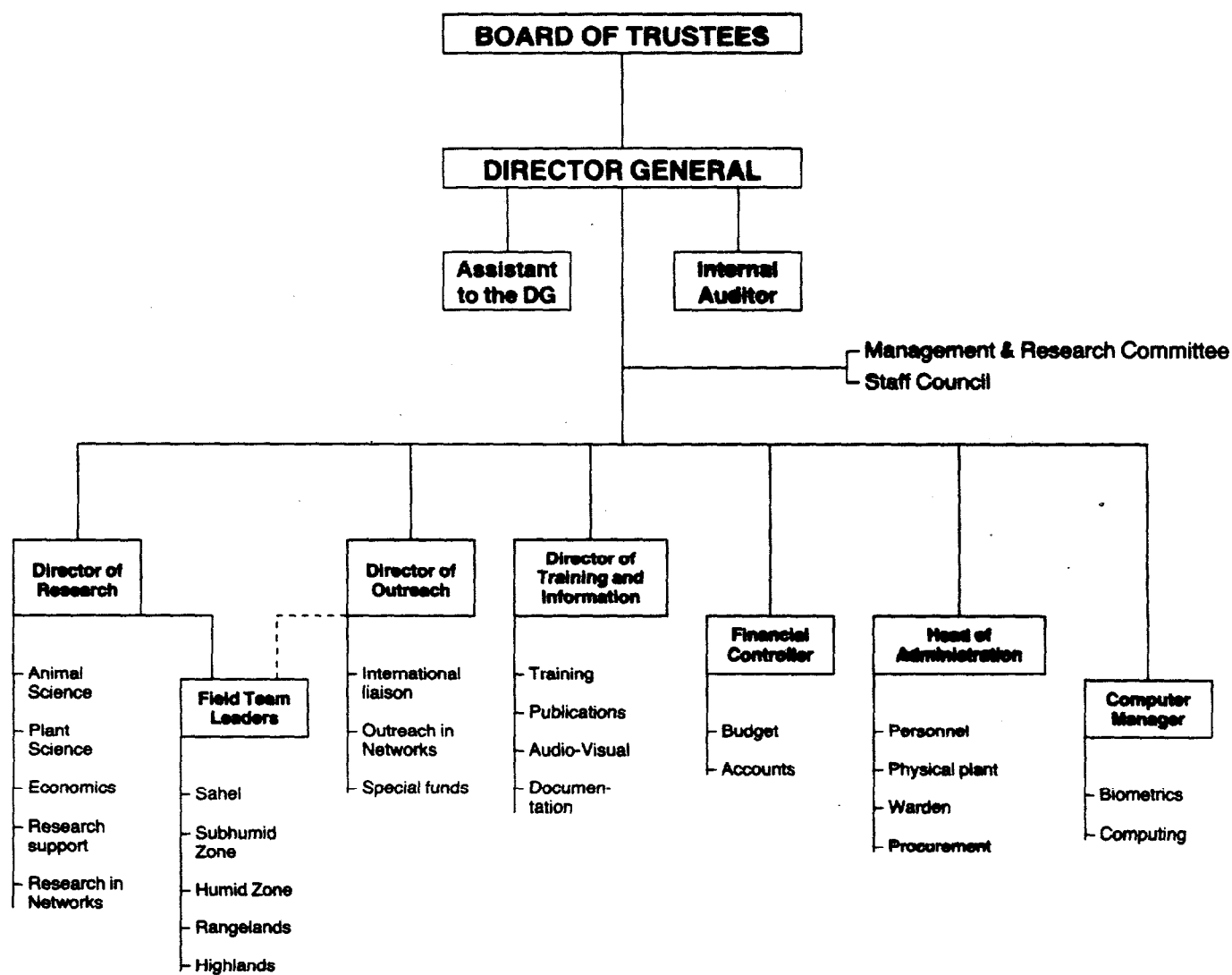
ILCA's Rules of Procedure provide for the posts of Deputy Director General and Associate Director General (to be appointed by the DG with the approval of the Board). In recent years these posts have been deleted from the organization chart. Instead, in the absence of the DG from headquarters, and to cope with the travel commitments of senior staff, he names one of the Directors as acting DG.

In recognition of the administrative and leadership load the DG carries and to assure better continuity in leadership during the periods when the DG is away from ILCA, several Board members are of the opinion that ILCA should have a duly appointed Deputy Director General.

Just how the Center organizes its top management team is materially influenced by the style and desires of its DG. Duties and responsibilities of ILCA's present trio of Directors and those of the chief administrative and financial officers are fairly well defined. If ILCA elects to have a Deputy Director General, the Board and top management need to work out and agree upon a well-defined description of that post. Functions that he might perform in addition to acting for the DG in his absence include: staff coordination of ILCA's internal program review and forward planning process; provision of the secretariat for the Board of Trustees and its committees; handling part of ILCA's representational responsibilities, thus decreasing the heavy travel demands on the DG, etc. But such a post is not essential to the effective functioning of the centre. Continuity in top management could be assured by designating say the Director of Research automatically to be the Acting DG in the DG's absence. Other of the above functions could be delegated to selected senior staff and the DG's assistant.

We recommend that the question of re-establishing the post of Deputy Director General be carefully analyzed and resolved by

Table 2.1



the Board and the new DG as soon as is feasible after he is in place. To our view, the presently specified procedure for that person's selection, if a DDG is to be employed, is the proper one: appointment by the DG with the approval of the Board. We envision that the DG would involve one or more Board members in the search process.

2.2 Management Style

ILCA's current management style, as described by the Centre, is "one that avoids rigidity of structure, job demarcation boundaries and the establishment of fences around the responsibilities of specific staff. A collective and urgent sense of purpose and of shared responsibility is sought, with all staff willing and, to a greater or lesser degree, capable of assuming the immediate task at hand."

While adhering to the foregoing philosophy, ILCA is progressively establishing a structure by which management seeks "to clarify responsibilities, define communication channels, establish levels of authority, provide the basis for budget development, allocate and balance tasks."

We recognize and appreciate the merits of the management style described by the Centre. At the same time we believe that the pace at which the somewhat more formal structure is established should be accelerated. To that end we offer specific suggestions in subsequent chapters which relate to such issues as decentralization of authority at headquarters and giving greater authority to managers.

2.3 Internal Communications

Informal communication channels are widely used at ILCA. The DG maintains an open door policy. Dialogue among staff and the DG occurs continuously.

In a more formal sense senior staff meetings, one to two hours in length, are held every Friday morning. The DG chairs the meeting which is attended by the Directors, Department Heads, and Team Leaders (approximately 20 participants). These sessions are essentially informational, with each participant having an opportunity to comment on events in his unit, past and future. The meetings are not minuted except in the absence of the DG. On return to their units senior staff report relevant information to their colleagues.

We appreciate that the weekly senior staff meetings serve useful, often essential coordination and communication functions. We join many staff members, however, in the hope that ways can be found to perform these essential functions at a lower cost in terms of high-priced staff time. If a reliable calendar of coming events, visitor schedules, travel and key announcements were distributed to staff on a fixed weekly schedule, it might be possible to hold the senior staff meetings on a bi-weekly or

monthly schedule. The Centre has a house organ, the ILCA Diary, but it is issued only once a month.

Following the senior staff meeting the DG, Directors, Deputy Directors of Research, Controller and Head of Administration stay on for the weekly meeting of the Management and Research Committee. Issues are discussed informally by this group, but it is our understanding that this committee functions as a sounding board and facilitator of communications rather than as a decision-making body. Historically it has devoted little structured attention to research as the word was added to the committee name very recently. This committee's meetings are not minuted except in the absence of the DG.

With the creation of a Research Committee, as ILCA is now considering (see Chapter 6), we suggest that the Centre take a new look at the terms of reference of the Management Committee. Some degree of formalization is probably desirable with respect to agenda, functions, and the keeping of appropriate minutes.

2.3.1 Advisory Committees and Staff Councils. The DG has five standing committees to advise him in specific areas. These are, respectively, committees dealing with: Publications, Training, Works, Transport and Housing. The Centre also has Staff Councils. These are the elected executive bodies of the Staff Association of ILCA, an organization to which all Centre employees belong. The headquarters council consists of three staff members with a local contract and three with an international contract. Field programs with a total of 20 or more staff members elect their own staff council. Stated objectives of the Staff Association are: (a) to promote and safeguard the rights, interests and welfare of all ILCA staff and (b) to contribute to the pursuit of the objectives of ILCA.

Both the standing committees and the Councils perform essential functions. To assure that they function effectively they need to understand why their recommendations are not followed by management when that is the case. In several instances staff advised us that when their advice was not followed they were unclear as to the reasons why.

2.4 Research

The Director of Research has full authority for managing the research work carried out in headquarters and field programs. Under his leadership a systematized procedure for the establishment, implementation, and monitoring of research protocols has recently been strengthened and implementation is under way. Reporting directly to him are the Deputy Directors of Research for animal sciences, plant sciences, economics and field team leaders (see Chapter 6 for a detailed description). The Deputy Directors also have a subject matter (staff) relationship to the research content of the programs led by heads of field programs and networks. On administrative and financial matters,

field program heads must also deal with the appropriate units at headquarters.

2.5 Outreach

The Outreach Department is charged with fostering all forms of expanded outreach by ILCA and assisting field operations to expand their zonal impact. Prime responsibility for conceiving, preparing, negotiating and reporting on special projects is lodged with the Outreach Director's deputy. The Director of Outreach handles international liaison and administers ILCA's expanding group of networks. He is also involved in planning and carrying out conferences and workshops, though line responsibility for them is lodged with the training unit.

As in most institutions, functions performed are not as neatly compartmentalized as may be suggested by organization charts. Some overlap does exist; for example, in the degree of accountability the Director of Research and the Director of Outreach have for the performance of field programs and networks. Our sense is that field team leaders take on their assignments with the understanding that they report to the DG. They act on the authority he delegates directly to them. However, with regard to the content of their work, mostly taken up in implementing research protocols, they come under the Director of Research, just as in their liaison relationships to the host country they deal with the Director of Outreach.

In terms of policy guidance, while structurally ambiguous, this situation appears to have worked reasonably well in circumstances where the DG has delegated much of his authority to the unit leaders. Problems can arise when field units require administrative assistance of various sorts from headquarters. Then a given field unit deals with an array of section heads in Addis without having a "friend at court" so to speak to see that requests are acted upon.

Currently, ILCA operates in three rather different modes when carrying out off-station activities: i) zonal units, ii) networks, and, iii) collaborative research. While zonal units were the earliest to be established and are still the largest of ILCA's off-station commitments, in recent years (since 1982) the trypanotolerance network has assumed increasing importance as have other activities linked to special projects or to cooperating institutions.

2.5.1. Zonal Units. Given the prominence of a farming systems approach within ILCA during its early years, it is not surprising that substantial resources were put into establishment of field units on the basis of ecologically defined zones. In both Mali and in Nigeria there are substantial field stations (at Niono and Zonkwa respectively), while the highlands and rangelands zones have field teams at different sites. Distance and political factors dictate that the Ethiopian and Kenyan rangelands have their own teams, and thus constitute independent

cost-centers in the ILCA system. Similarly, the one ILCA staff member located at ICRISAT's Sahelian Center in Niger is administered independently from Mali's Sahel unit. The Kenya Rangelands office is located at ILRAD near Nairobi in conjunction with the trypanotolerance network group. Among ILCA's field programs, Mali's and the Ethiopian rangelands team are the largest, followed by Kaduna and then with the two Kenya units and Ibadan all being of roughly similar size.

2.5.2. Networks. ILCA's oldest and most well-established research network is run by the Livestock Productivity and Trypanotolerance group at ILRAD. This network is comprised of linked field research activities at 13 sites in 10 African countries, with a full-time Nairobi-based coordinator and a support team of 6 scientists (2 from ILRAD). Less fully operational are other research networks, such as the Pasture Agronomy Network for East and Southern Africa (PANESA), started in 1985, and the Small Ruminant and Camel group (700 network members from more than 40 African and 30 non-African countries). This latter group publishes a newsletter and is just beginning to move into collaborative research arrangements with several field participants. As an example of a purely information-exchange network, there is the African Livestock Policy Analysis Network (ALPAN), which has about 700 members, 85% in Africa. In all, ILCA is operating eight research and information networks, but, as our description here indicates, those like the trypanotolerance network represent an operational commitment to the support of field teams quite different from, say, ALPAN's information exchange.

2.5.3. Collaborative Research. Other than network-based research staff (usually funded under special projects within the countries where they work), ILCA also has a few staff on individual assignment within countries where there is no major field program. One person is located in Niger at ICRISAT's Sahel Center, and another serves in an "outrider" capacity within Zimbabwe (in the past ILCA also had a person in Botswana).

Staff who work under network and collaborative research assignments away from headquarters experience a different managerial environment from those in zonal units. In the collaborative mode, ILCA depends upon the capacity of the host institution for meeting daily administrative needs. Under either the network or outrider situation, ILCA staff rely on ILCA headquarters for some types of operational support which zonal units can supply directly to their staff. If for policy reasons it is decided to increase ILCA's activity in the network and collaborative modes, it is likely that further elaboration and clarification of the support linkages to headquarters will be necessary.

2.6 Training and Information

The Director of this department is responsible for and has reporting to him the training section, the publications section,

the library and documentation section and the audio-visual aids and mapping section. In addition, he continues to carry research responsibilities in his disciplinary area in veterinary science.

As now constituted, the training section is responsible for organizing, scheduling and administering ILCA's training activities. Subject matter, preparation of teaching materials and actual instruction are handled by staff scientists from their respective disciplinary groups or by consultants employed for that purpose. The section does not have instructors on its own staff.

In a like manner the training section is also administratively responsible for organizing and providing the logistics for conferences and workshops.

2.7 Financial Management

ILCA's financial management is directed by the controller who reports directly to the Director General. The Financial Controller has organized his operations so that he has reporting directly to him his chief accountant, his budget officer and the country program accountants. In practice the controller is in frequent direct contact with ILCA staff at all levels. We elaborate further on ILCA's financial management and budgeting in Chapter 7.

2.8 Administrative Management

ILCA's Head of Administration also reports directly to the DG. Units or functions for which the Head of Administration is responsible include: personnel, procurement, general services (hostels, housing, cafeteria, transport and security, all handled by the Warden); physical plant (construction and maintenance); and office services (registry, telex, telephone, office cleaners). Administratively field programs also report to the Head of Administration. As an additional duty he serves as secretary to the Board, to its Executive Committee, and to its Nominating Committee.

While we discuss general administration in Chapter 9, we comment here on the feasibility of combining the financial management and administrative functions under a Director of Administration. In such a structure the controller would report to the Administrative Director. Although such a move would have the advantage of reducing the number of individuals reporting directly to the Director General, we favor continuation of the present division of responsibilities. The administrative and controller functions differ in substance. Both require first-class professionals. We judge that, given ILCA's history and situation, the chances of employing and retaining superior individuals are enhanced by providing equal status for the Head of Administration and Controller and having both of them report to the DG. This has the further advantage of providing some additional checks and balances in ILCA's management system.

3. THE BOARD OF TRUSTEES

In this chapter we focus on the roles, relationships and responsibilities of ILCA's Board of Trustees. We describe the Board's structure, the procedures it uses in discharging its responsibilities and comment on what we perceive to be important issues. Many of these relate to the gray area between policy formulation (the task of the Board with the participation and assistance of management) and implementation (the clear responsibility of the Director General who is ILCA's chief executive officer).

Details of governance and powers of the Board are spelled out in Articles 8 and 9 of the agreement between the Provisional Military Government of Socialist Ethiopia and ILCA as executed December 24th, 1982 (replacing the earlier memorandum of agreement concluded on the 16th of July, 1974, between the Government of Ethiopia and the International Bank for Reconstruction and Development acting on behalf of the CGIAR). The agreement specifies the legal status of the Centre as an autonomous, non-profit organization, international in character, headed by a Director General.

Well-formulated procedures of the Board are detailed in its Rules of Procedure. (The official listing of these rules was last updated in 1983 but several changes have been made since that date.) Our observations are based upon ILCA's Memorandum of Agreement and Board rules; attendance at an Executive Committee meeting; study of Board minutes and documentation; visits with the Director General and staff; and interviews with present and former trustees.

3.1 The Board

As presently constituted ILCA's 14-member Board of Trustees is made up of: (a) two members designated by the government of Ethiopia; (b) three members designated by the CGIAR; (c) eight members at large elected by the Board, at least four of whom are required to be African nationals; and the Director General ex officio (Table 3.1). The Board's rules state that the number of trustees may be adjusted from time to time, but is not to exceed 17. These rules further specify that any changes in composition shall be in accordance with the ratios described in (b) and (c) above. The intent is that approximately half of the Board members be African nationals. The Memorandum of Agreement called for a Board of 12 members, but the size was expanded to the present 14 in 1983. While ILCA may wish to increase the size of the Board at a future date, we judge 14 to be an appropriate number for the time being.

A senior administrator from the Centre, upon nomination by the Board, acts as secretary. Our panel concurs that the secretary should be a senior ILCA staff member. We suggest,

Table 3.1

ILCA BOARD OF TRUSTEES AND THEIR TERMS OF OFFICE

Name of Trustee & Nationality	'81	'82	'83	'84	'85	'86	'87	'88
<u>African Members</u>								
Aklilu Afework Ethiopia	X	X	X	X	X	X	X	
Assefa W/Giorgis "	X	X	X	X	X			
H. Bembello Niger	X	X						
P. Chigaru Zimbabwe			X	X	X	X	X	X
Z. Coulibaly Mali	X	X	X	X	X	X		
K. David-West Nigeria			X	X	X	X	X	X
K. Diallo Senegal		X	X	X	X			
Gizaw Negussie Ethiopia						X	X	X
P. Thiongane Senegal					X	X	X	
<u>Other Countries</u>								
F. Barth Norway	X	X						
P. Brumby New Zealand		X°	X°	X°	X°	X°	X°	
R. Cummings U.S.A.						X	X	X
R. McDowell U.S.A.	X*	X*	X*	X*	X*			
K. Meyn W. Germany	X	X	X	X	X	X		
B. Nestel U.K.		X	X	X	X*	X*	X*	
D. Pratt U.K.	X°							
A. Provost France	X	X	X	X				
G. Rognoni Italy				X	X	X		
G. Sorbo Norway			X	X	X	X	X	X
H. Steppler Canada				X	X	X		
A. Thorne U.K.	X	X						
J. Tyc Switzerland			X	X	X	X	X	X

* Chairman of the Board

° Director General/Ex-Officio Board Member

however, that the terms of reference of the secretary be specified and that the nomination and appointment process be clarified and made a matter of record. While the duties and responsibilities of the secretariat are clearly spelled out in the Board's Rules of Procedure (Article B.1.2.3, sections 1-6) our reading of the minutes indicates that these procedures (making the draft record available to the chairman within 45 days from the date of the meeting, review and amendment as necessary by the chairman and circulation of the draft record within 60 days of the meeting) have not always been adhered to. We strongly recommend that secretarial services provided to the Board be substantially strengthened.

It would be the responsibility of the senior ILCA staff member who is the Secretary to assure timely preparation and distribution of all documents. This is not meant as a criticism of the present secretary to the Board. He has been doing "yeoman" service, but simply has too many other responsibilities to be able to handle the secretarial duties of the Board and all of its committees. One solution might be to distribute secretarial duties among the staff: one for the Board and Executive Committee; one for the Program Committee as suggested later in this chapter; and the third for the Nominating Committee. In addition we believe that ILCA should assign high priority to Board business in the work plans of individuals named to Board or committee secretary duties.

The Chairman and Vice-Chairman of the Board are elected by majority vote for one year only. Reelection is possible. The Board meets annually, generally in March or April, in an open session attended by observers and then in closed session. The Board receives reports from the Director General, selected senior staff members and from its committees. Agenda items as agreed upon by the Board Chair and the Director General are discussed.

Guidelines are unclear with respect to which items are treated in open as contrasted to closed sessions. Some observers, having come long distances to share in the open session, have noted that a substantial portion of the Board's business is often conducted in the closed meetings. We recognize that such matters as election of officers, membership of committees, salary levels of the Director General and election of new trustees are appropriately among the items considered in closed sessions. As a public organization, however, ILCA has a large stake in being an open institution whose deliberations are understood by client and support groups that are interested. Open meetings provide a needed opportunity for Board members and committee chairmen to report to and communicate with invited representatives of local and international organizations, donors, host countries and representative members of the senior staff of the Centre. We recommend that the Board carefully think through the planning of its annual meeting agenda to include as much of its deliberations in the open sessions as is feasible.

The Board conducts much of its work through its Executive, Program, Audit/Finance and Nominating Committees, as is described below.

3.2 Board Committees

3.2.1 The Executive Committee. This committee is charged with insuring the implementation of policies and decisions laid down by the Board, reviewing materials for Board consideration and otherwise exercising powers and performing duties delegated by the Board. Its decisions are subject to ratification by the Board unless specifically delegated in advance.

Members of the committee are the Chairman and Vice-Chairman of the Board, the Director General, the Chairman of the Program Committee, the Chairman of the Audit Committee, the Chairman of the Nominating Committee and a member at large (presently the Second Vice-Chairman of the Board). The rules of procedure specify that at least one member of the committee shall be a Board member from the Headquarter's host country.

It has been usual practice for the Chairman of the Board of Trustees to chair the Executive Committee, but the rules do not specify how the chairman is elected. As the size of the committee has been enlarged since the rules of procedure were drawn, the rules should be brought up to date. In so doing, the procedure for electing the chairman of the committee should be clarified.

It is clear that the Executive Committee is the focal point of the work of the Board of Trustees. All Board committees are represented in the executive group and most items on the agenda of the meetings of the full board have received prior attention by the Executive Committee. This means that Executive Committee members are much better informed than are the other members of the Board. In part, this is inevitable. It is also due to the fact that agenda items and the relevant back up documentation reach Board members at the last minute (often after they arrive at the Board or committee meeting). Distribution of committee meeting minutes is also slow. And when trustees are requested to respond to an issue that the Board Chair has forwarded to them by mail, the chance exists that the letter is received after the cut-off date. Effectively, this would exclude non-recipients from participating in the decisions being taken. Communication by mail to some African locations takes from three weeks to a month. Recognizing this fact we consider it essential that extra steps be taken such as duplicating key correspondence by telex or the use of courier service. We consider it necessary to get background materials to Board members well before they leave home for their committee or Board meeting.

Typically the committee meets twice a year. Since one of these occurs at the time of the Board's annual meeting, this means that opportunities for interaction with management and staff occur on only two occasions annually. We doubt that such

limited direct contact is adequate and suggest that the committee, as it plans to do this year, meet three times a year. This might mean that the agenda for the committee session immediately before the annual meeting could be shortened, leaving discussion of policy issues for the meeting of the full Board.

3.2.2. Program Committee. ILCA's old rules stated that this committee should have up to four trustee members appointed by the Board for terms of up to three years, subject to annual renewal, plus the Director General as an ex officio member. Additionally, the rules stated that four non-Board members were to be appointed for a term of three years by the Board. After considerable review and discussion, in 1984 the Board decided that only trustees should be members of the Program Committee and that consultants would be brought in as needed. A Board member currently serves as the committee's secretary, but we propose that this function be performed by a member of ILCA's staff.

Section 1 (c) of the committee's terms of reference, as revised in March 1984 (Executive Committee minutes of March 31st) reads as follows: "The Program Committee shall develop and review the long-term research, training and documentation strategy of the Centre including balance and content, structure, relations with national programs, international centers and organizations outside of Africa." To carry out this portion of the terms of reference along with its other duties the Program Committee has a huge responsibility. In an organization such as ILCA it is our view that:

(1) Detailed reviews and evaluations are carried out through an ongoing institutional process. The detailed work is done by staff and consultants of acceptable quality to the Board. The Board approves and monitors the process employed and fully shares in the use of the product. It is unreasonable to expect part-time Board members (whose primary functions are to elect the DG and help make policy) to conduct detailed technical, scientific and managerial reviews themselves. This does not preclude visits to programs by Board members to further familiarize themselves with the institution's operations and people.

(2) Strategies are most effectively developed through an interactive process in which the management and Board are joint participants. Management using ILCA people (and consultants if necessary) does the staff work, helps identify and analyze key issues and brings them forward in a structured fashion for joint Board-management deliberation and resolution. These strategies are reflected in the planning and priority setting process.

We find that in some instances the program work of the Board has been a source of considerable tension between management and the trustees. We judge that much of this tension arises from inadequate adherence to the foregoing principles. We strongly recommend that ILCA develop its strategies through an open,

collegial, participatory process that jointly involves both management and the Board. We further recommend that detailed reviews of ILCA's programs be carried out by management using an institutionalized process monitored by and satisfactory to the Board. As we have noted elsewhere, key elements in ILCA's ongoing research review and evaluation process are now being implemented. These need to be further developed, tested and institutionalized. Planning and review processes for non-research components of ILCA's program are at this stage less well developed.

3.2.3. The Audit/Finance Committee. This committee consists of three trustees appointed annually by the Board plus the Director General, ex officio. Rules specify that the Chairman of the Program Committee shall always be one of the three trustee members. It meets at least once annually, usually prior to the ordinary meeting of the Board in March or April. It is charged with reviewing the budget; financial statements; reports of auditors and management letters; reporting to the Board on the budget and the financial management activities of the Centre; and making periodic reviews of salary scales and related provisions. Our review of the minutes suggests that this small committee has worked diligently to discharge its responsibilities. We note, however, that three of its members -- the Chairman, the Chairman of the Program Committee and the Director General -- are also members of the Executive Committee. This prompts us to suggest that ILCA consider merging the work of the Executive and Finance Committees into a single Executive/Finance Committee. The important audit function should be retained in a separate committee on which the DG does not serve. It is because the several strands of the Board's work on planning, program and finance come together in the deliberations of the Executive Committee that we see economies in time and effort by combining the portfolios presently handled separately by the Executive and Finance committees. Other aspects of financial management, including financial planning and budgeting, internal and external audits, the review of management letters issued by the auditors, investment policies, mechanisms for financial accountability and related matters are examined in Chapter 7.

