

# **An Organisational Assessment IUCN Lao PDR**

**March 2001**

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# An Organisational Assessment

## IUCN Lao PDR

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### 1. Introduction

**Background:** The Country Office Lao PDR was established at the invitation of the Government in 1992. As with other Country Offices in Asia, the Country Representative reported directly to the Director General 'on representation' and to the Asia Programme Coordinator on 'Programme'. With the appointment of a Regional Director Asia *a.i.*, in July 1999, the CR's direct reporting line changed to the Regional Director.

In June 2000, the long serving CR left to return to his home country. A CR *ad interim* (*a.i.*), with the concurrence of the State Member Focal Point, was appointed for 6 months. The recruitment process having failed to identify a candidate acceptable to both the State Member and IUCN, the State Member requested a continuance of the CR *a.i.*'s tenure. Due to other commitments this was not possible. IUCN was requested to appoint another capable and trusted '*ad interim*' CR from within the IUCN family for 1 year. The present CR *a.i.* was appointed in February 2001. The State Member on its part re-committed itself to identifying nationals of high calibre as potential candidates for IUCN's consideration.

Over the last twelve months the major emphases of IUCN Lao PDR have been to:-

- a) ensure that on-going projects continue to deliver results
- b) manage the smooth closure of phase I of certain long-standing projects
- c) build closer relationships with government
- d) identify and dialogue with a wider range of stakeholders; and
- e) design and set in motion a participative approach to programme planning to take into account both Government and IUCN priorities.

**Genesis of the assessment:** Due to the uniqueness of its geo-political context and other factors, the Lao PDR Office remained somewhat isolated from the mainstream, developing management strategies which impacted negatively on its organisational development.

As the ARD grew in cohesion and became an integrated whole, the need for a more coherent approach to organisational development across the Asia Region became apparent. The Delegation of Authority and the 'harmonisation process' particularly in reference to KR7, of IUCN globally1fd1ioq

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The 'Management in the Absence of Key Managers Policy' was refined and rewritten to match the

13. *Mechanisms for project to project links should be established in order to learn from experiences and build on each others strengths. Seek for common solutions to shared constraints/issues.*
14. *Depending on programme imperatives and resource availability, a dedicated programme development, and coordination and M&E function should be created. One of its roles would be to nurture 'organisational' learning.*
15. *Once the programme is defined and proposals funded, there will be a need to review capacity and adjust/build according to programme/project and organisational needs; redefine roles and responsibilities and restructure IUCN Lao PDR.*

### **3. Information Sharing and Storage**

#### **3.1 Issues/perceptions: Information Sharing and Storage**

- The prevailing culture in Lao PDR is not conducive to information sharing whether internally in an organisation or between organisations.
- IUCN Lao PDR national staff (and this may also include the to-be-recruited CR) need to be reinforced in the validity and value of sharing and accessing information amongst themselves, the wider IUCN including members and commissions, as well as with partner organisations.
- The library is 'aging' and is managed in an 'ad-hoc' fashion.

#### **Recommendations: Information Sharing and Storage**

16. *The who, what, how and legitimate boundaries to protect confidentially, need to be mapped out with staff, preferably by the CR a.i. during the handover period.*
17. *The filing system needs to be overhauled and adapted to utilise the potential of IT.*
18. *Resources for the management and management of the library to be budgeted into proposals for a Framewor 0 TD 0.0588 Tc 0.2618 Tw (Once the programme is defined and proposals f*

