

COMMUNICATIONS SUBCOMMITTEE
FINAL REPORT

On January 23, 1991, Dr. Roskens announced an organizational restructuring plan "designed to sharpen the agency's management focus and strengthen accountability in the U.S. foreign assistance program." The Administrator established three reorganization committees to develop recommendations on A.I.D.'s policy, management and operations functions. At the February 1, 1991 meeting of the three reorganization committees, the Administrator stressed the importance he attached to an open, deliberative process. He noted that he expected each committee to have contact with and input from the Agency, the Hill and various outside constituencies. This was not to be a secret process.

At the first meeting of the Management Committee that same day, the group discussed steps it might recommend to make the process open to groups both within and outside of A.I.D. The Committee determined that a special subcommittee to deal with communications was desirable, and subsequently the heads of the three committees asked that the communications subcommittee cover the work of all three committees during the reorganization exercise.

The Communications Subcommittee (see attached list) first met on February 20, 1991, and met weekly until its final meeting on April 24, 1991. It agreed on two main tasks:

- to keep the Agency informed of progress in deliberations on the reorganization; and
- to provide mechanisms for A.I.D. staff to comment on reorganization plans and provide input to the Administrator and the three committees.

The Subcommittee discussed a variety of approaches to facilitating communications, including a written newsletter (the Reorganization Update) which could also be cabled to the field, letters to outside constituencies, and face-to-face meetings to discuss key issues and concerns.

This report details the specific steps the Subcommittee took to ensure adequate opportunities for A.I.D. and other staff to provide input to the reorganization process.

Reorganization Updates: Three reorganization updates were issued:

Update #1 (2/28/91) outlined the goals of the reorganization and provided highlights of the Administrator's testimony before the House Foreign Affairs Committee pertaining to the reorganization.

Update #2 (3/13/91) detailed the cross-cutting issues being addressed by all three committees and provided more detailed discussion on the work of the policy committee. It also summarized on-going discussions with the PVO community on reorganization.

Update #3 (3/29/91) provided a detailed summary of the issues raised at the Open Forum on reorganization.

Each of these updates was sent to all Washington staff and cabled to all field missions. (See Attachment 2.)

Letter to outside constituencies. On January 23, 1991, A.I.D. issued a press release announcing plans to restructure the Agency. After some discussion, the Subcommittee decided that it would be useful to send a letter from the three committee chairs to a variety of outside groups to explain the purpose of the exercise and to solicit their comments. The letter was sent on March 7, 1991 to approximately 600 outside organizations. (See Attachment 3.)

Open Forum: The Administrator expressed interest in having a town meeting to open up discussion of the issues surrounding the reorganization. The Subcommittee spent considerable time planning the format for the open forum, which took place on March 12, 1991. The open forum was handled in a panel format, with John Hummon as moderator, and John Blackton and the three committee chairs as discussants. The open forum raised a number of issues which were brought back to the individual committees for consideration, and formed the basis for subsequent open meetings organized by the Managers Network.

Managers Network. To follow up on the issues raised at the open forum, the subcommittee asked the Managers Network to organize a series of open meetings which would allow more time to explore issues that appeared to be of particular concern, namely:

Workforce management and personnel functions

The role of the technical cadre in A.I.D.

Defining efficiency in A.I.D.

These meetings took place on April 4, 11, and 12, and the results of these discussions were summarized in a meeting with the heads of the three committees as well as in a brief report which has been made available to all A.I.D. staff. (See Attachment 4.)

Weekly Update on Meetings with Special Interest Groups: The subcommittee recognized that there would be a number of meetings with special interest groups -- to explain the process and to obtain comments and input. In order to keep everyone informed of the special meetings that were taking place, the subcommittee prepared a weekly update (based on information provided by the staff of the three committees, Ray Randlett, and the Office of the Administrator). This updated list was circulated to the Committee chairs and staff (see Attachment 5).

Letters of acknowledgement to those submitting comments: The Subcommittee was impressed with the range and quality of the written comments which were submitted during the reorganization process. It agreed that there should be some formal acknowledgement of the time and care individuals took in submitting their thoughts on the reorganization. A "generic letter" of thanks was drafted, and the Committee Chairs and several members of the Communications Subcommittee were each given 5-10 letters to which to respond. (See attachment 6 for examples).

May 8, 1991 announcement on the reorganization: The Subcommittee reserved the Dean Acheson auditorium for the Administrator's presentation of the reorganization, and forwarded comments on points that should be made in the presentation.



USAID News

Agency for International Development
Washington, D.C. 20523

Bureau for External Affairs

#91-06

For Immediate Release,
Wednesday, January 23, 1991

CONTACT: Jim Kunder
202-647-4201

ROSKENS UNVEILS MANAGEMENT RESTRUCTURING PLAN

The U.S. Agency for International Development (USAID) today announced an organizational restructuring plan designed to sharpen the agency's management focus and strengthen accountability in the U.S. foreign assistance program.

USAID Administrator Dr. Ronald W. Roskens said the proposed restructuring is "necessary to provide the American taxpayer with confidence that appropriately high levels of stewardship are applied to America's foreign assistance program."

The changes are part of a broader series of management reforms initiated by Roskens, who said the Agency needs to "do fewer things and do them very well."

The proposed restructuring would realign USAID's major units along management, operational, and policy functional lines.

A reduction in force is not contemplated as part of the overhaul, although the appropriate balance between USAID's Washington headquarters and field staff in developing countries would be closely examined, Roskens said.

(more)

The restructuring proposal, still being refined in the Agency, stems from suggestions in a USAID-commissioned study by the management-consultant firm of Deloitte Touche.

The reorganization is being undertaken in conjunction with a Congressionally-mandated management review and a study of foreign aid management now underway at the General Accounting Office.

USAID manages the U.S. foreign economic and humanitarian assistance program in more than 80 nations. Roskens was confirmed as the Agency's administrator in March 1990.

Agency for International Development

REORGANIZATION UPDATE

AGENCY REORGANIZATION

OPEN FORUM

TUESDAY, MARCH 12, 1991

10 a.m.

Loy Henderson Auditorium

The Management, Operations, and Policy Committees have been working on the restructuring of A.I.D. for approximately six weeks. There has been an intensive review of the major aspects of the Agency's operations, and communications with field offices and groups within and outside A.I.D. about the goals of the reorganization.

Howard Fry, Henrietta Holsman-Fore and Scott Spangler will be available to talk about the on-going work of their committees and to hear your views. This will be an opportunity to comment, ask questions, and offer suggestions to the individuals who are leading the reorganization exercise.

John Hummon will moderate the session. If you have questions you particularly want addressed at the Open Forum, please contact Mr. Hummon (PM/OD, Room 5644, 202-647-5675) before the meeting.

DISTRIBUTION:

A.I.D. LIST #88
A.I.D. LIST #1

A.I.D./W NOTICE

A/AID

ISSUE DATE: 3/5/91

COMMUNICATIONS SUBCOMMITTEE

Ann Van Dusen	S&T/H, 709, SA-18	875-4600
Peter Askin	PM/OD, 308 SA-02	663-3261
Phil Christenson	AA/FVA, 5314A NS	647-0220
Joe Stepanek	AFR/EA, Rm 3484	647-4289
Nina Vreeland	FPC/CDIE, 219B, SA-18	875-4852
Tyler Posey	LEG, Room 2895	647-9080
Jim Kunder (representing policy committee)	XA, Room 4889	647-4201
Frank Kenefik (representing operations committee)	A/AID, Room 5883	647-9662
John Hummon (representing management committee)	PM/OD Rm 308, SA-2	663-3259
John Blackton (representing the Administrator's office)	A/AID, Room 5942	647-9620
Helen Sramek	A/AID, Room 5945	647-9622

Agency for International Development

REORGANIZATION UPDATE

AGENCY FOR INTERNATIONAL DEVELOPMENT

320 TWENTY FIRST STREET, N.W.
WASHINGTON, D.C. 20523

A.I.D./W NOTICE
A/AID
ISSUE DATE: 2/28/91

The Administrator

SUBJECT: REORGANIZATION UPDATE

The purpose of this bulletin is to keep A.I.D. staff informed of the on-going work on restructuring the Agency announced by Administrator Roskens in his AID/W notice of January 29, 1991; and to make sure that staff have the opportunity to comment and provide input to the Administrator and the three committees as the work proceeds.