3.2.4. Nominating Committee. ILCA's three-member Nominating Committee is a recent addition to the Board structure. Its charge is to identify, with the assistance of the trustees, individuals who are potential candidates for Board membership; assesses their qualifications and prospective availability; and nominate persons for vacancies as they occur. Recognizing that the performance of this committee function is critical to the long-run well-being of the Centre, ILCA is currently evolving procedures to improve its effectiveness. A senior ILCA staff member is now serving as secretary to the committee (ILCA's overburdened Head of Administration) to build up and maintain files on individuals who might be considered for Board membership. Minutes on deliberations are now being kept and recommendations are being made with an eye to filling upcoming vacancies on key

committees. Also, an expanded range of contacts is being tapped to solicit the names of persons deemed to merit consideration for Board membership. We applaud these moves and encourage full implementation of the improved process.

ILCA has a special problem in selecting trustees who are able to serve the Centre in their personal capacities, and are thus free from undue influence from their employer, their country or their profession. It would be unrealistic to suggest that political, peer or employer pressure can or should be totally avoided. But the Centre should strive to elect first class free-standing individuals who serve ILCA unencumbered by conflicting loyalties.

The problem of adhering to the above principle is three-fold. One, some donors pressure ILCA to place a person on the Board, indirectly implying that their support is linked to such an appointment. The CG system should make it clear that no center should feel that it must yield to such pressure. Two, the Centre may be tempted to elect a person closely identified with a prospective donor or donors in order to establish or deepen links to support sources. Trustees do have an important responsibility to help secure support for the Centre. But fund raising capability is not the first and foremost criterion. Three, good reasons exist for electing nationals of countries in which ILCA has substantial field programs. But such persons should not be selected simply because ILCA has a program in their country. Rather, we recommend that both African and non-African Board members be chosen because, on the basis of a wide search, they are the best qualified individuals ILCA can identify.

We note that in order to obtain the advice and counsel of the countries where field programs exist, ILCA frequently employs advisory committees at the country and/or zonal levels. In some respects, national representational functions may be performed through memberships in these bodies.

We feel that the Nominating Committee can systematize its search for trustees by developing a set of attributes sought in Board members: geographic area of experience, professional skills (including those in planning, management and administration), gender (women have a powerful role in African agriculture), language capability, time availability, etc. Taking into account the capabilities of existing Board members, the package of attributes sought in a new member or members should be agreed upon and spelled out before the opening is "advertised".

Further, to improve the effectiveness of each Board member we make three specific suggestions:

First, we suggest that before individuals are selected to trusteeships they be made aware that they are to serve in their personal capacities. They should understand that their prime

responsibility, if elected, would be to help make ILCA a more effective institution.

Second, we suggest that ILCA enable prospective Board members to understand fully the nature and magnitude of the responsibilities they would assume if they become a trustee. ILCA has made a good start in this direction in its handbook and associated materials prepared for this purpose. In this connection, the Centre may choose to invite individuals to a Board meeting as observers or consultants so that all concerned may become better acquainted with one another before election is formally considered.

Third, we suggest that ILCA evolve a procedure for systematically orienting new trustees to their work. Devices for this include inviting them to attend committee sessions and in-house reviews as observers, arranging for visits to headquarters and field programs, coming to ILCA in advance of Board meetings to become personally acquainted with staff members, and staging an organized orientation session for each new class of trustees. Responsibility for coordinating these orientation activities could be assigned to the Secretary of the Board.

We cannot overemphasize the importance we attach to systematizing and strengthening ILCA's trustee recruitment process.

For the Board's further consideration, we offer one additional suggestion. It involves expanding the committee's responsibilities to include the nomination of individuals for the posts of Chair and Vice-Chair of the Board. If so desired, the committee, in consultation with the Board Chair, might also nominate individuals for the chairmanship of committees. We concur with the Board's current practice whereby the Board as a whole elects the Committee chairs. We suggest, however, that the rules need to be clarified with respect to whether the Board Chairman appoints committee members, whether they are named by the Executive Committee (which appears to be the current practice) or by the full Board.

3.3 Effectiveness of the Board

Because it was felt that the work of the Board and the relationships between the Board and management could be improved, the QQR offered a series of suggestions and recommendations in the area of administrative structure and Board-management relationships. That the QQR's eleven specific recommendations were taken seriously is reflected in the fact that they and the accompanying discussion were reprinted in full as an annex to the Board's rules of procedure. Yet some of the concerns addressed by the QQR remain, making the counsel provided in 1981 of continuing relevance today. Our analysis therefore covers some of the same ground.

It is our judgment that ILCA's trustees seek responsibly to discharge their duties as they interpret them. It is the definition of governance (the Board's task) and of management (the responsibility of the DG) that at times gives rise to tension. Elements in ILCA's recent development as discussed below may have contributed to the situation in which the Board and management now find themselves.

When the present Director General took up his post in 1982, ILCA was in considerable difficulty. Far-reaching recommendations had just been made by the QQR and the TAC and endorsed by the CGIAR. The Board adopted the recommendations and charged the new DG with the responsibility of making and implementing a series of important changes. To this effort the Board pledged its full support. Decisive action was required in several areas -- financial and general administration, development of core research programs at headquarters, staffing and facilities. The DG accepted the challenge and moved expeditiously. Today, operating systems and procedures, while constantly undergoing improvement, are established and becoming institutionalized. ILCA is a lively, active center staffed by many able and dedicated scientists and administrators.

During the recent period of transition and change, the full Board continued, as was its practice, to meet only once a year. This meant that it was impossible to discuss each executive decision with all members of the Board. The Director General and the Board Chair developed close working relationships, with the Chair devoting around 90 days to ILCA affairs each year. The practice of the DG taking action -- born of necessity during the period in which firm, prompt decisions were required -- became the practice. While management felt that it was acting within the broad policy framework established by the Board, some of the trustees came to the view that their voices were inadequately heard. They were asked to endorse management's actions to a greater extent than was their preference.

More recently (at the end of 1984), the outgoing Board Chair's term as a trustee expired. The new Chair, in response to urging by some of the trustees, sought to make the Board's meetings more participatory. Each trustee was called upon to speak to issues. Major Board concerns such as the timing and process of management succession (due to a combination of factors and the personalities involved) became thorny issues.

Based upon our discussion, our panel judges that there are many areas on which the Board and management have agreed. There is unanimous agreement that exceptional progress has been made since 1982 and that most of this is a product of the DG's dedication, drive and enthusiastic leadership. Nevertheless significant differences exist between trustees and management, especially between the DG and the Board Chair. Understandably, all Board members, given their desirable diversity in expertise and experience, are not of one mind. Personality conflicts do exist. Nevertheless, improvements in the effectiveness of Board-

management relationships are feasible -- in no small measure because the parties involved recognize the need and seek to make constructive changes. We make suggestions on this at the end of this chapter.

3.3.1. Execution of Key Board Functions. Our panel is requested to be as specific and constructive as possible in assessing the effectiveness of ILCA's Board. This requires that we identify what, in our judgment, the Board's important functions are and indicate our assessment of the effectiveness with which these functions have been carried out during the five years under review. For purposes of this assessment we identify and comment on five functional areas.

(i) Selection of the Director General. The Board's most important single function is to identify and employ the Director General and to make reasonable provisions for management succession. Once the DG has assumed his post it is incumbent on the Board to monitor, appraise, advise, stimulate, support and reward him. If deemed necessary or desirable, it is also the Board's responsibility to replace him.

As the foregoing discussion has documented, over time this has not been an area of strong performance by ILCA's Board. Some choices have apparently been unfortunate or ill advised. Board relationships with the current DG have, after an initial period of satisfaction and enthusiasm, deteriorated. In the current management succession exercise an effort has been made to follow due process. But the decision to time the exercise in a manner such that it could position the outgoing DG as a "lame duck" for 18 months is, in our judgment, seriously flawed.

(ii) Strategic Planning. The Board, in our view, is responsible for assuring that the Centre has a satisfactory process of strategic planning, goal setting and priority determination. Conversion of the results of this process into approved policy is then an interactive process between the Board and management. Based upon the findings of both the EPR and our panel, formal strategic planning at ILCA in the past has been at best somewhat unstructured, not institutionalized, and often random. However, our review occurs at a time when major improvements in this process are being tested. The suggestions of the EPR in this regard are also likely to lead to improvements.

(iii) Financial and Legal Accountability. ILCA's finances were in bad condition in 1981. Since then structures and procedures have been established which have brought the important problems in this area under control. This transformation was executed by management with full assistance and support of the Board. Auditing functions of the Board are conscientiously attended to. Proper attention is given to compliance with relevant laws and regulations. The Board reviews capital expenditure plans for all outlays in excess of authorized limits. It annually reviews and approves ILCA's budget. We give the Board and management high marks in this area.

(iv) Review and Monitoring. The Board has conscientiously reviewed the results of ILCA's programs. It has related these to the Centre's mandate and goals. Its criticism, advice and comments are presented in written form. And the Board has participated in making decisions with respect to major changes in programs and resource allocation. The Board's prompt and far-reaching response to the QQR recommendations deserves praise. We judge, however, that the timing and effectiveness of the Board's review and monitoring process can be improved. What is needed is an open, collegial, participatory process that jointly involves both management and the Board.

(v) Board Composition and Organization. The Board is largely a self-perpetuating body. Thus, the competence, dedication, judgment and accountability of those selected for trusteeships is of paramount importance. ILCA has been and is being served by several trustees who we feel have these attributes. The time that key Board members have cheerfully contributed to making ILCA the strengthened organization that it is today is extraordinary. As already suggested, however, we believe that the Board has not been as thorough, conscientious and reflective in selecting new members as is required to assure the Board's effectiveness. Again, corrective actions have been taken. A Nominating Committee was created in 1984 to devise and implement a more thorough search process.

Applying the above criteria we conclude that the overall performance of the ILCA Board, particularly over the last few years, has been less than satisfactory. The extraordinary progress ILCA has made in a number of areas in recent years is not mainly attributable to the work of the Board. We believe the Board recognizes many of its shortcomings and has begun to make a concerted effort to strengthen its composition and organization. The fact remains, however, that Board-management relationships have deteriorated rather than improved during the past 12 months. Unless corrected soon, this is very likely to further jeopardize the Board's and ILCA's overall effectiveness.

As possible steps that may be taken to improve Board-management relationships, and increase the Board's effectiveness, we make the following procedural suggestions and recommendations. In doing so we recognize that some of the issues addressed are under consideration by the Board.

(i) We suggest that in the preparation of the agendas for Board and committee meetings (jointly done by management and the Board) this process include the assignment of responsibilities for preparing the documentation relating to each policy-related item.

(ii) We suggest that discussion documents be prepared by management for the Board for all important policy issues being addressed. Where appropriate, consideration should be given to developing such papers in an alternative-consequences framework focusing on broad decisions on which trustee judgments are

critical. Often these are of the what-to-do type rather than the details of how to execute. As earlier noted, these papers should be circulated well in advance of scheduled meetings.

(iii) We suggest that the Board explore means of defining the Chairman's duties in such a way that the time required for him to execute his responsibilities is not excessive. In the normal course of affairs (that is, excluding special circumstances such as the selection of a new Director General), most center Chairs discharge their duties in 45 days or less per year, participation in off-campus CGIAR-related meetings included. This is in line with the time put in by ILCAs current Board Chair. Our concern is that in ILCA or any other center as the day-to-day or week-to-week involvement of the Chair increases beyond a certain level, there is danger that the Chair usurps responsibilities that are properly those of the DG. One of the most critical relationships in a center's operations is that between the DG and the Board Chair. If both recognize that the DG, not the Chairman, is indeed the Chief Executive, the Chair becomes the DG's partner in enhancing the Board's ability to carry out all of its responsibilities and in encouraging it to support the DG in every reasonable way. Members of the Board, as one trustee puts it, are there to support, encourage, challenge, stimulate and help the professional whom they have picked to lead ILCA.

(iv) We recommend that the Board systematize the process by which it annually evaluates the performance of the DG, discusses it with him and determines his salary. ILCA's personnel policies call for annual performance reviews of each staff member. It is not clear that the Board in turn systematically reviews the work of the Director General and openly discusses findings of this review with him. We believe that this should be done, possibly by the Executive/Finance Committee. The same body could be responsible for recommending to the full Board annual changes in the Director General's salary.

(v) We recommend that the DG be invited annually to share with the Board (or an appropriate Board committee) his views concerning ways the Chairman's and the Board's effectiveness could be improved. Such an exercise might become a part of the Board's continuing evaluation of its own performance.

(vi) We recommend that the Board review the procedures employed and the lessons learned from its current search for and employment of its next Director General. Much effort and thought went into the development of the search process that was employed. However, differences in judgments exist within and outside the Board with respect to the appropriateness of the timing of the current management succession exercise. Advantages might have resulted from delaying the selection of the new DG until after the recommendations of the EPR and EMR were assimilated. Unless Boards make a deliberate effort to do so, their institutional memories are at times quite short. Hence our

view that an analysis of the current exercise be made a part of the Board's permanent record.

(vii) We suggest that means be sought whereby the work of the Board can be more widely shared among its members. We note that attendance of trustees at Board and committee meetings has generally been good. However, the tendency exists for a lion's share of the Board's work to be done by a few willing, accessible trustees. We hope that by exercising greater care in the selection of trustees and devoting more attention to their orientation, and carefully distributing assignments, the essential work of the Board can be more uniformly distributed. This does not require that each trustee have a committee assignment each year. But it does suggest the re-election of a trustee to a second three-year term should not be automatic, as in ILCA it is not. We agree with the Board that new trustees should be elected to replace (at the end of his term, if he does not resign before then) the occasional individual who is unable or unwilling to carry his share of the work load.

4. GOAL SETTING, PLANNING AND REVIEW PROCESS

4.1 ILCA's Mandate

The QQR suggested that ILCA's initial mandate be retained but recommended a version that clearly emphasized ILCA's role as a research rather than as a developmental institution. That version reads:

"The purpose of the Centre shall be to engage in research and related training and documentary activities which will assist national efforts which aim to effect a change in the production and marketing systems in tropical Africa south of the Sahara so as to increase the total yield and output of livestock and improve the quality of life of the people in this region."

In its 1986 strategy paper, ILCA argues that the broad scope of the mandate's wording should be retained. It is held that the inclusive rather than exclusive nature of the mandate enables ILCA to take a broad approach to the role of livestock in improving food production and the quality of life in Africa. The emphasis on livestock is seen as a means of increasing total food production. It is held that a more traditional and narrowly based commodity approach emphasizing the specific problems of meat and milk production would, among other disadvantages, neglect the key role of livestock in animal traction.

In the Panel's view there are both advantages and disadvantages of having a broad mandate. As a statement showing the raison d'être and the overall mission of the organization, the mandate should not be subject to frequent changes. A broad mandate allows this; a narrow one does not. Yet, a broad mandate leaves much room for interpretation. As the operational interpretation of the mandate is provided in the Centre's strategy statement, a broad mandate makes it imperative that the Centre has a clear and well-justified strategy. When several centers have overlapping missions, it may be desirable to have more narrowly defined mandates for each. Otherwise, with broad mandates, each center may independently interpret its own mandate, which leads to overlaps in strategy and a need for continuous clarification of respective responsibilities. Narrower mandates help reduce inter-center conflict as they limit the strategic choices available to each center.

In ILCA's case, unlike some of the crop centers in the CGIAR system, the center's mission is not in much direct conflict with those of other CGIAR centers. For this reason we support the EPR's conclusion that there is no need to revise the current mandate of ILCA.

We recognize that this places a heavy burden on ILCA to have a well-reasoned strategy. This task is made more difficult because of the political environment within which ILCA operates, which subjects the Centre to constant pressure from the African countries (and the donors) to move its activities in a multitude of directions.

4.2 ILCA's strategy.

ILCA's most recent articulation of its future strategy appears in "The Next Five Years at ILCA: A Strategy Paper," January 1986. This document, iterations of which were reviewed and commented upon by staff members and trustees, was prepared by the DG. It stresses the importance of retaining the flexibility required to explore novel ideas and approaches and to shift resources to targets of opportunity as they are identified while consistently focusing ILCA's research on the interactions between livestock and crop production. The strategy outlined calls for "further strengthening of ILCA's research capability in basic problem solving, continuation of field research efforts in all major ecological zones of Africa and closer linkage of national research groups."

To implement this strategy, resource needs and their pattern of allocation have been outlined as shown in Table 4.1. Accordingly, the projections to 1990 imply close to doubling of ILCA's 1985 budget and a 40 percent increase in its senior staff years. The shifts in allocation of resources are not dramatic, the largest being a 17 percent decrease in the relative share of field research (from 33.8 percent of the 1985 budget to 28 percent of the projected 1990 budget) at the expense of increases in the share of networks and headquarters research.

While we commend the ILCA Board for having persisted on the development of a strategy paper and the DG for having produced a thoughtful document, we believe that this initial statement is not sufficiently tight and focused to be fully useful to ILCA as a management tool. We see dangers in ILCA having a broad mandate and an unfocused strategy. This will mean that ILCA's actual operational strategy will be defined by the range of programs and projects it implements. Year-to-year changes in programs and projects will, therefore, imply corresponding changes in operational strategy. While this may have been appropriate for ILCA's formative years, we believe ILCA has now established itself as an institution and is in a position to define a more distinct identity for itself.

We recognize that there are no single readily available and widely accepted paradigms in the area of ILCA's work that could provide the conceptual/substantive justification for ILCA's strategy. However, there are some "best bets" ILCA could use in shaping its future activities. The current strategy paper provides a good broad-based start ILCA can progress from in refining its strategy. Equally important, the EPR and the TAC priorities paper provide suggestions on the "best bets" ILCA needs to consider.

Table 4.1 Senior Person Years and Budget Allocations at ILCA
(1985 with Projections for 1990)

Program or Activity	Senior Person Years		Budget US\$ million		Percentage of Budget	
	1985	1990	1985	1990	1985	1990
Operational Research	9.5	13.0	1.6	3.5	12.0	14.0
Field Research	19.7	25.0	4.5	7.0	33.8	28.0
Research Support	5.3	10.0	1.2	2.5	9.0	10.0
Networks	<u>2.7</u>	<u>7.0</u>	<u>0.9</u>	<u>2.5</u>	<u>6.8</u>	<u>10.0</u>
Res. Total	37.2	55.0	8.2	15.5	61.6	62.0
Training & Info.	3.8	6.0	2.3	4.5	17.3	18.0
Int'l Liaison	2.0	2.0	0.3	0.5	2.3	2.0
Board & Mgmt.	2.5	3.0	0.5	0.8	3.8	3.0
General Oper.	<u>5.5</u>	<u>6.0</u>	<u>2.0</u>	<u>3.7</u>	<u>15.0</u>	<u>15.0</u>
TOTAL	13.8	17.0	5.1	9.5	38.4	38.0
Total Opr.	51.0	72.0	13.3	25.0	100.0	100.0
Capital	-	-	1.2	1.5		
GRAND TOTAL	51.0	72.0	14.5	26.5		

We would like to make two final points on future strategic planning efforts at ILCA. First, to reinforce a point we made in Chapter 3, strategies should be developed through an interactive process, with the Board and management as the principal participants. As strategies are a form of "grand policy," the Board is the ultimate authority for accepting or rejecting them. However, the chances of successful implementation of a strategy developed solely by the Board, without adequate participation by management, are quite low, as a Board is never in the best position to take into account the day-to-day operational implications of executing the strategy. Thus it is imperative to have a good dialogue and mutual understanding between the Board and the management in the development of Centre strategies.

Second, and equally important, strategies cannot be implemented successfully unless those who implement them have a clear understanding of their rationale and are fully supportive. If the future implementors are intimately involved in its formulation, they are more likely to see the strategy as one they themselves subscribe to. This will naturally enhance its chances of successful implementation. Equally important, this will facilitate translation of the strategy into a realistic set of programs and projects that is consistent with the strategy. Thus, we recommend that ILCA, in its future strategic planning efforts, employ a process that ensures strong participation from the principal future implementors of the strategy.

4.3 Planning and Review Process.

Good management calls for translation of the center's long-term strategy into a set of consistent and well-justified programs, with their associated priorities and tactics or lower-level strategies. These are then further broken into sub-programs and projects in accordance with the agreed tactics, with the principle of substantive justification and across-the-board consistency applied at each successive stage. In a perfect world, this process would enable one to see clearly the links between individual project activities and the overall mandate of the Centre. In the world ILCA operates in, however, the links in the chain between project activities and the Centre's mandate are blurred due to the insufficiency of our present stock of knowledge and the various pressures which pull and push the projects, sub programs, programs and strategy in different directions. Planning aims to establish or reestablish the chain. Reviews, on the other hand, explore whether the links in the chain are still there.

We offer the above analogy not in order to suggest the obvious, but as a simplified device for understanding the strengths and the weaknesses of ILCA's planning and review environments.

Planning and review activities which affect ILCA's programs and projects take place at three levels. At the CGIAR level at least four activities impact on ILCA's work:

- studies on CGIAR strategies and priorities;
- external program and management reviews;
- stripe reviews across centers (e.g. farming systems);
- annual program and budget reviews by the TAC.

At the Board level at least four types of activities relate to planning and review:

- continuing Board-management efforts to interpret ILCA's mandate and interaction with management in the preparation of a long-term plan and strategy;
- reviews of programs conducted by the Program Committee;
- annual program and budget reviews;
- continuing policy guidance to management on programs.

Finally, at the staff level the planning and reviews activities include mainly the following:

- Biannual meeting of leaders of African livestock research and development, held at ILCA;
- annual Team Leaders Conference;
- the annual program and budget exercise;
- periodic reports prepared by consultants;
- feedback received from ILCA's clients, partners, and donors.

The long list above, which is not much different from that of other centers, makes one wonder if ILCA is being overplanned and over-reviewed. One could wonder when key ILCA staff find time to implement the plans they seem to be constantly engaged in developing. One also wonders if the influences on ILCA from various directions implied in this list will ever allow ILCA to establish clearly identifiable links in the hierarchical chain mentioned above.

The fact is that ILCA has little choice other than making these planning and review exercises as efficient, effective and consistent as possible. Each of these serves a unique purpose: some are necessary for ensuring ILCA's accountability to the donors, the clients and to its Board; some are required for efficient resource allocation within the CGIAR and within ILCA; others are mechanisms essential for good management.

In the Panel's view, the planning/review processes noted above could be considerably streamlined if and when ILCA develops

a well-focused strategy. This would bring a unity of purpose and a shared understanding to the various planning and review exercises and better protect ILCA's programs from external pressures. Using the earlier analogy, the location of the main strands of the chain would be firmly established. This would facilitate the task of adding the links necessary to relate project activities to ILCA's mandate.

Other measures also need to be taken. We see a need for improvement in three primary areas: in-house reviews, the budget process, and project management. We comment on these below.

4.3.1. Internal Program Review. As a component of its program review process, ILCA annually holds what has been known internally as its Team Leaders' Conference. While the effectiveness of this conference is improving, many ILCA staff members regard this meeting as an inadequate substitute for a genuine in-house program review. What is sought is a setting in which:

- Program components (research projects, broad areas such as training and information services, field programs, and networks) are presented in terms of progress (or lack of same) toward specific objectives, issues that are involved, and future plans.
- Constructive criticism and comment takes place.
- A sense of where the pieces fit into the whole of ILCA's program is communicated.
- A strategic look at the future is developed and jointly considered.

It is our perception that these annual sessions are hurried, and are not structured so as to encourage constructive questions and comments from one's peers. Many staff members would like the review to be more forward looking to give them a better sense of where ILCA is going and where their work fits within the larger picture. Some were concerned that the presence of trustees (Program Committee members) had at times caused the Team Leaders' Meeting to take on the tone of an inquisition, thus stifling discussion.

While we recognize the difficulties involved, we believe that ILCA needs to intensify its efforts to make the conference a serious annual in-house review, holding it at a time that is appropriate to feed its findings into the yearly program-budget planning exercise. We feel that the format and content of this in-house review should be improved to broaden participation, elicit constructive criticism and make a greater contribution to forward planning. We also hold that participation as observers of at least some of the Board members should be encouraged. We view such participation as a means of enhancing the Board's acquaintance with staff members and increasing their

understanding of policy-level issues with which they must deal. This is also a perfect opportunity for orienting new Board members to the work of the Centre.

We would advise ILCA to examine the internal program planning and review processes used at other centers. A system similar to CIP's Annual Planning Conferences, for example, could be adopted by simply extending the Team Leaders' Conference by a few days to focus on a specific program issue with the participation of some Board members and leading experts from around the world. Or the adoption of a program planning exercise similar to the one currently initiated by IITA could allow ILCA to examine in-depth its priorities in each major program area with the counsel of advisory panels from within and outside the CGIAR.

In conclusion, we strongly recommend that ILCA make its annual in-house review an important stock-taking, communication, staff development, and forward planning exercise.

