



Good Practice Note No. 16

# Human Resource Management

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*Part of a series of notes to help Centers and their internal auditors review their own Center internal management processes from the point of view of managing risks and promoting value for money, and to identify where improvement efforts could be focused. The good practices described in this series of notes should not be interpreted as minimum standards as not all may be applicable to every Center.*

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## SUMMARY

A Center's operations are crucially dependent on its human resources, and how these are managed can have important impacts on the Center's risk profile. The CGIAR Internal Auditing Unit's medium-term work programs for Centers include a review of human resource management.

The initiation of the CGIAR Strategic Advisory Service on Human Resources (SAS-HR) and the development of an HR community of practice within the CGIAR system provide a good opportunity for Internal Audit to engage with CGIAR HR professionals in establishing some benchmarks against which current practice in a Center can be evaluated. The purpose of this Good Practice Note is to

- document consensus on the relevant benchmarks applicable to CGIAR Center, to aid in the planning of internal audits and other reviews of HR management in the Centers (including those jointly conducted with SAS-HR); and
- contribute thinking to the agenda of SAS-HR and the CGIAR's HR community of practice for development of HR practices in the Centers.

The following good practices are discussed in this Note

## VALUES, PRINCIPLES, AND POLICIES

- Publish the values and principles of the organization regarding human resource management.
- Make human resource policies, job requirements, and performance criteria readily available to all staff. Changes are made in a transparent manner and are adequately explained to the staff.
- Minimize variations in policies, benefits, and rights of access to facilities among staff to those dependent on differences in employment markets or job requirements.



### HR STRATEGIC PLANNING

- Implement an iterative HR strategic planning process. This should inform by projection, as well as influence, the Center's operational and financial plans/projections.
- Equip the function of the human resources to provide strategic analysis and recommendations
- Establish mechanisms so that HR professionals can provide timely input into, and be aware of decisions concerning the overall business strategy of the Center
- Document the HR strategy, either as stand-alone or as part of an overall business strategy for the organization, so that it can be communicated to and validated by those who must implement the strategy

### HR METRICS

- Develop a set of HR metrics that is relevant to the HR and business strategy and that can be readily gathered periodically to permit trend analysis

### ORGANIZATIONAL DESIGN

- Periodically review the current organizational design and evaluate opportunities for changes that will promote the implementation of the business strategy
- In evaluating organizational design, consider informal as well as formal structures, particularly in relation to promotion of knowledge management objectives

### CHANGE MANAGEMENT

- Undertake significant changes in the form of planned change projects
- Incorporate attention to cultural components in major change management projects

### DIVERSITY MANAGEMENT

- Evaluate HR policies and procedures from the perspective of encouraging and getting the most out of having a diverse workforce
- Monitor Center performance in terms of creating a supportive environment for and achieving a diverse workforce



### **RECRUITMENT, SELECTION, AND ORIENTATION**

- Implement sourcing strategies that attract applications from a diverse range of high-performing candidates
- Implement a transparent selection process that ensures objective selection using relevant criteria
- Implement orientation processes that ensure that new staff are aware of Center values, key policies, and procedures

### **PERFORMANCE MANAGEMENT**

- Implement a cyclical performance management system in which performance targets are agreed between staff and supervisors and evaluated and reset at least annually
- Align research staff performance appraisal criteria with agreed research success factors

### **STAFF DEVELOPMENT**

- Establish an overall framework for staff development
- Link staff development with performance management processes and track this through development plans

### **CODES OF CONDUCT**

- Implement a framework to guide staff on expected personal and business conduct in the workplace
- Publish guidelines on various aspects of personal and business conduct

### **REMUNERATION AND REWARDS**

- Implement a professional job evaluation system to determine job levels and compensation
- Clearly define, communicate, and apply in selection processes the knowledge, skills, attitudes, and performance levels required for career progression

### **ADMINISTRATION OF BENEFITS**

- Implement systems to streamline the management of benefit transactions
- Maintain effective filing systems to support administration of benefits



### EXIT PROCEDURES

- Conduct exit interviews with departing staff
- Implement sign-off procedures for departing staff with respect to handover of Center equipment and resources in their custody and research data for their projects

### Acknowledgment

*This note has been prepared solely for use by CGIAR Centers and their internal auditors, and SAS-HR. The note draws on the results of audits and reviews of practice in various CGIAR Centers; advice from the Director of SAS-HR and from the CGIAR HR community of practice, and reviews of benchmarks drawn from publications of the CGIAR Gender & Diversity Program and SAS-HR, and from a number sources from CGIAR member countries. These are listed in the bibliography section at the end of this Note. We would also like to acknowledge the suggestions of Mr. Bob Moore of Bob Moore and Associates, Management Consultants.*





# Human Resource Management

## INTRODUCTION

A Center's operations are crucially dependent on its human resources, and how these are managed can have important impact on the Center's risk profile. Fundamental to the effectiveness of the enterprise are its human assets – the collective knowledge, understanding, competence, and expertise of staff—and how they are managed and motivated to apply this in the best interest of the organization. The CGIAR Internal Auditing Unit's medium-term work programs for Centers include human resource management.