Last week, a cable [State 051722] was sent to all missions outlining the purpose of the restructuring exercise and how the work was being organized. A copy of that cable is attached to this update [Attachment 1].

This week, the three committee chairs have agreed on a number of basic assumptions, and their thoughts are recorded in the attached memorandum [Attachment 2].

Discussions within the three committees and with individuals inside and outside of A.I.D. have focused on the reorganization not as a one-time event, but rather as the beginning of a transition process to improve the efficiency and effectiveness of Agency management. The planning phase, culminating in a proposed new organization structure and new management objectives, is the first major step in this process. The success of the transition planning phase will be judged by how well any new organization structure accomplishes the following:

- o Improves accountability:
 - simplifies processes to speed decision making;
 - assigns responsibility and accountability for actions;
 - identifies function and activity objectives which can be used to measure performance; and
 - evaluates the success and failure of organizational unit objectives, provides timely feedback to appropriate organizational units, and incorporates lessons learned into future project planning and budgeting.

- o Enables the Agency to "speak with one voice":
 - identifies and articulates Agency objectives;
 - identifies and articulates organization unit strategies which contribute to the achievement of Agency objectives;
 - provides incentives for projects and activities which contribute to Agency success; and,
 - provides incentives for personnel to contribute to the achievement of Agency objectives.

- o Clarifies organizational responsibilities:
 - identifies responsibility for and delineates between functions, including:
 - support versus line;
 - operational versus long-term;
 - policy formulation versus program implementation;
 - planning/evaluation versus acting; and,
 - defines organization in such a way as to improve constituent understanding of objectives and results.

There has been considerable discussion on Capitol Hill of the restructuring exercise. In his testimony before the House Foreign Affairs Committee [HFAC] on February 7, 1991, Dr. Roskens stated:

"Over the last thirty years, A.I.D. has built a record of accomplishment, made possible by the innovative management structure that other bilateral development agencies are now emulating. However, I don't believe that A.I.D. is properly structured to carry out [its] new mission. That is why I willingly agreed with the Congress last year to have recommendations from a special private sector Commission on Management of the Agency for International Development.

In addition, over the past several months I have pulled together a number of management studies and instituted a review of our current management structure. As we examine our program to see if it remains relevant to the needs of developing nations, we also need to examine our Agency and the ways in which we are structured to ensure that we are

well equipped to carry out our mission....I want you to understand my own starting point: whatever we do, we want to do it well. Once an acceptable management structure is drafted -- and we will consult fully and openly with the Congress as we go through this process -- I fully intend to move quickly to implement it, so we can enjoy the benefits and improve our performance as soon as possible."

In response to a number of questions posed by HFAC members, the Administrator stressed that plans were only preliminary and that three task forces would be making specific recommendations to him by early May. He also noted that there were many misconceptions about what the Agency is trying to do. As background, he explained that A.I.D. is seeking solutions to problems, e.g., slow responsiveness, the problem of "mini-agencies" within A.I.D., 26 separate units reporting to the Administrator, and duplication of function within the Agency, as identified within the Bollinger Report.

The process of restructuring will be intense. Feedback from A.I.D. staff and outside constituencies is essential to the process. To find out more about what is happening, or to offer comments and suggestions, you are invited to write or contact the three committee chairs or any member of the three reorganization committees which have been established (see attached list). In addition, an Open Forum will be scheduled in early March, at which the chairs of the three committees will report on their work and respond to questions.

The transition planning involves all A.I.D. staff. It is incumbent upon each of you to stay informed of the process and to contribute your ideas and perspectives, either through your bureau's representatives on the three committees or directly to the committee chairs. Because of the intense interest in the restructuring both within and outside A.I.D., you are encouraged to share this bulletin with colleagues who may be interested. If there are particular groups that would like to discuss particular issues being considered by the committees, you may contact any of the committee chairs or John Blackton, A/AID, to request a meeting.

Attachments:

1. State 051722
2. Memorandum on Basic Assumptions
3. Committee Membership List

DISTRIBUTION:

- A.I.D. LIST #88
- A.I.D. LIST #1

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UNCLASSIFIED

OUTGOING TELEGRAM

AGENCY FOR INT'L DEV. TELECOMMUNICATIONS CENTER

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STATE #51722 160300Z 5993 070003 AID0901 FAST AND CURRENT MANAGEMENT STUDIES WHICH HAVE LOOKED

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P 160301Z FEB 91 FM SECSTATE WASHDC TO AID WORLDWIDE PRIORITY

UNCLAS STATE #51722 AIDAC FOR MISSION DIRECTORS AND AID REPS

E. O. 12356: N/A TAGS: SUBJECT: AGENCY RESTRUCTURING

BANGKOK ALSO FOR ASEAN REP THIS CABLE TRANSMITS A LETTER TO ALL MISSION DIRECTORS AND AID REPS FROM THE CHAIRPERSONS OF THE THREE COMMITTEES INVOLVED IN THE AGENCY RESTRUCTURING EXERCISE. THE TEXT OF THE LETTER FOLLOWS:

BEGIN TEXT:

DEAR COLLEAGUE:

AS YOU HAVE UNDOUBTEDLY HEARD THROUGH YOUR BUREAUS, DR. ROSKENS HAS ASKED US TO CHAIR THREE TRANSITION TEAMS. OUR TEAMS HAVE BEEN CHARGED TO DEVELOP RECOMMENDATIONS AND PROPOSE AN IMPLEMENTATION PROGRAM TO PUT IN PLACE A HEADQUARTERS STRUCTURE WHICH ENCOURAGES A UNITARY SENSE OF PURPOSE IN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND ALSO BEST SUPPORTS OUR MISSIONS IN THE FIELD. IN THIS REGARD, THE DRAFT REPORT "MANAGEMENT ASSESSMENT OF CENTRAL AND REGIONAL BUREAU ACTIVITIES" IS BEING

DISTRIBUTED TO YOU THROUGH YOUR REGIONAL BUREAU.

OUR TEAM ASSIGNMENTS HAVE BEEN MADE FUNCTIONALLY. TIM FRY HEADS THE TEAM CONCERNED WITH "OPERATIONS": OUR DELIVERY OF DEVELOPMENT PROGRAMS. HENRIETTA KOLSHAN FORE CHAIRS THE TEAM CONCERNED WITH ALL OF THE LOGISTICAL SUPPORT STRUCTURE OF THE AGENCY ("FINANCE AND ADMINISTRATION") WHICH EMBRACES THE PERSONNEL AREA, CONTROLLERSHIP FUNCTIONS, CONTRACTING AND PROCUREMENT AS WELL AS OUR WORLDWIDE COMPUTER AND INFORMATION SYSTEM. SCOTT SPANGLER LEADS THE TEAM TITLED "POLICY DEVELOPMENT" WHICH COVERS THE STRATEGIC, EVALUATIVE, AND RULE MAKING FUNCTIONS OF THE AGENCY AS WELL AS THE LONG-TERM R&D FUNCTION. WE WILL WORK CLOSELY TOGETHER TO DEVELOP INTEGRATED RECOMMENDATIONS ON THE TOTAL HEADQUARTERS ESTABLISHMENT.

EACH OF OUR TEAMS IS EXAMINING THE CONSIDERABLE MASS OF

EITHER AT SPECIFIC PARTS OF AID OR AT THE AGENCY AS A WHOLE AND MEETING WITH MANY KEY AGENCY OFFICIALS. WHILE OUR MANDATE IS BASICALLY LOOKING AT THE HEADQUARTERS ORGANIZATION, ALL THREE OF US APPRECIATE THAT THE AGENCY'S CORE BUSINESS IS CARRIED OUT IN YOUR DOMAIN -- IN THE FIELD MISSIONS. DR. ROSKENS SHARES THIS SENSE AND WE WANT TO BE SURE THAT ALL AID MISSION DIRECTORS AND AID REPS FEEL THAT THEY HAVE AN OPEN LINE TO OUR TEAMS. YOU ARE WELCOME TO CALL, FAX OR CABLE TO ANY OF THE THREE OF US, OR TO SEND US LETTERS, NOTES OR ANYTHING ELSE YOU THINK WE SHOULD SEE. IN OUR DAILY WORK, WE PAY PARTICULAR NEED TO EX-MISSION DIRECTORS ON THE TEAMS -- PEOPLE LIKE JOHN HUMMON, "CAP" DEAN AND PETER ASKIN -- BUT THERE IS NO SUBSTITUTE FOR CURRENT FRONT LINE PERSPECTIVES.