4.3.2. Program budgeting. At present, ILCA allocates its funds to cost centers which for the most part are program, administrative and support units. This is done on a judgment basis. Considerable reliance is placed on the preceding year's allocations. Initiatives judged to be highly promising receive increased support. Resources permitting, new projects thought to have a high potential are given initial funding. To date, relatively few activities have been totally discontinued.

The newly introduced research planning system (described in Chapter 6) presents an opportunity to ILCA to move towards program-based budgeting. This would allow ILCA to better link program planning with budgeting and help decentralize budget responsibilities to staff who manage programs. Our suggestions for introducing this system are detailed in Chapter 7.

4.3.3. Project management. As many of ILCA's projects are inter-disciplinary and thus cut across several departments, a matrix management system may be conducive to effective management of projects. We see this not as an immediate shift, but one that should be considered after the other suggestions made above are implemented.

5. HUMAN RESOURCE MANAGEMENT

5.1 Introduction

The content of this chapter is substantively based on a detailed study conducted in 1986, at the request of the CGIAR Secretariat, by consultant Paramjit Sachdeva as background to the EMR. Because the consultant focused his efforts on personnel activities and staff interviews at headquarters, we address issues identified in the field operations in somewhat greater detail than was possible in his report.

Marked improvements have been made in the last few years in virtually all areas involving personnel. This is an ongoing process. At present a conscientious effort is being made by ILCA to clarify and systematize personnel policies and managerial procedures. A new personnel manual, under preparation for the past two years, is nearing completion. This manual will consolidate in one document an updated set of policies and guidelines for both international and local staff. Due to differences in circumstances which exist between headquarters and off-campus locations, it will be necessary to produce a separate section in the manual covering field personnel.

Generally, we were much impressed with the dedication, motivation and energy of both international and local staff. Staff of all levels are almost compulsive in their work habits. In fact, one wonders when several of ILCA's heavily burdened scientists and administrators find time to reflect on and plan their work.

Many of ILCA's key posts are occupied by able individuals. By both objective and subjective measures, the overall quality of staff has improved substantially since 1982. But quality remains uneven. In part, this is due to the breadth of ILCA's activities relative to available resources. The only way that some of these activities can be sustained, given existing financial constraints, is to conduct them with quite junior people. This in turn places heavy guidance and training demands on the more experienced senior scientists and administrators.

Morale is generally good. Understandably both international and local staff are concerned with uncertainties generated by and associated with the important matter of management succession. This fact notwithstanding, most find satisfaction in their work. Professional staff are well paid. ILCA's salary-fringe benefit package is a good one and is fully competitive in the international market. ILCA has not succeeded in hiring all of the senior scientists it has sought to employ. Generally however, the salary and benefits offered are not the determining factor.

Within Ethiopia ILCA is a preferred employer for local staff. Conditions of service, with a few exceptions, are

satisfactory and, to our view, salaries, wages and fringe benefits are at satisfactory levels for this manpower market. With minor exceptions noted later, this generalization also appears to hold in field locations.

We conclude that in most areas ILCA has an improving human resource base for carrying out its mandate. In this chapter we examine ways in which the development and management of ILCA's most important resource, its staff, can be further improved.

5.2 Profiles of Staff by Categories

ILCA has three broad categories of staff: international, local professional and support. A tabulation of staff numbers by categories and posting, 1982 and 1986 is shown in Table 5.1. A brief profile of each of these follows.

5.2.1 International Staff. ILCA has 83 professional staff (international and local, excluding the DG), up from 68 in 1982, an increase of 22%. During the four years 1982-86, international staff increased from 49 to 59 (up 20%), while local professional staff increased from 19 to 24 (up 26%). As a percentage of total employees in ILCA, international staff (IS) was 12% in 1982; it fell marginally to 10% in December 1985. Despite their small numbers, the annual global cost of IS is about \$4.0 million, or roughly half of all personnel costs. Basic salaries for IS, excluding allowances, totalled \$2.1 million in December 1985. In addition, in 1985 ILCA spent \$0.7 million for consultants at headquarters, up substantially from \$0.2 million in 1981 for the Center as a whole.

During the last four years, 39 IS were hired and 29 left ILCA. The turnover rate peaked at 24% in 1982 (half was reportedly involuntary), but declined to 9% in 1985. Thirty five international staff (59%) have service of less than four years. Sixteen staff (27%) have served 5-8 years, and only 8 staff have served 9 years or more. The average tenure of presently employed IS is 3.7 years, compared with an average 4.6 years for local professionals.

Forty-one (70%) of all IS are trained in seven specializations. Most specialists in animal nutrition, agronomy, veterinary science, computers/programming, and animal science are relatively recent hires, with tenure less than four years. Most ecologists and economists have served ILCA longer than other specialists.

In terms of nationalities, professionals on ILCA staff (December 1985) represented 27 nations from five continents. Of the 59 international staff, thirty-eight (64%) were citizens of the US, UK or other European countries, eleven (19%) were Africans, and five (9%) Asians. In the last three years, the number of Britons increased from 12 to 17, Americans from 2 to 5, and Africans from 8 to 11. During the same period, the number of

Table 5.1 ILCA Staff by level and posting 1982 and 1986*

Where person is posted	S T A F F C A T E G O R Y												Grand total all Staff	
	P R O F E S S I O N A L				P o s t D o c s		R e s . A s s o c .		S u p p o r t S t a f f					
	I n t ' l		N a t ' l											
	82	86	82	86	82	86	82	86	82	86	82	86		
Ethiopia	29	39	8	15	-	4	-	-	4	154	343	191	405	
Kenya	5	6	2	2	-	1	-	-	-	35	32	42	41	
Mali	5	6	4	6	-	-	-	-	-	77	64	86	76	
Nigeria: Kaduna	5	2	2	-	-	2	-	-	-	28	35	35	39	
Ibadan	5	3	3	1	-	-	-	-	-	21	38	29	42	
Niger	-	1	-	-	-	-	-	-	-	-	-	-	1	
Gambia & senegal	-	2	-	-	-	-	-	-	-	-	-	-	2	
Zaire	-	-	-	-	-	1	-	-	-	-	-	-	1	
Ivory Coast	-	-	-	-	-	1	-	-	-	-	-	-	1	
TOTAL	49	59	19	24	-	9	-	-	4	315	512	383	608	

* May vary slightly from other tabulations in this chapter due to different months used for computations.

French decreased from 6 to 3, but other European staff remained at about 13. There were 5 Australians/New Zealanders.

As for qualifications, the number of Ph.D.'s went up in 1982-86, from 19 to 30; M.Sc's increased from 9 to 15. Ph.D's and M.Sc's now constitute 52% and 26%, respectively, of international staff, up from 40 and 19 percent respectively in 1982. Two-thirds of the Ph.D's were hired in the last four years, as were two-thirds of the M.Sc's. Only 5 of the 11 B.Sc's in the international staff, and none of the diploma holders, were hired during this period. These numbers exclude 7 post-docs, 1 post-grad, 4 research associates, and 1 pre-doc working in ILCA on a temporary basis, most of whom were hired in the last 2 years.

Ph.D's and M.Sc's are primarily in research and technical departments, and B.Sc's are in programming, editing, translation, and engineering. One diploma holder is in accounts, the other is a pilot. Job categories and titles have changed little since 1982. As many as 31 job titles have been in use at one time or another. The 57 international staff presently occupy 21 job categories/titles, including 2 titles with 2 staff members each, and 12 titles with a single staff member each (Table 5.2).

Inter-Center salary comparisons by IIE show that the average basic salary of international staff in ILCA is the second lowest among the six "mature" centers, roughly 8% lower than the mean (1984 data). The average salary in ILCA has, however, increased 15% since 1982. These salary figures do not take account of inflation or of different skill/experience profiles of staff in 1982 and 1985.

For the 22 IS who have been with ILCA since 1980 or earlier, the salaries increased, on average, 22 % over the last few years; the average global cost increased by 23%. The three HQ administrative staff in this list gained, on average, 26%, the 12 HQ scientific staff gained 23%, and the 7 field program scientists 20%.

5.2.2. Local Professional Staff. The 24 local professionals (LPs) constitute 30% of professional staff, and 5% of local staff. Their number has increased from 20 in 1982, with 6 additions made in Ethiopia (the duty station for roughly two-thirds of the local professionals). The number of employees in Kenya and Mali (Niono and Bamako) are small and stable, but have fallen in Nigeria (Kaduna and Ibadan). The average tenure of local professionals presently at ILCA is 4.6 years. Local professionals are evenly distributed in scientific, technical and administrative departments (Table 5.3)

Only 2 local professionals are Ph.D's, but 11 (46%) are M.Sc's. B.Sc's have decreased from 9 in 1982 to 6 in 1986. There are 5 diploma holders, compared with none 4 years ago. The majority (63%) of local professional staff are in the lowest salary grade.

TABLE 5.2 INTERNATIONAL STAFF: JOB CATEGORIES/TITLES

CATEGORY/TITLE <u>1/</u>	1982	1983	1984	1985	1986
Administrator	1	1	1	1	1
Agronomist	6	6	6	7	8
Animal Nutritionists	4	6	5	5	3
Assistant Scientists	7	8	7	7	9
Assistant Editor	1	1	1	1	-
Biometrieian	1	1	1	1	1
Chartered Accountant	1	-	-	-	-
Civil Engineer	1	1	1	-	-
Dairy Technologist	-	-	-	1	1
Ecologist	4	4	4	4	5
Economist	6	5	4	6	7
Editor	-	1	1	2	2
Finance Officer	1	-	-	-	-
Financial Controller	-	1	1	1	1
Geneticists	1	1	1	1	1
General Services Officer	-	-	1	1	-
Internal Auditor	1	-	-	-	-
Librarian	1	-	-	-	-
Maintenance Engineer	1	1	1	1	1
Personnel Officer	1	-	-	-	-
Photo Interpretor	1	1	1	-	-
Pilot	1	1	1	1	1
Programmer	1	1	3	4	4
Range Mgt. Expert	-	-	1	1	1
Social Scientist	-	-	1	1	1
Science Writer	-	-	1	1	2
Sociologist	1	1	1	1	-
Soil Scientist	-	-	1	1	1
Translator/Editor	1	1	1	1	1
Veterinarian	4	1	2	3	5
Warden	1	1	1	1	1
Total	48	44	49	54	57

Note: 1/ As of Jan. 1 of each year. Excluding DG.

TABLE 5.3 LOCAL PROFESSIONAL STAFF: JOB CATEGORIES/TITLES

CATEGORY/TITLE	1982 ^{1/}	1983	1984	1985	1986
Administrator	2	2	3	3	3
Agronomists	3	1	1	2	2
Animal Nutritionists	1	1	-	-	-
Animal Scientists	4	3	4	4	3
Budget Officer	-	1	1	1	1
Biological Data Assistant	-	-	-	1	1
Chief Accountant	1	2	1	2	2
Dairy Technology Officer	-	1	1	1	-
Ecologist	-	1	2	3	3
Economist	1	2	2	2	2
Extension Specialist	1	-	-	-	-
Experimental Supervisor	-	1	-	-	-
Liaison Service Officer	-	-	-	-	1
Personnel Officer	-	-	-	1	1
Programmer	1	-	-	-	-
Pilot	-	-	1	1	1
National Liaison Officer	-	1	1	1	1
Range Scientist	1	1	-	-	-
Sociologist	2	3	3	3	3
Veterinarian	2	2	2	2	-
Total	19	22	22	27	24

Note: ^{1/} As of Jan. 1 of each year.

A salary survey conducted by an outside consultant in 1984 found that ILCA salaries and benefits for local staff were very competitive in Ethiopia, and almost so in other locations. To make them more competitive in the respective labor markets, ILCA raised salaries in Mali, and allowances in Kenya and Nigeria. A new salary survey is now being undertaken by an external consulting firm.

5.2.3 Support Staff. ILCA employs 514 support staff, 343 in Ethiopia and 171 in other locations. All are locally recruited. The ratio of support to professional staff has increased from 5.1 in 1982 to 6.3 in 1986. At headquarters it increased from 4.1% to 6.4% over the same period. There are 107 women and 24 bilingual staff in Addis Ababa. In 1985, global cost for HQ support staff was \$2.33 million, of which \$0.55 million (24%) was for supervisory staff. Headquarters' support staff has increased by 123% since 1982, from 154 to 343, presumably because of increases in work load and range of activities undertaken. Field staff has gone down by 13%, from 193 in 1983 to 171 in 1985. The largest reduction (30%) was in Mali, from 93 to 64. These figures exclude temporary staff, averaging 60 persons (not person-years) at HQ in 1983-85, and casual workers on weekly wages. In 1983-84 turnover averaged 8% in HQ and 5.5% in the field.

Of the 343 support staff in headquarters for which data is available, roughly one-third were hired in the last 2 years, and 60% in the last 4 years. The 76 (22%) staff in supervisory grades have served an average 6.5 years, 2 years more than the overall average. Two-thirds of these have been in ILCA 5 years or more, compared with one third of staff in lower grades; 15% of headquarters support staff have served 8 years or more.

5.3 Assessment of Personnel Activities: Professional Staff

Personnel management has improved considerably since 1981-82. In contrast with the observations of the QQR, staff generally consider ILCA's leadership style more open, straightforward, and humane, and have greater confidence in the way personnel matters are handled. Policies and procedures are better understood, and are generally followed. However, there are some areas which need greater consistency in the application of personnel policy, without sacrificing management flexibility in exceptional circumstances.

5.3.1 Recruitment. Professional staff receive an initial two-year contract, with one year probation. Employment can be renewed annually if performance is good and ILCA's need continues. Recruitment procedures that require advertisement in international journals and institutions have generally been followed. ILCA's senior staff also use their personal and professional contacts to identify suitable candidates. In some cases promising candidates were first hired for a trial period as consultants. Since 1984, the hiring of temporary staff (post-docs, post-grads, research associates, visiting scientists) has strengthened ILCA's regular staff and has provided a pool of candidates whose on-the-job performance could be assessed before regular employment was considered. Board members and management are satisfied that scientific competence, past training, and suitability for the post have been the basis for selecting people. Because of improvements in ILCA's image and performance there have been fewer difficulties in finding and keeping the staff needed.

As a result, ILCA's scientific base is much stronger now than it was in the 1970's. The quality of new recruits is considered good, many more Ph.D's have been hired since 1982, and most low performers have reportedly left ILCA, many involuntarily. However, according to some Board members and staff, a few lightweights remain, and should be encouraged to leave.

Geographic balance and linguistic capabilities of staff continue to be difficult issues. The fact that ILCA needs to hire more French speakers and Africans is easier to say than it is to accomplish. Nevertheless, this should continue to be a recruitment priority.

Insufficient housing has been mentioned as a constraint to recruitment to Addis; out of 51 dwellings occupied by staff, 27

are rented. ILCA has used its own hostels (with 43 units and 14 under construction) to avoid placing people in hotels. After inquiry we do not find the housing situation any more severe than that encountered by many African institutions. However, because there is no private rental market, incoming staff are entirely dependent on the organization for housing and it becomes important for morale that a fair and open system of allocation is adhered to. (Whether ILCA should rent or construct its own housing is a different issue and is not addressed here.) The relatively high standard of accommodation at headquarters is not shared in all field units; the staff in Mali have relatively good facilities, but the Nigerian teams are disadvantaged.

5.3.2 Performance Evaluation. Performance of professional staff is formally evaluated every 12 months, at least 3 months before expiry of their contract (generally in December). The following 5-step procedure is used: (i) the staff member evaluates his(her) own performance during the previous 12 months, outlines a proposed work plan for the next 12 months, and indicates the major problems faced in improving his performance and productivity; (ii) this self-assessment is discussed with the immediate supervisor, who writes his comments on the employee's quantity and quality of output, initiative, supervision needs, work relationships, strengths and weaknesses, and workplan; (iii) the employee's department head/team leader reviews this, and writes his own comments, including suggestions for training, promotion, job reassignment, and performance counselling; (iv) the employee acknowledges in writing that he has read these comments and discussed them with his supervisor; and (v) the report is forwarded through the Personnel Section to the DG, who discusses each report with the concerned department head/team leader, and writes his own comments, including decisions on upgrading, salary increments, etc. The completed forms are then sent to the Personnel Section for follow-up action.

The DG uses these annual performance reports for updating ILCA's index-point system used in setting the salaries of staff. This index is comprised of four factors: qualifications, experience, responsibility, and merit, each of which is given points in accordance with pre-established guidelines. Every year index points are plotted against annual basic salaries, and the resulting regression line for international staff is used as a management tool for salary comparisons at the time of hiring, upgrading, and reassignment. ILCA expects individual salaries to be within $\pm 10\%$ of the regression line, but this guideline is flexible; exceptions can be justified by unusual internal or external circumstances.

ILCA's formal performance evaluation procedure is basically sound. It can be used both for assessing past performance and for planning for the future. Self-assessment, discussion with the immediate supervisor, and the opportunity to record dissenting views provide the employee with a fair chance of presenting his case. The reviewing officer provides an independent judgment, mediates disagreements between the employee

and the supervisor, and recommends personnel action to the DG. Final decisions are taken by the DG after face-to-face discussions with the department head/team leader. All professional staff are evaluated at the same time so that individual and inter-departmental comparisons are possible.

A perusal of the completed evaluation forms shows that the exercise is taken seriously, but encounters delays in processing, in part due to competing pressures at that time of the year from the annual report and the program and budget cycle. Interview data indicates that the appraisal mechanism could be used more effectively for planning and control purposes. Some staff feel that formal appraisal reports are not the most important input in personnel (especially salary) decisions and that the department heads and the DG have too much discretion in granting increments and promotions.

The performance evaluation form requires each professional staff member to specify his work plan and output targets for the coming twelve months; and these are the basis for subsequent assessment by the employee and his supervisor. However, qualitative judgments are inherently subjective, and could be made more accurate by a greater use of peer-review, especially for scientists whose research is expected to have an international audience. In addition, evaluation of factors such as experience, qualifications, and responsibility could conform more closely with existing guidelines. For example, merit points apparently remained unchanged between December 1983-85; and tend to fall within a narrow range of 18 to 24 points. Although some managerial judgment and discretion is necessary for assigning points, the management should strive for achieving greater consistency in assessing responsibility and qualifications.

5.3.3. Salary Administration. In general, ILCA's salaries are competitive with some of the best employers in relevant labor markets. Inter-center comparisons by IIE show that ILCA's salaries are a little below average, but its benefits are as good as the others'. Comparisons with organizations such as the World Bank, USAID, UN/FAO, ODA, GTZ etc. are also done by IIE but are less conclusive because common bench mark positions have not been established, and benefits, allowances, and employment conditions are not compared systematically. ILCA is considering hiring an international consulting firm with a regional office in Kenya to conduct a salary and benefits survey especially geared to the Centre's needs.

As for internal wage parity and equity, IIE found in 1983 that the four factors (employees' education, experience, age and responsibility) considered in its inter-CGIAR Center survey accounted for 66% of the variance in ILCA's salaries. This figure was the highest for any center.

The overall salary situation in ILCA is good. The average salary increase for 1983-85 was 14.8%. This includes both scale and merit increases, and conforms with Board guidelines of 7% per

year for 1983-85. The average salary increases for HQ research staff, field research staff, and HQ administrative staff were roughly equal, but these averages sometimes mask important individual differences. From our analysis we conclude that the level of salaries and benefits provided for professional staff members is generally in line with the manpower markets in which ILCA operates.

Some ILCA positions are associated with extremely difficult living conditions. These vary from site to site. They may include absence of schooling for children, lack of telephones or even electricity, periods when water must be hauled for long distances to meet domestic needs, heightened disease risks, heightened security problems, travel restrictions, and so forth. Present salary levels, despite the availability of a hardship allowance, do not appear to reflect these locational differences fully. There have been a number of occasions when ILCA was unable to fill key senior and field positions by advertisement, which indicates that the balance between work demands and incentives is less favorable than one might assume if components are compared individually. An example would be the salaries paid to post-doctoral field staff, who may carry a full professional load equivalent to that of a long-term member of staff. To some extent, ILCA's liberal use of consultancies to fill in for missing staff has disguised this situation in the past.

The area requiring most attention in salary administration concerns the strengthening of the linkage between performance and rewards. The regression line system used by ILCA is a useful tool for overall salary administration, but it has drawbacks if it is relied on heavily in promotion and salary increase decisions. In our view, past year's performance should be the primary determinant of salary increments. The total index score of each individual, as well as the location of this score around the regression line, should continue to be used for overall comparisons across the Centre, but salary increment and promotion decisions should be based more on the merit component of the index. To strengthen the linkage between performance and rewards we make two further suggestions. First, instead of the DG assigning merit points to each individual, the immediate supervisor and department head/team leader, who have more direct knowledge of the employee's day-to-day performance, should provide an overall quantitative merit rating in the annual appraisal report. However, steps should be taken to prevent inconsistent use of this authority by the supervisors as this can easily become a purely subjective exercise. Second, when determining step increments, grade changes and promotions, outstanding performance should be recognized and rewarded independently of changes in market value and regression line averages.

A final point on salary administration concerns the timing of salary adjustments. We feel that there would be a number of advantages to having a uniform date for calculating increments, cost-of-living adjustments, etc. for the whole institution. We

accept the argument made to us that because of the tendency of international staff to come and leave during the summer, this should come at mid-year or thereabouts. Adoption of the practice (widely followed in other IARCs) would make it much clearer to individuals what benefits are due them.

5.3.4 Internal Mobility. In a few cases, transfers have allegedly enabled staff to continue in ILCA despite poor performance or cuts in programs/budgets. There are also some who believe that some staff have received out-of-line or unduly quick promotions. Neither of these charges can be fully substantiated, in part because there are no formal guidelines, standards, or procedures against which such managerial decisions could be assessed.

As ILCA's program strategy and priorities evolve in the future, transfers within central departments, and between HQ and country programs, may become increasingly necessary. More and quicker promotions could be needed as the Center grows in size and complexity, creates more supervisory positions, decentralizes decision-making to lower levels, and begins to undertake staff training and career development. As staff numbers and tenure increase, there could be increased pressure to reward employees not just in monetary terms (with step increments and salary upgrading), but also with the increased responsibility, status, and authority that accompany promotion. Hence, we suggest that ILCA begin developing policies and procedures for internal mobility, linking them with training, career development, and objectively conducted performance evaluation. The review of the Draft Personnel Manual, recently completed by an outside consultant, provides a good opportunity for doing this.

5.3.5 Other Issues. A few other issues emerged from our review of the personnel management matters of professional staff. We briefly comment on these below.

First, there is the thorny issue of longer-run career prospects for certain categories of ILCA staff: notably the national professionals and the post-docs who have joined ILCA in increasing numbers in recent years. Here the situation negotiated by ILCA for its Mali staff provides a useful precedent. ILCA's Mali professionals generally retain their ministry appointments while on release to ILCA and are encouraged by ILCA to continue their government pension payments privately. If terminated, such staff return to their previous assignments and do not face the immediate crisis which otherwise would result in a system requiring only one month's notice of termination (ILCA management tell us that they try to provide individuals with at least three months' notice). For post-doctoral staff, the problem arises because most do not yet have permanent positions within Africa and there may arise a situation where they try to continue as ILCA consultants if not recruited into ILCA's international professional cadre. Indeed, the growth in numbers of individuals present at ILCA (research associates, post-docs, pre-docs, consultants, etc.) who are not covered in

staff regulations and who have varying benefits constitutes a gray area in ILCA's personnel policy which merits close attention. Thus, the Panel suggests that ILCA clarify its personnel procedures for staff not covered in the personnel manual. We understand that this is one of the subjects under review by a consultant.

Second, in the past there have been problems concerning the disciplinary output from positions which combine two or more specialties under one job assignment (an issue we discuss under field program management in Chapter 6). The economies achieved by this means may be illusory, since such positions make recruiting difficult and one individual rarely performs with equal success in two or more professional fields. We suggest that ILCA carefully examine the job profiles of staff expected to carry out work in more than one discipline.

Third, while we were told that formal job descriptions exist for most senior positions in ILCA, many of the senior staff interviewed denied having received written descriptions of duties beyond their job advertisements. Job orientation appears to have been an informal, ad hoc process in most sections (though sometimes carefully arranged by individual supervisors). The current listing of specialties carried by headquarters contains some errors (e.g. a veterinarian shown as a sociologist and so forth). We recommend that ILCA bring to early completion the process already begun (following the recommendations of the QQR) to prepare written descriptions of duties of all staff, with particular emphasis on staff just joining ILCA.

Finally, a number of ILCA staff mentioned the hardships which result from the organization's reliance upon annual contracts for its professionals following the completion of the initial two-year contract. In theory, this might affect all ILCA staff members. International staff face major relocation expenses in coming to ILCA, and also cost the institution through travel and temporary accomodation on arrival. However, the fact that accomodation is free and the tax-free status of international professionals when coupled with the strong disincentive to the organization of sending someone home means that individuals at this level are not unduly worried about their contract security. For ILCA's national professionals, having only an annual contract means that they are cut off in most cases from longer-term commercial bank loans. The problem in securing a car loan is a sore point in some field programs. We note that two-year contracts for professional staff are widely used within Africa, without leading to excessive job security. We therefore recommend adoption of two-year contracts for ILCA's professional staff, though retaining a probationary period as at present.

5.4 Assessment of Personnel Activities: Support Staff

5.4.1 Recruitment. As noted earlier, the number of HQ support staff has more than doubled since 1982, while that of field staff has gone down. Headquarters departments also use many

temporary staff. Recruitment procedures for regular staff stipulate vacancy announcements, newspaper advertisements, selection panels, and yearly contracts with a three month probation period. Temporaries can be hired by the section/department heads for up to three months at a time, without going through a recruitment panel, provided there is budgetary clearance, the person meets the qualifications and experience requirements, and no nepotism or other abuse is apparent to the supervisor or Personnel Officer.