### **Recommendations: Financial Management**

19. **A fully qualified financial manager should be recruited as soon as resources permit.**
20. **Systems for generating sound information for financial management should be developed.**
21. **TORs of finance staff to be redefined. HR and administrative work should not be included.**
22. **Checks and balances to strengthen accountability need to be developed, e.g. purchasing and petty cash procedures.**
23. **Collaborative budgeting Finance/Programme staff together with CR needs to be undertaken.**
24. **The capacity of both finance and programme staff for 'smart' budgeting should be enhanced.**  
*(A short exposition on the difference between Framework Agreement and programme and project financing and how these can be designed to cater to organisational development needs was given).*
25. **Finance staff should be encouraged to visit project management offices under well-developed TORs defining the purpose, specific objectives including learning outcomes expected.**
26. **Understanding of and mechanisms for joint programme/financial management of the OABC for estimating projected income/ stimulating the design of fundable proposals should be developed. (A brief exposition on the OABC 'pipeline' and its importance for securing the future of IUCN in Lao PDR was made).**
27. **The possibility of a carrying-of-cash insurance policy should be explored.**
28. **The feasibility of opening of bank accounts near project office sites and the payment of salaries into bank accounts should be investigated.**
29. **The Director Finance and the Internal Audit Asia Region should support IUCN Lao PDR in developing a higher level of capacity for long term financial management.**

## **5. Human Resource Management**

### **5.1 Issues/perceptions: HR Policies/Procedures**

- The human resource function has remained invested in the CR, assisted mainly by finance and partially by programme staff.
- Staff were not aware of the processes behind the drafting, issuing of HR policies or of adaption and implementation.
- They had not seen the HR Policies issued for implementation by the Regional Director in 2000, 2001.

The rationale for integration of IUCN-Lao's organisational systems into Regional and Global systems was explained. The processes for the development of HR Policies from drafting to implementation was outlined.

HR policies previously issued by the RD were distributed and discussed; necessary country specific adaptations were identified and drafted.

### **Recommendations: HR Policies/Procedures**

30. **TORs for the newly created post of Office Manager should include a well-defined degree of responsibility for supporting the CR in HR management and being the IUCN Lao PDR focal point for working with Regional HR.**

**31. *The Director HR Asia Region should support IUCN Lao PDR in building a sound HR function.***

**5.2 Issues/perceptions: Contracts**

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An explanation of the prevailing norms was given, i.e. increments are based on:

- a) annual performance appraisal
- b) the results of surveys every second year or so to assess market rates
- c) financial viability of the particular Country Office.

**Recommendations: Increments**

**38. IUCN Lao PDR to conform to the prevailing norms when deciding on increments.**

**5.6 Issues/perceptions: Salaries**

- IUCN Lao PDR salaries by and large exceed the norms established by market surveys in Lao PDR. They also do not fit into regional norms.
- There is variation in the currency in which the salaries of national staff are paid. At present all CO staff are paid in US Dollars; project staff in a US Dollar/Kip mix.
- All are paid in cash.

**Recommendations: Salaries**

**39. The Director HR ARO, in consultation with the CR, should consider all possible options and, before the advent of a new CR, recommend to the RD a strategy for bringing salaries into line with regional norms. (The provision of additional benefits may help to mitigate any stringent measures needed to do this.)**

**40. An equitable decision should be made on the currency of payment.**

**41. Wherever feasible, salaries should be paid into staff bank accounts or by cheques.**

**5.7 Issues/perceptions: Benefits**

It was difficult to get a clear picture but it appears that at present:-

- the only additional benefit open to all staff is the gratuity scheme required by national law.
- an informal medical scheme is accessible to most, but not all, staff in the Country Office.
- some project staff appear to be covered by formal medical and life/accident insurance schemes though no record was available in the Country Office.
- programme staff are concerned that they are not covered for accidents, when visiting the field or when carrying cash.

**Recommendations: Benefits**

**42. A survey and analysis of medical/ accident/ life insurance policies should be made. Based on this, an informed decision should be made in consultation with Director HR, ARO on how to protect IUCN employees in a way which is consonant with other countries in the region and equitable for staff within IUCN Lao PDR.**

**5.8 Issues/perceptions: Annual Leave**

- staff have not been availing the full quota of annual leave as they felt work demands made this impossible.
- there was uncertainty as to the prevailing policy.