The initiation of the CGIAR Strategic Advisory Service on Human Resources (SAS-HR) and the development of an HR community of practice provide a good opportunity for Internal Audit to engage CGIAR HR professionals, in coming up with some benchmarks of good practice. The purpose of this Good Practice Note is to

- document consensus on the appropriate benchmarks applicable to CGIAR Center, to aid in the planning of internal audits and other reviews of HR management in the Centers (including those that may be jointly conducted with SAS-HR); and
- contribute thinking to SAS-HR and the CGIAR's HR community of practice on potential areas for development of the HR function in the CGIAR system.

## THE EVOLUTION OF HR MANAGEMENT

The role of human resource management has evolved in recent decades. HRM no longer just encompasses a supportive administrative function, relating to the organization's human resource transactions that are essential to its day-to-day operations. HRM is also, in many organizations, a strategic function, where human capital is explicitly and prominently factored into the organization's corporate planning and strategy decision-making processes. With this comes increasing recognition that senior HR professionals need to engage in corporate strategic discussions, as advisor and partner of the executive management team.

At the same time, it behaves HR professionals to ensure that human resource transactions are completed competently and efficiently, in accordance with organizational policies.

Ulrich identifies four roles in a modern and service-oriented HR function, whereby HR professionals ensure that



- Line manager-friendly systems and procedures are available to help management staff execute their people management role (i.e., technical-professional and service role of HR);
- Line management is equipped to work within the various labor relation laws and codes of conduct that govern the relationship between staff and management in the workplace (compliance role of HR);
- Each business unit has an overall people management (HR) strategy in place that increases the value of staff in meeting the overall objectives of the institute (strategic role of HR);
- HR systems and procedures are run at optimal cost (financial management role of HR).

For analytical purposes, this Good Practice Note groups these various HR roles into the following functions or activities:

- HR strategic planning
- HR metrics
- Organizational design
- Change management
- Diversity management
- Recruitment, hiring and orientation
- Performance management
- Staff development
- Codes of conduct
- Remuneration and rewards
- Benefits administration
- Exit procedures

### **RISKS AND OPPORTUNITIES IN HUMAN RESOURCES**

Taking a broader view of HR management that encompasses strategic issues facilitates the consideration of people as a key element to be considered in the management of a Center's risks and opportunities.

The key objectives of human resource management are pursued to achieve the following;

- That right skills are brought to bear at the right time to implement the Center's business plans
- That Center staff stay motivated and committed to the Center's mission
- That Center effectively taps the talent of its diverse human resources



- That Center effectively leverages its staff with national and international partners with appropriate skills and knowledge

The table below summarizes some of the more significant opportunities and risks associated with these objectives, where HR functions and activities have an important role to play.

RISK CATEGORY	OPPORTUNITIES	RISKS	HR MANAGEMENT PROCESSES
	Effectiveness	<p>There is a mismatch between the skills required and what is available to the Center through its staff, expert consultants, and partners. Related sub-risks are:</p> <ul style="list-style-type: none"> <li>● Inadequate understanding of and planning for fulfilling skills requirements</li> <li>● Center recruitment efforts fail to identify required types of candidates (staff, consultants)</li> <li>● Financial and non financial benefit incentives are not adequate to attract the required types of candidates (staff, consultants)</li> <li>● Inadequate workforce diversity weakens the Center’s HR base</li> <li>● Center HR practices fail to keep pace with external markets, rendering the Center less attractive to required types of candidates</li> </ul>	<p>HR strategic planning</p> <p>Staff recruitment</p> <p>Consultant recruitment</p> <p>Remuneration and rewards</p>
		Erosion of professional skills of scientific staff	Staff development



	Staff are productive and committed to achieve quality standard in their work	Staffs are not motivated, with consequences for quality and timeliness of products. Sub-risks include demotivation from <ul style="list-style-type: none"> <li>workplace harassment</li> <li>poor internal information and communications</li> </ul>	Performance management  Code of conduct system
	Staff are organized, empowered (delegated authority), and physically located to best deliver their work	Center effectiveness (quality, responsiveness, speed of delivery, compliance with institutional policies) is degraded due to sub-optimal organizational features, such as <ul style="list-style-type: none"> <li>lack of clarity among staff of their responsibilities and accountabilities</li> <li>excessive multi-level approval processes</li> <li>remoteness from partners and research sites</li> <li>loss of critical mass for productive professional interaction, and loss of programmatic cohesion resulting from geographic decentralization</li> <li>empowerment without adequate training and preparation</li> </ul>	Organization Design
	Center staff produce research with the highest standards of scientific integrity and reliability	<ul style="list-style-type: none"> <li>Scientific fraud</li> </ul>	Code of conduct system
	Change programs, aimed at improving effectiveness by re-orienting how staff work	Change programs fail due to such factors as:	Change management



	in and relate to the Center, are designed and implemented to ensure timely and effective results	<ul style="list-style-type: none"> <li>● insufficient staff preparation or training (communications, re-tooling)</li> <li>● inadequate change management leadership (commitment)</li> <li>● inadequate monitoring and adjustment mechanisms during the change effort</li> <li>● sequence problems (e.g., information systems or system upgrades needed to support change not implemented as planned)</li> <li>● over commitment (staff overwhelmed with multiple changes)</li> </ul>	
Safety	Healthy workforce	Staff downtime because of preventable or treatable health problems (self or family)	OH&S system
Financial and legal compliance	Accurate, timely, and efficient administration of staff salaries and benefits	<p>Non-compliance with obligations to staff in relation to salaries and benefits</p> <p>Erroneous or fraudulent payments of salaries and benefits</p>	Benefits administration