Available data indicate that advertisements specify appropriate qualifications and experience, and reach sufficient numbers of acceptable applicants. The required procedures are followed. Hiring of suitable employees is not difficult and turnover is low, presumably because ILCA's salary and benefits are competitive, its reputation is good, and few comparable alternatives exist locally. However, in hiring temporaries, section heads sometimes tailor vacancy announcements to suit known candidates so that frequent re-employment could lead to their eventual absorption as regular staff. Although it is understandable for supervisors to re-employ individuals already tested on the job, there is possibility of abuse. Stricter controls by department heads and the Personnel Section could ensure fair and competitive recruiting.

Job security in ILCA can also be improved. Employees are informally assured that their contracts would continue unless performance or funding shortfalls justified non-renewal. Despite this, there is considerable insecurity, especially among local staff who have few comparable alternatives. Some supervisors could exploit this situation by seeking submission instead of cooperation, thus unwittingly creating an unproductive work environment. The situation could be improved by offering longer, possibly 2-year, contracts. Suitable safety clauses could ensure management's right to discontinue employment under pre-specified conditions. Thus, the Panel recommends that ILCA institute procedures to improve the job security of support staff.

5.4.2 Performance Evaluation. Support staff are evaluated on the anniversary of their employment, using the same form for all categories. Supervisors rate the employees' overall ability, job knowledge, reliability and dependability, self-motivation, attitude toward work and ILCA, work relationships, organizational ability, punctuality and attendance, initiative, and quality and quantity of work. A five point scale with excellent, good, satisfactory, weak, and unsatisfactory is prescribed, but in practice "v. good" and "blank" are also used. The supervisor discusses his observations with the employee (who records his own comments), and sends the form to the section head for review. The Personnel Section obtains the department head/director's approval of recommendations regarding renewal of contract, salary adjustment, upgrading, etc.

Several problems seem inherent in this system: (i) since all support staff are not evaluated at the same time, comparisons

between employees (by section, department, job category, and department group) are more difficult, and cannot be completed before individual decisions are made; (ii) job descriptions, performance standards, and output expectations are not clearly stated, and differences between job categories, levels, and types of work are not recognized; and (iii) appraisal is not used as a planning tool. The Panel recommends that management take steps to improve the support staff performance evaluation process as soon as in-house professional capacity to do so is acquired.

5.4.3 Salary Administration. Our examination of data on performance ratings and step increments reveals many apparent inconsistencies in linking performance with rewards for all rating categories. The data also show inconsistencies in linking performance with rewards for the same individual over a period of time. These apparent inconsistencies could indicate attempts by department heads, team leaders, and the Personnel Section to correct for a particular supervisor's general tendency toward strictness or leniency in rating performance. This explanation, however, is not entirely convincing.

There are probably many reasons for these apparent inconsistencies. Some deficiencies in the performance evaluation system were noted earlier. These could as well spill over into salary administration. Fortunately, however, deficiencies such as the lack of comparative data before individual decisions are made, and ineffective mechanisms for monitoring of section/department heads by the Personnel Section are readily correctable.

But other more basic reforms are also needed, beginning with a renewed attempt to prepare job descriptions and specifications. A systematic job evaluation scheme could improve decisions in recruitment, upgrading, promotion, and salary administration. However, before such a scheme is devised, staff at all levels should be convinced of the need for such an exercise, should commit themselves to investing the time and effort involved, and should be cautioned about the potentially far-reaching implications of a comprehensive system for classifying posts and staff. A parallel educational effort, and concerted action by management, is needed for improving the appraisal system and strengthening performance-reward linkages. Thus, we recommend that ILCA speed the efforts already initiated in the area of classification of posts and staff.

One additional issue deserves attention. This concerns the benefit packages of locally-recruited staff. Table 5.4 illustrates the differences between the allowances and benefits of various categories of ILCA staff. Some of the differences between the international and national staff (such as those directly related to international recruitment) are understood and accepted by the national staff. However, many national professionals have difficulty in accepting other differences, such as eligibility for a car loan. To the extent that they begin to serve as an important disincentive to performance or

Table 5.4 ILCA Allowances by Staff Categories

Allowances and Benefits	International Staff	Post. Docs.	Research Ass.	Post Graduates	National Professionals	National Support
1. Post Adjustment						
- Hardship allowance						
- Cost of living allowance	x	x	x	x		
2. Dependency Allowance						
- Dependent spouse	x				x	
- Dependent children	x				x	x
3. Retirement Plan						
- IIE Scheme	x					
- Van Breda Scheme					x	x
4. Insurance Plan						
- IIE medical, disability, life and accident	x					
- IIE medical, life and accident		x	x	x		
- Van Breda medical evacuation	x	x	x	x	x	x
- Van Breda medical, life and accident					x	x
5. Installation Allowance						
- Subsistence allowance	x	x	x	x		
- Lump sum	x	x	x	x		
6. Housing (furnished)	x	x	x	x		
7. Preparatory expenses (medical check-up)	x	x	x	x	x	x
8. Initial travel at beginning and end of assignment	x	x	x	x		
9. Excess baggage allowance at beginning and end of assignment	x	x	x	x		
10. Travel days to/from assignment	x	x	x	x		
11. Shipment of personal effects	x	x	x	x		
12. International travel on home/annual leave	x	*	x	*		
13. Airfreight/unaccompanied baggage on home/annual leave	x					
14. Salary advance on assignment	x					
15. Car loan	x	x	x	x		
16. Education grant and travel	x					
17. Per diem						
- Official mission (international and local)	x	x	x	x	x	x
- 50% of standard rate for short-term training	x	x	x	x	x	x
18. Lamp and curtain allowance	x	x	x	x		

* A home leave ticket is provided to Post-docs and Post-graduates who are not accompanied by their family during the first year.

barrier to recruiting good staff, the management should be concerned about such differences. We should note that the one feature shared by many African institutions outside of Ethiopia is the tendency of providing a larger share of benefits in non-taxable allowances or in non-monetized benefits (e.g. car loans, medical coverage). Our field visits indicate that this has led to greater dissatisfaction among the ILCA support staff stationed outside of Ethiopia.

We are under the impression that lack of sufficient incentives have begun to seriously affect the career plans of supervisory support staff who have reached the allowed top grade. Some of these staff may be in high demand by other international organizations located in Addis that have better benefit packages. In light of this, we suggest that ILCA management carefully review both the classification and the benefit packages of national staff.

Table 5.4 does not cover the issue of taxes paid by national staff. As noted earlier, despite ILCA's international character, in Ethiopia local staff are taxed on salaries and benefits received from the Centre. ILCA reimburses 50% of the taxes paid by local professionals, but none paid by support staff. The Centre's international staff, and employees of other comparable international organizations pay no taxes. This creates an understandable resentment among ILCA's local staff, both professional and local, and increases the likelihood that the best talent would prefer not to come to, or remain in, ILCA. Representations to Government have thus far been unsuccessful, but should be pursued vigorously once more.

5.5 Management of the Personnel Function

The Personnel Section was weak and disorganized in 1981. As noted by the QQR panel, policies were unclear, procedures were not followed, job descriptions, performance standards, and evaluation guidelines were non-existent, recruitment, selection, transfer, and promotion decisions disregarded objective criteria, and adhocism, favoritism, and secretiveness were common. It is very different now. A comprehensive Personnel Manual prescribes detailed policies and procedures, recruitment and selection are competitive, salary decisions utilize objective criteria and seek to maintain internal parity, professional staff are generally evaluated against specific job-related criteria and targets, and the leadership style is open, consultative, and informal.

Many of the QQR recommendations on personnel issues have been fully implemented, some with assistance from external specialists. The DG, Head of Administration, Personnel Officer, and staff of the Personnel Section deserve credit for investing the time, effort, and money needed to overcome past deficiencies and build present strengths. A solid foundation of policies and procedures now exists. The Personnel Section's administrative, record-keeping and clerical functions are fairly well established (some are even being computerized) and the Section is

particularly responsive to directions from top management. However, as discussed in detail earlier, improvements are needed in a number of areas. These require a reorientation and strengthening of the role and functions of the Personnel Section. There is a need to complement the Sections's service role with an equally strong emphasis on the advisory, control, and audit functions expected of an independent staff department. Also, personnel services should be provided more uniformly across hierarchical and departmental boundaries, including field programs.

The Personnel Section should therefore undertake the following additional activities: (i) regularly analyze comparative and historical data on all major personnel activities. This would enable management to review the big picture before individual decisions are made. Lack of such information in the past is one reason for some of the apparent inconsistencies noted earlier; (ii) make better use of systems for performance appraisal, salary administration, and job evaluation, (iii) periodically survey staff attitudes, and prepare position/issues papers for review by management; (iv) enforce stricter controls and guidelines in such areas as increments, upgrading, transfer, and promotions; and (v) provide greater functional support to scientists and field administrators, and clarify their authority and responsibility in personnel matters; (iv) bring to completion the study on classification of posts and staff.

Since the average tenure of staff presently employed is less than five years, and recruitment and retention of qualified staff is not unusually difficult, a major emphasis on career development and staff training is not necessary. The grade structure provides ample opportunities for upgrading and promotion, and the introduction of suitable policies and procedures for such matters, along with a classification scheme for support staff/positions, would, as discussed earlier, further streamline decision-making.

However, as ILCA's program strategy evolves in the next few years, further changes in staff profile could be needed. It might then become necessary to undertake more elaborate manpower planning and career development, to identify gaps (or surpluses) in various categories, and take anticipatory action in recruitment, training, and out-placement. Also, the hiring of short-term consultants, though useful for relieving of immediate pressures, should be undertaken more systematically. The requesting departments should be encouraged to identify their needs sufficiently in advance, and provide this information to the Personnel Section so that proper selection procedures can be followed.

In addition, it appears that some section heads, team leaders, and department heads do not fully appreciate their own role in effectively managing ILCA's human resources. Some of the problems identified earlier -- especially in recruitment,

performance evaluation, and salary administration -- indicate the need for in-house training seminars for clarifying the supervisors' collective responsibility for maintaining consistency and equity in personnel decisions. We suggest ILCA consider instituting such training.

To strengthen internal accountability, the Management Committee, Staff Council, and the internal audit section -- all of which are advisory to the DG -- should have the opportunity to voice their views on actions proposed or taken, not only by the Personnel Section, but also by line managers throughout ILCA. Emphasis on their consultative role would strengthen the collaboration between the Personnel Section and other departments.

The involvement of the staff councils, the elective executive bodies of the Staff Association of ILCA, is particularly important. Some of the leadership of the staff councils who were interviewed did not have confidence that their views influence the decisions of management. The Panel believes that formal mechanisms for consultation with the staff often allow management to detect problems before staff consider them serious. We suggest that management take action to revitalize the staff councils with the aim of improving internal communication and providing a formal channel for identifying concerns of staff. As an added measure, we suggest that the Board consider giving an annual opportunity to the staff councils to present the views of the headquarters and the field staff on issues of concern to them.

There is also a need to improve the accountability of the management to the Board in the personnel area. Clearly the Board should not be concerned with routine administrative and housekeeping matters related to the personnel function. However, the Board should play an increasing role in setting personnel policies and periodically reviewing their implementation. To accomplish this, we recommend that a Board sub-committee keep track of key aggregate indicators of the overall effectiveness of the personnel function, using information provided by management.

And finally, it is important that the Personnel staff be fairly assertive, independent, and professionally well qualified. Development of new systems, and changes in entrenched practices require the cooperation of staff at all levels, and the full confidence of top management. The Head of Personnel should be capable of withstanding the political and administrative pressures, both internal and external, that exist in an international center. To help ensure the credibility and professional judgement needed for further improving the management of human resources in ILCA, we strongly recommend that ILCA employ an appropriately qualified and experienced international staff member to head the Personnel Section.

6. RESEARCH AND FIELD MANAGEMENT

6.1 The complexity of African Livestock Research

Production of livestock in Africa takes place under quite unusual conditions. There are often severe environmental constraints (drought, extreme seasonalities, tsetse challenge). Multiple species must be dealt with, and, in addition to providing milk and meat, animals play other roles in the local farming system. Data bases are incomplete and scattered, with published sources being in French, English, Arabic and Portuguese. Socio-economic and institutional aspects are very influential. And the producers themselves are sometimes minorities within the countries where they reside. These complexities underlie the prominence of a farming systems approach in ILCA's earlier work. They are described in greater detail in the report of the EPR. Our concern in the EMR is the managerial implications they hold for ILCA's ability to organize and sustain scientific research in African settings.

6.1.1 Field Constraints. Job assignments within ILCA are likely to diverge in significant ways from what would be expected within a narrowly focused commodity approach, such as that seen in most livestock oriented research in developed countries. Key differences include the following:

- A higher proportion of research done off-station, sometimes at inaccessible sites with poor communication;
- Infrequent supervision and peer support;
- Derivation of experimental criteria from a prior analysis of the farming system;
- Interaction with other specialties in conducting field research;
- Ill-structured research problems characterized by multiple confounding variables and strong inter-action effects;
- The need to unlearn conventional wisdom. In some fields a scientist's previous disciplinary background provides little conceptual and procedural assistance;
- Lack of on-site support facilities;
- The need to train support staff and assume major administrative and logistic responsibilities; and
- Inability to communicate with producers except through interpreters.

Individually, these problems would not seem insurmountable. In aggregate, however, they greatly increase the difficulties of carrying out effective scientific research within ILCA's field programs. They also put added tension on headquarters departments, where one often finds only 2-3 senior scientists trying to perform the multiple roles which research management requires. It is not unusual at ILCA to find that the same senior scientist may be asked to sharpen research strategies, design research protocols, assist field researchers in several countries

with disciplinary advice, edit research reports, conduct training sessions, organize conferences, and evaluate support staff. Such organizational loads leave little margin for mistakes or poor management. The thinness of ILCA's senior staff resources in relation to the breadth of its mandate is, in our view, a primary reason why careful management of ILCA's research is essential.

6.1.2 Recruitment of Scientists. The above demands explain why an individual's formal qualifications for a given ILCA position may be inadequate for predicting eventual job success. Effective research in the ILCA context requires a high degree of flexibility, imagination, and reconceptualization. Individuals with a good work record outside of Africa may find their skills and knowledge inadequate for good performance within ILCA. We note that for less routine assignments, ILCA's present management has frequently used short-term consultancies as a device to test a person's capacity before making an offer of longer term employment. While this may appear to some as violating standard provisions for open recruitment, the gains to ILCA in demonstrating a person's capacity under African conditions are substantial. Furthermore, the consultancy itself serves as an excellent means of job orientation.

For international professionals, work within ILCA can be a marked advantage to younger scientists intending to make their careers in Africa. Some have already established an enviable record of research and publication (an achievement which was not yet evident at the time of the QQR). However, the impressive total output of scientific publication from ILCA in recent years masks the fact that organizational learning has not occurred in all disciplines, nor in equal degree for all categories of ILCA's staff. A case in point is in regard to ILCA's sociologists, where for a number of years there has been no sociological or institutional specialists at headquarters, and where there have been several consultancies for which no final report was received. Rather than attributing lapses of this nature solely to individual weaknesses, we note they may also arise in part from process weaknesses inherent in the unusual difficulty faced in applying certain disciplinary insights to meet ILCA's needs.

For ILCA's junior scientists, access to scientific guidance, statistical advice when formulating protocols, and editorial assistance in writing up research findings can be crucial. The corollary is that if ILCA employs such scientists (many of whom will be Africans), it must also look for senior scientists willing to sacrifice their own personal research output by giving time and encouragement to junior colleagues. All research organizations in Africa face this problem, but perhaps it merits added attention in ILCA's recruitment process.

6.2 Research at Headquarters

6.2.1 Scientific Direction and Quality Control. The overall responsibility for scientific research at ILCA rests with the

Director of Research, who guides the preparation of research protocols, advises team leaders on the content of field programs, works with the DG to ensure adequate staffing by senior scientists, and participates in an annual performance evaluation of scientists.

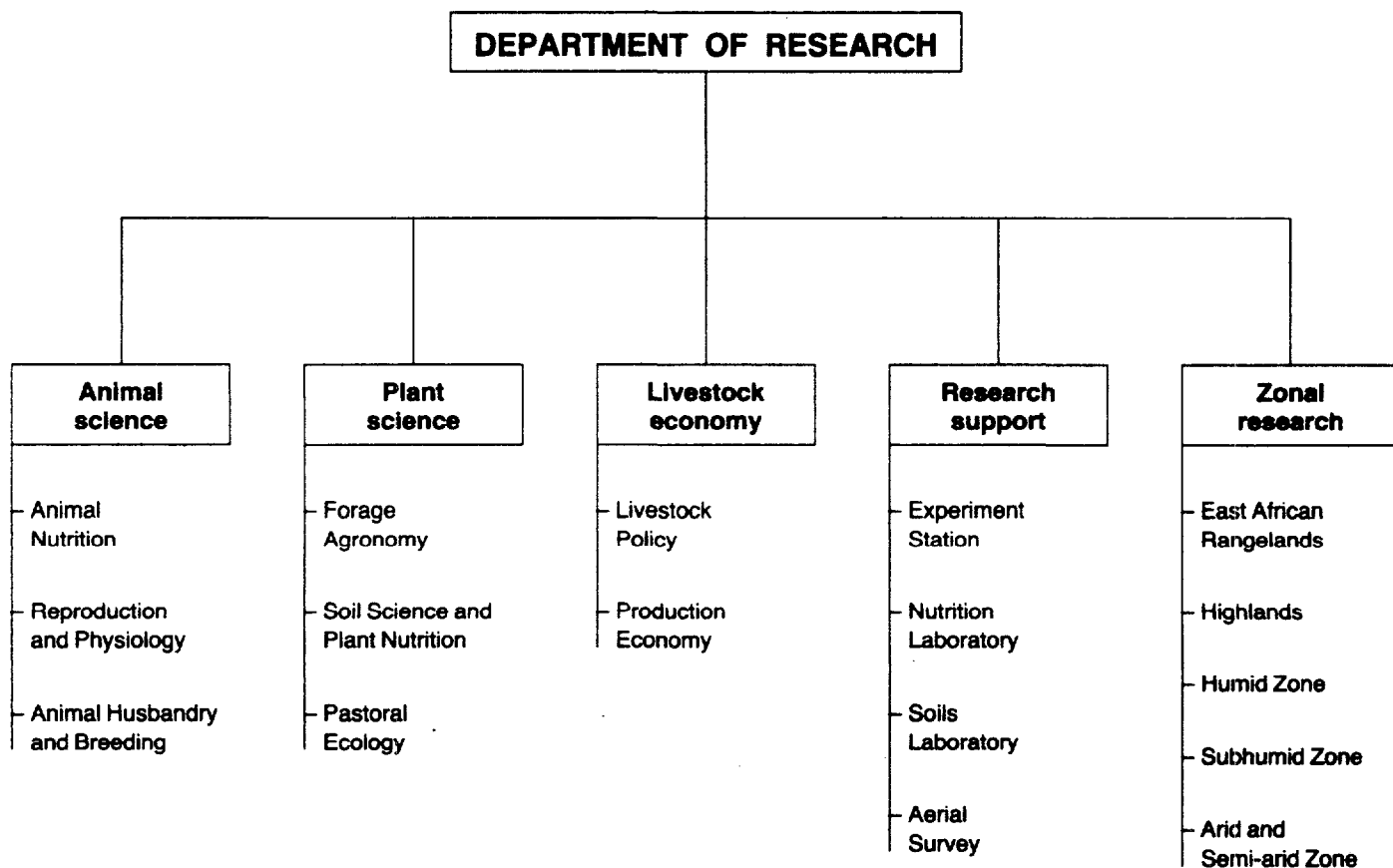
The Department of Research on its most recent organogram (Table 6.1) shows five constituent sections: 1) animal science, 2) plant science, 3) livestock economy, 4) research support, and 5) zonal research. However, neither the research support nor the zonal research units have section heads. In actual practice, plant science, animal science and economics have emerged as operational divisions whose heads (jointly with the Director of Research, and supplemented with senior scientists as required) serve as a research directorate. We welcome this evolution. It facilitates coordination and provides an opportunity for joint reviews and accountability, particularly when the Research Director is away. ILCA has reached a size where a joint approach to reviews of research and to staff evaluation may be needed, though we feel it inappropriate to specify in detail how these functions should be performed. We recommend that ILCA establish a research review committee, to help guide the further evolution of the center's scientific programs.

The increase in formal structure at ILCA headquarters is a logical consequence of the change in research priorities which the QQR recommended to ILCA management in 1981. Following QQR advice, ILCA gradually decreased the proportion of research funds allocated to field programs from 39% in 1981 to 20% in 1985, while increasing headquarters' research activity from 24% to 46%. To the extent that the Board decides to further strengthen component research within ILCA, this is likely to result in additional staffing and capital development at headquarters. The Debre Zeit station near Addis Ababa, which was formerly under the Ethiopian highlands program, is increasingly becoming the site for "on-station" research by ILCA's Addis-based scientists.

6.2.2 Research Planning and Monitoring. A major focus of the present Director of Research's effort over the past year has been to strengthen the preparation of project protocols within ILCA's research system. In the future, any research activity in ILCA will be based on an acknowledged research protocol.

At the bottom (or project) level, each protocol includes problem specification, research objectives and hypotheses, a program of work, preplanned data analysis, and a statement of anticipated utilization. The protocols for individual projects are then grouped into sub-programs (e.g. pasture and forage agronomy) and these in turn into programs (e.g. the highlands zone program). Less specific descriptions will be prepared by senior scientists or the head of a research unit to accompany each sub-program, and in turn team leaders or the Director of Research (for field programs of headquarters units, respectively) will outline the content at a program level. In aggregate, these descriptions, when approved, will constitute each year's official

Table 6.1 Organization of the Research Department



work program. As ILCA's only formally-planned device for indicating which research activities scientists should undertake, they are of critical importance.

We strongly support the introduction of research protocols into the ILCA system. The three-tier approach as currently outlined will necessitate clear identification of the content and responsibility for all of ILCA's research, greatly facilitating research planning and monitoring. The project protocols also provide a potential basis for estimating financial and manpower implications of each of ILCA's programs and sub-programs, a kind of information about resource allocation which ILCA management has not enjoyed to date. However, the protocols are not tied to single years or to single disciplines -- a desirable feature, given the nature of ILCA's mandate.

Since ILCA's Annual Research Programme was first issued in draft in April, 1986, it is too early to evaluate how well the new system will work in practice. There are those in ILCA who feel the new approach is overly formal, and in support note that by the end of April some field programs had still not received clearance for a work program to have begun in January. If one examines the assignment of responsibilities under the new system, it becomes clear that the same individual is often listed under numerous protocols. These criticisms suggest both that ILCA's manpower resources are stretched thinly over too many experiments, and that the research director does not yet have the administrative capacity to implement the review process in a timely fashion.

We suggest that in future years the number of protocols any one person supervises should be reduced to a manageable level. The Director of Research carries such a heavy work load that we consider he should minimize involvement in other, non-research activities. If significant delays still occur, ILCA's research directorate should be provided with added administrative resources rather than abandoning the protocol concept.

6.2.3 Research Support. The ability of ILCA's headquarters units to support high quality research has been dramatically improved since the 1981 QQR. There are now well equipped and fully operational research laboratories, as well as excellent computer and documentation services (described in Chapter 8). To do effective research in many scientific fields presupposes this availability. For example, its headquarters location has in recent years been a major advantage to the Ethiopia Rangelands program in helping identify promising technological innovations (something not yet achieved in the Kenya Rangelands program).

The panel is less optimistic about the ability of ILCA to support a broad range of experimental livestock research activities in the small headquarters campus of 10 hectares (cf. the IITA campus of approximately 1,000 ha.). The management's plan to convert the larger (270 ha.) field station at Debre Zeit into its main experimental site for headquarters scientists

merits strong support. Debre Zeit is less than an hour's drive from Addis, has a slightly warmer climate and ample water, and is nearby to Ethiopia's own Veterinary Faculty while remaining in a rural environment. For a modest additional investment, ILCA would acquire the space and facilities to support both research on basic components and applied field testing linked to surrounding villages.

6.3 Encouraging African Scientists

A major expectation many African governments hold about ILCA is that the institution will encourage the emergence of indigenous scientific talent within the continent. This is part of ILCA's mandate, but unless highlighted it tends to become submerged within the more pressing day-to-day requirements of research management.

The formal responsibility within ILCA for identifying and upgrading young African scientists is the post-doctoral program, begun in 1983. Post-doctoral associates play a rather different role in the field programs from what occurs at headquarters. At headquarters, the relationship of the junior scientist to senior colleagues (and to the experimental programs) is more similar to what it would be at comparable institutions in developed countries. In the field, however, a post-doctoral associate receives less supervision and, in fact, is often used in much the same way as an international professional. This provides the opportunity for a rapid development of skills, but it means that the individual tends to acquire responsibility for continuing ILCA sub-programs which would face disruption when he leaves (unless, of course, another post-doc is at hand to replace him). On termination, it has been difficult to move post-doctoral associates into career positions within African organizations, since many come to ILCA directly from Ph.D. training outside of Africa.

We are not concerned here with the specifics of ILCA's formal training program. Rather, the issue is whether employment at ILCA is a fruitful experience for African scientists comparable to the advantages which some international professionals have gained when subjected to these challenging assignments.