**Recommendations: Annual Leave**

**43. An overall annual Leave Plan should be developed at the beginning of each year, reviewed and adjusted at regular periods, so that everyone avails their full quota of annual leave as per the 'Annual Leave Policy' issued on 10 April 2000. (Arrangements should be made with colleagues to ensure that no key tasks are neglected during leave.)**

## 5.9 Issues/perceptions: Orientation

- At present the orientation of new staff is manageable on an informal basis but this will not be adequate as the new programme develops.

### **Recommendations: Orientation**

**44. A formal orientation system will need to be designed and made operational as and when the organisation grows.**

## 6. Administrative Services

### 6.1 Issues/perceptions: Management

- Historically, the management of administration has been spread amongst the CR, finance/programme staff and the receptionist.
- There needs to be a dedicated Administration to help:
  - a) bring greater all round efficiency to operations
  - b) free up the time of the:-
    - ◆ CR to concentrate on crucial areas of his responsibilities for representation, leadership in programme development, resource mobilisation and organisational development
    - ◆ programme staff to concentrate on programme development
    - ◆ finance staff to meet the growing demands
  - c) strengthening accountability within IUCN Lao PDR
  - d) facilitating the interface of IUCN Lao PDR with regional and global systems
  - e) enhance IUCN Lao PDR's ability to set up future projects smoothly and efficiently.

### **Recommendations: Management**

**45. The recruitment of a very competent Office Manager is essential at this time.**

**46. The Office Manager, when appointed, should report directly to the CR. All administrative staff, i.e. the Computer/ Information Systems Administrator, the Receptionist/Secretary, the Driver and Office Cleaner should report directly to the Office Manager rather than to Finance or the CR.**

The draft TORs of the Office Manager were jointly reviewed by CR a.i. and SJ and revised in the light of issues arising during the visit.

### 6.2 Issues/perceptions: IT Support

- Lao PDR was a late-comer in the use of IT. The commercial provision of services and technical support is in its infancy. IUCN Lao PDR has mainly had to rely on two non-national programme staff, (competent computer users who make no claims to technical expertise), who have struggled to keep the services going. Due to their own commitments and lack of resources for travel, IT experts from other Country Offices have not been able to give the level of support needed.
- A dedicated IT function is needed so that there is:
  - a) increased efficiency of operations
  - b) an enormous saving of time and energy of programme staff whose command of English and skills in proposal writing are very crucial at this stage of programme development



## 6.6 Issues/perceptions: Security

- The office has a large amount of wood in its structures.
- Only the receptionist is accommodated on the ground floor. In her absence, there is no-one to monitor access if the door remains unlocked.
- Everyone, therefore no-one, has responsibility for security.

### **Recommendations: Security**

**51. The Office Manager should be made responsible for security. Security measures should be checked to ensure that they are in compliance with property and fire insurance regulations.**

## 7. Management Structures

### 7.1 Issues/perceptions: Management Structures

- Until recently, IUCN Lao PDR had the characteristics of a 'family' - the CR, to whom everyone reported, being the only source of decision making. Formal systems and procedures were missing. This way of managing was completely, unquestionably acceptable to the majority of staff, particularly as they have had little exposure to other management structures and styles.
- Due to their exposure to new ways of working and to the increase in workload, staff are beginning to realise that the old ways of working are no longer possible. The roles, responsibilities and authority levels of staff members are gradually being defined in an iterative fashion. In varying degrees staff are becoming increasingly receptive to the need for change.
- In the absence of a defined programme and the staff's previous experience, it was difficult to engage in a meaningful discussion on structuring for the future.
- The creation of an administrative unit under an Office Manager is a first small step towards formal structures.

(Overheads of the present structure, including the new administration unit, were presented. Samples of emerging structures in other countries were also shown to stimulate thinking as the new programme is defined.)

