



SPOTLIGHT

# BETTER PROCESSES FOR BETTER RESULTS

Constantly striving for better results necessarily implies greater efficiency. It means an ongoing commitment to refine our internal processes, to reduce costs and, ultimately, to achieve greater impact.

A key aspect of this is the way we manage our finances. One of the changes we have made has been to modify the terms of reference for external audits, to allow for a more detailed expenditure review, additional to those reviews carried out by IFAD's finance officers. A redefinition of the IFAD disbursement process is also being supported by a comprehensive review and update of IFAD internal- and external-facing IT systems. These improvements build synergies with other systems, thereby increasing efficiencies and avoiding duplication.

IFAD's disbursement process in general has benefited from streamlining. We have reduced the average time taken to approve withdrawal applications from three days to three hours. We did this by reducing required documentation submissions, decreasing the checklist of ex ante validations from a 20-point checklist to a five-point checklist, shifting to electronic submissions for faster disbursement and reallocating staff. These improvements are helping us to provide greater liquidity to projects.

ANOTHER SIGNIFICANT IMPROVEMENT THAT IS PROVIDING MORE FLEXIBILITY IN THE WAY WE OPERATE IS THE DELEGATION OF BUDGETARY AUTHORITY TO COUNTRY DIRECTORS IN TWO REGIONS (EAST AND SOUTHERN AFRICA AND WEST AND CENTRAL AFRICA).

## ZAMBIA

Through the Rural Poor Stimulus Facility, Violet Banda was provided with rabbits and training in raising them, which helped reduce the financial impact of the COVID-19 pandemic on her family.

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This is giving decentralized staff the authority to commit funds and to make payments on behalf of IFAD in the field for the first time. Over 30 country directors now have this authority, another of the benefits of decentralization.

With regard to budgets more broadly, in 2022 we continued working on reforms and budget management. The 2022 budget cycle played a crucial role in adequately resourcing our planned activities for a more decentralized structure. From a planning perspective and in order to address current business needs in a context of rising costs, IFAD has put in place a rigorous prioritization process to produce stronger alignment between resource allocation decisions and corporate priorities. Furthermore, building on the Enhanced Efficiency and Resource Management initiative launched in 2021, IFAD has fully implemented cost classification of the budget, segregating direct and indirect costs. This demonstrated that around 55 per cent of total administrative budget resources are direct costs – that is, those allocated and linked to projects and programmes.

We have also realized efficiency improvements by decentralizing field support functions in parallel with the decentralization of staff. New functions were created in the two regional offices established in the field in 2022 – under the leadership of decentralized positions such as corporate services managers and administrative pool coordinators, with most positions in place by the end 2022. Our continued field support in the framework of major United Nations initiatives has enabled IFAD offices to manage most corporate services locally, benefiting from business operations pooled among organizations in the system.

### **WE FURTHER IMPROVED OUR FIELD SUPPORT THROUGH THE ESTABLISHMENT OF AN ONBOARDING COORDINATION TEAM, WHICH WILL REMAIN ACTIVE IN 2023.**

Our ambitious workforce transformation agenda, with the aim of delivering better results more quickly, is another dimension of our striving for continual improvement. In 2022, IFAD's Human Resources Division consolidated progress made on this agenda, including by continuing the implementation of a multilayered recruitment reform, which is adding more clarity, transparency and efficiency to our talent acquisition practices. This reform has enabled us to complete over 89 recruitments and support our gender and geographical targets set in IFAD12: as of September 2022, over 42 per cent of women were in positions at P-5 level and above, and more than 50 per cent of staff were from List B and List C countries.

In addition, we have prioritized improving our onboarding procedures – in particular focusing on faster administration of staff benefits and entitlements – to maximize efficiency within a decentralized structure.

2022 also saw a series of actions on performance management to address underperformance and reward high performance across the organization. During 2022, 96 per cent of current IFAD supervisors were trained in performance management.

Our revised performance management process was part of the amendments we made to our staff rules in 2022, reflecting the evolution of IFAD's business model and human resources practices. Other key amendments included incorporating IFAD's mobility framework and promotion procedures and formalizing the change of jurisdiction of the tribunal approved by the Executive Board (from the Administrative Tribunal of the International Labour Organization to the United Nations Appeals Tribunal). IFAD's legal team collaborated with the Human Resources Division to bring these changes into effect.

#### **SIERRA LEONE**

Since receiving a loan from an IFAD project, Hasan (third from left) has grown a successful blacksmithing business, providing employment and training for young people. "Today, I am my own boss and the breadwinner for my family," he said.

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