We wish to emphasize that there is a trade-off: to the extent ILCA (following QQR recommendations) emphasizes individual achievement for its international professional staff (international publication, etc.), it discourages the kind of collaborative joint activity which younger African scientists need from professional colleagues. We consider that the organization has pushed its staff towards ILCA joint publication (zonal conference proceedings, etc.), which encourage participation by the younger scientists. Nonetheless, we recommend the strengthening of the effort ILCA is already making to identify and support young African scientists who would most benefit from ILCA's challenging research environment.

The cultivation of indigenous research capacity in Africa emerges as a significant issue at more senior levels, too. At present, ILCA has minimal contact with the various African universities except within Ethiopia or where field programs have initiated their own collaborative linkages (notably in Nigeria, Mali and Zimbabwe). We understand that ILCA's training division formulated a program (PAART) designed for African pre-doctoral students, but was unable to attract donor financing. An expanded program of this nature would provide ILCA's senior staff with much needed mid-level manpower, freeing them from some of the day-to-day supervision of experiments. If organized competitively, it would avoid the accusation of favoritism to certain countries. And it might be designed to include visits by each candidate's academic supervisors, widening further ILCA's limited collaboration with African universities. Given its comparatively modest costs, we feel such a program ought to have a high appeal to donors for special project funding. It would not require much addition to ILCA's physical plant, beyond perhaps a small hostel at the Debre Zeit field station.

ILCA has a small program for visiting scientists financed from its core funds. Most senior scientists working within Africa occupy key positions where they cannot leave for the extended period of, say, a post-doctoral associate. Here either ILCA must take its program to them -- as indeed the trypanotolerance network has done -- or else they must come to ILCA. The EPR findings indicate ILCA is building up its stock of promising technical interventions to a point where senior visiting scientists would have something to learn. We recommend that ILCA strengthen its efforts to attract senior African scientists who can contribute to ILCA's program, coming for short periods (2-6 months). This would widen ILCA's present contacts, an essential step given ILCA's lack of a large clientele of ex-trainees. A program of this type might also attract donor financing on a special project basis.

6.4 Consultancy Research

ILCA's heavy use of consultants has been commented upon at several places in this report. International consultants are usually expensive, and their employment circumvents the normal processes of protocol review and research guidance. As already mentioned, in the past a few extended consultancies failed to produce final reports. We also note that the management has used consultants when moving into new areas of inquiry, such as ILCA's current involvement in remote sensing for resource monitoring. The case can be made that such consultancies test the relevance of a new technology or approach before it becomes a permanent ILCA commitment. Another argument is that consultants can supply special skills (editorial direction, program writing, etc.) or disciplines (sociology, health economics, etc.) not required on a regular basis.

Two important points are in order. First, as used by ILCA, external consultants do draw upon organizational resources (field

transport, etc.) and they require management. (Here service consultancies may differ in how they are utilized from those aimed at providing a completed product.) Second, consultants remain outside the organizational structure and often do not expand the organization's long-run capacity to provide their types of output. While recognizing the flexibility ILCA's management has enjoyed as a result of consultancy employment, we nevertheless suggest that the content of ILCA's international consultancies when employed for research purposes come under ILCA's research directorate.

6.5 Field Programs

Much of ILCA's earlier research was conducted on-site within the zonal programs. While ILCA currently identifies five zones, two include more than one country program (Mali and Niger in the Sahel, and Kenya and Ethiopia in the Rangelands), and at the country level several have separate field stations away from the zonal base (Niono and Mopti in Mali, Zonkwa in Kaduna and Sidamo in Ethiopia). To these one must also add ILCA's growing number of collaborative units, both those linked to a research network (like the two ILCA trypanotolerance staff in the Gambia and the one in Ivory Coast) and those under arrangement to assist host-country institutions. (the shared IDRC/ILCA staff member in Zimbabwe). This diversity of field arrangements explains why, though ILCA has only five zonal programs, its staff list includes seven team leaders and two coordinators (for the trypanotolerance network and for the Debre Zeit field station).

6.5.1 Zonal Research. Since the zonal programs remain ILCA's largest field commitment, we review their management first before turning to the complications ILCA is beginning to encounter while operating within the collaborative mode.

6.5.1.1 The Team Leader's Role. The most important fact to note about the management of ILCA's zonal units is the strong degree of decentralization which has remained a consistent policy throughout the present DG's tenure. Team leaders act on behalf of the DG in their respective programs, and they have always enjoyed ready access to him if questions arose of a managerial nature within field operations. They receive zonal funds in block amounts rather than on a project basis, and historically have been expected to devise their own research strategies within the constraints of received budgetary ceilings. Team leaders identify professional staff and consultants for the DG's attention; they sign off on all disbursements; and they are allowed wide latitude in managing field personnel. This degree of delegated authority is probably unusual within a centrally managed research organization, but is congruent with the extreme difficulties of communication between Addis Ababa and at least the West African research sites.

A consequence is that field program leaders are heavily dependent upon the quality of their own administrative staff, and they also devote much more time to their

administrative/leadership role than an outsider might assume. Seen from an African perspective, team leaders represent the DG at the country level (and in fact receive a small representational allowance from ILCA). Within each country, they spend a substantial amount of their time in a liaison role, welcoming visitors and arranging various types of host-country support. Most team leaders are also expected to provide a professional input within the team effort, with four being listed as "socio-economists".

We consider it unlikely that the team leader for any of ILCA's larger programs can also serve effectively in a professional disciplinary role. The meager economics input into ILCA's field programs in the past reflects this limitation. (The one exception may be in regard to the team leader of a research network who has a separate network coordinator to do the tasks which zonal leaders must undertake themselves). It is also probably not wise to combine two types of field responsibility in a single position, since this greatly complicates recruitment and any one individual can rarely perform with equal success in two different fields.

ILCA has had difficulty finding and retaining good team leaders, particularly within Francophone Africa. The zonal unit headquartered in Mali was left without a permanent team leader for an extended period, with serious consequences both for team morale and for the quality of its research output (during, we might note, a period of extreme drought when the team's senior professionals were also being withdrawn). It seems likely that a team predominantly composed of national professionals will have difficulty meeting external expectations concerning research quality, and hence will need more disciplinary assistance than would be required by a team of international professionals.

6.5.1.2 Working Conditions. It became apparent from field visits that the zonal programs differ substantially in regard to the adequacy of conditions for supporting scientific work. Ironically, it is the Mali team who enjoy the "best" facilities, with a small but functioning library (staffed by a librarian with the equivalent of a Master's in documentation received in France) and even a rudimentary office-laboratory block at the Niono field station. By way of contrast, at the Zonkwa field station (in Nigeria's sub-humid program) post-doctoral scientists find they must dry manure samples in their kitchen ovens. Again, the administrator for Kenya rangelands must store project equipment in his personal garage, and has done so for several years. Such inadequacies may seem humorous, but the fact remains that some of ILCA's field units survive largely because of the goodwill and extra commitment of staff, many of whom are national professionals and support staff.

The ILCA headquarters' operations look quite different from the vantage point of an isolated station in remote parts of West Africa. While the "headquarters" trypanotolerance network in Nairobi employs an international courier firm with excellent West

African service to receive its livestock statistics promptly. ILCA's other "field" units depend upon the courtesy of visitors to carry vital documents back to Addis Ababa. Again, while ILCA's Addis and Nairobi programs provide bus service for support staff into town, the Ibadan program does not. At Nairobi, ILCA's staff claim they receive substantially less pay for certain types of work than do the ILRAD staff with whom they share quarters.

Obviously, outsiders on a quick visit cannot verify what has or has not been the case in regard to such claims. What we can do is to point out that working conditions within ILCA as a whole vary considerably. While ILCA's management has established attractive and self-sufficient facilities at its Addis Ababa headquarters, it has not done so in certain field programs. Here the problem is that one can always argue that the field programs are "temporary," even when they are almost as old as the headquarters itself. The panel's field visits found a general insufficiency of office facilities, particularly for the Kenya Rangelands and Kaduna programs. We also note it has not been possible for ILCA's personnel officer to visit field programs outside of Ethiopia. The present and past officers of one staff council said it was the first time that any outsider had requested their views. While those at headquarters report few complaints from field programs, we must record that the national professional and support staff we interviewed often shared a different perception of how well the ILCA system operates.

In field programs as at headquarters, the senior support staff (classified in a "supervisory" capacity) are disadvantaged members of the ILCA system. Their job assignments frequently necessitate working overtime and on weekends when the professional staff need their assistance, but because of their rank they cannot be paid overtime and cannot advance further as a reward for carrying heavy responsibilities. Given that their input is essential in order to release ILCA's professional staff from mid-level managerial tasks, we support the case made in Chapter 5 for added incentives to at least key members of the supervisory support staff at field locations. (Here the Coopers and Lybrand review of country benefits when completed should indicate which programs merit urgent review).

A factor further depressing productivity of all staff in some field areas has been the awareness over extended periods that they were under review for possible closure. We suggest that as soon as it is clear which modes of field outreach ILCA will be employing in the future, the ILCA management should carefully assess the field facilities, support staff, and scientific assistance required by each team. The recent efforts by the Director of Research to increase scientific support to field units are to be commended.

6.5.2 Research Networks. The research network constitutes an alternative mode for ILCA's field outreach, with the Nairobi-based trypanotolerance group being ILCA's most mature example. Under the network come 12 field units in 10 countries, most run

by national staff, but some assisted by a full-time ILCA staff member (usually employed under special project funding). The trypanotolerance network originated out of a 1977-78 survey of facilities throughout the whole of tropical Africa (a 14 month exercise). Senior staff from ILCA then played the role of brokers in assisting local units in the various countries when applying for donor funding, and also provided Nairobi-based training for network members. The senior scientist at Nairobi concentrates upon quality control and stimulating the scientific output from the network, while a full-time coordinator supplies the necessary administrative support to keep the network functioning smoothly. At several points in the EMR/EPR interviews, it was suggested to us that this approach is highly cost-effective, and accomplishes the ILCA mandate for strengthening local institutions while also generating standardized, high quality scientific research from an array of field stations.

Without challenging this assessment, we note that the trypanotolerance network operates under special conditions not necessarily available to ILCA's other, more recent networks. The senior scientist in charge also heads ILCA's animal science group, and has been continuously engaged in developing this line of research for several decades. The network draws heavily on ILRAD's facilities, and ILRAD in turn has a high incentive to cooperate. Collaborating scientists in the field share the same problem focus, either professionally as veterinarians and animal scientists, or commercially as producers working under tsetse challenge conditions. The network has tapped a huge reservoir of accumulated data, and its statistical analysis provides a valuable service not otherwise available to most participants. Nine administrative staff located in the Kenya Rangeland's office actually spend 40% of their time on the trypanotolerance network's activities (and are funded by the network). ILCA's substantial scientific support and its intervention in obtaining donor funding within each country makes additional resources available to participating units.

The question ILCA needs to face is whether it can afford to devote equivalent internal resources to the newer networks. There is a great deal of travel and administrative liaison associated with an operation spread over so many countries, and some topics do not yield themselves so readily to a narrowly focused, disciplinary attack. Thus we recommend that before further research networks are developed, ILCA assess carefully the nature and scale of resources needed over the longer run for their support.

Furthermore, ILCA's headquarters will require added strength in the personnel and administrative services to begin supporting a fairly large number of field staff posted individually to remote locations. The assumption at present seems to be that the host agencies in each country will carry the main administrative burden, but in fact such staff have contracts with ILCA and

qualify for the same services and allowances accorded to other international staff.

6.5.3 Collaborative Assignments. Much the same argument as has been made in regard to research networks applies to other kinds of collaborative assignments, such as ILCA's one staff member located at the ICRISAT Sahelian Center in Niamey, or its shared (with IDRC) scientist in Zimbabwe. These, too, will require the kinds of attention from headquarters which in zonal programs are obtained on the spot from the field team.

6.5.4 Liaison at Headquarters. Finally, we see a definite need for clearer responsibility in Addis Ababa once requests for action arrive from ILCA's field units. At present, such requests are addressed individually to an array of section heads. There is nobody in headquarters who monitors field requests, and no way short of complaints from the field to know when vital actions are not being taken. Given that the section heads are themselves out reviewing field programs, we see a definite need for one individual at some location in headquarters to serve as their "desk officer".

6.6 Evaluating Research Output

The ultimate test of the management effectiveness at a research organization like ILCA is its production of relevant, reliable, and valid research results. However, the criteria employed in judging such results are likely to differ between external scientists and client systems (the African governments, institutions, and producers). From the standpoint of African producers -- whose "quality of life" is specified as a concern in ILCA's mandate -- what matters most is ILCA's output of useful interventions capable of increasing the low levels of productivity in many existing livestock systems.

An alternative measure of research productivity is by publication, stressed by the QQR. We note that ILCA staff on the whole have become much more "productive" through "peer reviewed" international publications (as the QQR instructed). Nevertheless, from a managerial perspective such effort has internal costs. In African circumstances, sending draft articles for review elsewhere usually means long delays in finalizing reports, while many African countries can no longer afford the journals which carry articles reporting on African research. We note the kinds of output ILCA's management also has stressed, by up-grading its own in-house publications for immediate circulation within Africa (though also sent to major external centers). The level of many of ILCA's internal publications is impressive.

There are two words of warning. First, ILCA is performing other invaluable services much valued by African institutions which do not take the form either of publications or of technical interventions. Examples includes its "Ideas" software for analysing livestock statistics, its SDI service for literature

search on behalf of African requests, its microfiche of the "gray" literature held in national collections, and its circulation of current periodical contents within particular disciplines. Such research services (reviewed in Chapter 8) can have a large impact on the productivity of cash-starved national scientists throughout the continent. In this case, the research being assisted by ILCA is not on-site, but occurs instead in national research institutions. Since these types of research support also draw upon ILCA's core funding, we consider it a mistake to assess ILCA's research productivity purely in terms of experimental results and publications. There are other areas of ILCA's mandate which may be equally important for the development of viable research institutions in Africa.

Second, at various points this report stresses the thinness of ILCA's staffing when weighed against ambitious expectations for its output. The heavy demands put on ILCA's senior staff means that there is a high opportunity cost to any new commitments of their time and attention. Outsiders sometimes make the case for ILCA doing more in-depth component research, interacting with a wider spectrum of collaborative institutions, providing a higher volume of training, and starting new research or information networks (e.g. the proposed animal traction network). But many of the development costs of initiatives already begun during the past three years have yet to be incurred. We suggest that the balance between ILCA's available resources and its present commitments should be a cause of concern. Perhaps all need to recognize that any major research institution must develop its program in stages. In Africa it is easy to expect too much output, too soon. By the same token, in our view ILCA's management should focus on priority areas that are now indentifiable rather than undertaking still other areas of inquiry. Weaknesses in ILCA's research management are thus not simply a matter of inadequate formulation of research protocols. They also arise from a system where staff resources are spread too thinly over many projects, making it imperative that ILCA's Board and management pays more attention to a careful weighing of its research and other institutional priorities.

7. FINANCIAL MANAGEMENT

The Financial Controller is the chief financial officer of ILCA. He heads the Finance Department and enjoys considerable autonomy in making decisions on all financial matters. He works closely with the Director General and represents ILCA in inter-center budget and finance committees. The Chief Accountant and the Budget Officer report to him directly. The Financial Controller is also directly responsible for the treasury function at ILCA.

The Panel is most impressed with the considerable improvement in the financial management function at ILCA over the last five years and in the financial position and viability of the Centre. The systems which have been developed since and are in place are operating effectively and allow for the analyses of data for decision-making, control and coordination of most of the Centre's operations. For this reason the focus of this chapter is on a review of the macro aspects of financial planning and management, with particular emphasis on an assessment of ILCA's overall financial performance and aspects of financial planning, budgeting, accountability and controls. Our aim is to make suggestions for further enhancements in a situation which has shown considerable and material improvement over the recent years.

We would like to make one general comment about the finance function, before we move to the specifics of financial management at ILCA. The finance and other functions exist in order to facilitate the work of those who are responsible to carry out research and related activities, to be accomplished, however, within the confines of a certain degree of financial discipline. We are much impressed with the advances made at ILCA, to introduce financial discipline, but are concerned that this effort may have gone too far. The right balance in this area is not easy and is essentially a matter of management's own judgment. However, the signals we received from staff indicate the need for the management to reconsider its relative emphasis on "controls" and operational flexibility.

7.1 Overall Financial Performance of ILCA

An examination of ILCA's key financial indicators over the last five years shows four major trends:

- ILCA's revenues and expenditures have grown considerably over this period;
- This growth is accompanied by a gradual relative increase in resources allocated to research, information services and training;

- There has been a parallel improvement in ILCA's liquidity position; and
- Although there has been a significant increase in the number of external donors contributing to ILCA, the Centre still remains largely dependent on the two major donors.

These four trends are briefly discussed below.

7.1.1. Financial Growth. ILCA's total income has grown from U.S. \$10.0 million in 1981 to \$16.1 million in 1985, or, on an average, by 12 percent per year (Table 7.1). The total expenditures have correspondingly increased by 50 percent over the same period (an average of 10 percent per year).

Table 7.1 Income and Expenditures of ILCA (Amounts in million US\$; percentages show growth over previous year)

	<u>1981</u>	<u>%</u>	<u>1982</u>	<u>%</u>	<u>1983</u>	<u>%</u>	<u>1984</u>	<u>%</u>	<u>1985</u>
Total Income	10.0	13	11.3	12	12.7	11	14.1	14	16.1
Total Expenditure	10.5	0	10.5	12	11.8	25	14.8	7	15.8
Core Income	9.3	8	10.0	19	11.9	7	12.8	9	14.0
Core Expenditure	9.8	(5)	9.3	20	11.2	21	13.6	(1)	13.5

The major part of the growth in ILCA's total income is attributable to the growth in contributions from core sources (50 percent over the past five years; an average of 10 percent per year). However, there has been a gradual increase in ILCA's income from non-core sources. In 1981, 93 percent of ILCA's total income came from core sources. This dropped to 89 percent in 1985.

ILCA's financial growth over the last five years compares favorably with those of other CGIAR centers. According to current projections this growth is expected to continue during the current and next year.

7.1.2. Shifts in Resource Allocation. The increases in ILCA's income in recent years have been accompanied by two major trends in the allocation of these resources. First, the share of management and general operation/maintenance expenditures has dropped from 23 percent in 1982 to 16 percent in 1985 of the total recurrent core expenditures. By contrast, the resources allocated to research, information, and training and liaison have increased from 77 percent to 84 percent (of which training accounts for 5 percent) over the same period (Table 7.2). Second, within research, the funds allocated to field research have dropped from 62 percent of all core research operating expenditures in 1981 to 31 percent in 1985. This has meant the

doubling, in cumulative terms, of the resources allocated to research conducted at the headquarters (including the two Ethiopian programs which are directly related to headquarters research).

Table 7.2 Distribution of ILCA's Core Recurrent Expenditures by Activity (in percentages)

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Research	63	65	65	63	66
- Field	39	36	31	23	20
- Headquarters	24	29	34	40	46
Information	9	8	9	9	9
Training & Liaison	6	4	7	8	9
Management and Gen. Oper./Maint.	<u>22</u>	<u>23</u>	<u>19</u>	<u>20</u>	<u>16</u>
TOTAL	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

7.1.3. Liquidity. The liquidity ratios are indicators of an organization's ability to meet its obligations due for repayment over the short term. These are important for judging an organization's financial viability and are shown for ILCA in Table 7.3.

Table 7.3 Liquidity Position

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Current ratio	0.97	1.28	1.56	1.30	1.84*
Quick ratio	0.89	1.21	1.43	1.17	1.73*

*Excludes advance contributions received from the World Bank on December 31, 1985

The liquidity of ILCA, judging from the current ratio (Current Assets/Current Liabilities), shows an improving trend over the recent past. The quick ratio (current assets excluding inventories/current liabilities) is, however, a more significant liquidity indicator. Here too the indicators show an improvement over the last five years. Hence there has been an overall

improvement in ILCA's financial position to meet future liabilities.

7.1.4. Changes in ILCA's Funding Base. ILCA receives its contributions from its donors as unrestricted core, restricted core or special project grants. As noted above, ILCA's revenues in aggregate have continued to grow gradually. This has been achieved, in part, by adding new donors (the number of donors increased from 22 in 1981 to 34 in 1985) and partly through enhanced contributions from existing donors. While these are notable achievements, the fact remains that the major share of the contributions to ILCA continues to be made by the United States Agency for International Development (USAID) and by the World Bank, the latter as donor of last resort. (Table 7.4)

Table 7.4 Contributions to ILCA by Major Donors
(% of Total Core and Special Project Funds)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
USAID	24.4	24.6	22.9	22.2	23.7	20.5
World Bank	<u>18.4</u>	<u>22.3</u>	<u>23.5</u>	<u>20.6</u>	<u>19.9</u>	<u>22.3</u>
Sub-total	42.8	46.9	46.4	42.8	43.6	42.8
Special Project Funds	2.5	7.0	11.4	7.9	5.8	10.8
Others	<u>54.7</u>	<u>46.1</u>	<u>42.2</u>	<u>49.3</u>	<u>50.6</u>	<u>46.4</u>
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

ILCA's dependence on contributions from the USAID and the World Bank has not decreased despite the increase in the special projects funds. Stated differently, core contributions to ILCA from donors other than USAID and the World Bank have decreased, in relative terms, from 54.7 percent of total revenues in 1980 to 46.4 percent in 1985. (In terms of total core contributions, the share of the two major contributors has increased from 43.5 percent in 1980 to 48 percent in 1985). Clearly, the reliance on two donors for such a major share of contributions is risky and makes for uncertainty and possible volatility than if the contributions were more evenly distributed.

The Panel has the impression that ILCA's potential for increasing the flow of funds and reducing its dependence on the two major donors is higher now than in earlier years, in part

because of the development in recent years of necessary documentation and information aids, but, more importantly, because of the strides made by ILCA in developing an effective program.

Fund-raising efforts are currently combined in most cases with the existing responsibilities of senior staff. This is partly done with the intention of deploying staff resources and nationalities to take advantage of fund-raising opportunities. Therefore, ILCA needs to develop a more formal approach (perhaps through a small fund-raising committee) to be followed in the raising and diversification of both core and special project funds. The Panel suggests that such a strategy should also form the basis of annual discussions with the Board to seek assistance from its members in this important activity. Thus, the Panel strongly recommends that ILCA management, with the assistance of the Board, develop and implement a fund-raising strategy, in an effort to expand its funding base and reduce the reliance on a few donors.

The Panel reviewed the emphasis given to the raising of special project funds compared with funds for unrestricted core projects. Unrestricted core funds provide more flexibility in expending such resources compared to special project funds which are intended to be used for specific projects. The Panel, however, noted no special bias in favor of raising special project funds. Any additional funding possibilities for special projects which provide a linkage and possible synergy to the core research activities should continue to be sought, as such funds also contribute to the overheads of the Centre.

In conclusion, the Panel is much impressed with the improvement in ILCA's overall financial performance over the last five years. Much of the credit for this goes to the Director General, who, in part by taking advantage of "opportunities" was able to mobilize several donors. Credit is also due to the Financial Controller, who was able to improve ILCA's financial practices, which, although sometimes considered difficult by staff, were nevertheless effective.

7.2 Financial Planning and Budgeting

In this section we outline ILCA's present financial planning and budgeting process and make some suggestions for improving this process in the light of changes in ILCA's program structure and research management practices described in Chapter 6.

7.2.1. The Current Planning and Budgeting Process. ILCA follows the budget formulation and review process established for centers by the CGIAR Secretariat. The centers receive initial estimates of funds available from the CGIAR which form the basis of budget preparation. The budget of each center after approval by the management is subject to review by three external groups: (a) The individual Board of Trustees approve a draft budget which is sent to CGIAR for comments. This happens in April of each

year. (b) The budget of ILCA is discussed by TAC in June for the purpose of making a recommendation to the CGIAR for each center based on the priorities of the system and in the light of funding availabilities indicated by the CGIAR Secretariat. (c) The budget approved by TAC is then submitted to the donors who review them from August to October. At International Centers Week in Washington in October, the donors make pledges to the centers and approve the final budgets of each center. The CGIAR Secretariat conveys the final budget approval at Centers Week to ILCA in December. The budget for the CGIAR covers only the core funds; non-core programs are reported but do not enter explicitly the CGIAR planning and resource allocation process.

The management of ILCA initiates the process of budget preparation by issuing budget guidelines and formats to each cost center, including field programs, for preparation of detailed budget estimates in October, i.e., 15 months before the start of the budget year. The various cost centers submit their budget requests to the Office of the Director General in December in accordance with the guidelines. These budget submissions are then compiled by the budget officer in coordination with the Controller. The budget submissions for each function are reviewed by the concerned directors and other staff. This is followed by a review by the Management Committee after which a budget document is prepared and submitted to the Board of Trustees.

7.2.2. Suggestions for Improvement. The Panel has identified the following five as the priority needs for improving financial planning and budgeting at ILCA.

- need for long-term planning and review;
- need for a program-based planning and budgeting system;
- need for a program-based financial information system;
- need for development of performance indicators;
- need for simplification and decentralization of the expenditure approval process.

These are in turn discussed below.