WHILE OUR CHARGE IS FOCUSED ON THE AID/WASHINGTON PART OF THE ORGANIZATION CHART WE ARE OBVIOUSLY ENGAGED IN THINKING ABOUT POSSIBILITIES TO IMPROVE THE WAY AID DOES ITS BUSINESS BOTH HERE AND IN THE FIELD. WE ARE OPEN NOT ONLY TO IDEAS ABOUT STRUCTURE BUT ALSO TO SUGGESTIONS FOR NEW TOOLS OR IMPROVEMENTS UPON EXISTING TOOLS FOR DELIVERING DEVELOPMENT RESULTS. TWO AREAS WHERE THE HOME OFFICE AND FIELD PERSPECTIVES NEED TO BE ESPECIALLY WELL INTEGRATED HAVE TO DO WITH WASHINGTON BACKSTOPPING OF PROJECTS OVERSEAS AND ALIGNING THE AGENCY'S R&D AGENDA WITH THE REQUIREMENTS OF OUR MISSION

PROGRAMS. YOUR INSIGHTS INTO ISSUES LIKE THESE WILL BE INVALUABLE TO US. WE ARE ALSO OPEN TO THOUGHTS ABOUT WHETHER SOME FUNCTIONS NOW DONE IN THE FIELD COULD OR

SHOULD BE BROUGHT BACK TO THE U.S. AND, CONVERSELY, WHETHER THERE ARE CURRENT HEADQUARTER'S FUNCTIONS WHICH WOULD BE BETTER EXECUTED AT THE MISSION OR REGIONAL FIELD LEVEL.

PLEASE TAKE SOME TIME TO TALK THESE ISSUES OVER WITH YOUR MISSION STAFF AND ENCOURAGE THEM TO COMMUNICATE WITH US EITHER THROUGH YOU OR INDEPENDENTLY. WHILE MAY 1, 1991 IS OUR TARGET DATE TO HAVE THE KEY ORGANIZATIONAL ADJUSTMENTS IN PLACE OR UNDERWAY, YOUR SUGGESTIONS WILL HAVE GREATEST IMPACT IF WE RECEIVE THEM BY MARCH 1. THOSE OF YOU WHO HAVE CLOSE LINKAGES TO OTHER TEAM MEMBERS MAY WANT TO COMMUNICATE DIRECTLY WITH THEM AS WELL. WE WOULD ALSO WELCOME YOUR COMMUNICATING DIRECTLY WITH US.

THE THREE OF US ARE EXCITED BY DR. ROSKENS' INVITATION AND CHALLENGE TO OUR TEAMS.

SINCERELY, HENRIETTA KOLSHAN FORE SCOTT SPANGLER TIM FRY END TEXT. BAKER

BEST AVAILABLE COPY

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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ASSISTANT
ADMINISTRATOR

February 20, 1991

MEMORANDUM FOR: Members of Reorganization Teams

FROM: AA/APRE, Henrietta Holsman Fore #4
GC, Howard M. Fry (E7) JB
AA/AFR, Scott Spangler *me*

SUBJECT: Basic Assumptions on A.I.D.'s Future

In order to give greater symmetry to the work of the three Task Force committees and to the integrative process of the total reorganization exercise, we believe it would be useful to affirm some basic underlying assumptions in certain critical areas of A.I.D.'s future. Because any projection of the future has inherent uncertainty, and because these fundamental elements involve many complexities, we are stating underlying assumptions in very general terms. Despite their generality, they should help somewhat to focus our efforts in ensuring a common theme as we undertake the important task of looking collegially with others throughout the Agency at ways to revitalize the Agency's future.

Future Policy/Program Direction

The Mission Statement and the Democracy, Business and Development, Family, Management and Environment Initiatives are the foundation for the planned future direction of the Agency. Elaboration of these will (and must) evolve as the process unfolds but these should, as written at this point, be the underlying vision of where we hope to be in the 90's.

Product Lines

Agency-wide we will continue to be involved in various development areas as articulated in the Mission Statement and the Initiatives, but it is anticipated that overall, and in individual country situations, we will see sharper focus in our development mandate. As stated in Towards Strategic Management, "...our strategic management goal as an organization is to do fewer things, and do them very well."

Delivery Mode

Our field missions will continue to be the key component of A.I.D.'s method of delivery. A blend of non-project and project assistance will continue, with increasing weight given to economic and democratic policy reform and dialogue.

Mix of Staff

We will maintain and enhance flexibility in use of all staff resources. The trend towards expanded use of FNs and non-direct hire contract staff, including non-career appointments, will in all probability continue, but there will be a need for a basic DH corps, perhaps with greater emphasis on the program manager concept but also including a DH technical cadre to maintain technological state of the art competency in selected areas, to enhance dialogue and performance in significant development sectors, and to oversee contract implementators. DH staff levels will not rise. Elimination of organizational and procedural redundancies through this exercise and related efforts should lead to some staff savings which should be applied to management and program areas of greatest need. Greater integration of FS and GS components is desirable.

Program Budget

We should assume that overall program levels will remain approximately the same. Country levels may be slightly lower in individual cases as we add more countries.

OE Budget

We should assume that OE levels will remain approximately the same or be slightly lower.

Congress

We must work with the Congress to assure a shared vision of the future. We will strive to eliminate earmarks to the extent feasible. We are working on new legislation for foreign assistance, developed in cooperation with the Congress to reflect the Mission Statement and the Initiatives, to provide greater funding accounts flexibility, and to build a domestic constituency.

Foreign Policy

A.I.D. is a development agency within the context of U.S. interests and U.S. foreign policy. It is an essential arm of U.S. foreign relations, and, working with the State Department and under the policy direction of the Secretary of State, we will continue to be responsive to the needs and objectives of U.S. foreign policy.

Reorganization

As the Administrator has stated, this process is to explore all possibilities and opportunities. The data gathering and analysis will be an open and open-ended endeavor. At some point decisions will need to be made on what structural and procedural modifications may be required to assist in the revitalization of the Agency -- to lead to more effective and more efficient management of the resources entrusted to us. The recommendations and analyses of the consultant will be a helpful fabric to be considered as we weave any organizational changes in the tapestry of the Agency's future, as will such themes as managerial effectiveness, efficient span of control, and decentralization to the field missions within a system of evaluation and operational and financial auditing to assure accountability.

cc: Circulation Lists of Reorganization Teams


JH/ck:2/19/91:0275W

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TEAMS

MANAGEMENT

Chair: Henrietta Holsman-Fore

members: Rick Nygard
John Mullen
Carol Adelman
Ann Van Dusen
Linda Lion
Phil Christenson
Peter Askin
Terry McMahon
Bob Friedline

Ex Officio: Regi Brown

Full Time Staff: John Hummon
Tom Bebout

POLICY DEVELOPMENT:

Chair: Scott Spangler

members: Ray Van Raalte
Rich Bissell
Jim Michel
Peter Davis
Jim Kunder
Robert Bakeley
Marty Hanratty
Mike Crosswell
Eric Phillips
Marge Bonner
Dayton Maxwell

Ex Officio: Regi Brown

Full Time Staff: Christina Schoux
Norman Nicholson

OPERATIONS:

Chair: Tim Fry

Members: Brad Langmaid
Fred Zobrist
Paul White

Leslie Dean
Mark Matthews
Joan Wolfe
Hariadene Johnson
Jonathan Addleton
Steve Tisa
George Hill

Ex Officio: Regi Brown

Full Time: Frank Kenefick
Bob Hechtman

Agency for International Development

REORGANIZATION UPDATE

Agency for International Development
Washington, D.C. 20523

*Office of
the Administrator*

A.I.D./W NOTICE
A/AID
ISSUE DATE: 3/15/91

SUBJECT: REORGANIZATION UPDATE #2

Committee Activities: The three plenary committees -- Policy, Operations, and Management -- are looking in detail into their respective areas. Integration among the three committees will also continue, in view of a number of cross-cutting issues, including but not limited to the following:

- Questions on centralization versus decentralization overall, and in several specific areas such as personnel, information, procurement, management support and financial management;
- Location and authorities of the budget function, with particular consideration to the Chief Financial Officers Act of 1990;
- Role and authorities of central programs embodied in such organizations as S&T, FVA, and ASHA;
- Coordination of data and information systems;
- Elimination of redundancies in functions and systems;
- Establishment of meaningful performance indicators and criteria; and,
- How to handle the question of policy formulation to ensure the Agency in fact has a clear vision of its mandate, while allowing for regional, individual country and appropriate program diversity.