### **Recommendations: Management Structure**

**52. A major restructuring should be done when the programme development phase is over, and donor responses enable an estimate of the amount and complexity of the work and of resources likely to be available.**

**53. Recommendations for this restructuring should be a component of a full scale Programme and Organisational Review which should be carried out within the next few years.**

## 8. IUCN Lao PDR and the wider world

### 8.1 Issues/perceptions: IUCN Lao PDR and the IUCN family

- Historically, the CR has been the contact point for communicating with the outside world. Staff have been unsure as to whether they are authorised to make contact and do not know what is available.
- The designation of country focal points, e.g. forests and communication is seen as an important step.
- The 'hitches and glitches' of email communication have been a barrier.
- There is a strong desire to share experiences, initially with neighbouring Country Offices, and later with others in the Region.
- A strong case was made for staff to accompany key government counterparts on a joint short study tour to IUCN Vietnam and its government counterparts. (Mdme Kanika, the representative of the State membership focal point ministry, independently recommended similar study tours. She had found her visit to IUCN Pakistan and to various ministries in GoP extremely enlightening).

***Recommendations: IUCN Lao PDR and the IUCN family***

- 54. Purposeful contacts, both informal and formal, within the Region, HQ and the Global Union should be further encouraged.***
- 55. Country focal points for each important area of work, e.g. gender, should be appointed.***
- 56. The responsibilities of being a country focal point should be clearly laid out, written into TORs and shared with other staff.***
- 57. A joint study tour to IUCN Vietnam and its government counterparts by staff and key government counterparts should be arranged.***

**8.2 Issues/perceptions: IUCN Lao PDR and external organisations**

also at regional and international levels; integrity and a buy-in to IUCN's Mission were also seen as important.

They thought that the new CR would need support for integration into IUCN, not only from the CR *a.i.* but that visits to ARO and some Country Offices would be essential.

**Recommendations: Recruitment of National CR**

**60. An orientation programme for the new CR should be carefully designed to, *inter-alia*, enable him/her to understand the global Union, the Asia Region and how IUNC-Lao PDR fits in as a component of the organisational whole.**

## 10. Conclusions

IUCN Lao PDR stands on the threshold of a new era. A small, more cohesive and empowered team of staff under firm management, given clear direction through a coherent approach to programme planning and supported by improved cooperative services, is steadily building its capacity for programme development, delivery and M&E. Closer relationships with government, renewed dialogue with donors and a growing number of stakeholders outside Vientiane, open up new opportunities for growth for the IUCN Lao PDR programme.

Managing this change and growth will be the big challenge. IUCN Lao PDR will need to ensure that organisational development keeps pace with the programme. The finance, administration and human resource functions must be adequately resourced, and systems and processes developed, to give optimal support to programme delivery as well as to ensure accountability.

New management structures and mechanisms will have to be devised to match programme needs. The newly emerging programme and concomitant strengthening of corporate functions will also dictate staffing needs, including the reprofiling of staff positions and responsibilities. The management of change, under the leadership of the CR, will be the business of each member of staff, individually and collectively. For those who welcome the change process, adjust and proactively work to support and shape it for the good of the organisation and its mission, the opportunities for self-growth and development are enormous. Those who cannot accept it, find it too difficult or fail to reach the new competency levels that change demands, will need support in finding a different career path.

This report, whilst recording some of the most recent changes, includes a number of recommendations and suggestions given below in a matrix "Recommendations and Follow up Plan". It will, therefore, serve both as a guide for further change, and as one of the tools for on-going self monitoring by IUCN Lao PDR and by ARO.

Once the programme takes firmer shape and resource availability becomes known, another mission to cover the full gamut of constituency, and programme management will be necessary to support IUCN Lao PDR the further strengthening itself to reach the next level of maturity as an organisation.

## 11. Acknowledgements

I wish to thank Don Gilmour for his great support, his generosity, both in terms of precious time and in sharing his wisdom based on vast and varied experience.

I appreciated the support of Peter Rezel, Director Finance/HR.

My greatest thanks are due to all my colleagues of IUCN Lao PDR for their readiness in providing information and ideas. I appreciated their hospitality, their gracious acceptance of critique and

openness to learning. I was impressed by their love of their country and their desire that IUCN should understand and be understood by it. I was refreshed and energised by my contact with them.

This mission was a rewarding experience - I learned a lot.