7.2.3 Long-term financial planning and review. The need for long-term program planning and priority setting at ILCA has been emphasized by both review panels. This means that the financial implications of such program plans need to be considered in a more systematic and analytic manner than currently done at ILCA. The Panel considers that this could be accomplished through multi-year (e.g. three-year) indicative budget planning that provides the necessary long-term framework for the annual budget allocations. To be fully effective, this will require an improved framework of qualitative and quantitative indicators as a basis for selection of appropriate

programs and strategies. Such an approach would help relate funding needs to the specific objectives to be achieved by the various research programs. The Panel, therefore, recommends that consideration should be given by management to the preparation of multi-year indicative budget plans as a basis for annual funding decisions and improved planning. The Panel notes that this suggestion is in the general direction of the recommendations emerging from the budgeting and financial reporting study recently conducted for the CGIAR and recognizes that the implementation of the recommendation needs to take into account resource allocation and review mechanisms eventually adopted for the system as a whole.

There is also a need to periodically review the on-going programs, in conjunction with or as a supplement to the CGIAR external reviews. An older program -- though ongoing -- may not on evaluation, given its progress and costs, be as attractive as when conceived. It may also have outgrown its purpose or lost the support of its constituency. It may be necessary therefore, to carry out a full "zero-based" (program in its entirety) review on a periodic basis -- perhaps every three to five years. Such a review may consider ways to restructure the program, to improve its efficiency, or perhaps merge it with other programs; in addition to questioning its continued existence. While it is possible that this approach will incur the resistance of managers responsible for such programs, it may be necessary for revitalizing old programs. The Panel recommends that consideration should be given to implementing a system of periodic reviews of benefits and costs of programs for improving research operations and prioritizing research activities.

7.2.4 Program-based planning and budgeting. The budget structure at ILCA essentially follows the Centre's operating organization chart. The budget is prepared for each responsibility center, the manager of which is responsible for the control of costs for the unit. The accounting system provides costs by object of expenditure and each organizational unit. This gives the concerned unit head the information to budget and control expenditures. However, while a good tool for controlling expenditures, it does not provide information on the use of funds in research programs and sub-programs and for management's assessment of the consistency of the resources consumed with program priorities. In addition, it serves to highlight the need to limit organizational changes as such changes require considerable work to modify the accounting and other systems which are patterned after the cost centers.

ILCA has a fairly clear and well-defined program structure which can be used as a basis for budgeting. This has not been used for budgeting in the past for two major reasons: (a) research program plans and budgets have been considered for use within the organization for different purposes -- one for planning and the other for operating control; and (b) program structures are considered difficult to express in budget terms in view of the analytical detail and work required, and perhaps

possible situations where the existing system based on organizational responsibilities may not be fully compatible with the new system. However, with the current move towards strengthening the details in research protocols, ILCA will benefit even more from instituting project, sub-program and program-based budget and management systems.

Program structure analysis which is focused on outputs would enable ILCA to give greater recognition to its research costs on an institutional and regional basis for each type of research program. This will provide a better basis for resource deployment decisions and cost control and enable the center to better link its activities to center-wide goals. Thus, the Panel strongly recommends that ILCA develop and implement a program-based budgeting system. To be successful this approach will require an appropriate system of research program costing, and indicators of performance, which are discussed below.

7.2.5 Program-based financial information system. ILCA's present accounting system is able to report revenues and expenses by major expenditure categories and for each cost center. However, as noted above, it does not provide cost information by research programs and sub-programs. The Panel's discussions with ILCA management showed general concurrence with the need to collect and analyze cost information for each research program, although there was some concern on the effort that may be needed for such record keeping. The Panel recommends the adoption of a modified system of project costing which would not require elaborate accounting, and yet generate the data required for research management and decision-making. This costing system could be initiated at the level of a sub-program. When experience and familiarity is gained, it can be extended to the project level to get the full benefit for budgeting and resource allocation decisions. The approach to estimating the major cost items would be as follows:

(a) Manpower, which constitutes the largest cost item, should continue to be classified in terms of scientists, technicians, and research associates. The allocation of the costs of scientists is easily identifiable to specific sub-programs in a number of cases. Where scientists work on different sub-programs, however, a system of estimating the amount of time spent by these scientists on each sub-program will need to be initiated. This need not be an elaborate time reporting system and certainly should not lead to red tape.

(b) The time of the other research staff such as technicians who assist scientists can be allocated on the same basis or on a pro-rata basis. This would eliminate the need for time recording.

(c) For other items of expenditure (such as supplies, travel and equipment) any large expenditures that are direct costs of a particular research program should be recorded

against the program for which they are incurred. The other items can be pro-rated on the basis of personnel costs. This method of cost allocation for non-personnel costs can be implemented easily through the use of appropriate computer programs and/or available accounting software.

7.2.6 Performance indicators. An accounting system that simply records expenditures needs to be supplemented by both financial and non-financial indicators that show what the program is doing with its resources and what it is accomplishing. These indicators may reflect either the efficiency or the effectiveness of a program or department. In general, however, a program tends to rely more on effectiveness measures and a department more on efficiency measures -- although both measures are applicable in certain cases. In the case of ILCA it would be appropriate to develop multiple measures of efficiency and effectiveness for its different activities. The Panel is not in a position to suggest the types of measures or standards that would be suitable for ILCA in each case. This is an area that needs further study. The Panel, therefore, suggests that ILCA management review different activities, with the assistance of consultants if necessary, to develop appropriate indicators for assessing program performance.

7.2.7 Annual budget submissions. The Panel discussed ILCA's current budget process and its coordination with a number of headquarters and field staff. This included a review of the budget process and documentation for analysis of costs and monitoring thereof, the approval process and the structure of budget analysis. These discussions revealed that the current budget system can be improved in a number of areas. Four examples illustrate the nature of the changes needed. First, resource availability is not at present covered in the instructions sent to cost centers. The concerned managers prepare and submit budgets of their needs, which often are modified during the review and approval process. Second, the capital budget submissions are currently received in general terms, i.e. they are not prioritized. This makes assessment of such expenditures very difficult. Third, the cost centers often do not indicate in their submissions the priorities associated with program changes. This also makes evaluation of budget submissions at the headquarters difficult. Fourth, although the budget process involves wide participation of staff, team leaders often do not get a full opportunity to defend their budget submissions.

Although the marginal effect of these problems on the overall effectiveness of the budget process may not be great, their cumulative effect can be significant. Thus, the Panel recommends that the annual budget submission memoranda be improved to ensure a more meaningful review of budget submissions. Specific improvements could include the following:

- an overall indication of resource availability within

which budget submissions should be prepared except for new initiatives and other exceptional situations;

- the guidelines for capital budget submissions should set out more specifically the rationale in terms of costs and benefits for different types of expenditures in order to assist in priority setting and resource allocation decisions, and;

- request submissions which set out more clearly the linkages between budget requests and program changes, expressed in terms of priorities in such submissions.

7.2.8 Expenditure approval and commitment process. The expenditure approval process at ILCA needs to be simplified and decentralized. Currently, after the approval of the budget for each cost center, the responsible managers or team leaders cannot incur or commit to incurring expenditures without the prior approval of the budget Officer who ascertains if such costs are within the budget. Requests for staff appointments, purchase orders above U.S. \$1,500 and all capital expenditures require the prior approval of the Budget Officer.

In addition, each item of expenditure after authorization by the program or department head requires the approval of the Financial Controller before payment. This approach, although it enables strict control over costs to ensure that these are spent in accordance with the Center's needs, and while it was proper and necessary during the time ILCA was facing financial difficulties, makes for reduced flexibility for the managers, lowers efficiency and focuses less on the timely achievement of results. The managers also perceive that they lack the authority to expend resources to accomplish their agreed objectives. The financial systems and controls and ILCA's financial position have improved considerably over the last few years which should facilitate cost control on an ongoing basis. Therefore, appropriate delegation, with appropriate authority limitations, could facilitate efficient and responsible management of resources.

Thus, the Panel recommends that authority to commit expenditures should be set out for various levels of staff so that the managers of each cost center can incur certain expenditures in accordance with their authority and budget without prior approvals. The Panel also suggests that consideration should be given to providing appropriate training to the concerned ILCA managers to make them more cost conscious for the responsible exercise of the financial authority delegated to them.

7.3 Financial Accountability

In this section we focus on the mechanisms ILCA has developed to ensure and reinforce the financial accountability of its units and staff. The objective of these systems is to

enhance efficiency and optimize the use of ILCA's financial resources. Some, such as external auditing, provide an independent judgement on ILCA's financial standing and are important vehicles for improving ILCA's financial accountability to its donors. Others, such as internal auditing and financial reporting systems, are oriented towards improving internal efficiency.

The Panel's overall judgement is that over the years ILCA has gradually developed several good mechanisms which enhance financial accountability and that there is no apparent need for further mechanisms. The suggestions in this section are, therefore, directed towards further improving the existing mechanisms than adding new areas. The specific areas we focus on are the following:

- external auditing;
- internal auditing;
- internal control systems;
- the role of the audit committee of the Board;
- financial reporting at the headquarters;
- financial accountability of field units;
- the finance manual.

7.3.1. External auditing. An international firm of public accountants, Coopers and Lybrand, was appointed as the external auditors of ILCA for the audit of FY85 financial statements. This firm was appointed to replace another which had served as the external auditors since the inception of the center. The change in auditors was made by the Board as a matter of policy to effect periodic rotation of auditors and not as a result of any disagreement with the previous auditors. We commend the Board for this action.

The Panel held a meeting with the partner in charge of the external audit of ILCA. An interim audit leading to a final audit of the Center was being completed at that time, and the discussions on financial operations were based on their interim examination. The discussions indicated that the accounting controls seemed to be generally reliable and accounting was accurate. The discussions also disclosed that at the time of their appointment, the firm had been asked by the Board to audit, in addition to headquarters, the Nairobi and Kaduna field operations as a part of their audit assignment for 1985, to be followed by audits of Mali and Ibadan field operations in 1986. Normally, the scope of work to be done by the auditors is left to the auditors' discretion as they are required to give an independent opinion on the financial statements of the organization. Both Nairobi and Kaduna are major field programs, and the external auditors will be satisfied with their work in the current financial year. Generally, it is advisable that no restriction be placed upon the scope of work to be carried out by the external auditors and the appearance of independence in this matter is as important as actual independence. Thus, the Panel recommends that in future years the decisions on which field

programs should be audited and the scope of the audit work to be carried out should be left to the discretion of the external auditors.

We were also informed that the management letters on internal control matters by the external auditors are currently sent to the Director General. Although no material internal control deficiencies have been noted, it is more appropriate that a management letter should be addressed to the Chairman of the Audit Committee and copied to the Director General. In view of the considerable funds being expended on the field programs, it might be helpful if the management letters address field program controls separately. The Panel suggests that the management letters in future be addressed to the Chairman of the Audit Committee and include particular reference to financial controls at field programs.

7.3.2 Internal auditing. Internal auditing is an important appraisal function for the review of operations in an organization. It is also a necessary managerial control activity which assesses the effectiveness of other controls. The responsibilities of internal auditing need to be clearly spelled out in management policy statements for the function to be able to effectively carry out its mandate. Independence is a key factor to an auditor's effectiveness and is normally provided through appropriate organizational status and the support accorded to it by the management.

ILCA's external auditors, in the Panel's discussion with them, agreed to the need and importance of internal auditing at the Center. An Internal Auditing Unit at ILCA was established in 1983, reporting to the Director General. The unit is staffed by an internal auditor who is also the Budget Officer for the Center and reports to the Controller in this capacity. He also acts for the Controller during his absences. The other staff are an assistant internal auditor and a secretary. All audit staff are locally recruited.

In the Panel's view, current arrangements do not allow the internal auditor appropriate independence in his reviews of the financial and accounting activities at the center. The Panel strongly recommends that the management appoint an internal auditor, with full-time responsibilities to carry out an appropriate and comprehensive program of internal auditing at the Center.

The Panel also reviewed the objectives and the scope of audit work. The Internal Audit Unit has made some progress since its establishment. The essential focus of the work of the unit has, however, continued to be in the areas of accounting control with little emphasis given to reviews of non-financial areas and the economy and efficiency aspects of their operations. There is currently an annual audit work program developed by the Unit; however, there is a need for a more comprehensive program covering various activities to be carried out over a time span of

more than one year (perhaps two to three years) taking into account the risk aspects and staffing constraints. Initiating such planning would be timely because manuals that outline policies and procedures have only recently been developed for the finance, administration and personnel function, and ascertaining that actions taken are consistent with these guidelines would help improve both the manuals and their implementation. The Panel therefore suggests improved planning and wider coverage for the internal auditing function. It also suggests that a work program be carried out over a time span of more than one year, with an enhanced focus on economy and effectiveness in the use of resources.

The impact of internal auditing depends in part on the follow-up of recommendations made and their serious consideration by the management. Timely action is often needed to rectify internal or management control weaknesses. Our discussions indicated progress but also concern in this area. The Panel suggests that the Internal Audit Unit systematize arrangements to ensure that recommendations are acted upon and, where this is not the case, there is an appropriate system of follow-up of such recommendations.

7.3.3. Internal Control Systems. The EMR Panel discussed the issue of accounting and other internal control systems with the external auditors. The Panel was also provided by ILCA management with a copy of the management letter prepared by the auditors on the basis of their 1985 interim audit. The Panel understands that, overall, the systems of accounting and financial control are generally sound to protect the resources of the Center. One area which was highlighted for improvement relates to controls over data processing.

The Panel recognizes that in the initial development and implementation of computer systems, greater attention is focused on getting the systems operational as quickly as possible. Controls over input processing and output, although necessary to ensure data integrity, are not always given due importance. However, the use of data processing systems is expanding at ILCA with implications for accurate accounting and timely decision-making. Also, subsequent changes to the systems because of control deficiencies are usually time-consuming and therefore expensive. Thus, the Panel suggests that ILCA carry out a review of data processing controls, with an emphasis on incorporating such controls at the system design stage. This is an area which may profit from the use of a consultant to provide guidance to the Internal Audit Unit and other concerned staff.

7.3.4. The role of the Audit Committee of the Board in internal auditing. The Audit Committee of the Board has periodic meetings and discussions with the external and the internal auditors of the Center. The meetings with External Auditors are to discuss the scope of the audit work, annual financial statements and any control or other issues the auditors may bring to the attention of the committee, including matters highlighted

in the management letters. The meetings with the Internal Auditor are to review the work program and any important issues identified in his audit work. With respect to the latter, a focus by the Audit Committee on ensuring that the process of internal auditing is efficient and effective would be particularly beneficial. This could be achieved through a review of a small sample of audit reports to ascertain that appropriate emphasis is given to compliance, economy and efficiency matters, and a review of the annual work programs of the Internal Auditing Unit. The review by the Audit Committee should also ascertain that mechanisms are in place for implementation and follow-up of outstanding recommendations. Thus, the Panel recommends that the Audit Committee, in its regular periodic meetings with the External and Internal Auditors, place increased focus on ascertaining the efficiency and effectiveness of the internal auditing function, and on ensuring that appropriate systems exist for implementation and follow-up of audit recommendations.

7.3.5. Financial reporting at the Headquarters. Financial reports which are appropriately analytical, accurate and timely are a key management tool for directing and controlling an organization. Currently, monthly financial statements are prepared and presented to senior management within seven working days after the close of the month. Also, quarterly reports are prepared which provide more detailed information about specific financial aspects and activities. The major internal management reports comprise cash flow statements, investments and fund balances, status of core unrestricted, restricted and special contributions and the status of core and special project expenditures. In addition, certain financial reports are prepared to meet the needs of the Board and its committees and the reporting requirements of external agencies.

The Panel considers the quality, comprehensiveness and timeliness of these reports to be fully satisfactory. Overall, they keep management informed of the financial status of various operations. However, as noted earlier in this chapter, reporting in the area of allocation and use of resources by various research programs and activities is not currently carried out and should be instituted.

7.3.6. Financial accountability of field units. ILCA has 5 field program offices excluding Ethiopian Highland and Rangeland, which spend about \$3.0 annually. This is equivalent to a little less than a third of ILCA's budget. The accounting for such funds is carried out by the Program Accountants in their respective local currencies. Quarterly returns are made to Headquarters where such returns are translated into US dollar equivalents. The quarterly financial reports of each program are consolidated and a financial report for the whole Centre's financial performance is prepared for the management.

Mail service between Headquarters and some of the country programs is generally not reliable. This leads to delays in the receipt of financial returns from country program offices.

Higher costs are also incurred by having to resort to telex communication for some financial reporting matters.

The non-availability of qualified accountants in some of the country programs has, in the past, adversely affected both the accuracy and frequency of financial returns and has necessitated frequent supervision visits by Headquarters financial staff. This, in turn, has had an impact on the timely consolidation of financial results for senior management decisions. The Finance Department has made Headquarters accountants available to Country Programs to assist in accounting work and for year-end closing. This situation is improving through the training of country program finance staff during the visits by Headquarters Finance Staff, periodic seminars held on ILCA's financial control processes for such staff, and the computerization of field program accounts.

In view of the considerable funds being expended by the ILCA field programs and the communication difficulties faced, the Financial Controller has established several mechanisms for monitoring the field programs' financial performance. These include the following:

(a) Each program's yearly budget is converted at the beginning of the year to a cash budget by removing the elements of expenditures which are payable/to be paid by Headquarters (e.g. International Staff salaries and related benefits, consultants, imported materials, supplies and equipment).

(b) The yearly cash budget is then broken down to monthly payments and a monthly transfer of funds is made by Headquarters to each program, based on the program's submission of the quarterly cash flow requirement.

(c) At the end of every quarter the predetermined yearly cash budget for each program is reviewed, based on the actual performance, and the cash budget is adjusted accordingly.

(d) Every week, Headquarters receives a coded telex from each program indicating the program's bank position for the previous week (i.e., opening balance, funds received, payments for operating/capital expenditures and the closing balance. The information on the payments for operating and capital expenditure are recorded at Headquarters on a spread sheet and accumulated on a monthly basis, enabling the monitoring of the trend of the program's expenditures against the approved budget. This technique provides an early warning to management about over- and under-expenditures in the field units. The projection of the closing balance ensures that the program's operations will not be in jeopardy due to shortage of funds.

(e) At the end of every month Headquarters receives a telex

from each program on its monthly trial balance. While the program's monthly trial balance is not designed -- at present -- for computer processing at Headquarters, the information supplied serves two useful purposes:

(i) it ensures that the field program accountants keep up-to-date books;

(ii) it allows the matching of the monthly expenditures per the trial balance with the program's expenditures reported in the weekly banking position telex.

(f) At the end of each quarter, Headquarters receives comprehensive quarterly returns from each program indicating for each account the quarterly transactions and closing balances. These quarterly documents are processed at Headquarters for producing, for each program, a quarterly trial balance in the local currency and U.S. dollar equivalent. A copy of each program's quarterly trial balance and the related management reports for the budget comparison with the actuals for each category of expenditure is sent back to the program.

Overall, it is the Panel's view that these systems and controls over the use of funds by country program offices are effective and strictly enforced. Based on our discussions with field and headquarters staff we consider that there is a continuing need for attention to the following areas:

(a) The field officers make considerable cash payments each month for staff salaries, local purchases and other expenditures. While early reduction in the amounts paid in cash may not be possible, continued attention to this area to minimize cash payments in the future would appear to be necessary.

(b) Country program accounts have been computerized in Kenya. Extension of computerization to other country program accounts could facilitate accurate accounting and financial reporting to Headquarters, while also reducing the work load on existing staff.

(c) Considerable funds are being expended in certain cases for the maintenance of assets such as cars which could justify their replacement. Country program leaders need more guidance on the preparation and justification of capital expenditures for a better assessment of such costs at the Headquarters.

7.3.7 The Finance Manual. The management of ILCA had engaged Delloitte Haskins and Sells, Management Consultants, to prepare a Finance Procedures Manual which would set out the relevant systems and procedures in the areas of accounting (except for certain aspects such as account heads and elements of expenses and income), budgeting, auditing and the systems for

accountability over expenditure authorizations and controls. The manual is intended to serve as a reference and guide for the existing and new staff at Headquarters and country programs. One of its objectives is to help improve the awareness of financial management practices among the research managers. The Controller has put considerable time to improve the drafts prepared by the consultants. The manual is still in draft and is expected to be issued in final in the second half of 1986, after its approval by the Board of Trustees. The Panel's overall review of the Finance Manual found it to be a fairly comprehensive and complete document. In our view, the manual should assist ILCA staff in following proper financial procedures.

To ensure its proper usage, we suggest that ILCA management introduce the manual to the staff with an appropriate training seminar on its utility and implications on the day-to-day work of the staff. If it is understood and used by the staff, the manual can serve as an important device in improving financial accountability across the Centre.

7.4 Cash and Investment Management

A cash budget is prepared at the start of each financial year based on the pattern of inflow of funds in past years arising from contributions and donations and the outflows on the basis of anticipated monthly expenditures. Cash receipts are generally more difficult to predict than disbursements, as their receipt is often related to government budgetary rules and procedures. The expenses are more predictable as a greater portion of them relate to salaries and the rest can be forecast fairly accurately. The cash budget is updated monthly based on actuals showing fund balances and needs. This forms the basis of decisions on the management of such funds including interbank transfers and their investment.

The Centre maintains eleven bank accounts in various countries. This arrangement facilitates the transfer arrangements by the donors in respect of their contributions, the payment to suppliers both overseas and locally, and minimizes exchange losses on contributions from the donors by matching receipts and payments in the respective currencies. Donor funds are received in current accounts in the banks in New York, Bonn, Paris and London. Surplus funds are transferred from the current to deposit accounts. The movement of funds in all ILCA accounts is by joint signatures from the authorized list of signatories which include the tested telex orders for such transfers of funds.

Funds surplus to immediate requirements are deposited with banks -- with one (Citibank, New York) accounting for most of the investible surplus funds. Such funds have increased over recent years reflecting improved resources available for working capital and the capital development fund. For example, cash balances amounted to \$1.8 million at December 31, 1982 and \$7.2 million at the end of 1985. Also, the system of cash flow forecasting and

updating has considerably improved the determination of the availability of funds which, if carried out more frequently than on a monthly basis could be even more helpful in the timely shifting of funds to alternative investment opportunities.

The rates of interest earned normally vary, by types of instruments (even when issued by the same agency) and by maturity periods, with higher interest earned on instruments of a longer maturity. The investments in government instruments or the bonds of triple "A" rated institutions in the major financial centers, including the Euro-dollar market, would have a safety record equal to that of time deposits with the major commercial banks. Investments in a broader range of instruments would also help achieve greater diversification, thereby reducing overall investment risk for ILCA. The Panel, therefore, recommends that the management reassess its current investment strategies and policies to consider a broader range of investment instruments and maturities. Proposals on these should be prepared by management for the review of the Audit Committee of the Board.

8. INFORMATION MANAGEMENT

8.1. Introduction

Information management has only recently been included in the terms of reference of the management reviews conducted for the CGIAR. The rationale is simple: As information is one of the important resources used by a center in achieving its goals, its management should be studied in the same manner as the management of the center's human (Chapter 5), financial (Chapter 7), and physical (Chapter 9) resources.

There is clearly an overlap between the treatment of information, documentation, and training services by the EPR and of information management by the EMR. Although there are no clear lines of demarcation, the EMR focuses more on the processes of managing information and the EPR more on its content and relevance. Thus, it would be useful for the reader to refer to both reports to gain a complete understanding of the results of these two reviews in the area of information.

The Panel is concerned primarily with three aspects of information management: (1) Are the researchers (and administrators) able to acquire efficiently the information they need to carry out their work? (2) Is the information entering or generated at ILCA processed and communicated efficiently within the center? (3) Is the information flowing out of ILCA conveyed to its target audiences effectively?

We focus on question (1), the information flow into ILCA, through appraisal of ILCA's library and information service activities (Section 8.2). The discussion of information networks (Section 8.7) is also relevant, as the networks provide an inflow, as well as outflow, of information. Question (2), the internal flow of information, is addressed in discussion of the library and information services (Section 8.2), internal communication (Section 8.3), computer services (Section 8.4), and records management (Section 8.5). Question (3), information flow out of ILCA, is treated in library and information services (Section 8.2), publications (8.6) and information networks (8.7). We end the chapter with a summary of our views on the language issue (Section 8.8) and on training (Section 8.9), which relate to all three questions.

Our overall impression on management of information at ILCA is that the Center deserves highest praise for putting in place an impressive information infrastructure. Further, the components of this infrastructure are well managed. We note in particular how the physical resources established at ILCA--its library, computers, and printing press--are being used for internal and external communication, creating a two-way flow of information upwards into the international system and downwards into host country institutions. It is our judgement that many

organizations inside and outside Africa, including several CGIAR centers, can benefit from ILCA's experience in building this capacity.

This achievement is even more impressive when one considers the obstacles to the free flow of information which face research institutions in Africa. The usual national barriers are reinforced by language differences; lower level support and administrative staff have poor command of technical skills required in administrative and scientific communication; fieldwork must often be undertaken at inaccessible sites; valuable scientific work is often left unanalyzed and unreported; and the main centers of publication are in Europe and America, far removed from those generating research data. More recently, many African institutions are caught in a severe recurrent cost and foreign exchange squeeze, forcing them to discontinue information sources which are vital to the work of individual scientists and leading to long delays in publication of research output. These adverse trends put a greater strain on the few international scientific institutions, such as ILCA, whose mandate puts them in an intermediate position between the international scientific community and national research institutions.

Finally, we note that under the Director of Training and Information, ILCA has established three section heads: Head of Documentation and Library Services, Head of Publications, and Head of Audio-Visuals and Mapping. There are three corresponding committees chaired by the Director: the Publications Committee, the Documentation Committee, and an Audio-Visuals and Mapping Committee. These play a critical role in deciding the priority of various job orders. The three sections have set up their own management information systems, and a considerable effort has been directed towards identifying the target audiences for ILCA's output. While we describe these sections individually below, it should be noted that their activities are jointly coordinated by the Director of Training and Information.