### CAN THERE BE “BEST PRACTICES” FOR HR MANAGEMENT?

While there are no “universal” models of best HRM practice that apply to all organizations, one can discern, from research sources and experience within the CGIAR System, a set of good practices that can be considered when evaluating the HR function in a Center. Applying a “best fit” approach, these benchmarks need to be considered against the particular realities of a Center to determine their applicability.



### Good practice

Publish the values and principles of the organization regarding human resource management

## VALUES, PRINCIPLES AND POLICIES

The process of documenting an underlying philosophy and approach to HR management helps management focus attention on areas of existing practice that may be out of line with what is currently desired. Engaging staff in the process of documenting HR values and principles and disseminating the end results to all staff helps ensure that those values and principles best reflect the organization's mission and helps build commitment to those values and principles among staff.

### Box 1. OneStaff Approach

SAS-HR has documented an overall vision and values for managing people, known as "OneStaff", which Centers can draw upon to develop their Center vision and values and to benchmark their current policies and processes. OneStaff aims at applying a single set of values and policies, compensation structure and HR management processes to all staff members. OneStaff values include

- Fairness and equity
- Transparency
- Strong communication and knowledge sharing
- Inclusiveness and participation
- Respect for social needs of staff as family and community members

Readers of this Good Practice Note are encouraged to refer to the SAS-HR Concept Note on OneStaff (Rajasekharan 2004), for more information on these values. The Concept Note is available at [http://www.cgpeoplepower.org/show\\_publications.jsp](http://www.cgpeoplepower.org/show_publications.jsp)

### Good practice

Make human resource policies, job requirements and performance criteria readily available to all staff. Changes are made transparently and are explained to staff

The various manuals and documents that contain HR policies, job requirements, and performance criteria should be readily available to all staff. Increasingly, Centers are making these available on line, via their intranets. This helps ensure that any changes are quickly reflected in the published versions. Changes in policies should also be carefully explained, along with the rationale. Referencing changes to



the overall values and principles of HR management will be desirable. This reduces uncertainty and builds confidence among staff as to the commitment of management to adhering to the overall values and principles.

### Good practice

Minimize variations in policies, benefits, and rights of access to facilities among staff to those dependent on differences in employment markets or job requirements

CGIAR Centers have multiple categories of staff based on the markets in which they are recruited. All Centers have internationally and nationally recruited staff categories, some Centers have regionally recruited staff categories, and within these categories, there may be sub-categories. Over time, differences in the terms and conditions of employment for these categories create class differences, manifested in rigidly stratified professional (and sometimes social) environments. The resulting perceived and real inequities could promote dysfunctional behavior ranging from a lack of motivation to antagonistic attitudes between different groups. This can impact on the attractiveness of the Center in competitive employment markets and negatively affect teamwork within the Center—ever more critical as Centers must do more with less staff and rely increasingly on multi disciplinary teams drawn from across staff groups (Rajasekharan 2004).

SAS-HR notes (Rajasekharan, 2004) the following steps to manage such risks:

- Having a single policy applicable to all staff, supported by small attachments that describe additional conditions or differences applicable to different employment categories
- Developing a compensation system and packages that do not have any explicit or inherent bias based on non professional considerations
- Providing the same compensation to staff members with the same competencies doing the same jobs
- Emphasizing similarities in policies and practices that apply to all staff, rather than on few differences in conditions of employment
- Progressively standardizing social benefits such as insurance and occupational health programs
- Making available to all staff benefits that are not dependent on differences in employment markets or job requirements
- Providing equal access to social and welfare services

### HR STRATEGIC PLANNING

HR strategic planning is the process by which, an organization as it develops, ensures that it has the right number of people with the right skills in the right positions at the right time to meet its operational and business needs.



It deals with strategic choices associated with the use of labor in an organization. Making choices about the levels and type of staffing, remuneration and benefit policies, and recruitment efforts to be initiated will be guided by such issues as

- the need to maintain a sufficient core intellectual capital within the Center
- opportunities and risks related to donor-seconded or-sponsored staff; postdoctoral, visiting scientist or fellowship assignments; and short-term consultants
- changes in the Center's business strategy e.g., expansion or contraction of particular research lines; greater geographic decentralization of staff, development of business in certain geographic zones
- changes in the Center's operating modes, in response to quality improvement efforts or recommendations from external and internal reviews
- attracting staff (and families) to locations with security problems and/or amenity issues;
- a desire to expand the workforce diversity (e.g. gender, nationality, representation from developing as well as developed countries)

The level of investment of effort in HR strategic planning that is deemed appropriate to the organization's circumstances will vary from organization to organization and from time to time.