## 12. Summary of Recommendations and Follow-up Matrix

Issues	Review Recommendation	Views of IUCN Lao PDR	Actions Proposed	Timeframe & Perfor. Indicators	Status
Programme Planning: Management	<ol style="list-style-type: none"> <li>1. <i>In addition to the training, already planned, staff will need on-going support to develop their understanding of project design and proposal writing.</i></li> <li>2. <i>The understanding of budget development will need to be enhanced.</i></li> <li>3. <i>The potential productivity of programme staff working together and supporting each other with their varied knowledge and skills should continued to be supported and enhanced.</i></li> <li>4. <i>Staff should continue to be encouraged to seek information and support from elsewhere in the Region.</i></li> <li>5. <i>TORs of Programme staff to be re-designed on the basis of responsibilities and duties needed in the current period and to exclude purely administrative tasks.</i></li> <li>6. <i>All revised staff TORs should be circulated so that everyone is aware of everyone else's responsibilities.</i></li> </ol>				
Quality control	<ol style="list-style-type: none"> <li>7. <i>An internal IUCN Lao PDR programme/project review mechanism such as a PRG should be developed.</i></li> <li>8. <i>Strong M&amp;E component to be included in all programme and project proposals.</i></li> <li>9. <i>Regional M&amp;E to work with IUCN Lao PDR to define the roles and responsibilities 5 0is ande 9.</i></li> </ol>				

Issues	Review Recommendation	Views of IUCN Lao PDR	Actions Proposed	Timeframe & Perfor. Indicators	Status
<b>Programme Coordination and Integration</b>	<p>11. <i>The recently initiated joint planning amongst programme staff should be nurtured.</i></p> <p>12. <i>The recently initiated interaction of programme staff with projects should be enhanced.</i></p> <p>13. <i>Mechanisms for project to project links should be established in order to learn from experiences and build on each others strengths. Seek for common solutions to shared constraints/issues.</i></p> <p>14. <i>Depending on programme imperatives and resource availability, a dedicated programme development, and coordination and M&amp;E function should be created. One of its roles would be to nurture 'organisational' learning.</i></p> <p>15. <i>Once the programme is defined and proposals funded, there will be a need to review capacity and adjust/build according to programme/project and organisational needs; redefine roles and responsibilities and restructure IUCN Lao PDR.</i></p>				
<b>Information Sharing and Storage</b>	<p>16. <i>The who, what, how and legitimate boundaries to protect confidentially, need to be mapped out with staff, preferably by the CR a.i. during the handover period.</i></p> <p>17. <i>The filing system needs to be overhauled and adapted to utilise the potential of IT.</i></p> <p>18. <i>Resources for the management and management of the library to be budgeted into proposals for a Framework Agreement, as well as programme and project proposals.</i></p>				



Issues	Review Recommendation	Views of IUCN Lao PDR	Actions Proposed	Timeframe & Perfor. Indicators	Status
Contracts	<p>32. <i>The particular staff member working without contract should be issued a short, fixed-term contract immediately.</i></p> <p>33. <i>On-going, clear guidance and monitoring of staff contracting should be given by ARO to support the to-be-appointed CR.</i></p>				
Staff TORs	<p>34. <i>In future the design of TORs to be based on models provided by ARO.</i></p> <p>35. <i>A system to be set in place for annual circulation of revised TORs of current staff and TORs of new staff as they are appointed.</i></p>				
Appraisals	<p>36. <i>The standard appraisal process should be extended to all IUCN staff in all new and on-going projects (unless due for closure in the near future).</i></p> <p>37. <i>Staff, responsible for managing others, will need guidance on how to appraise. On going appraisal by managers and feed back to staff throughout the year should be encouraged.</i></p>				
Increments Salaries	<p>38. <i>Lao PDR to conform the prevailing norms when deciding on increments.</i></p> <p>39. <i>The Director HR ARO, in consultation with the CR, should consider all possible options and, before the advent of a new CR, recommend to the RD a strategy for bringing salaries into line with regional norms. (The provision of additional benefits may help to mitigate any stringent measures needed to do this.)</i></p> <p>40. <i>An equitable decision should be made on the currency of payment.</i></p> <p>41. <i>Wherever feasible, salaries should be paid into staff bank accounts or by cheques.</i></p>				
Benefits	<p>42. <i>A survey and analysis of medical/ accident/ life insurance policies should be made. Based on this, an informed decision on how should be made in consultation with Director HR, ARO to protect IUCN employees in a way which is consonant with other countries in the region and equitable for staff within IUCN Lao PDR.</i></p>				