8.2 Library and Information Services

ILCA's library and documentation section has provided internal and external users with five types of services:

- Maintenance of a core collection at ILCA headquarters, currently including 20,000 books, 1,248 periodicals, 25,000 microfiche documents, and 5,000 reprints. The library also assists ILCA's field program libraries on request, and serves a large clientele of Ethiopian users.
- A computerized data base for scientific literature search (the SDI service) to permit African users access to the complete Commonwealth Agricultural Bureau (CAB) and FAO (AGRIS) holdings. Currently 537 users from 32 African countries subscribe to the SDI service, with the largest number of non-ILCA users being Ethiopia (68), Nigeria

(56), Kenya (53), Zimbabwe (43), Senegal (37), Sudan (24), and Zambia (20).

- Routine mailing to 100 African libraries of the current contents of journals in five main agriculturally-related categories, with provision of individual articles to researchers on request.
- Collection (on microfiche) and dissemination of non-conventional ("gray") literature holdings within various cooperating African countries in the fields of livestock development. To date, 21,000 documents have been collected from 25 African countries (14 French speaking and 11 English speaking), and 40 microfiche readers have been distributed to national institutions.
- Maintenance of ILCA's mailing lists and circulation of official publications on request.

While the library continues to service ILCA staff and trainees who come for ILCA courses (many given in French), its external role as a source of scientific assistance to African national institutions is of growing importance. For example, of 1,398 retrospective internal literature searches requested between 1983-85, 1,004 were by outside users in Africa. The library also produces specialized bibliographies in livestock-related fields, and provides a limited amount of training to visiting African librarians. In this regard, its relatively advanced use of computer facilities (established originally under IDRC assistance) has set a trend for other African institutions.

Special mention should be made of the library's SDI service, which monthly provides over 500 African users with up-to-date information in their fields. ILCA's documentation team has developed "profiles" of individual scientists to help reach clearly defined groups of users with the SDI and Current Contents services. Detailed analysis of ILCA's mailing list and SDI users has been initiated, to help identify under-represented countries and disciplines.

We note, however, three areas requiring attention, while commending library staff for their foresight and dedication. First, those serving in a skilled capacity within the library hold comparatively low occupational classifications within ILCA's personnel system. The cataloguers who do the indexing and abstracting of key scientific documents (staff having first degrees and sometimes requiring bilingual facility) are recruited at an entry position equivalent only to a junior secretary. The heads of the library and information processing units are themselves categorized at the supervisory support staff grades, subject to a ceiling on further advancement. It is essential that ILCA's management give more recognition and wider professional opportunities for such staff.

Second, the demand for the library's outreach services (such as the SDI, its circulation of current periodical holdings to other African libraries, and its microfiche holdings of unpublished scientific documents) is growing at a very rapid rate. As ILCA begins to become better known within francophone Africa, we anticipate that the requests of this nature will double or treble within a few years. Forward planning is required by ILCA's top management in the allocation of resources to insure that ILCA can meet this need. Insofar as ILCA's mandate is concerned, the services the library provides are of central importance. Furthermore, if economic conditions continue to deteriorate in many African countries, ILCA may become one of the few information sources for researchers trying to keep abreast of their field.

Third, the library does require physical expansion in the near future. Documents are being stored in the hallways, and as ILCA's training and conference programs expand, further space for users will be mandatory. Having said this, we express our admiration to the library and documentation staff for the services they currently offer.

8.3 Internal Communication

The routine circulation of internal information within ILCA headquarters is well organized. Back-to-office reports after field visits are routinely prepared, and the library retains copies of all preliminary reports and scientific publications. Some headquarters sections (e.g. publications, graphics, and documentation) have instituted their own logging of work orders and requests, which are reviewed annually when planning for the coming year. Where a gap exists is in regard to files of minutes documenting certain key managerial and planning processes (e.g. for the management committee).

Communication to ILCA's field units is a continuing problem. Mail between African countries is often slow and unreliable, and telephone connections not much better (ILCA's Kaduna office still does not have telephone service). The hand carrying of materials to Addis by visitors or ILCA staff has become standard practice. We note the use made by the Nairobi trypanotolerance unit of an international courier with good West African service, and suggest that, despite the costs involved, this may be a sensible interim arrangement for all units when high priority items must be sent.

8.4 Computer Services

ILCA purchased its first Hewlett-Packard (Series 3000) mini-computer in 1980 to run its library documentation services. Since then computers have become a major tool for ILCA's internal as well as external information processing and transfer. The first phase of development involved installation of centralized systems, based on two minicomputers servicing administrative, scientific, and information needs. Current disc storage is 1.18

gigabytes, with 45 terminals in place at headquarters. More recently, ILCA has begun decentralizing computer capacity through acquisition of increasingly powerful microcomputers; of 54 micros, 15 are at field sites. With a pending order of even more powerful, IBM compatible units (the HP Vectra), many of the functions earlier performed at headquarters will be carried out within the field programs. ILCA's employment of its computer capacity in a variety of applications could become a model to other African research institutions. It constitutes a significant form of outreach in its own right.

The major uses of ILCA's central computing capacity are indicated in dollar figures below, which show that actual utilization for research purposes has fallen off as scientists gain access to microcomputers.

Table 8.1. Computer Capacity Utilization.

Purpose	<u>1984</u>	<u>1985</u>
Research	\$242,929	\$148,768
Administration	53,404	88,486
Documentation services	79,541	115,826
Outside users	28,804	51,281
Overhead/system use	35,594	38,681
Collaborating African agencies	<u>17,524</u>	<u>34,122</u>
Total \$ volume	457,796	477,164

These figures underline the increasing role of other types of computer service which ILCA offers, not only to the institution but also to a rapidly enlarging network of collaborating African institutions. We consider this aspect of the IARCs' role to be of particular importance in Africa, where local institutions are often cut off from scientific sources and the usual kinds of commercial assistance for developing computerized information processing.

Several policies adopted by ILCA's computer unit merit mention. When moving to microcomputers, the models ILCA adopted (first the HP125 and then the HP150) can be used both as synchronous terminals and as an intelligent terminal to the HP 3000. As a rule, ILCA has avoided creating its own software if standard packages are available. The exceptions are in the areas of ILCA's comparative advantage: for example the IDEAS package for livestock statistics and a program for ILCA's aerial censuses. Standard packages such as SPSS for survey analysis have been purchased for most other uses. It is planned to issue the micros in pairs to field stations, one for administration and the other for scientific use with either one serving as a backup when its twin is down. All field computers are linked for

protection to an uninterruptable power supply. In the future, most programs will be IBM compatible, which allows maximum flexibility when employed in other countries.

ILCA's earlier orientation towards assisting African countries to analyse their large backlog of livestock statistics on ILCA's headquarters' minicomputers is now changing towards buttressing on-site capacity in the field. Similarly, although ILCA has run general courses on computer utilization, it appears more effective to incorporate such instruction under specialized applications within the relevant components, (e.g. under survey analysis, resource monitoring, animal production statistics, and econometrics). The ILCA developed IDEAS package, which can be run on any IBM compatible micro computer with at least 512 kb of RAM and a 10 mb hard disc, is one such service.

The computer unit employs statisticians to assist ILCA staff with the planning of experimental designs or specialized problems. ILCA also has an on-line capacity for direct transfer of word processing to linotype printing which has greatly speeded preparation of technical reports. Finally, there is the range of information retrieval and exchange functions (described in Section 8.2). We commend ILCA's computer services for having developed a well managed and innovative program.

8.5 Records Management

ILCA established a file/records management program for paper files when it set up the Central Registry in 1978. The unit did not become fully operational unit early 1980. Since then the activities of the Registry have expanded significantly. It is now at a stage that all incoming and outgoing correspondence and documents are logged into a computerized system for easy retrieval; a hard copy is also retained in the Registry. We applaud this development.

Long-term preservation of vital records is an area which has recently received attention. Office accommodation has been allocated for an archives unit, and an archives system is under development. We commend the progress made so far, and encourage ILCA to speed its efforts in setting up these archives.

All ILCA's official publications, including network papers and preliminary reports (grey literature), are kept in triplicate on separate shelves in the library. These documents are indexed and incorporated in the in-house database. To safeguard against losses, microfilming of these documents is underway.

As an input center to FAO's AGRIS system, official ILCA publications are indexed using AGRIS input sheets and sent to FAO for automatic incorporation into the AGRIS database. This makes them immediately accessible to most European users. For the other two international indexing and abstracting services, CAB and AGRICOLA, ILCA publications enter indirectly through the National Agricultural Library in the USA, which indexes them for

entry into these two databases. ILCA also enjoys exchange relationships with CGIAR centers and various national collections within Africa.

8.6 Publications

The QQR in 1981 reviewed ILCA's publications service shortly after production equipment had been installed. The QQR was critical of the volume and quality of ILCA's output, and also of the lack of peer review and international publication by ILCA staff. We therefore note a dramatic improvement in how ILCA's publications are being managed. All major publications go through several stages of internal and, where appropriate, external review. ILCA's main serial publications--its Newsletter, Bulletin, and Annual Report--are attractively produced in English and French, and appear to be of high quality.

ILCA's publication service routinely produces nine categories of scientific literature from its own, in-house printing section (Table 8.2).

Table 8.2 ILCA Publications and Their Audience

<u>Publications</u>	<u>Audience</u>
Newsletter (quarterly)	All-purpose (Eng.,Fr.)
Bulletin (quarterly)	Scientists, economists, development planners/workers (Eng., Fr.)
Annual Report	Donors, leaders of research scientists, others (Eng., Fr.)
Research Reports	Scientists and others (Eng.)
Conference Proceedings	Conference participants, scientists, others (Eng.)
Manuals	Trainees, field workers, others (Eng., Fr.)
Network Newsletter	National Scientists (Eng.)
Bibliographies	Scientists, others (Eng.)
Livestock index	Libraries, others (Eng.)

Nearly all ILCA's publications are printed. The press had over 4 million passes in 1985, a 69% increase in total utilization and a 80% increase in publications over 1984. The average run for newsletters was about 5,000 in English and 2,000 in French, and roughly 3,000 and 1,500 of each respectively for the Bulletin. Over 5,000 English copies of the Annual Report are produced, and 2,500 of research reports. There were over 1,000 copies in each of various other specialized categories: bibliographies newsletters, and conference proceedings. Total operating costs were US\$ 687,350. Publication jobs were more numerous, larger, and for longer runs than in 1984, with a 24% increase in the mailing list.

ILCA's publications section maintains good internal documentation, has cost data for its various services and types of publication, and has identified the clients served by its mailing list. Of 5,828 addresses, 62% are in Africa, and the largest numbers of clients by type are research institutions (26%), academics (14%), development institutions (13%), and libraries and information services (10%).

An in-house service for the production of audio-visuals, graphs and maps is also available. ILCA has concentrated by choice on development of overheads, slide-tape presentations, and computer graphics. ILCA has its own slide collection, effectively utilized in ILCA's publications. We found this aspect as well as ILCA's overall management of publications to be appropriate and effective.

8.7 Information Networks

ILCA's networks represent an attempt by the institution to draw upon the work of outside scientists and policy-makers, either those within Africa or those with expertise relevant to Africa. Basically, networks constitute an alternative mode of activity to the in-house, station-based research of a conventional kind. We have already reviewed ILCA's research networks in Chapter 6, where the point is made that all networks call for a somewhat different form of management from that required in conducting primary scientific research. Instead of employing laboratories or field plots, a network uses institutional resources in a catalytic fashion to stimulate outside participants towards a focus on a particular problem. Here we deal with this aspect in relation to ILCA's information networks, which are oriented towards achieving a greater exchange of experience within and between African countries.

In general, ILCA's networks follow a common format. Most are based organizationally in the relevant disciplinary section, with a coordinator responsible for updating the mailing list, issuing a newsletter, and organizing collaborative activities such as co-published research or network conferences. At present, in addition to ILCA's well established Livestock Productivity and Trypanotolerance Group research network, there are:

- ARNAB (the African Research Network on Agricultural By-Products), under ILCA's nutrition unit.
- PANESA (Pasture Agronomy Network for East and Southern Africa), with a local Ethiopian subsidiary, FNE (Forage Network in Ethiopia). Both are run by the forage legume agronomy group.
- The Small Ruminant and Camel Group.
- ALPAN (African Livestock Policy Analysis Network), under the livestock economics unit, which also has PADL (Policy

Analysts Distribution List) for circulating preliminary research results among interested social scientists.

Of these networks, ALPAN and the Small Ruminant and Camel Group each have more than 700 members. The latter is moving towards becoming a research and information exchange network with collaborative field projects in other countries.

The appropriateness of topics covered by the networks is a matter for the EPR. We are involved instead with two managerial aspects: how networks are organized and whether their output is targeted in a cost-effective manner.

Our main concern is that for a relatively small institution, ILCA's attempt at running seven or eight networks may exceed the organization's support capacity. For example, the ARNAB network is the responsibility of ILCA's hard-pressed nutritionists, who simultaneously supervise an array of experiments and whose own work has depended heavily on postdoctoral associates, consultants, and graduate students. In addition, the start-up costs required in issuing a few newsletters represent a small part of the eventual organizing and support costs once a network is in full swing. The panel therefore recommends that ILCA limit itself to networks which have active participation by members and ample administrative resources or a high degree of donor interest capable of supplying such assistance as the network expands.

In regard to the appropriateness of the target audiences, the kind of analysis carried out earlier on the distribution of ILCA's newsletter might be appropriate for the larger networks. After an initial trial period, ILCA should review each of its networks to assess which have sufficient active participation to merit their cost.

8.8 The Language Issue

The greatest single obstacle to effective information management within the ILCA system is the necessity of working in multiple languages. Before addressing this issue, let it be said that all CGIAR centers in Africa are similarly affected. We commend ILCA's management for having gone further than most in its search for a workable solution.

The language problem is easily underestimated. The Latin American CGIAR centers operate in English and Spanish without major difficulty. In such settings, however, most international scientists come to their task fluent in English, but work in a local setting where the other language predominates in daily matters and where local scientists can assist in doing any necessary translation. The daily reinforcement international staff receive greatly facilitates their learning of the second language.

The situation in Africa is more complex. Historically, a great deal of the basic research was done by French speaking

scientists, not only in West Africa but also in Zaire and the highland areas of Ruanda and Burundi. In this whole zone, French predominates in the administrative and scientific spheres to the extent that officials can seldom use English effectively, and most serious scientific work is reported in French. On the other hand, English-speaking scientists at ILCA receive no daily exposure to French and soon lose any competency they acquire through intensive language training (which ILCA instituted at an earlier stage on a trial basis). Furthermore, there are other countries where Portuguese, Arabic, and even Italian predominate. Within ILCA's Sahel programs, the staff are French speaking. Their remoteness from headquarters is compounded by the language barrier. Many of ILCA's Addis staff are Amharic speaking Ethiopians (at the lower support levels), while some senior staff have been recruited from Europe and find writing fluent English difficult. (The DG as a consequence has spent much time revising and editing ILCA's external communications.)

The language barrier has reduced ILCA's effectiveness in several ways:

- Poor feedback from ILCA's Sahel program into headquarters.
- A great delay in reporting the Sahel zone studies in English.
- Delays in translating key research documents for use in francophone countries.
- Reduced ability of ILCA's English-speaking scientists to make effective use of the large scientific literature on Africa in French.
- Reduced transferability of scientific ideas and results between the Francophone and Anglophone zones.
- Sharply reduced utilisation of ILCA's other services (such as its SDI service) in the Francophone countries.
- The nearly complete exclusion of Portuguese speaking countries from coverage within ILCA's formal programs.

An illustration of the seriousness of the problem is this report, being written in English for presentation to a Board containing several French speaking members.

Actions taken by ILCA management to reduce language barriers include preparation of the main serial documents (ILCA Newsletter, Bulletin, and Annual Report) in English and French; hiring of bilingual translators and editors (at headquarters but also recently in the Mali field program); recruitment of bilingual senior scientists; preparation of some original monographs in French (in the trypanotolerance network and the Sahel zone); offering of many ILCA courses alternatively in English and French; the use of simultaneous translation for Board

meetings and in ILCA courses run jointly with IITA; the adoption of computers for which French keyboards and printers are available and can be easily substituted; and intensive language training for some senior members of staff.

Such measures are expensive, because the large OAU and ECA contingent in Addis Ababa compete for skilled translators and editors. (In fact, because Addis Ababa has a French language school system as an option there are more trilingual Ethiopians on the ILCA staff than may be generally realized). The local scientific staff in ILCA's French speaking countries ought to receive assistance in translating and editing their scientific work for use in ILCA's English language publication, just as the library needs further strengthening of its collection in French for trainees from francophone countries. Particular attention needs to be given to insure that all key scientific documents (descriptions of zonal studies and integrative monographs, such as ILCA's reviews of water resource utilisation) appear without delay in French and English. The creation of this capacity is also central to ILCA achieving its mandate. We therefore recommend that ILCA seek added resources to strengthen bilingual capacity throughout its programs.

8.9 Training

Finally, we note certain advantages that derive from the joining of training and information services under one department at ILCA. There is close coordination between the various sections of the department. Training sessions draw upon the capacity of the information services, and are supported by rapidly prepared graphics. The publications section services training needs beforehand, in preparing teaching materials, and afterwards, in bringing out technically polished reports and proceedings.

Conceptually, training should be seen as more than a mere transfer of skills. It is also a prime conveyer of information, not only from organizers to trainees but also at more advanced levels from participants to organizers. Here ILCA's stature as a relatively young CGIAR center not yet fully understood within Africa should have a bearing upon the choice of formats under which training is conducted. For example, while various external agencies utilize ILCA's training facilities to an attempt to attract conferences which would bring key African policy-makers into the ILCA campus. Similarly, an expansion of thesis research by outside African young scientists would bring ILCA into closer contact with their supervisors at various African universities, while strengthening the manpower for doing high quality experimental research. We suggest that employment in ILCA is itself for many staff a learning experience, beyond what a review of "training" would normally consider.

9. ADMINISTRATION AT HEADQUARTERS

9.1 Introduction

ILCA had a Director of Finance and Administration prior to the middle of 1982. The Administration Department was established as a separate entity at that time. It now comprises five sections: personnel, physical plant, procurement, warden (general services), office services and country program administration. This chapter first reviews the organization and operation of the department in overall terms. This is followed by an assessment of the services provided by the above sections. Personnel-related issues are discussed under Human Resources Management (Chapter 5). Field program administration and operations are discussed in connection with field research activities under Research Management (Chapter 6). The Panel's overall assessment is that the efficiency of administration at ILCA headquarters has improved considerably in recent years, which has enhanced the quality of services to the organization.

9.2 Operations and Organization

The Head of Administration has five section heads and the four country program officers reporting to him. He chairs the committees for housing, works, transport, and handles the legal issues for ILCA. He also acts as the secretary to the Board of Trustees, the Executive Committee and the Nominating Committee of the Board. He therefore handles diverse activities and his span of administration is very wide.

The Panel discussed administrative operations with the section heads and the persons in charge of key activities. It became apparent that they were generally carrying out their day-to-day functions in a competent manner. The conceptual input in terms of management requirements, policy needs, monitoring and, in certain cases, analysis is being provided principally by the Head of Administration. Handling some details as well as the more important issues places a heavy work burden on him and impacts on his effectiveness.

In view of the above, and his other considerable responsibilities, the Panel examined several alternatives including: realignment of responsibilities within the Department; enhancing the quality of support being provided to him; and reallocation of functions or responsibilities to another person or department, as for example, the responsibilities of the secretary to the Board. We see a need to improve the quality of support provided to the Head of Administration as well as the realignment of some of the functions within Administration. The Panel's recommendation to recruit an international professional to head the Personnel Section (Chapter 5) would help alleviate the current situation. It would also help to decrease the number of organizational units and staff reporting to the Head of

Administration. Three sections (for example, field programs, and procurement and office services or an alternative combination) could jointly report to one professional person at the level of a section chief, who reports to the Department Head, with the understanding that the handling of field programs would be his major responsibility. None of these sections is currently headed by a professional, and one of these functions may need to be upgraded. The above change would also obviate the need to appoint a section head for field programs in the future. Accordingly, we recommend a realignment of the Administration Department and the appointment of a professional to handle certain functions now reporting directly to the Head of Administration, including liaison with field programs.

9.3 Physical Plant

The Physical Plant section is responsible for new office and housing construction at Addis and Ethiopian field programs. It also carries out maintenance and repair of Headquarters, staff housing and other ILCA facilities. It operates its own technical and electric workshops. Annual construction activities have averaged around U.S. \$1 million over the last three years, with housing construction as its major activity. A Works Committee chaired by the Head of Administration exercises oversight over construction and maintenance activities.

The Panel considered the need for ILCA to undertake direct construction. It understands that this had become necessary in view of the general lack of materials availability, difficulty of finding contractors who could carry out quality work at reasonable prices, and ILCA's ability to import directly and carry out construction of high quality at reduced cost. The planning for construction requirements was also reviewed in general terms. Overall plans have been developed. However, in the absence of multi-year plans and budget flexibility, no specific time schedules could be established.

The construction of major facilities at Headquarters and elsewhere may demand engineering skills and equipment not readily available or require upgrading to meet quality standards. The Panel suggests that for such construction outside contractors, both local and overseas, should continue to be considered on the basis of tenders, as such construction may not be frequent. The Panel recommends that the resource planning for a program of priority construction, as agreed with the Board, should be carried out sufficiently in advance to allow time for tendering in view of the shortage of materials and suitable contractors.

9.4 Procurement and Stores

9.4.1 Procurement. ILCA's annual purchases amount to about U.S. \$3 million. ILCA is currently working to improve its procurement procedures in the following three areas: (a) establishment of authority levels to requisition for goods and services; (b) development of an authorized supplier list to

prevent delays and/or purchases from sources with little maintenance or service facility; and (c) development of a system for expediting and monitoring purchase orders of both local and international purchases. These issues are being addressed by the administration management with the assistance of consultants. We commend the management for these actions.

The purchasing systems being considered should enable better purchase planning and monitoring. Effective planning would require integration of these systems with inventory accounting and forecasting as the latter systems provide data on quantities and needs. In our experience, an approach which establishes appropriate linkages between the two systems is often overlooked. Thus, this aspect should continue to receive attention from management.

An uncertainty in purchasing relates to determining how well the previous suppliers have performed as a basis for placing future orders. An evaluation system for suppliers which is based on their past record in terms of delivery, cost and quality standards is often easy and very useful as an indicator for future selection of suitable suppliers. This would require the gradual development of a supplier data base. We understand the management intends to address this issue during the development of its new systems, under a proposal by a consultant.

ILCA has experienced difficulties in identifying suitable suppliers, and delays in purchasing from international sources. International purchasing agents have been appointed who purchase non-proprietary items and ship them to ILCA on receipt of orders. Proprietary items are purchased directly from suppliers. With respect to the local market there is a general lack of availability of goods, and where available they are not of high quality, are high priced and often available from single source suppliers. Therefore, goods are often procured in overseas markets even though the procurement lead times were long (ranging from two months for airfreighted items to 12 months for surface transport) and clearance and transport procedures from the harbor were lengthy and complex. However, with respect to purchasing locally, no detailed market survey and research of the possible suppliers has been carried out.

The Panel considers that it is preferable to purchase locally whenever possible, as such purchases--although small--represent investments in the local economy. In this respect, the concept of the local market could be considered to cover Ethiopia and possibly nearby countries such as Kenya. It might be possible to procure more of ILCA's low technology goods such as furniture and furnishings from the local markets. When, however, local prices do not initially seem competitive, the prices could be checked with the overseas markets. The Panel suggests that ILCA periodically carry out systematic local market surveys to assess the feasibility of increasing purchases in local markets.

9.4.2 Stores Management. The value of stores amounts to about \$600,000, comprising over 800 line items, and inventory turnover is about \$3 million per year. The inventory records are now being maintained on a micro-computer. Stock room facilities have also improved. Considerable work on enhancing the stock control system is being undertaken.

An effective inventory control system has the potential of reducing capital invested in inventory. This can be achieved once the following systems are in place:

- A purchase order monitoring system that identifies the status of purchase orders at various stages of the purchase cycle. This, as mentioned earlier, is being currently implemented in ILCA.
- Forecasting future requirements of stock items. Past consumption patterns have been the primary guide in determining order quantities and inventory stock levels. The implementation of the new computer systems should facilitate the forecasting of future needs. This is an important area, which needs greater management attention as it is a key input to the proper and accurate operations of an inventory control system.
- Establishing inventory levels such as the maximum quantity, reorder points which trigger procurement action, and minimum levels. Establishing inventory levels would need some experimentation and experience over a period of time to become fully effective.
- Determining appropriate quantities to order which take into account volumes, costs and other factors. This is linked to the above point.
- Establishing a proper stock classification scheme to identify slow moving and obsolete items in order to prevent their accumulation. The proposed system should enable the production of this information.

An inventory control system has a direct and material influence on purchase planning and procurement decisions. By enabling staff to determine the quantities of stock to order based on overall institutional needs, rather than the needs of individual departments, it becomes possible to purchase in volume and obtain volume discounts. A draft report by a consultant on the approach to the purchasing and stock control systems has recently been received and should prove useful.

In conjunction with the external auditors, the Panel also discussed in general terms the controls over receipts and stores. The auditors mentioned that the systems of internal control were generally sound, though the need for more accurate record keeping at the stock room level was indicated.

Inventory management is a sensitive and important area in view of the amounts involved. The Panel recognizes the considerable improvement that has taken place in this area in recent years and suggests that management pay close attention to the development of new systems.

