

Agency for International Development

REORGANIZATION UPDATE

Agency for International Development
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A.I.D./W NOTICE
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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.

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.

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