Issues	Review Recommendation	Views of IUCN Lao PDR	Actions Proposed	Timeframe & Perfor. Indicators	Status
Management Structures	<p>52. <i>A major restructuring should be done when the programme development phase is over, and donor responses enable an estimate of the amount and complexity of the work and of resources likely to be available.</i></p> <p>53. <i>Recommendations for this restructuring should be a component of a full scale Programme and Organisational Review which should be carried out within the next few years.</i></p>				
<p>IUCN Lao PDR and the Wider World:</p> <p>IUCN Lao PDR and the IUCN family</p>	<p>54. <i>Purposeful contacts, both informal and formal, within the Region, HQ and the Global Union should be further encouraged.</i></p> <p>55. <i>Country focal points for each important area of work, e.g. gender should be appointed.</i></p> <p>56. <i>The responsibilities of being a country focal point should be clearly laid out, written into TORs and shared with other staff.</i></p> <p>57. <i>A joint study tour to IUCN Vietnam and its government counterparts by staff and key government counterparts should be arranged.</i></p>				

IUCN Lao PDR and external organisations

58. *Raising resources for a communications/corporate profiling strategy should be a top priority in the new programme era.*
59. *IUCN members should be involved in programme development. Their potential for collaboration and that of other organisations should be explored.*

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## Process

### 1. Preparation

- a) Discussions with RD, CR (*a.i.*), Director F/HR, ARO to identify major/key issues
- b) Discussion with SP and DG at February 2001 ARD Meeting in Karachi
- c) Discussion with Regional Heads familiar with IUCN-Lao PDR
- d) Reading
  - Background
    - Organisational Assessment & Development - The Way Ahead - March 2000 - *Universalis* Report
    - Draft IUCN Evaluation Policy: For review by Senior Management and the IUCN Council - January 2001
    - Delegation of Authority
- e) Preliminary data collection
  - IUCN-Lao PDR Progress Reports to ARD from 1999 to date
  - Programme Planning Strategy for IUCN-Lao PDR 24.02.01
  - Briefing notes from SP to DG -- February 2001
  - Summary of current status of IUCN-Lao PDR -- February 2001 -- Scott Perkin
  - Matrix for Organisational Review of IUCN-Lao PDR -- February 2001 -- Scott Perkin

### 2. On-task in IUCN-Lao PDR (20-31 March 2001)

- a) Introductory staff meeting
  - Brief presentation of IUCN-Lao PDR Programme (IUCN Lao PDR staff)
  - The Asia Region (SJ)
  - Context and purpose of the Organisational Scoping
- b) Semi-structured interviews of each member of staff
- c) Data collection from
  - Price Waterhouse Draft Audit Report 1999 Section 4: Salary -- Scott Perkin
  - Various correspondence between IUCN-Lao PDR and Region re organisational issues
  - Opening a Bank Account for Local Office, Staff Health Costs 15.9.98: Memo from CR to FO
  - Staff contracts including TORs
- d) Follow-up interviews to gather further information, clarification of issues, some on request from staff members, to enhance individual understanding and capacity
- e) Meetings with CR *a.i.* (almost daily)
- f) Telephone consultation with Director Finance/HR, ARO
- g) Initial analysis of issues/findings
- h) Debriefing at staff meeting

### 3. Post-visit

- a) Detailed analysis of information/issues - shaping of recommendations - report drafted
- b) Draft report sent to RD, CR, Director F/HR, ARO
- c) Comments assessed, accepted, negotiated, rejected
- d) Report finalised