9.5 Warden - General Services

This section comprises the hostel, cafeteria, Zebu Club, staff housing, transport and security. We found the management of these services to be fully satisfactory.

The hostel facilities are being expanded, which with the addition of 14 new rooms, will bring the total to 69. Full cafeteria service is provided to staff and guests. Also, the Zebu Club is a multi-purpose recreational and sports facility for ILCA staff and a restricted list of members from the international community in Addis. The Panel found the food services to be extremely good. The rooms were clean and the staff very courteous.

The users are charged for the above services. The charges for hostels take into account competitive costs in Addis, and cover the full costs of the facilities. The Zebu Club meets its operational costs through membership income, food sales and charges for sporting facilities. Capital costs for expansion and equipment are met by ILCA. The cafeteria service for ILCA employees is, however, subsidized to the extent of 20 percent of operational costs, which amounted to about \$50,000 in 1985. We consider that in this case there is an institutional element to maintaining and operating quality facilities. In the future, however, with an appropriate level of demand, such subsidies should be reduced so that at least operating costs exclusive of overheads are fully recovered. Another issue relates to the adequacy of food storage facilities, and the need for expansion.

The Transport Unit, which also reports to the Warden, is headed by a supervisor. ILCA's fleet comprises 75 vehicles, many of which are driven by ILCA staff, and 14 drivers. The unit is also responsible for maintenance and the hiring of cars to staff. The vehicles are divided into program and pool categories, the former being allocated, managed and driven by program staff in Ethiopia, with the pool cars serving the transport requirements at Headquarters. Cars may also be rented by ILCA staff. These arrangements, while convenient for staff, have tended to reduce the life of the vehicles. The higher than normal frequency of accidents by drivers was also highlighted to us. These factors may require enhancement in the number, skill and experience of drivers above current levels and closer monitoring of their performance. ILCA has also established a vehicle maintenance workshop because of unreliable local facilities. The Panel understands that the operations of the workshop have been found to be cost effective. Major repairs such as body work, however, are still carried out at local workshops.

The propriety of requests for vehicle use and pressure by staff to bend rules for their convenience has on certain occasions been an issue. Manuals which set out the guidelines for the use of vehicles have therefore been developed. A Transport Committee, chaired by the Head of Administration, reviews policies and practices for improved transport management and ensures adherence to the rules. Overall, the transport facilities appear to be operating reasonably well.

9.6 Office Services

This section comprises the central registry, archives, telephone, telex, messengers and office cleaning services.

The central registry is responsible for handling and distribution of documentation, and maintaining computer records of incoming and outgoing mail. There is a plan to upgrade the telephone system. Other office services are operating satisfactorily. (Records management issues are covered in Chapter 8).

10. EXTERNAL ENVIRONMENT AND RELATIONSHIPS

It would be impossible for ILCA to achieve its objectives without good working relationships with external institutions and agencies. Over time, effective external relationships are built, deepened and sustained through interactions from which both the external organization and ILCA benefit. The basic concept is that of helping one another achieve goals which both parties agree are important and within their capabilities. By so doing their joint product adds to more than the sum of the parts.

The EPR report (Chapter 6) describes and assesses the nature, magnitude and achievements of ILCA's programs which involve international cooperation. Within ILCA, such matters come under the Director of Outreach, who does much of the initial liaison required when ILCA begins work in a new country.

Our discussion is intended to complement the EPR's report by focusing on the nature of the environment and the management of external relations with: the Addis community, the Government of Ethiopia; other governments; private voluntary organizations and members of the CGIAR family.

10.1 The Addis Community

ILCA's headquarters are in the capital city of a nation stressed by far-reaching political developments, security concerns and tragic drought (1983/84). This has posed extraordinary challenges. Had these challenges not been met in a constructive, even-handed manner, ILCA could not have made the progress it has achieved in the last five years.

ILCA's humanistic response to the famine in parts of the country (including a community in which an ILCA field program is located) is but one of the ways the people of ILCA have exercised good citizenship. They raised over US\$ 350,000 for relief, and provided milk, work animals and supplies. Equally important, ILCA staff gave priority to the provision of agricultural information and technology to help families survive and recover. The Ethiopian Government, other governments and private international assistance agencies sought and received from ILCA data from its satellite imagery research to help them assess needs and plan their operations. The media drew heavily on ILCA's professional expertise to bring information on the situation to the international audience.

Many of the governments that are ILCA donors are residents of the diplomatic community of Addis. Through our visits with several of them we learned that they know ILCA, appreciate its work and view most favorably the manner in which Dr. and Mrs. Brumby represent the Centre. They and others commented on the attractiveness of the headquarters grounds. An invitation to tour the "ILCA Gardens" has become one of the most sought after

privileges in Addis. For her encouragement of the superb work of ILCA's gardening staff, Mrs. Brumby deserves high praise.

The foregoing are among the reasons that we believe that ILCA's response to the Addis/Ethiopia environment has had a positive impact on its effectiveness.

10.2 The Government of Ethiopia

ILCA's formal link to the Government of Ethiopia is through the host country's two members of ILCA's Board. It is clear from our conversation with them that the Ethiopian Government believes that what the Centre is doing is of great value to the country and to other African nations. Problems have arisen on issues such as slow clearance of imports, internal travel permits, access to scarce rental housing (all rental property in Addis is owned and allocated by the government), and acquisition of needed additional land adjacent to the headquarters. For the most part these issues have been resolved and working relationships are now satisfactory.

The major outstanding issue with Ethiopian Government has to do with the privileges and immunities accorded ILCA staff. ILCA's local Ethiopian staff members (professional and support) are not exempt from taxation. Ethiopian employees of a large number of comparable international organizations in the country are accorded tax exemption status. We support the Board (ILCA's legal governing body) in its ongoing, persistent efforts to achieve equity with respect to taxation for ILCA's Ethiopian staff members.

10.3 Other Governments

It is our impression that ILCA has managed the formal relationships with African governments quite well. ILCA differs from most other CGIAR centers in having major field units with 30 or more employees in several countries. Staff from headquarters come and go on visits to the field teams, which also receive external visitors and carry out their own recruitment of local staff. Such activities necessarily change the nature of a field team's relationships with its host country. For all of its larger programs, ILCA has negotiated agreements at the country level which specify the status under which ILCA staff will operate.

10.3.1 Country Agreements. The Director of Outreach is directly responsible within ILCA for this function. He furnished the panel with a useful summary of the status of ILCA staff in those African countries where collaborative programs exist. In some countries, the memoranda of agreement give ILCA full diplomatic status and the same privileges which UN staff receive. Others are less generous, but in only one or two cases where ILCA is a recent arrival has a failure to reach agreement influenced field programs.

Outsiders might wonder why ILCA pays particular attention to country agreements. In fact, they can be fairly important in maintaining smooth relations at the local level. Research scientists often travel carrying equipment or specimens subject to local controls, fees, and taxes unless the individual is covered by an international agreement. For local staff, who have some of the same skills required by UN organizations which compete with ILCA in recruiting staff, tax exempt status is a significant consideration.

A listing of the countries that are seeking greater involvement with ILCA is suggestive. These include Sudan, Somalia, Tanzania, Malagasy, the Central African Republic, and Guinea. Some are countries with large livestock industries, under-represented within ILCA's field research programs to date (e.g. Sudan, Somalia, and Tanzania). The panel cautions that while establishment of official linkages improves relationships, it can also serve as a basis for requesting kinds of assistance ILCA may not be in a position to provide.

10.3.2 Countries with Field Programs. ILCA does face a more complex situation in dealing with countries where it has a major program. We note a number of concerns that emerged in the EPR visits or were voiced to us directly.

First, despite the fact that ILCA views its field programs as zonal units intended ultimately to assist livestock development in a number of countries sharing similar circumstances, this seems not to be how such units are perceived within individual countries. Interviews suggest the host governments see ILCA's zonal research as being directed at zonal problems within the larger framework of national policy and priorities. Even ILCA's most effective field units operate as if they were country teams, and are so treated by the national staff with whom they collaborate.

Second, this situation naturally leads to the host government seeking ways to gain leverage over ILCA's own plans and activities, at least to the extent of having a voice in program planning. In Chapter three, it was suggested that this desire in the past accounted for the tendency to view ILCA Board members as country representatives in those instances where they came from a country with a large ILCA field program. To our view zonal advisory committees would be a more suitable instrument through which countries expressed their concerns.

Third, ILCA's team leaders operate for much of the time as country representatives of the DG (perhaps an unavoidable aspect of their position if they also hold diplomatic status and are in charge of substantial field resources). In any country where ILCA has a fairly large volume of scientific activity, the ability of a team leader to go to the highest levels of a relevant national agency, when necessary, is important.

Fourth, ILCA still has not fully worked out how to utilize its field programs on a zonal basis as is illustrated by the fact there are two rangelands programs, one in Ethiopia and the other in Kenya. We suggest that ILCA's senior scientists devote more attention to exploring how results being obtained in one country can be extrapolated throughout the larger zone.

Fifth, ILCA could face some very knotty problems in its relationships to a given country at the point where it decides to withdraw from a field program. The difficulties of withdrawal are sufficiently great to suggest that most larger programs could well become long term commitments, even if this is not ILCA's preference.

10.3.3 Relationships with All African Countries. ILCA's relationship with all African countries occurs at two levels, (1) through advice received every two years from a panel of the national leaders of livestock research and development, and (2) through contacts with various national institutions such as universities and research institutes.

In regard to the biennial conference convened by ILCA at Addis, we consider this to be an occasion for ILCA's management and Board to receive valuable advice on current African needs. The last such meeting in October of 1984 produced separate recommendations in six topical areas related to ILCA's program. Equally important is the opportunity this meeting gives for ILCA's staff to meet with and discuss their programs with the continent's best senior scientists.

The EPR has examined ILCA's contacts with national institutions at length. Some outsiders express concern at the uneven extent to which ILCA's programs influence national institutions. Others would view ILCA's limited outreach as a natural consequence of the modest but growing stock of tested technical interventions which ILCA has to offer. For whatever reasons, ILCA staff do need greater contact with senior scientists throughout the continent, and in particular with the many universities where related scientific research is underway. We suggest that ILCA devote more attention to its linkages with national institutions in the future, but in ways which do not disperse its own resources.

10.4 Private Voluntary Organizations

Substantial numbers of famine relief organizations have become acquainted with ILCA and its work over the last three years. Among them are many private voluntary organizations (PVOs) such as OXFAM, Catholic Relief, World Vision, CARE, etc. Some of them, on their own initiative, have provided modest support for ILCA special projects, and have financed aid activities involving technologies originating in ILCA's work.

Thus ILCA, almost uniquely among the CGIAR centres, has a working relationship on the ground with several of these

important international institutions. We observe that some PVOs are now diversifying their programs by undertaking or supporting development projects. Among them are PVOs interested in helping support the generation and dissemination of improved agricultural technology. Thus we sense a growing community of interest between some PVO's, ILCA and other IARC's as well. This suggests that PVO's and IARC's may increasingly identify ways in which they can help one another achieve their respective goals.

The CGIAR Secretariat in partnership with the IARC's is now systematically seeking ways to diversify the sources and strengthen the support the Centers receive. Linking this fact with the above observations on PVO's prompts us to make this suggestion to ILCA's Board and management. We propose that they analyze ILCA's experience in working with PVO's and explore the possibilities they see for expanding and strengthening PVO - IARC collaboration.

10.5 Members of the CGIAR Family

ILCA is a cooperative, helpful member of the CGIAR family. As noted in the EMR report, ILCA interacts, often in substantial ways, with virtually all of the IARC's. ILCA's DG currently serves as chairman of the group of CGIAR center directors, thus providing a direct contribution to the system.

We observe that ILCA people enjoy a cordial relationship with TAC, especially with the long-time ILCA liaison member of TAC who participated in this review on the EPR Panel. The CGIAR secretariat reports that in their relationships ILCA has been helpful and cooperative. Based on our visits to several ILCA donors, we formed these impressions. The increasing number of CGIAR donor members who know ILCA have a deepening appreciation for the progress the center is making and the pressing need that exists for the scientific and technological advances it can help generate. They see ILCA's catalytic role to be both important and strategic. We join them in their positive assessment. We hope and trust that they and others who are not yet ILCA donors will help the centre obtain the resources (financial and professional) required to support the programs as projected by this review.

It occurs that to us that (thmrn(i{at least one additional area in which ILCA may be able to make a fairly unique and needed contribution to the system. This involves a proposal that the CGIAR no has under consideration. We refer to a possible initiative to generate greater inter-center cooperation in key environments in Africa. Should a model of cooperation emerge in which agreements with governments need to be negotiated, ILCA's successful experience and expertise in this area could prove to be a valuable system-wide asset.

Appendix A

Biographical Information on Panel Members

Lowell S. Hardin has been closely associated with international agriculture and the CGIAR system for the last 20 years. He was a founding trustee of CIMMYT, CIAT, IFPRI, ICARDA and ISNAR. He was an officer of the Ford Foundation, 1965-81, having served as a professor and Department Head, Purdue University, 1943-1965. As the Ford Foundation provided the capital for the development of IITA and served as executing agent for ICRISAT's early development, his work with the Foundation put him in close contact with those centers. He is presently Emeritus Professor of Agricultural Economics at Purdue University, West Lafayette, Indiana, Assistant Director of International Programs at Purdue, and a trustee of IFPRI and of the Winrock International Institute for Agricultural Development, Morrilton, Arkansas. Hardin was reared on an Indiana farm, completed his B.S. in Agriculture at Purdue in 1939 and his Ph.D. at Cornell University in 1943.

Jon Moris was raised in East Africa, before completing degrees (B.S. in Zoology, M.A. and Ph.D. in Anthropology) in the USA. He joined West Virginia University (1963-65) for a field study of agricultural education in East Africa, and then the Faculty of Agriculture (1965-68) in Makerere University, Uganda. In 1968 he joined Nairobi's Institute for Development Studies, and in 1969 became Senior Lecturer in Dar es Salaam's Institute of Public Administration. In 1972 he entered the Masai Range Project as an extension-sociologist, working under the Near East Foundation in Tanzania's Ministry of Agriculture. This was one of USAID's largest projects, responsible for range and water development programs throughout Tanzania's Masailand. He was project manager and team leader from 1973-76 before returning to become Professor and department head in Agricultural Education and Extension within Tanzania's Faculty of Agriculture at Morogoro. In 1980, he returned to Utah State University in the USA, where he is presently Professor of Anthropology. He is on leave of absence to London's Overseas Development Institute as Research Officer responsible for ODI's pastoralism network. He has served as consultant to UNESCO, the World Bank, FAO, and USAID, working on the Bank's Agricultural Sector Study in Tanzania (1983) and more recently on African irrigation (1984-86) for USAID's Bureau of Science and Technology. He has written several books and numerous articles on aspects of development management in Africa, including a text Managing Induced Rural Development.

Pervaiz Rashid has an M.B.A. from the Harvard Graduate School of Business Administration and is a Chartered Accountant (F.C.A.) from the Institute of Chartered Accountants in England and Wales. A Pakistani national, he is the Financial Advisor in the Transportation Department of the World Bank. His prior assignment was as the Deputy Internal Auditor of the World Bank (1981-1985). His experience before joining the World Bank in 1975 was in management and consulting in Pakistan and the United Kingdom, in the private and public sector institutions. He has also worked for the governments of Pakistan and the Province of Punjab as an advisor on financial administration and public enterprise issues. His work experience has covered a range of institutions which include agriculture development and financing, and financial and industrial institutions. He was a Director of a management consulting firm and in a public accounting firm in Pakistan from 1970 to 1975.

Selcuk Ozgediz, Management Adviser at the CGIAR Secretariat, has coordinated the external management reviews of CGIAR centers since their inception in 1983. A Turkish national, Mr. Ozgediz has been with the World Bank since 1979. Previously, he taught at Bosphorus University in Istanbul (1976-79), was Senior Research Director at Systems Research Incorporated in Lansing, Michigan (1970-74), and consultant to public, private and international organizations (1966-76) including the Organization for Economic Cooperation and Development, United States Department of Agriculture, Turkish Ministry of Education, and Development Foundation for Turkey. Mr. Ozgediz was a member of the team which prepared the World Development Report, 1983, on management in development. He has authored several monographs and articles, and managed research project teams in the areas of public management, social public policy, public opinion and childhood development. Mr. Ozgediz studied economics at the undergraduate level (Middle East Technical University, Ankara, 1966) and completed his graduate studies at Michigan State University (M.S. in Mathematical Statistics, 1968; M.A. in Political Science, 1971; Ph.D. in Political Science, 1976).

List of Issues
ILCA External Management Review

A. The First Quinquennial Review

1. The 1981 QQR of ILCA placed heavy emphasis on administration, structure and board/management relationships and made a number of recommendations. How has ILCA responded to the these recommendations? What improvements have been made in the areas of weakness identified by the QQR panel?

B. Goal and Priority Setting and Planning

1. How clear is ILCA's mandate? Have differences in interpretations of the mandate by interested or involved entities and individuals been resolved? Have the operational implications of the mandate and areas of overlap or potential conflict with other institutions been clarified and communicated to staff?
2. To what extent does ILCA's long-term plan serve as a management tool? To what extent were the Board and the staff involved in the preparation of the plan?
3. Has ILCA developed a clear strategy, with appropriate priorities, for reaching its medium-term goals? Have these been translated into operational, short-term objectives and activities for the various units in the organization? Has ILCA been unduly influenced by specific donors in developing and implementing its plans and programs?
4. What mechanisms are in place at ILCA to ensure periodic review of goals, strategies, objectives and operational plans? Do these mechanisms ensure adequate coverage of the concerns of the board and the field staff?

C. Board of Trustees

1. How effective has the board been in oversight of ILCA's operations? What means does the board employ to give guidance to management on program strategies and priorities? What means are used to ensure accountability of management for its performance?
2. What distance does the board maintain between itself and the management? Are the divisions of responsibility between the board chair and the director general and the board's executive committee and the director general appropriate?
3. What can be done to improve the relations among board members and between the board chairman and the director general?

4. Is the time spent by the board chairman and members on ILCA business sufficient to meet ILCA's top decision-making needs? Are ILCA's operations such that the chair must invest more time than in other centers?
5. Do all board members, including the host country representatives, participate effectively in board operations? What improvements, if any, can be made in the board's composition and the board member appointment process? Has the 50-50 division (African-non-African) proved to be effective?
6. It appears that board members from Africa tend to be chosen from the countries in which zonal field stations are located. Has this limited the board's effectiveness in taking a broad view of the problems of Africa as a whole?
7. Is the present committee structure effective? How effectively does the board delegate work to its committees? Is the method of reporting by the committees to the full board effective?
8. How effective are ILCA's board procedures, e.g., agenda setting, documentation for meetings, minutes and record keeping, briefing for new board members, open/closed meetings, board honoraria and perks, etc.? Are the volume and nature of materials forwarded to board members by management appropriate? Are the current arrangements for the secretary to the board appropriate?
9. How appropriate are ILCA's procedures for management succession? What is the rationale for the board to be involved in the appointment of the directors other than the DG?

D. Organizational Structure and Internal Communication

1. What pattern of internal organizational structure exists on paper? What is the perceived pattern? What are the reporting relationships? What are the advantages and the disadvantages of the present organizational arrangement?
2. Does the organizational structure differentiate clearly between staff/line authority? Is functional responsibility pinpointed clearly by work unit? Is the delegation of authority commensurate with the distribution of responsibilities?
3. How effectively has ILCA delegated authority and responsibility to its field units? What mechanisms exist for improving the accountability of the field units for their performance? What can be done to strengthen headquarters/field relationships (e.g., improved incentives, communication, backstopping)?
4. Is there need for a deputy director general at ILCA? If so, how would this affect the structure at the apex of the center?

5. How are communications, trust, morale and cooperation perceived within ILCA? How effective is communication/coordination among staff in different disciplines? How satisfied are staff at all levels with their jobs?
6. Are there mechanisms enabling staff to participate effectively in decision-making? What role does the staff association play in this regard?
7. How receptive is the center management to change? What means does ILCA employ to continuously examine its own management effectiveness, in the light of changing circumstances, and introduce corrective action?

E. Staffing and Human Resource Management

1. Is ILCA able to attract and retain international and national senior staff of the highest level of competence? Have the arrangements with the Government of Ethiopia and the other countries ILCA has agreements with presented any problems in recruiting qualified individuals? Is there need for increasing the number of individuals with Ph.D. degrees?
2. Have personnel policies and procedures (including recruitment and selection, salaries and conditions, promotion, career development and performance assessment) for international and national staff at the headquarters and in the field been laid out clearly? Are these policies and procedures conducive to high performance? Are they being followed in actual practice?
3. Is there need for establishing an ILCA-wide responsibility for the human resource management function and for an internationally-recruited personnel manager?
4. Are the national staff qualified for the posts they occupy? What management challenges have cases of over- or under-qualification presented? Have these affected performance in work units?
5. Is the turnover rate excessive for any category of staff? Is there need for more bilingual staff?
6. How extensive and effective is ILCA's use of consultants? Are the procedures used to select consultants appropriate?
7. What is the need for management training among staff occupying key managerial posts? What is the need at the middle-management level?

F. Financial Management and Budgeting

1. What are the implications of the center's heavy dependence on two major donors (World Bank and USAID) for the stability of its future funding?

2. Over the last few years ILCA has been one of the largest recipients among CGIAR centers of contributions from the World Bank, the donor of last resort. What plans does ILCA have for reducing its dependence on contributions from the Bank? What is the potential for expanding the number of major donors?
3. To what extent have special project and restricted core funds constrained ILCA's ability to consolidate its activities and avoid fragmentation?
4. How appropriate is the balance between the resources allocated to the headquarters and the field and that among the field programs? How much autonomy do the field program leaders have in the use of funds allocated to their team/program?
5. How effective is the budget process? How well is budgeting linked with program planning? Are the staff responsible for budget execution involved in budget preparation? Do budgets serve as a device for financial and managerial control?
6. How effective and comprehensive is external auditing? How responsive has the board and the center management been to the recommendations of the external auditors? Is there need to expand the scope of the external auditing function to cover aspects of financial management?
7. How effective is internal auditing? How are internal audit procedures decided upon? What follow-up has there been to internal audit reports? Are there mechanisms in place to regularly monitor allocation of resources to different activities?
8. How effective are ILCA's accounting, cost accounting and financial reporting systems? What is the response time of the Finance Department to typical needs for information? How far has ILCA progressed in computerizing its financial operations? What lessons can be drawn for other centers on computerization?
9. How effective are ILCA's policies and procedures for financial planning, working capital and cash and currency management?
10. How does ILCA approach risk management (i.e., risk to people, property and liabilities)?
11. How much cost-consciousness is there among staff?

G. Information Management

1. How serious are the external communication difficulties faced by ILCA? What can be done to improve communications with field programs, national agencies, donors, etc.?
2. How effectively is ILCA able to communicate the results of its research and policy work to decision-makers in African countries? What mechanisms exist for decision-makers in African countries to communicate their needs and problems to ILCA?

3. How effectively are ILCA's publication and information activities managed? Are the primary and secondary target groups identified, strategies for reaching these groups developed, and publication and information activities periodically evaluated?
4. Does ILCA maintain and properly preserve an archival collection of all its publications (including non-conventional or "grey" literature)? Are copies of all major publications sent automatically to major international indexing and abstracting services (e.g., AGRIS, CAB, AGRICOLA)?
5. What networking arrangements has ILCA made between its library/information program and that of other related institutions (other CGIAR centers, national programs, research libraries, etc.)?
6. What aspects of ILCA's library/information program have been automated? Are ILCA's library information systems compatible with international standards? Can ILCA share its computerized bibliographic output with other systems and receive similar records from other systems?
7. Does ILCA have a files/records management program for paper files as well as computerized data? How and where are vital records kept for long-term preservation?

H. General Administration

1. How effective and efficient has ILCA been in managing its:
 - a. procurement operations (purchasing and stores);
 - b. general services (cafeteria, hostels, housing, transport, security);
 - c. maintenance and construction operations;
 - d. office services (registry, telex, telephone, cleaners)?
2. How adequate are ILCA's present physical facilities at the headquarters and in its field operations? Do housing limitations in Addis Ababa constrain ILCA's effectiveness appreciably?
3. ILRAD provides office space to a sizable number of ILCA staff. How satisfactory is this arrangement for ILCA? Is there a real or potential need for constructing a separate building on ILRAD's campus to house the ILCA staff? Does ILCA tpay the real costs of using ILRAD's facilities?

4. Over the years ILCA has developed a number of administrative manuals. What involvement have the board and the staff had in their preparation/adoption? How useful have these manuals been in facilitating management and improving controls?

I. External Environment and Relationships

1. Are there elements or circumstances that have important positive or negative influences on ILCA's efficiency (for example, evaluation or reporting requirements of donors, practices of the CGIAR and the TAC Secretariat, regulations of the Government of Ethiopia, demands of cooperating international or national organizations)? What changes could be made in the external environment to improve ILCA's management effectiveness?
2. How productive are ILCA's relationships with other research organizations in developing countries which have similar or related research interests (e.g., ILRAD, CIAT, ICARDA)? Can these be improved?
3. To what degree is ILCA collaborating with scientists and institutions in more developed countries in carrying out its research program? Are there linkages which have been established? Is there need for more linkages?
4. Does the agreement with the Government of Ethiopia continue to meet the needs and expectations of both parties?

J. Future Management of ILCA

1. What are the implications for the future management of ILCA of the EPR panel's recommendations regarding ILCA's programs and the EMR panel's findings in the areas listed above?