Changes in research focus and technology and uncertainty of medium-and longer term levels of donor funding for publicly funded scientific research mean that CGIAR Centers need to approach HR strategic planning with considerable flexibility. Nonetheless, there is a compelling business case for Centers to proactively engage in an HR strategic planning process to facilitate orderly and timely implementation of operational and financial plans.

### Good practice

Implement an iterative HR strategic planning process. This should be informed by, as well as influence, the Center's operational and financial plans/projections

HR strategic planning is, by its nature, an iterative process. Limited investment in the initial stages may be quite appropriate to the level of uncertainty about inputs and other conditions. However, provided the resource planning process—assumptions, developments, and consistency with associated strategies—are reviewed periodically by management, the process overall will make a significant contribution to the operations and success of the organization.



### Box 2. SASHR Strategic Staffing Concept Note

Effectively implementing an iterative HR strategic planning process involves a number of important steps. Centers must

- identify their critical staffing issues
- define gaps and surplus
- develop staffing strategies and implementation plans
- implement and monitor
- evaluate impact

SAS-HR has prepared a Concept Note on Strategic Staffing, which is defined as a systematic planning process that maps and meets the short-and long-term staffing implications of Centers' business strategies. The Concept Note distills best practice relating to implementing the above steps, as applicable to CGIAR Centers. Readers of this Good Practice Note are encouraged to refer to the Concept Note for more information on implementing strategic staffing processes in CGIAR Centers.

The Concept Note is available at [http://www.cgpeoplepower.org/show\\_publications.jsp](http://www.cgpeoplepower.org/show_publications.jsp)

### Good practice

Equip the human resources function to provide strategic analysis and recommendations

Centers should ensure that their team of HR professionals is collectively able to provide strategic inputs. [www.goodpractice.net](http://www.goodpractice.net) identifies a number of key competencies that will assist HR professionals in their business partnership:

- business knowledge: strategic, technological, financial
- change management capabilities: innovation, problem solving, and commitment
- knowledge of procedural HR practices such as remunerations, rewards, and appraisals
- knowledge of strategic HR practices: organizational design, role design, and report system design

Centers may seek to obtain these competencies through a combination of in-house HR professionals, SAS-HR services, and external experts on a consultancy basis.



### Good practice

Establish mechanisms so that HR professionals can provide timely input into, and be aware of decisions concerning, the overall business strategy of the Center

Whatever the position of HR responsibility within the organization, it is important that HR strategy is aligned to the business need. This requires that HR professionals not only understand the business strategy but also to articulate its implications on HR management and the consequences for HR strategy.

It is important, therefore, that HR professionals are brought early into any business strategy discussions, so that their advice can be timely as well as relevant to the Center. This may be done in different ways, including:

- participation as members or observers at Center management team meetings
- routine briefings from Center and unit management on business strategy discussions
- regular visits to regional/country offices (particularly important for Centers with significant decentralization)
- routine access to relevant documentation about business strategies or initiatives with likely or potential HR implications

### Good practice

Document the HR strategy, either in a stand-alone document or as part of the organization's overall business strategy document, so that it can be communicated to and validated by those who must implement the strategy

Where HR strategies are recorded in stand-alone documents, there should be a clear linkage made in the document to the organization's overall business strategy.

### HR METRICS

As organizations focus their efforts on implementing more strategic management of human capital, they also place more importance on the development of HR metrics to benchmark the organization's HR performance in key areas and monitor changes as a result of the implementation of various HR initiatives. These (or a key subset) can be presented in an integrated format with an organization's other performance metrics in such formats as balanced scorecards or "dashboards".



### Good practice

Develop a set of HR metrics that are relevant to the business strategy and that can be readily gathered on a periodic basis to permit trend analysis

Examples of HR metrics, which are or may be relevant to CGIAR Centers for benchmarking and then monitoring trends, are:

- Staff turnover/retention
- Staff “headroom” – proportion of filled positions to total positions; proportion of positions filled by long-term staff versus temporary staff and consultants
- Staff qualifications and experience
- Numbers and types of applicants for advertised vacancies
- Staff diversity
- Staff satisfaction
- Staff performance ratings
- Professional development hours achieved
- Overtime and (where Centers implement time tracking systems) unbilled time
- Health and safety statistics

Many of these metrics can be efficiently captured through good HR management information systems.

Staff satisfaction is usually measured as a composite of various submetrics captured through Centerwide confidential staff surveys. They may be supplemented at unit or location level by self assessment exercises using anonymous polling technology.

### ORGANIZATIONAL DESIGN

Organizational design can be defined as the “process of managing the organizational structure” (Wagner and Hollenbeck, 1998). The organization’s structure is not only a tool for managing the workforce but also a means of communicating priorities and responsibilities, enabling management to focus employees’ and stakeholders’ attention on particular aspects of the business (Davenport and Beck, 2002). Organizational design should support strategy implementation, facilitate the flow of work, permit effective managerial control, and create reasonable and measurable jobs (Nadler and Tushman, 1992).



According to Galbraith (2003), the problem of organizational design occurs when there are many employees in a number of specialist groups, which need to be integrated around the completion of a global task.