In these and other issue areas a key ingredient will be what is most beneficial to our overall development mission, and what specifically best supports the work of our field missions.

The Management Committee, headed by Henrietta Holsman Fore, has divided its work into five subcommittees. These include:

- A Subcommittee on Procurement, headed by Carol Adelman;
- A Financial Management Services Subcommittee, co-chaired by Jim Murphy and Len Rogers;
- A Personnel Subcommittee, chaired by Peter Askin;
- An Information Services Subcommittee, chaired by Rick Nygard; and,
- A Subcommittee on Management and Logistical Services, co-chaired by Bob Friedline and Linda Lion.

The policy team, under the leadership of AA/AFR Scott Spangler, has been working in what has been characterized as an "inductive" process. The team has invested a great deal of time in attempting to learn how policy is currently set at A.I.D. -- and in other development organizations -- as a basis for suggesting an improved policy structure.

Since the team began meeting in early February, it has conducted eighteen sessions of 3+ hours each in order to hear the thoughts and recommendations of entities throughout A.I.D. In each session, team members attempted to distill the critical components of the policy making process, drawing upon the experience of mission directors, PPC office directors, S&T office directors, DP directors, CDIE, AAs, TR directors, representatives of FVA, PRE, LEG, XA, WID, democratic initiatives staff, and numerous other individuals and organizations within A.I.D.

The team also reviewed a number of thoughtful critiques of A.I.D.'s policy process and examined the structures of other major development organizations, as well as meeting with the staff of several of these organizations.

The team examined definitions of policy and related definitional issues, and the implications of how policy is defined, as well as examining hypotheses on perceived problems in policymaking at the Agency. Among the problems hypothesized were lack of transparency and participation; breakdown of the policy process; lack of priorities; multiplicity of priorities; and, inadequate consensus, both internal and external, regarding the role of the agency.

Most recently, the team completed a thorough "inventory" of all policy functions in the Agency so that it could have an up-to-date "map" of the existing policy structure, to be followed by a generic list of policy functions. It is the team's intention to use this inventory of functions as the basis for recommending organizational structures that will best ensure effective policy formulation within A.I.D.

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The team continues to be guided by four basic principles:

- 1) The number of offices reporting to the Administrator must be reduced;
- 2) Accountability for key management functions needs to be increased;
- 3) Redundancy can be reduced; and,
- 4) The Agency must speak with "one voice."

INTERACTION WITH PVOS

On February 13, 1991, Peter Davies, President of InterAction, sent A.I.D. Administrator Roskens a four-page letter making the following general points:

- o PVOs want very much to work with A.I.D. during the reorganization, both because of the extensive development expertise of their members and because they want to help make the best possible decisions in regard to cooperative A.I.D.-PVO programs.
- o PVOs-NGOs must not be regarded as just a constituency which must be satisfied, but rather as a fundamental part of A.I.D.'s work.
- o The present reorganization should strive to fundamentally reconceptualize and strengthen the relationship between the PVOs and A.I.D., and an organizational structure should be created to match.
- o The re-chartering and reinvigoration of the Advisory Committee on Voluntary Foreign Assistance is a marginally useful step, but it is not sufficient to significantly strengthen the relationship unless the ACVFA is explicitly asked to review and make recommendations on improving A.I.D.-PVO operational programs and policies.
- o A.I.D. should work together with PVO representatives to cooperatively design a PVO Center which meets everyone's, particularly recipients', needs.
- o The four PVO programs of the Office of Private and Voluntary Cooperation (matching grants, child survival grants, development education grants, and ocean freight reimbursement) plus the food enhancement grants from the Food for Peace Office should be maintained and strengthened.

- o There is widespread concern in the PVO community about the perception that A.I.D. is rapidly moving away from a focus on basic human needs/human resource development.
- o They asked that the Operations and the Policy task forces discuss the above issues, including the establishment of a PVO Center.

On Friday, February 15th, InterAction representatives met with A.I.D. staff Scott Spangler, John Blackton, Helen Sramek, Joan Wolfe, and Bob Hechtman. Following that meeting, InterAction informed its members as follows:

- o "The reorganization is said to be entirely about management efficiency. It is not meant to augment or decrease any current agency programs, including PVO programs. The committees working on the reorganization 'do not have license to make any programs go away.'
- o The organization blueprint proposed by Deloitte & Touche only contained major agency functions; the fact that something was not included on the chart was only a reflection of the lack of detail.
- o There is a recognition that some operational programs at the headquarters level must be maintained. The question is how to do it within the overall functional framework.
- o The three committees are meeting very often to design and implement the reorganization. Each has an internal schedule of deadlines.
- o The policy committee, chaired by Assistant Administrator for Africa Scott Spangler, is interviewing all the operating units at A.I.D. headquarters and will propose a complete organizational scheme as soon as it is done.
- o Organizationally, Dr. Roskens strongly wants a hierarchical reporting system. In regards to constituents, he wants to separate the 'pay window' from the 'dialogue window.'
- o Dr. Roskens is completely committed to reinvigorating the Advisory Committee on Voluntary Foreign Assistance as the agency 'policy dialogue window' with PVOs. Invitations for empty places on the ACVFA have already been made, and nominees should be announced imminently.

- o Policy chair Spangler encouraged further written comments on where a 'PVO function' would fit into a new structure, but because of time constraints, further face-to-face meetings are unlikely except in special circumstances."

OPEN FORUM

On Tuesday, March 12, 1991, the leaders of the three committees met with Agency staff to talk about the on-going work of their committees and to hear staff comments and suggestions. The next Reorganization Update will summarize the Open Forum discussion.

DISTRIBUTION:

A.I.D. LIST #1

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Agency for International Development

REORGANIZATION UPDATE

Agency for International Development
Washington, D.C. 20523

*Office of
the Administrator*

A.I.D./W NOTICE
A/AID
ISSUE DATE: 3/29/91

REORGANIZATION UPDATE #3

A town meeting on the reorganization was held on March 12, 1991, in the Loy Henderson Auditorium. The panel consisted of John Blackton, representing the Office of the Administrator; Henrietta Holsman Fore, Chair of the Management Committee; Scott Spangler, Chair of the Policy Committee; and Tim Fry, Chair of the Operations Committee. John Hummon was the moderator.

In his introductory remarks, Mr. Hummon welcomed the large turnout by noting that we can be "proud to be a part of A.I.D., and for what A.I.D. has accomplished over the years -- through our field missions and also through the work of such A.I.D./W organizations as S&T, FVA, APRE, Housing, Disaster Assistance and others. We have made a magnificent contribution to development and to people's betterment. No one can deny that.

"But sometimes, just as in a personal sense, you need revitalization. Many outsiders, and some within the Agency, believe that A.I.D. has been drifting without a clear, unified sense of direction. There have been questions and attacks -- often unfair -- on our ability to manage effectively our own resources, and a belief that we need a structure that improves our ability to manage within very tight operating levels. Some say that we have handicapped ourselves with excessive documentation and review requirements, and redundancies in our processes. Other agencies are trying to take over much of the role of international development."

The goal of the restructuring process, he noted, was to improve A.I.D. ability to do its job. He commented that a special effort has been made to obtain mission comments on the reorganization process -- both through cables to the field and through the inclusion of former mission directors on the three committees. The committees had heard from many people within the Agency, and outside of it, over the past month. He characterized the Open Forum as a continuation of the listening process.

John Blackton began with a recap of Dr. Roskens' charge to the three reorganization teams approximately five weeks earlier. He noted that the biggest challenge was not to reorganize the Agency. The real challenge is to get the entire staff -- or at least the great majority -- to buy into the idea of a well-led, unified, effective A.I.D., which speaks credibly and with a single voice.

What we needed, he noted, was:

- a top-to-bottom fresh look at what we do (all of the functions, large and small, that support our "business");
- a thoughtful collective set of recommendations on how we might most efficiently and effectively arrange and order those functions (including deleting those which we don't need and adding those we are lacking); and,
- an overall approach that deals realistically with costs -- both dollars and people.

