

Towards Integration of Planning, Budgeting, and Reporting in ICRAF

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Introduction

Successful organisations pay attention to strategy, structure, staff, culture, and systems. Currently ICRAF makes less than optimum use of its management frameworks – here defined as the corporate strategy, corporate annual reports, World Bank indicators of CG performance, regional and ecoregional strategies, country/unit/site strategies and workplans, theme strategies, EPMP forward strategy, challenge programs, medium-term plan, program of work and budget (POWB), forward indicative budget, donor reports, core allocations, resource mobilization plans, and workplans and evaluations of individual staff members.

We are seeking clear and consistent signals in ICRAF regarding our overall strategic directions and our ability to achieve synergy. Secondly, we want to build confidence in ICRAF's management system so that people within the system rely on it for dependable institutional guidance. Finally and not least importantly, our investments in science and development are made more optimally (with fewer transactions costs) if we integrate our planning, budgeting, and reporting.

ICRAF has within it the capacity to strengthen its management frameworks. We can improve how we organize, schedule, and integrate them. This begins with ideas and proposals on what we can eliminate, add, improve, and connect for greater synergy.

What Should be Connected?

The desired concept is to link ICRAF's management frameworks vertically and horizontally so as to share content and direction. In the perfect world:

- ICRAF's corporate strategy should inform (downwards) the operational plans of the themes, regions, and global support units. It should also have at least some influence on the system-wide and ecoregional programs which ICRAF hosts (e.g., ASB, AHI, and G&D).
- Operational plans of the regions should inform (downwards) country-level plans. ICRAF also recognizes that country-level plans influence (upwards) the regional perspective.
- The theme strategies should build on what is happening in the regions, and the regions should define and implement actions which contribute to the themes (horizontal connectedness).

- Annual workplans of individual ICRAF scientists and staff members should be vertically linked with the operational plans of their regions, countries, or global support units. Also, they should be horizontally linked to the donor projects and core funds which support their work.
- The medium-term plan (MTP) and the programme of work and budget (POWB) should be tightly integrated. Moreover, the MTP should guide the direction of regional, thematic, and unit-level plans.
- Allocations of core funds should address the priorities and needs identified by the MTP as ICRAF’s principal operational strategy for the near term (rolling 3-year periods).

Action Framework

1. ICRAF’s corporate strategy and business plan should address goal-oriented scenarios and choices. In this way, the corporate strategy and business plan will usefully direct the themes, MTP, and all other lower-level frameworks.
2. The theme leaders need to annually produce theme strategies that key on the rolling MTP. Refreshed theme strategies (e.g., rolling 3-year intentions + targets) should precede the core allocation by several months. For example, theme strategies should be sent out for feedback from the regions no later than mid-year if the core allocations are made in September. The theme strategies should be explicit about publication issues, capacity-building issues, partnership issues, germplasm issues, and so on – within the framework of the MTP. As much as possible, the content of the MTP should reflect the details of ICRAF’s project portfolio. Moreover, the narratives that go into the annual POWB should flow directly from annual updates to the MTP.
3. The current 10-year strategic plans of the regions, where they exist, do not actually guide what they do or how they respond to opportunities. Instead, the regions need shorter-term and more “operational” (business) strategies. A part of this is for the public, but the most essential elements are for internal ICRAF purposes.
4. About timing, the regional (and country) strategies should sequentially follow the diffusion of the theme strategies and the core allocation. This suggests that end-of-year is probably the best moment for writing and reviewing country and regional operational plans. Each such plan must incorporate those elements of the MTP to which the region committed. Not all countries need a plan – this is for the regional coordinators to decide.
5. Annual work plans for all individuals in themes and regions should mirror the content of the annually-revised MTP. That is, each theme leader and each professional in the regions will report against explicit milestones of the MTP. Implementation of this step will take time and effort to put across, requiring monitoring at supervisory levels.

Proposed Re-Alignments in Diagram Format

We can disaggregate the total framework into four connected levels (or phases) to aid exposition. Referring to the flow diagram (Figure 1), they are:

1. Corporate Strategy and Business Plan
2. Annual Thematic and Regional Alignment of the Medium-Term Plan
3. Annual Priority Setting and Budgeting
4. Annual Workplanning, Reporting, Assessment, and Feedback

Level 1: Corporate Strategy and Business Plan

This provides broad goals and the overarching context for ICRAF's work. It lays out ICRAF's choices of what to do, and where to do it, in a forward-looking vision of 5-10 years. It communicates our goals and commitments, many of which are quantifiable, but in less specific detail than our MTP.