CGIAR Centers seek to have staff from different scientific disciplines, as well as those from financial, administrative, and technology support functions, working collaboratively on identifying key research problems, attracting donor funding to have these tackled, and delivering the necessary research products. Often, overlaying this is a move by Centers to decentralize functions geographically (in varying degrees) to regionally located offices. Many Centers have turned to various types of matrix organizations and the formation of multidisciplinary teams to facilitate this collaboration.

In “strong” matrix management structures, resources are managed by function or discipline; managers work on projects managed by program managers.

Pitagorsky (1998) notes that, while project and program managers (PMs) and functional managers (FMs) are in the business of keeping their organizations happy and healthy, their relationship is often competitive and antagonistic. Conflict between PMs and FMs is often rooted in problems with the organization's structure, particularly, role definition, incentive/compensation, reporting hierarchies, and lines of communication. Pitagorsky identifies the need for stability in program/project resourcing promised by functional managers, and defining program/functional manager roles as important elements in minimizing problems with matrix management.

### Good practice

Periodically review the current organizational design and evaluate opportunities for changes that will promote business strategy implementation

There is no universal best way to design an organization—the structure should flow from the missions and strategies of the organization itself (Nadler and Tushman, 1992). Given the dynamic environment in which CGIAR Centers operate a periodic review of the organizational design is desirable. This review should consider (as-is and as-could-be) such factors as

- flexibility of the organization to adapt to financial or technological change
- internal and external client service orientation
- empowerment of staff with a view to drawing out their energy and creativity
- ability to attract high-performing staff
- knowledge sharing within the organization
- opportunities for cost reduction based on fewer layers of management and better alignment of accountability and responsibility within the organization



- opportunities for economies of scale through internally shared services, outsourcing and co-sourcing.

### Good practice

In evaluating organizational design, consider informal as well as formal structures, particularly in relation to promotion of knowledge management and “boundaryless organization” objectives

Center effectiveness can be enhanced by informal as well as formal organizational structures. The increasing importance to Centers, and the CGIAR System as a whole, of knowledge management as a key source of competitive advantage has focused attention on the (usually informal) organizational structures that facilitate knowledge capture and dissemination as well as the technology to support this. These can include:

- The development of communities of practice within the Center or across the CGIAR system, which aims to help develop knowledge. These are not shaped by formal organizational structures but by the common interests of the participants, and
- The role of intermediaries between those engaged in creating and developing knowledge and those using that knowledge.

These should be combined with nonstructural incentives such as inclusion of knowledge management factors in recognition and reward systems, performance management systems, and management metrics.

The “boundaryless organization” is a paradigm shift which underlies such concepts as the “virtual organization”, the “empowered organization”, and high-performance work teams. It recognizes the limitations, for organizational effectiveness, of vertical boundaries (between levels and ranks of people), horizontal boundaries (between functions and disciplines), external boundaries (between the organization and its suppliers, customers and regulators, and geographic boundaries. The focus is how to organize people, tasks, processes and locations to best move ideas, information, talent and decisions where they are most necessary to achieve effectiveness, and how to build flexibility into organization structures given an environment of dynamic external changes impacting on the organization (Nelson 1997). Consideration should be given in Center organizational design to:

- fostering worker mobility within the organization where this promotes value to the organization in terms of using their knowledge, skills and abilities;
- accommodating flexible employment and working arrangements (including offsite location) of employees

“worker-oriented” approaches (focusing on behaviors and skills rather than/as well as tasks) to job analysis to accommodate highly interdependent, continuously evolving jobs.



### CHANGE MANAGEMENT

CGIAR Centers undertake change initiatives of various forms and scales. Nickols (2004) provides a framework for thinking about the change process in terms of problem solving—“problem” being defined as a situation requiring action to move to a more desired state. Managing change is seen as a matter of moving from one state to another, specifically, from the problem state to the solved state. Diagnosis or problem analysis is generally acknowledged as essential. Goals are set and achieved at various levels and in various areas or functions. Ends and means are discussed and related to one another. Careful planning is accompanied by efforts to obtain buy-in, support and commitment. The net effect is a transition from one state to another in a planned, orderly fashion. This is the planned change model.

#### Good practice

Undertake significant changes in the form of planned change projects

Change management is a significant subdiscipline. That this note does not intend to address all its aspects. However, some well-recognized critical success factors of change initiatives, which should be incorporated in planned change projects, are

- staff preparation or training (communications, retooling)
- change management leadership (commitment)
- monitoring and adjustment mechanisms during the change effort
- sequence management (e.g., information systems or system upgrades needed to support change are implemented at the right time)
- managing the change burden on staff (so staff are not overwhelmed with multiple changes)

#### Good practice

Incorporate attention to cultural components in major change management projects

Riches notes that any large-scale change requires the large issue of culture to be confronted, and that this can be a daunting task—even identifying culture, that invisible and often complex system of beliefs and practices that determines how people act in organizations, is fraught with difficulty. Her organization change and leadership development website reproduces 10 cultural components that one writer (Timothy Galpin HR Magazine March 1996) says must be considered when implementing change:

1. Rules and policies - eliminate rules and policies that hinder the change and create new ones that reinforce the desired way of operating. Develop and document new Standard operating procedures.
2. Goals and measurement - develop goals and measurements that reinforce the desired changes.