John Blackton noted that while the Deloitte-Touche staff is still available to support the work of the 38 A.I.D. professionals who are working part-time (and in some instances full-time) on the effort, the reorganization exercise is being run by A.I.D. officers -- "your colleagues and professional peers."

Blackton reminded the group that the current reorganization effort has deep roots, beginning perhaps with the decentralization that Peter McPherson championed with the so-called "Asia Bureau experiment." But a number of studies that McPherson and his successors commissioned made it clear that the decentralization in decision making had not been accompanied by a restructuring of the accountability systems of the Agency. Authorities, responsibilities and accountability were very imperfectly matched -- both in the field and at headquarters.

In April 1990, shortly after taking over as Administrator of A.I.D., Dr. Roskens convened a senior staff retreat in Annapolis to surface major management themes. The "Bollinger Report" was a central aspect of that discussion, and following the retreat the Administrator indicated his intention to ask a respected external management consultant to consolidate and validate the key pieces of A.I.D. internal organization. In July he commissioned the Deloitte-Touche work. They issued preliminary reports in October, December and January, the last of which was the basis for the current work of the three reorganization committees.

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Blackton closed by reminding the group that the goal is not reorganization per se, but rather a strong, unified and effective agency.

Each of the three committee chairs then spoke briefly about the work of each committee. Henrietta Holsman Fore noted that her goal is to see A.I.D. become the best-managed agency in the U.S. Government. To do so, we will need strong central guidelines to direct our decentralized operations; we need to put like activities together; and, we need to streamline and find ways to make our processes more efficient. In closing, she noted that she is looking to all A.I.D. staff to help her identify major bottlenecks in our management systems, and to offer suggestions for improvements.

Scott Spangler noted that the work of the Policy Committee was perhaps the most difficult because the subject matter is the most amorphous. He noted that his committee has met with a number of outside agencies, and some 42 people/units within A.I.D., and he thanked them all for their patience as the committee tries to identify those functions needed to develop, communicate and enforce good policy.

Tim Fry, chairman of the Operations Committee, commented that A.I.D.'s operations have evolved considerably just in the seven years that he has been with A.I.D. And, he noted, they will continue to evolve. The challenge for the Operations Committee is how to build an Agency that can deal with and respond to new challenges. He noted that there are currently many centers of authority, decision making and operational control, and a consequent loss of cohesion. He expressed concern for the inefficiencies that are adversely affecting A.I.D.'s performance, and highlighted the need for a more coherent basis for maintaining A.I.D.'s technical skills base so that we are able to meet future challenges.

The moderator then opened the meeting to comments and questions, which are summarized below.

SPECIFICITY AND OPPORTUNITIES TO REACT AND PROVIDE INPUT

A number of questions and comments dealt with the lack of specificity at present in the reorganization plans. People in the audience wanted to have a proposal to which they could react, and a formal process for doing so. Panelists responded that the purpose of this Open Forum was to gather input on how to make the Agency more effective and that the last five weeks had largely been a discovery process, in which the three groups had been cataloguing major functions and issues in the Agency. It was also noted that the three committees were chosen to be broadly representative of A.I.D. career staff, and that

everyone is encouraged to contact anyone on the three committees to offer suggestions or ask questions. [Attached to this update is a list of the committee members and their office addresses and phone numbers.]

One speaker, noting the tight deadlines that have been imposed on the reorganization exercise, asked at what point there would be more specific information and when would feedback no longer be relevant. Henrietta Holsman Fore noted that, at present, the organizational charts of the three committees just don't fit together, commenting "if we had a consensus we would be sharing it with you." Finally, in response to a suggestion that there be additional open meetings to discuss and provide input on particular topics of general interest and concern, the panelists agreed that this was a good idea. [NB: The Managers Network Executive Board has agreed to organize a series of special topics meetings between now and April 12, 1991. Announcements on timing, location and the subjects of these meetings will be made shortly.]

DECENTRALIZATION VERSUS "SPEAKING WITH ONE VOICE"

Several speakers expressed concern that the reorganization might reduce the role of A.I.D. field missions. Tim Fry noted that there is unanimous agreement on the importance of A.I.D.'s field missions, but much less agreement on Washington's role vis-a-vis the field missions. The operations committee in particular has been looking at A.I.D./Washington's role in supporting the field missions and changes that may be needed to improve that support. On the potential conflict between a decentralized agency and an agency that speaks with one voice, Scott Spangler noted that it doesn't mean that only one person speaks for A.I.D. Rather, we are looking for a common understanding of our policies and strategies, and an ability to communicate and support those policies and strategies -- even where an individual may personally disagree with them.

THE ROLE OF CONGRESS IN THE REORGANIZATION

Because Congress is a major stakeholder in A.I.D. and its programs, a question was asked about Congressional involvement in the reorganization. John Blackton noted that staff on all of Congress's key standing committees have been briefed about both the purpose and the process for the reorganization. He commented that the Congressional staff wanted reassurances that key program areas would not be dropped, but in general felt that management and organizational issues were the responsibility of the Administrator. It was also noted that discussions with the Hill on the rewrite of the Foreign Assistance Act were proceeding along a separate track and did not hinge on the reorganization.

UNIONS

In response to a question about the role of the unions in the reorganization, John Blackton noted that he would be having informal meetings with union representatives this week. As the reorganization evolves, there is a regular and formal process for consultation with the unions that will be followed.

JOB SECURITY

In response to a direct question about whether the reorganization would mean a cutback in jobs, Tony Cauterucci noted that there will undoubtedly be a reallocation of positions as the reorganization clarifies the roles of management, policy and operations support, but that the Administrator has made it clear that there will be no cut in jobs.

THE ROLE OF TECHNICAL STAFF IN A.I.D.

A number of individuals mentioned the informal incentive system currently operating in the Agency that (1) rewards managers over technical staff, and (2) encourages the proliferation of management units in order to create supervisory opportunities for staff, looking for promotions. It was also noted that, if A.I.D. aspires to being a world-class development agency, there have to be good jobs for first-rate technical officers throughout the Agency and at all levels. Panelists agreed that we need to find ways to recognize the good project manager as well as the good people manager, and to develop a flexible personnel system that recognizes the uniqueness of the development enterprise.

Scott Spangler commented that the tension between rewarding technical and management expertise is not unique to A.I.D. or even to the public sector. Tim Fry commented that one of the key issues his committee is addressing is how A.I.D. obtains access to the specialized skills it needs. He noted that, with shrinking FTEs, it may be necessary to centralize some of those skills. It was suggested that perhaps A.I.D. needs a parallel career track for technical experts so that they are not forced into management jobs in order to advance within A.I.D. This is an area that the Office of Human Resources Development and Management will be examining further, as will the Management Committee's Subcommittee on Personnel, headed by Peter Askin.

ROLE OF MINORITIES AND WOMEN

One speaker urged the committees to look for ways to improve opportunities for minorities and women, especially at the senior levels. Henrietta Holsman Fore agreed that this was an area of special interest, and that her committee would be taking a hard look at incentives, upward mobility and career paths for all A.I.D. staff.

INCENTIVES/REWARDS

A followup questioner spoke about the disconnect between authority and responsibility in the Agency and its effect on morale and efficiency. People who have no responsibility for a program are in a position to "sit on" documents -- sometimes for months. Our incentives system currently does not reward, and may even punish, rapid decision-making. Several panelists agreed, noting that we spend too much time on design and too little on implementation; and that our system seems to expect a 100-percent success rate, which tends to make decision makers risk averse. John Blackton commented that perhaps we should try to quantify an error rate that we are willing to live with.

Another speaker urged that the committees look at cash awards and other incentives currently operating in the agency, and Henrietta Holsman Fore indicated that the committee chairs were very interested in this area and asked that people send in their observations and suggestions.

THE ROLE OF THE NEW INITIATIVES IN THE REORGANIZATION

One speaker asked whether the purpose of the new initiatives [environment, the family, democracy, business partnerships, and strategic management] was to redirect the Agency portfolio. Would there be an increase in, say, democracy projects and a concomitant decrease in traditional areas of programming? John Blackton noted that the initiatives are not meant to be new areas of portfolio activity, but rather "lenses" through which we will refocus our on-going work. In some areas -- for example the environment -- the Agency has been active for some time; in others, we are just beginning to develop our strategies. But, he noted, the initiatives are not expected to result in a portfolio of new starts. Henrietta Holsman Fore added that the initiatives provide a way of thinking about what we do.