The corporate business plan should describe and analyze our institutional environment; suggest our comparative advantages and niche space; identify ICRAF's risks and mitigation strategies; and indicate investment priorities that will keep ICRAF financially and organizationally strong.

Level 2: Annual Thematic and Regional Alignment of the MTP

The ICRAF themes (Land and People; Trees and Markets; Environmental Services; and Strengthening Institutions) need to be consistent with the goals of the corporate strategy and business plan. As the higher-level vision changes, the themes will be expected to adapt accordingly. Similarly, the corporate strategy and business plan will be informed by evolutionary advances at the level of the themes.

The MTP is the operational focus of each theme strategy. Each year, the theme leaders will refine rolling strategies in relation to the MTP framework (i.e., activities, outcomes, and milestones). The theme leaders will invite participation into the theme from each of the seven regional coordinators. The regional coordinators will respond with activities – both existing and proposed -- for each element of the MTP. The regional coordinators will count on their own regional business plans (rolling), of which ICRAF has none at present. Possibly, some regional coordinators will make reference to rolling country-level plans, as well.

This interaction between theme leaders and regional coordinators leads to a dynamic adjustment process. Regional coordinators will try to influence theme leaders to modify their themes and the MTP, while theme leaders will try to influence regional coordinators to fall into alignment with the main thrusts of the themes. This interaction should be iterative, occurring in the first half of each year. Assuming convergence, the end result is a fleshed-out draft of the year's modified MTP, with clearly identifiable regional participation within it.

Level 3: Annual Priority Setting and Budgeting

The fleshed-out MTP (inherited from Level 2) is edited to conform with the standards of the CGIAR, and is sent to the CGIAR Secretariat.

The fleshed-out version of the MTP, which retains all of the regional inputs, is the starting basis for the allocation of core funds via the Programmes Committee. By September, the theme leaders and regional coordinators should have come to certain agreements on the best uses of core funds for each element of the MTP. The Programmes Committee facilitates a review of those priorities and aids the Senior Leadership Team (SLT) to make a final assignment of the core funds.

The draft POWB will be informed by the MTP, the core allocations, and as much information as possible from individual workplans by each professional staff. Although these workplans will not be complete by October, those staff who will be managing core funds will be expected to advance their workplans as rapidly as possible so that Financial Services will be able to develop the appropriate budget lines.

Level 4: Annual Workplanning, Reporting, Assessment, and Feedback

Before 31 December -- and informed by annually refreshed operational plans for countries, regions, and global support units -- each individual will complete a workplan for the following year. Normally, this will be an itemized workplan (objectives and indicators) within the format of HRU's personnel performance appraisal that comes due early in the following year. Each workplan for professional staff will incorporate elements from the MTP (thus aligning the individual's contributions with theme strategies and regional commitments). If each professional is focused on one or more aspects of the MTP, then everyone is contributing to the whole.

Likewise, each individual will report on her/his annual performance in terms of the elements in the MTP. Each supervisor of a professional employee will have the responsibility to insure that the MTP is the guiding framework for performance reporting. "Peripheral accomplishments" are less valuable for ICRAF than the publications, capacity-building, technology adoption levels, etc., which directly support our MTP.

ICRAF will need to report to the World Bank on performance indicators, and the timing for that is likely to coincide with end-of-year performance reporting and work planning by each professional. Thus we can expect complementarities (economies of effort) between data to supply the World Bank and the data needed for HRU's cycle of performance appraisal and work planning.

Reports to donors are generated intermittently throughout the year, and an integrated framework of planning-budgeting-reporting should aid the preparation of reports to donors. Regional coordinators, individual scientists, the Financial Services Unit, and the SLT will share a unified set of annual reports. The MTP will be at the center of this, with most other reports and processes directly connecting to it. We will increasingly speak the language of the MTP across the organization, and this will have the effect of unifying our efforts.

Finally, there should be important annual feedback from Level 4 to Levels 3 and 2 – with at least some feedback from Level 4 to Level 1. This is the “corrective learning” and adaptive management that any worthwhile organization uses for improving how it functions.