3. Customs and norms - replace old ways of doing things that reinforce the old ways with new customs and norms e.g., replace written reports with face-to-face meetings.
4. Training - again replace training that reinforces the old way of doing things with new training. Develop experiential training that provides real time and hands-on experiences with new processes and procedures.
5. Ceremonies and events - put in place ceremonies and events that reinforce the new ways. Recognize individual and team contributions to making the changes work.
6. Management behaviors - publicly recognize and reward managers who change by linking promotion and pay to the desired behaviors. Do not promote or pay increases to managers who do not come on board.
7. Rewards and recognition - make rewards specific to the change goals that have been set. Ensure that the performance management system recognizes and rewards the desired ways of operating and does not simply reinforce the old ways. For example, a performance management system that measures only individual behavior will undermine any attempts to inculcate a culture of teamwork.
8. Communications - deliver communications in new ways to show commitment to change. Use multiple channels to deliver consistent messages at all stages during the transition, before, during and after the change.
9. Physical environment - make sure that the physical environment reflects the change. If knowledge and information sharing is the goal, get people out of offices and into open, shared areas. If you want them to talk to their customers, create 'virtual' offices so that people are encouraged to work outside the office with customers.
10. Organizational structure - make sure that the structure reinforces the operational changes. Combine overlapping divisions; reorganize around customers as opposed to functions.

### **DIVERSITY MANAGEMENT**

To retain their reputations for excellence, Centers need to create work environments that support the productivity, career development, and job satisfaction of women and men of diverse backgrounds. The fundamental proposition for diversity in the CGIAR, as articulated by the CGIAR Gender & Diversity (G&D) Program, is that expanding the pool of skills, talents, perspectives and ideas within the organization will strengthen the performance of the Centers. A diverse workforce is seen as enabling the Centers to better develop effective partnerships and to respond rapidly and successfully to challenges in the external environment. Research on R&D teams at CSIRO and Stanford University found that diversity-rich teams outperform homogenous ones, especially for innovation (Wilde and Shields, 2002). Centers that fail to effectively exploit the opportunities presented by developing and maintaining a diverse workforce run the risk of losing in the competition for the “best and brightest” in key disciplines, failing to match the quality expectations of investors, and ultimately suffering financial downturn.

In its most recent summary of systemwide human resources data, the G&D Program reported that “by most criteria relating to diversity of origin, the CGIAR appears to be in a healthy state. The situation relating to gender balance is, in contrast, disappointing” (Jayasinghe and Moore, 2003).



The G&D Program works with individual Centers to establish model policies and programs that support gender and diversity balance. The Program reports that progress has been mixed—some Centers are missing critical policies, others have exemplary policies in some areas but outdated policy in others.

### Good practice

Evaluate human resource policies and procedures from the perspective of encouraging and getting the most out of having diverse workforce

The G&D Program recommends that BoTs should request a managerial review of HR policies and procedures in order to identify which policies and procedures support diversity (Allen and Wilde 2003). It recommends that each Center should have the following policies and procedures in place:

- Statement of commitment to diversity
- Diversity-related employment policies
- Anti-harassment policy and procedures
- General family-related policies and procedures
- Spouse/partner employment-related policies and procedures
- Family work/balance policies, procedures, and facilities

### Good practice

Monitor Center performance in terms of creating a supportive environment for, and achieving, a diverse workforce

## RECRUITMENT, SELECTION, AND ORIENTATION

### Good practice

Implement sourcing strategies that attract applications from a diverse range of high-performing candidates

Global sourcing or seeking pools of qualified professionals throughout the world in order to build the best slate of candidates requires both traditional and nontraditional sourcing channels (Wilde and Shields, 2002). The G&D Program has identified the following global sourcing strategies:



- Increasing overall Center visibility—potential avenues are maintaining attractive and informative websites where job opportunities are clearly visible; being visible to universities and research institutions important for the disciplines of the Center, across regions; visibility with relevant scientific and professional associations;
- Writing diversity-positive announcements that project a competitive image of the Center;
- Utilizing the internet for widespread posting of position announcements;
- Utilizing internet search tools for finding the hard-to-find;
- Advertising via print media and radio—consider the regional and gender audiences when selecting outlets; and
- Hiring recruiting firms (for more senior positions);
- Tapping employee referrals.

CIAT has documented its favorable experience with using the internet to access candidate databases and permit candidates to register their CVs for CIAT vacancies—see [http://www.cgpeoplepower.org/show\\_publications.jsp](http://www.cgpeoplepower.org/show_publications.jsp)

### Good practice

Implement transparent selection processes that ensure objective selection against relevant criteria

As international public organizations, CGIAR Centers should employ transparent and objective selection processes. This includes

- Establishing objective selection criteria against which all candidates are consistently assessed
- Using selection panels to prepare short lists, interview candidates, and make recommendations as to selection decisions
- Implementing candidate-testing methods that test as best as possible the candidates' suitability against the criteria e.g., structured interviews and exercises that include problem solving, report writing tests, and presentation skills testing.