At the same time, Blackton noted that the Agency needs to "weed" its existing portfolio of some "old and tired" activities. Some of these activities cannot be eliminated because of Congressional or other outside constituencies. But, by providing a new framework for looking at our portfolio, he hopes that the initiatives can help rejuvenate and streamline Agency programs.

OUTREACH/CONSTITUENCY BUILDING

One speaker commented on the need to do a better job of constituency-building for development assistance. Another noted that one problem with constituency-building was that A.I.D. had too many objectives, some of them inconsistent and poorly framed. He commented that A.I.D. needs to be focused and articulate, and courageous enough to take on established constituencies when necessary. Panelists agreed, noting that a concerted effort was being made to discuss the new initiatives with traditional, as well as new, stakeholders in A.I.D.'s programs -- e.g., PVOs, universities, and business advisory groups.

DISTRIBUTION:

A.I.D. LIST #1

COMMITTEE MEMBERS

	<u>OFFICE</u>	<u>PHONE</u>	<u>ROOM/BLDG</u>
<u>Management Team</u>			
Carol Adelman	AA/ENE	7-9119	6724, NS
Peter Askin	PM/OD	3-3261	1430, SA-1
Regi Brown	AA/PPC	7-5482	3942, NS
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Henrietta H. Fore	AA/APRE	7-8298	6212, NS
Linda Lion	MS/IRM	5-1325	1100A, SA14
John Mullen	D/GC	7-8556	6895, NS
Jim Murphy	MS/PPE	5-1633	1600I, SA14
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Ann Van Dusen	S&T/H	5-4600	709, SA18
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Peter Davis	APRE/FPM	7-8898	3319A, NS
Marty Hanratty	ENE/DP	7-9710	6851, NS
Jim Kunder	XA/OD	7-4201	4889, NS
Dayton Maxwell	OFDA	7-5870	1292A, NS
Jim Michel	AA/LAC	7-8246	6256, NS
Eric Phillips	A/AID	7-9660	5945, NS
Ray Van Raalte	S&T/MGT	5-4054	515D, SA18
Reginald Brown	AA/PPC	7-5482	3942, NS

Agency for International Development
Washington, D.C. 20523

Attachment 3

March 7, 1991

Dear Colleague:

We are writing to you in our capacity as chairs of the three teams recently appointed by Administrator Roskens to plan and shape the restructuring of the Agency for International Development in the months ahead. We wanted you, as someone with a sincere interest in the work of A.I.D., to know the current status and direction of our work.

Several efforts are underway to review A.I.D.'s structure and programs, to ensure that the U.S. foreign assistance program is managed as effectively as possible. These include the Commission on Foreign Assistance Management established by Congress in the 1991 Foreign Assistance Appropriations Act and a recently announced management study of A.I.D. to be conducted by the General Accounting Office (GAO).

Complementary to these efforts, Administrator Roskens announced on January 29th the creation of our three teams -- on management, policy development, and operations. The task he set for us was clear: "to specify measurable management objectives for each A.I.D. function and to propose an overall organizational structure which best ensures the effectiveness of our Agency in carrying out its mission."

We have now begun a process, expected to last several months, to produce recommendations that could mean a major reorganization and revitalization of the Agency. In this process, we are carefully reviewing how the Agency has been organized and has carried out its operations, as well as the many thoughtful critiques of A.I.D. and suggestions for improvement. We intend to develop recommendations that will improve our internal efficiency in line with our stated vision of an Agency that is effective in meeting the challenges ahead. Your observations and thoughts -- preferably in writing, so that they can be shared with all members of the three teams -- are welcome throughout this process.

The teams are addressing a number of key issues, and we would especially appreciate your ideas on them. These issues include: managerial effectiveness; efficient span of control; appropriate level of decentralization, within a system of evaluations and operational and financial accountability; appropriate delegation of operating decision authority; structures for decision-making and communications; and, providing bases for measuring the effectiveness of the Agency.

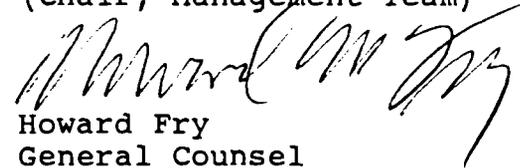
The teams working on these issues are comprised of senior A.I.D. employees, career and non-career, foreign service and civil service, who work in every unit and specialty within the Agency. Team members are giving unstintingly of their time, in an atmosphere of openness, candor and analytical rigor. Although they are reviewing existing management studies of A.I.D., the process is being conducted without preconditions or any preordained management outcome. We are guided by one goal: to propose systems and a structure that will keep A.I.D. the world's best international development organization.

We hope you will feel free to share your comments and observations with us. We intend to keep you informed at key stages in the process, and the Agency will be distributing widely the final outcome of this effort.

Sincerely,



Henrietta Holsman Fore
Assistant Administrator
Bureau for Asia and Private Enterprise
(Chair, Management Team)



Howard Fry
General Counsel
(Chair, Operations Team)



Scott Spangler
Assistant Administrator
Bureau for Africa
(Chair, Policy Development Team)

attachment: A.I.D. mission statement



Mission Statement

U.S. Agency for International Development

The Agency for International Development administers economic assistance programs that combine an American tradition of international concern and generosity with the active promotion of America's national interests. A.I.D. assists developing countries to realize their full national potential through the development of open and democratic societies and the dynamism of free markets and individual initiative. A.I.D. assists nations throughout the world to improve the quality of human life and to expand the range of individual opportunities by reducing poverty, ignorance and malnutrition.

A.I.D. meets these objectives through a worldwide network of country missions which develop and implement programs guided by six principles:

- * support for free markets and broad-based economic growth;
- * concern for individuals and the development of their economic and social well-being;
- * support for democracy;
- * responsible environmental policies and prudent management of natural resources;
- * support for lasting solutions to transnational problems; and,
- * humanitarian assistance to those who suffer from natural or man-made disasters.

A.I.D.'s mission as a foreign affairs agency of the U.S. government is to translate into action the conviction of our nation that continued American economic and moral leadership is vital to a peaceful and prosperous world.

September 14, 1990

Recipients of Chair's Reorganization Letter

PVOs	(270)
Agriculture Groups and Coops	(35)
Think Tanks	(20)
ACVFA (minus members of above)	(15)
Biden Pell Grantee Project Dir.	(30)
Population Cooperating Agencies	(25)
Bifad Board and Int'l Prog. Deans	(200)

3/11/91

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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20623

AID/W Notice
PPC/CDIE
Issue Date: 3/27/91

ANNOUNCEMENT!! -- ANNOUNCEMENT!! -- ANNOUNCEMENT!!

MANAGERS' NETWORK TOPIC WORKSHOPS

During the open meeting on AID/W reorganization held on March 12, a number of issues were raised by the participants. Many of these are basic issues that transcend a reorganization, and others relate to the implications of alternative ways for restructuring AID/W functions.

The reorganization task force has invited the A.I.D. Managers' Network to organize a series of smaller workshops for the purpose of giving A.I.D. employees an opportunity to comment on these specific issues.

The workshops will be organized around three main topics (see topics and schedule below). They will be moderated by members of the A.I.D. Managers' Network and will focus on key issues developed by the three reorganization committees and the Managers' Network Governing Board, as described on the attached sheets. Members of the three reorganization committees (Management, Operations, and Policy) will participate in the workshops, but will not make formal presentations. They will listen to the comments and provide their individual perspectives. Following the workshops, the Network Governing Board will present a summary of the discussions to the task force.

All A.I.D. employees are invited to attend these sessions. Three workshops will be held on each topic, to enable A.I.D. employees to select sessions that best fit their schedules. If you have any questions about the workshops, please contact the following members of the Managers' Network: Peter Askin, 663-3261; Mike Korin, 647-5685; or Nena Vreeland, 875-4852.

All workshops will be held from Noon to 2:00 p.m. The schedule and locations for the workshops are as follows:

<u>TOPIC</u>	<u>April 4</u>	<u>April 11</u>	<u>April 12</u>
Workforce Management and Personnel Functions	216 SA-2	3524 NS	3524 NS
Technical Cadre	1912 NS	1912 NS	1912 NS
Defining Efficiency	210 SA-2	210 SA-2	210 SA-2

4
3k

Workshop Issues

I. WORKFORCE MANAGEMENT AND PERSONNEL FUNCTIONS: How Can Reorganization Improve the Future of the Personnel Function in A.I.D.?