### Good practice

Implement orientation processes that ensure that new staffs are aware of Center values, key policies, and procedures



### PERFORMANCE MANAGEMENT

Performance appraisal is now widely recognized as an essential process for making people successful, by having agreed work objectives and priorities clear standards for judging success and a structured and transparent process for staff and their managers to communicate about how these standards are being met and what may be needed to address shortfalls.

An effective performance management system should

- improve the understanding that staff members have of their work responsibilities by clearly identifying their major work objectives and the quality of performance that is expected of them
- improve the understanding that managers have of their own work responsibilities
- enhance communication between the staff member and respective manager on work-related issues
- help staff to assess objectively their own work performance
- help managers to assess objectively the work performance of the staff who report to them
- identify and resolve any performance-related problems in a timely way
- provide an opportunity to identify staff development needs
- enhance job satisfaction for staff at all levels
- provide information to management to help them make decisions on professional advancement and allocation of rewards to staff
- link individual performance and development to organizational objectives

#### Good practice

Implement a cyclical performance management system in which performance targets are agreed between staff and supervisors and evaluated and reset at least annually

Effective performance management systems include the following features:

- There is a clearly defined start, middle, and end of the appraisal cycle (i.e., to keep the system “alive” during the year, rather than it being a “once-a-year” exercise);
- The “performance targets” accommodate both work objectives and required competencies, with a clear alignment between the latter and the organization’s staff classification guidelines;
- There is a higher level manager’s review of the performance targets to ensure consistency of expectations of staff in the same staff group and grade;
- Some form of diary is maintained for both parties to record progress/problems/changes in objectives (rather than trying to recall, at the end of the year, events that occurred 8 months before);



- There is a mid-term progress review, with brief notes;
- The first input to the end-of-year appraisal is provided by the staff member, with specific provision for recording unexpected achievements/benefits (i.e. other than those planned when the objectives were set);
- There is a face-to-face meeting between supervisor and staff member, at which the latter provides his/her assessment and reconciles any differences of opinion and allocates a performance rating;
- A sensible number of options are available for performance ratings, well-worded (i.e., don't use the term "satisfactory"), and there is a clear, logical connection between the ratings and (a) the achievement of objectives and (b) demonstration of competencies;
- There are clearly defined channels for resolving disagreements between staff member and supervisor; and
- There is a higher level manager's review of the evaluation to ensure consistency of evaluation of staff in the same staff group and grade.

### Box 3. SASHR Performance Management Concept Note

SAS-HR has prepared a Concept Note on Promoting Excellence in Performance Management. The Concept Note distills best practice, as applicable to CGIAR Centers, and addresses in some detail the implementation issues which should be considered. Among the elements to be considered in implementing a performance management systems are

- Roles and responsibilities of the staff member, immediate supervisor, senior management in the process
- Format of the assessment and documentation
- Role of multi-source evaluation systems such as the 360 degree appraisal
- Methodologies and criteria
- Frequency
- Linkages of assessments with rewards

Readers of this Good Practice Note are encouraged to refer to the SAS-HR Concept Note for more information on implementing performance management in CGIAR Centers. The Concept Note is available at [http://www.cgpeoplepower.org/show\\_publications.jsp](http://www.cgpeoplepower.org/show_publications.jsp)



### Good practice

Research staff performance appraisal criteria should be aligned with agreed research success factors<sup>1</sup>

The success factors for research most commonly cited in CGIAR Center documents are:

- relevance and impact
- quality
- timeliness
- efficiency
- results dissemination
- further resource mobilization

Performance appraisal systems applicable to research staff should be designed so that performance with respect to these success factors is addressed to the extent these are applicable to a particular staff—this is a key aspect of aligning incentives. This should be reflected in the criteria established in performance agreements.

Implementing a well-aligned performance assessment system requires a great deal of management effort. This note will not attempt to also cover performance assessment systems in any depth, but among the “alignment” issues that Centers need to consider are:

- The limitations of an annual assessment when research may have a much longer term. Suitable milestones that have overall consistency over a longer period need to be identified
- One measure used in performance assessments of researchers, which is relatively easy to objectively quantify, is publications. However, this may not be a fully representative measure of impact or result dissemination—the questions related to where research is published and who is using are relevant. Some research may not be amenable to assessment in terms of publication output.

The measurement of success in the mobilization of resources is, for many researchers, a controversial and uncomfortable new indicator. Where used, performance agreements need to be very specific about how researchers are expected to address this criterion. Centers should consider whether such criterion

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<sup>1</sup> This good practice also appears in the Good Practice Note on Project Management Processes



should be applied selectively to research staff. For some researchers, it may be the product of specific efforts, within their field of research, to identify and realize new sources of funds. For others, further resource mobilization may be the outcome of high-quality science that is well regarded by donors, rather than specific mobilization efforts.

### Box 4. Time Allocations for Research Staff

Performance criteria for research staff should be aligned with the allocations of time expected of them in various work categories addressed in work plans, including

- Doing research
- Capacity building of partners
- Scientific leadership
- Resource mobilization

### STAFF DEVELOPMENT

The National Center for Vocational and Educational Research Ltd, in its report “Research at a Glance: Returns on Investment in Training” (2001), draws a number of conclusions regarding the returns to training investments<sup>2</sup>:

- Returns on training are nearly always positive and can be very high, depending on the nature of the training and its relevance to the business needs of the organization;
- Returns come in many forms, not just labor productivity and profitability, but also value-added activities, which may arise as a result of greater employee skills, increased flexibility, reduced overhead and a greater ability to innovate;
- The immediate returns from training are highest when the training is highly focused on a clear business problem;
- Measuring returns is not always an easy task and may be achieved through productivity studies or cost-benefit analysis:

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<sup>2</sup> This summary taken from the Standards Australia Handbook.