- A. What should planned workforce management look like in the future? What should be the roles of line and staff bureaus in terms of personnel functions?
- B. How can the two personnel systems (Foreign Service and Civil Service) function better to serve Agency priorities and objectives? E.g., should the mix of FS and CS personnel in AID/W units be a matter of concern? Should CS personnel be encouraged to accept overseas assignments?
- C. What would an improved A.I.D. incentive system (individual and unit awards, promotions, bonuses, assignments, and other forms of recognition) be like? How could it encourage greater innovation, creativity, productivity and better overall morale? Do any disincentives need to be addressed in this regard?

II. TECHNICAL CADRE: What Should Be the Role of Technical Staff In the Future?

- A. What are the pros and cons of maintaining strong regional bureau technical expertise vs. consolidating many of the technical cadre into a central technical bureau, which would service bureau technical needs?
- B. Does A.I.D. need a strong technical cadre (career, FS/GS) in the 1990s? To what extent can or should A.I.D. meet its technical needs through non-career, contract, RSSA, PASA, IPA and other employment mechanisms?
- C. What are the pros and cons for having a separate career track/ladder (to FE-OC, GS-16) for AID/W technical cadre remaining in technical areas?

III. DEFINING EFFICIENCY: What Would A More Efficient A.I.D. Look Like in the Future?

- A. What roles does AID/W play? What roles should it play?
- B. What are the relationships among these roles? Can reorganization effectively and efficiently differentiate between them? Are there inherent redundancies/inefficiencies due to the multiplicity of roles? Can they be minimized?

- C. What are the implications of these relationships for organizational structure?
- Are there inherent organizational redundancies due to the complexity of the relationships? Can the complexity be made more transparent?
 - What are the implications for staff vs. line office roles? For loci of decision-making on resources (inputs)?
 - What applicable lessons have been learned by Bureaus which have recently reorganized?
- D. How much of any redundancy and inefficiency is due to disjunction between authority, responsibility and accountability? How much is due to negative control by AID/W?
- Can centralization of control over budgetary (OE, DA, ESF) and personnel resources be effective with decentralization of accountability in achieving objectives?
 - What organizational structure(s) will conjoin authority, responsibility and accountability?
 - Without shifting the priority focus of A.I.D. from inputs (program budget, OE budget, personnel, policy) control to outputs (impact, results of country/regional specific programs), that is, from obligations to measurable impact, can inefficiencies and redundancies be effectively reduced or eliminated?

DISTRIBUTION:

AID List # 1

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Vreeland 0323W

TO: Members of A.I.D.'s Managers Network

FROM: Managers Network Governing Board

SUBJECT: THINKING ABOUT A REORGANIZED A.I.D.

We are reporting to you on the main themes that emerged during a series of workshops held in AID/W on topics related to the reorganization of the Agency. These workshops, which were open to all Agency employees, were held on April 4, 11 and 12. On April 15, we presented the main results of these workshops to the heads of the three committees assigned to various aspects of the reorganization.

WHAT HAPPENED AND WHY?

Following an open meeting on a proposed reorganization, held on March 12, we suggested to the reorganization task force that the Network might facilitate additional opportunities for employees to express their ideas and concerns, and the task force agreed that this would be useful. We took this action for the following reasons: 1) During the March open meeting, a number of issues were raised that we believed A.I.D. employees should be involved in on a continuing basis; 2) Employee participation would enhance the implementation of a reorganization; and 3) Opportunities for employees to express their views would facilitate dialogue between employees and Agency administration.

Working with the task force, we developed several issues for discussion around three main topics of particular concern to all the committees working on the reorganization: Workforce Management and Personnel Functions; Technical Cadre; and Defining Efficiency. The list of issues was distributed to all AID/W employees along with the workshop announcement. We scheduled three workshops on each topic. The workshops were moderated by members of the Network, facilitated by the Training Resources Group, and attended by representatives of the reorganization committees. The workshops attended by about 150 employees; we had a short lead time to get the notices out, and there was a sense that employees could not influence the reorganization process and disappointment with the March 12 meeting. Nevertheless, some strong themes emerged from the discussions, and we are summarizing these for you below.

You will see that much of the discussion during the workshops went well beyond a reorganization per se. In other words,

the reorganization provided an opportunity to surface some issues and concerns that demand management attention regardless of a restructuring of the Agency. We think the Network can continue to play a role in a process for dealing with these issues, and we request your suggestions and your active support in such an effort.

MAJOR THEMES OF THE WORKSHOPS

Cross-Cutting Themes -- Communication and Incentives

All the workshops highlighted the need for management processes to strengthen and speed up communication within the Agency. In particular, attention was drawn to a persistent communication gap between career staff and senior executives in AID/W, and the need for organizational and procedural mechanisms to bridge this gap. Suggestions included the creation of positions for "ombudsmen" at senior levels, who would serve to mediate between career staff concerns and senior executives; and a requirement that all senior deputy positions be held by career people, with specific responsibility for ensuring the communication between career staff concerns and politically appointed senior administrators. Whatever mechanism is established should not be confined to a dissent channel, but should also have a more activist or pro-active role in defining new needs and opportunities for communication.

The inadequacy of our incentive system surfaced in so many ways that one of our main points to the reorganization committees was the need for a complete overhauling of the system. It is a major issue requiring immediate management attention. While some concerns related to the promotion and reward system, many reflected a pervasive sense that employee efforts were simply not respected and acknowledged by senior management, and that scant attention was given to ways for supporting career development in general. Non-monetary rewards are poorly developed in A.I.D., yet these can be important incentives.

Workforce Management and Personnel Functions: How Can Reorganization Improve the Future of the Personnel Function?

A key issue was central versus decentralized control of the human resource function dealing with assignments, promotions and the "two-track" system for technical/management positions. Most of the discussion was around the benefits of centralization. While centralization has advantages (e.g., workforce planning, arbiter of competing demands on human resources, reduced vulnerability of the system to "politicking" and "back-scratching"), there is lack of confidence in the existing central personnel system and some concern that competition would be stifled with central control. Another

theme was that the assignment process needs to be governed by a transparent career development system, rather than an "old boy network". The Agency needs to provide career development opportunities (including training) and career paths for all employees. A trustworthy human resource system needs to have assignments, promotions and incentives based on employee qualifications and performance. The concept of having an ombudsman to broker and oversee personnel functions was discussed.

The Agency needs to think of itself as a "strategic organization", capable of planning its workforce for the future (e.g., combining technical and management skills), making staff more aware of new needs, and enabling employees to use their talents more flexibly in meeting these needs.

The need for two (or more) personnel systems was questioned (FS, GS, FSN, C, AD, etc). The Agency should behave as if it had a unified system, by harmonizing and integrating personnel systems in a way that gives employees more flexibility in selecting career opportunities -- for example, by genuinely facilitating GS staff to take overseas assignments.

The issue of incentives and incentive reform was a major theme. It was suggested that a comprehensive task force (including all staff levels) be formed to make a thorough, rapid and decisive study of this issue.

Special attention to the career development and training of support staff is essential. Their role is changing with automation, yet their career development is being largely ignored. Position descriptions of support staff require major redefinition to reflect new responsibilities (e.g., management of contracted support services). Additional management attention and employee training is required for support staff to involve themselves in the development of the Agency and to provide their advice and perspectives on this development. Support staff allocation needs greater rationalization: there is mis-allocation among offices, with some having a shortage while others have an abundance of support staff.

Technical Cadre: What Should Be the Role of Technical Staff in the Future?

The discussion about how the Agency might best structure its technical cadre focussed on the pros and cons of centralization versus decentralization of technical cadre. There is a need for technical expertise at the central and regional Bureau levels, with increased attention to management processes that encourage communication, responsiveness, linkages and teamwork. The Agency might experiment with a "supply and demand" approach in which the users of technical cadre have a role in assessing performance of the cadre. There was a strong sense that the Agency is not making the best use of its technical cadre.

The need was recognized for a flexible direct hire staff to address an evolving development agenda and broad sectoral issues, including a new role of "technical manager" (although there was concern that the Agency was not clear about its expectations for such a role and not prepared to provide the support to make such a role effective). A strong and valued direct hire technical cadre was seen as necessary, to call upon 1) specialized contractor resources while recognizing the appropriate limits of the contractor functions, and 2) limited career appointments, RSSA/PSSA/IPA/Joint Career Corps. A two-track career path is necessary for technical officers, which provides options to remain specialized or to lateral into management. This would require an overhaul of promotion precepts and position classification standards. There is a role for senior Foreign Service technical personnel, e.g., for setting standards for scopes of work for contractors, for helping the Agency see the forest rather than the individual technical trees, for advising the Agency on cross-technical and cross-disciplinary requirements for evolving development needs, and for feeding technical policy advice into high-level policy formulation.

There has been a vacuum in technical policy leadership, and a need for mechanisms by which technical cadre can directly feed technical advice into the policy-making process.

Defining Efficiency

This discussion covered related issues around the general question of "who needs what to perform effectively and efficiently in carrying out policy and programs, and to be accountable for that performance?" There was a strong impression that A.I.D. is going through a "mid-life crisis", an identity crisis. The environment has changed. A lack of trust is insidious within the Agency, affecting our ability to perform and achieve objectives. There is a need to emphasize the positive more often. The linkages between new initiatives, Mission programs, the reorganization and a possible new Foreign Assistance Act are unclear, and expectations are not being well communicated to staff.

Regarding budget control, policy and leadership, concern was expressed that further centralization of budget control seems counter to decentralization of authority and accountability. To be accountable and get performance in achieving objectives, operating units need timely access to funds and human resources. The "manage-to-budget" concept should be given a fair trial. The Agency should continue its efforts to establish program objectives and performance indicators, agreed to with host countries; but we also need to ensure that these efforts will be supported by a "compact" with State, NSC, Congress and OMB. We need to rebuild a collegial approach to policy-making and operations based on trust and respect. Once

policy is agreed upon, Agency leadership needs to follow through unequivocally and quickly, and needs to be firm in removing key personnel who are not effective. The Agency needs leadership that is proactive, committed and assertive with Congress and the public.

Better communication is needed up and down, and between Bureaus. Especially if an additional management layer is added, a structure is essential for supporting internal communication and dialogue. Suggestions included establishing an ombudsman (e.g., Counselor to A/AID), having career deputies for each AA and Associate Administrator. Communication in the technical area might include a new Agency technical journal. Communication with Congress and the public needs to be more proactive, more positive, more "heads up", and based on a more productive relationship.

Regarding incentives and rewards, fundamental reform is needed. These need to be reoriented toward the achievement of results, including U.S. foreign policy goals, development objectives and program impact. EERs should require client input (e.g., from Missions for Desk Officers). Reliance on (high-cost) contractors has reduced direct hire job satisfaction; there is a need for a more "real" hands-on role for staff. The Agency needs to recognize and deal with a severe promotion "pile-up" for FS1s and FS2s. The Agency might adopt an "Officer of the Year" award for each overseas Mission and AID/W Office, as some other USG agencies have.

Additional opportunities for streamlining operations, leading to efficiencies in use of staff time, were discussed. These included a "one-stop" annual programming document for Missions and AID/W (combining ABS, CP and Action Plan); Project Papers with immediately tenderable scopes of work, so as to reduce the lag time to issuance of RFTPs; and shifting obligations to the start of the fiscal year, implementation during the year, and design at the end of the year, so as to place emphasis on implementation.

Following our presentation of these themes to the heads of the reorganization committees on April 15, they requested us to recommend what we regard as the three or four priority issues that should be dealt with in the next 12 months, since a structural reorganization can create a new environment for dealing with long-standing issues. We met on April 19, and agreed on the following priority issues:

1. Incentives/Developing Indicators of Management Effectiveness
2. Workforce Planning/Role of Technical and Program People
3. Ombudsmen
4. Streamlining Program Operations

Please share this memo with your colleagues who are not members of the Network, and keep in touch with us. For Network members in AID/W: We will be having our Annual General Meeting in May or early June -- be on the look-out for the announcement.

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BRIEFING LIST
4/24/91

<u>DATE</u>	<u>ORGANIZATION</u>	<u>A.I.D. OFFICER</u>
1/24	Materials delivered to Ingram, Goodman, Biegun, Laufman (HFACV); Knight, Walker, Peel (HAC); Bond, Newsom (SAC); Lucier, Verville (SFRC)	Randlett
2/1	Ingram, Van Dusen, Pitchford Blackton, Randlett Goodman, Chambers (HFAC)	
2/1	Lucier, Rickerson, Kline Nirenberg (SFRC)	Blackton, Randlett
2/5	Bond (SAC)	Blackton, Randlett
2/15	InterAction	Spangler, Blackton, Sramek, Wolfe, Hechtman
2/21	Newsom (SAC)	Hummon, Sramek, Randlett
2/22	Food Processing Industry Representatives	Blackton, Fry, Spangler, Hechtman
2/28	Managers Network	Hummon, Hechtman, Schoux, Nicholson
3/12	Open Forum (A.I.D. staff) Hummon, Blackton,	Fry, Spangler, Holsman Fore
3/13	Co-ops [NRECA and VOCA]	Blackton, Fry, Bonner, Spangler, Hechtman
3/14	International Development Hummon, Holsman Fore Task Force, Professional Services Council (Barclay)	Fry, Spangler
3/15	Briefing with HFAC and Select Blackton, Hummon Committee staff	Randlett
3/18	Briefing for HFAC minority staff Randlett	

3/22	AFSA Representatives (Paula Bryant, Helene Kaufman, John O'Rourke, Chris Bazar)	Blackton
3/26	AFGE Representative (Fern Finley)	Blackton
3/26	Briefing for SFRC staff: Verville McCall, Cleveland, Silvias, Kleine	Randlett, Blackton,
3/27	Briefing for SAC Minority	Randlett, Blackton
3/27	Briefing for HAC Minority	Randlett. Blackton
4/3	Briefing for SAC Majority	Randlett, Blackton
4/4	Managers Network	
4/10	U.S. Overseas Cooperative Development Committee	Fry, Kenefick Zobrist, Langmaid, Hechtman
4/17	Women's Action Organization	Blackton, Blane, Van Dusen

APR 16 1991

Mr. Peter Feiden
Bureau for Africa
AFR/PD/SWAP
Agency for International Development
Washington, D.C. 20523

Dear Mr. Feiden: *Peter*

On behalf of Dr. Roskens, I am writing to thank you for your extensive and thoughtful comments on the Agency's reorganization efforts. We have received many letters and the Committee has asked me to respond to yours.

Your comments have been shared with the Reorganization Committees. I am confident that they will be helpful not only in our deliberations over reorganization, but also in the months ahead as the implementation committees begin to act on the reorganization decisions. Your comments on the Agency's recruitment, appraisal, and incentive system touch on issues that have been central to the discussions of all three sub-committees. The Policy Sub-Committee has been particularly concerned with the effectiveness of the personnel system in responding to policy initiatives.

Again, thank you for taking the time to provide your perspectives and comments. I appreciate your feedback and welcome any further suggestions or comments you may have.

Sincerely,

/s/ Scott M. Spangler

Scott M. Spangler

Agency for International Development
Washington, D.C. 20523

*Office of
the Administrator*

April 8, 1991

Dayton Maxwell
OFDA
Agency for International Development
Washington

Dear Dayton:

On behalf of both Dr. Roskens and the Reorganization Committees, I am writing to thank you for your thoughtful comments on the Agency's reorganization efforts. We have received many letters, and the committee has asked me to respond to yours.

Dayton, your piece entitled "Context for Reorganization" had quite an impact on the overall process of the reorganization planning. Your case for a much stronger strategic planning function was heard and taken to heart. Your case for "checks and balances" as opposed to a single central rule maker/rule enforcer was also widely accepted. The team's efforts at integrating the three recommendations into one have focussed a great deal on your "checks and balances" concerns. As you know, the Administrator eliminated any doubts about the initiatives displacing our traditional humanitarian concerns in his strong congressional testimony on the subject.

Your comments have been shared with all the members of the reorganization committees. I am confident that they will be helpful not only in our deliberations on Agency structure, but also in the months ahead as the implementation teams begin to act on the reorganization decisions.

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Again, thank you for taking the time to provide your perspectives and comments. I appreciate the feedback and welcome any further suggestions or comments you may have.

Sincerely,



JOHN STUART BLACKTON
Executive Assistant to the
Administrator and Deputy Assistant
Administrator (Policy)

bcc: Ann Van Dusen