- Training acts as a mechanism for other changes in the organization. It does not act alone to improve the performance of an organization, but allows the organization, to introduce change more successfully;
- returns from training can be enhanced by other human resource policies that encourage employees to remain with the organization after training.

### Good practice

Establish an overall framework for staff development

The Investors in People Standard from the United Kingdom (available at [www.iipuk.co.uk](http://www.iipuk.co.uk)) provides a useful structure for considering the planning, organizing, and evaluating dimensions of staff development at the organizational, group and individual levels. Key elements of the standard are

- management commitment
- encouragement of staff
- equality of development opportunities
- clear organizational objectives to which staff can orient their efforts and development activities can be linked
- managers are equipped to support staff development
- development activities have clear learning outcomes
- the impact of development activities are assessed

In the context of CGIAR Centers, a staff development framework for a Center might usefully include

- articulation of the philosophy of the Center with regard to staff development and the respective responsibilities of the Center, managers, and individual staff
- the manner in which resources are allocated within the Center for staff development, at organizational, unit, and individual levels
- how equality of opportunity for development is managed
- whether and how managers are evaluated on staff development
- guidelines for on-the-job competency development activities and rotations within the organization
- guidelines for Center support for staff development activities leading to academic or professional qualifications or to the maintenance of professional accreditations
- guidelines on sabbaticals and secondments to other organizations for development purposes



- reporting and evaluation of staff development activities

### Good practice

Link staff development with performance management processes and track this through development plans

There is a wide variety of literature and research that focuses on analyzing development needs within organizations. Analyzing development needs effectively will help ensure that informed decisions are made regarding resource allocation and that the performance of individuals and of the organization overall improves.

Individual development plans that are prepared as part of performance management processes are a widely used tool to make the linkage between current performance, training requirements to bridge any gap between this and future expected performance, and linkage to the development priorities of the organization. They provide a transparent means of engaging staff and their managers in discussions around development needs.

## CODES OF CONDUCT

### Good practice

Implement a framework to guide staff on expected personal and business conduct in the workplace

The Ethics Officer Association (EOA) in the United States has identified key aspects for a business conduct framework:

- Demonstrated commitment from executive and senior management
- Designation of a high-level person responsible for ethics, compliance, and business conduct
- Codes of conduct and ethics and compliance policies and procedures
- Training on policies, procedures, laws, regulations, and ethical decision making
- Comprehensive communications
- Confidential mechanisms for employees to seek guidance or report suspected wrongdoing without fear of retaliation
- Monitoring and auditing
- Investigations of alleged misconduct



- Preventive and corrective action
- Enforcement of standards, including disciplinary action
- Regular reporting to and review by senior management
- Measuring performance and effectiveness
- Benchmarking and sharing of best practices
- Continual improvement

### Good practice

Publish guidelines on various aspects of personal and business conduct

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- Continual improvement



### Good practice

Publish guidelines on various aspects of personal and business conduct

Among the more relevant examples for CGIAR Centers of topics that could be considered for inclusion in conduct guidelines per the EOA are:

- Accuracy of business records
- Alcohol and substance abuse
- Bribery and improper payments
- Compliance with laws, regulations, and organizational policies
- Conflicts of interest
- Employee privacy
- Environmental compliance
- Equal employment opportunity
- Gifts, favors, and entertainment
- Harassment
- Outside business activities
- Political activities
- Protection of confidential information
- Ownership and use of intellectual property
- Purchasing practices and supplier relations
- Reporting violations
- Use of computer networks and facilities
- Use of corporate assets, including vehicles

### REMUNERATION AND REWARDS

### Good practice

Implement systems to streamline the management of benefit transactions



Benefit transactions (salaries, allowances, leave) must be timely and accurate, and the interface between human resources and financial systems should work smoothly. Systems should ensure compliance with host country laws in relation to nationally recruited staff e.g., tax and social security payment withholding. Potential cost-savings and control improvements in Centers may accrue from

- Implementing automated workflows for such transactions as leave applications and approvals, and changes in personal data
- Bringing spreadsheet-based calculations under HR applications with programmed controls
- Automating links between HR databases, payroll, and financial systems – though experience to date with Centers indicates that the efforts involved may outweigh benefits at the present time.

### Good practice

Maintain effective filling systems to support benefits administration

Centers should define the documentation that should be kept for each staff member on a personnel file, whether at headquarters or in outposted locations. The files should contain relevant documentation such as the employment contract, approvals for salary adjustments, and performance evaluations and development plans (if these are not kept electronically).

## EXIT PROCEDURES

### Good practice

Conduct exit interviews with departing staff

### Good practice

Implement sign-off procedures for departing staff with respect to handover of Center equipment and resources in their custody, and research data for their projects



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