CGIAR
Science for a food-secure future

System Management Board endorsed System Management Office 2018 Business Plan

Background:

The Board endorsed the 2018 Workplan for the System Management Office at its 8th meeting (**Decision: SMB/M8/DP2: System Management Office Workplan 2018**)

Note: This version has been amended on slide 15 where the 2018 deliverables and workstreams have been reordered to reflect the discussions during SMB8.

General Assembly Purpose:

To support 'Agenda Item 4. Recapping 2017 and the strategic priorities of the SMB for the year ahead'.

CGIAR
Science for a food-secure future

System Management Office 2018 Business Plan

Structure:

- Our formal role and guiding principles (recap)
- 2017 business plan delivery review
- 2018 plans

Purpose: <u>Seek SMB approval to provide clarity on the 2018 activities of the Office</u>

<u>Document category</u>: Working document of the System Management Board. The document is proposed to be circulated at the 2nd General Assembly of the Centers after SMB input and approval.

<u>Issued</u>: 4 December 2017

Definitions section – role is broadly stated as:

1. <u>Responsible for the day-to-day support of the operations of</u>**:**
    - CGIAR System Organization
    - System Management Board
    - System Council

2. <u>Facilitates collaboration within the CGIAR System in fulfilling</u>:
    - the mission of the CGIAR System and
    - the goals of the CGIAR Strategy and Results Framework

Article 11 identifies 38 specific responsibilities, directed largely by the System Management Board. Many are focused on supporting overall improved alignment across the System…

Our mandate: '38 functions' broadly grouped

1. **Advocacy and communications** - Strategic promotion of CGIAR's reputation, mission, activities; maintaining strong communications with the Centers and System Partners

2. **Coordinate development of strategic frameworks/policies/functional services** - e.g. SRF, CGIAR System risk management framework; Internal Audit Function overall approach; policies critical to maintaining CGIAR's reputation; dispute resolution processes/practices;

3. **Organize/facilitate/report on SMB, SC, General Assembly, Partnership Forum etc**

4. **Funder engagement and RM** – maintain strong engagement; mobilize system resources when authorized to do so, explore innovative financing options

5. **Finance/corporate services support** – forecast available resources; make proposals for prioritization and annual allocation of funds; develop process for multi-year budget for system-costs; prepare shared-service proposals at Centers' requests; maintain repository of financial material from Centers; monitor & report on use of Window 1-2 funds in line with integrated performance management framework; initiate corrective action under funding agreements as directed by SMB

6. **Program support** - develop guidance on proposals and coordinate submission; prepare proposals for system-wide reporting; prepare with Centers annual reports; prepare analysis of the CGIAR Portfolio; lead consultative process for reporting on results that contributes to decisions to allocate resources; monitor implementation of decisions arising from evaluations of CGIAR Research; facilitating strengthened partnerships at global and country levels

2017 Business Plan Review

The guiding principles adopted for the SMO's 2017 plan… remain valid

1. **Focus on our mandate** and only do what cannot be done elsewhere

2. **Bring a mindset of enablers and facilitators** working in a transparent manner to support the wider System

3. **Be cost-efficient** to bring down proportion of System Organization financial costs over the longer run

4. **Ensure ongoing consultation with key stakeholders -** to prioritize and manage demand to fit our capacity and budget

5. **Structure ourselves flexibly** - to be able to respond to continued change and innovation

6. **Co-own responsibility for minimizing System transaction costs**

7. **Talent within the System Management Office** - ensure staffing brings a range of perspectives, gender and nationalities

Our longer run objectives described in 2017 plan – many also remain current

Overall - meeting the ambitious SRF vision and targets through high quality and impactful programs – via:

1. A positive, trustful, supportive working atmosphere across the System

2. A performance management system that meets expectations of funders with manageable transaction costs

3. An efficient and functioning governance system that solves problems

4. A funding system that provides:

   - Sufficient volume and quality (predictability, flexibility, diversity)

   - The right incentives for research quality, innovation, focus and impact in our areas of comparative advantage

5. A stronger reputation for CGIAR, in part based on a system-wide communications and branding effort

6. Reduced proportion of system entities costs from current levels

Key drivers we set at the start of 2017

1. **Continue efforts to drive System Management Office costs in an overall downward trend** (year on year, lower than before)

2. **Quickly fill some critical skills needs** - on funder engagement, communications, M&E and finance

3. **Reorganize around key activity areas** - introduce matrix team working approach to maximize capacity to deliver

4. **Better manage demand** to accommodate small size of team

5. **Draw when we can on Center capacity** – perhaps including through short term placements or remote support

2017 Business plan review – cost efficiency

2018 budget ceiling: US$ 7.90 million

- Down US$ 2.6 million (25% nominal) from joint 2015 Consortium/Fund Office

	2015 (Actual)	2016 (Actual)	2017 (Budget)	2018 (Ceiling)
FX (US$/€)	1.1097	1.1144	1.15	1.20
Fund Office (Notes 1, 2)	3.5	1.54	-	
Consortium/System Office	7.0	6.86	8.28	7.90
Total	**10.5**	**8.40**	**8.28**	**7.90**
Over previous year		80%	99%	95%
2017 ceiling over 2015				75%

Notes

1. Excludes exceptional costs of governance transition: US$ 1.573 million

2. Fund Office 6 months operations in 2016

2017 Business Plan review – Staffing

January 2017: 28 actual FTEs + series of 'vacancies'

- <u>Actual</u>: 21 FTE staff + 1 French secondee + 3 Center fellows + 3 FTE consultants (OCS/IT; funders database; comms)

- <u>'Vacancies'</u>: Chief Science Officer; Director of Shared Services; Science Fellow; French secondee for protocol/security; Comms Manager

At 1 December 2017: 30 FTEs + several new starters/recruitments/changes

- <u>Recruited and starting in Q1-2018</u>: ICT Business Partner; Funder Engagement Senior Officer; Senior Legal Officer

- <u>Active recruitments</u>: Communications Manager; Head of Finance; Head of Program Support

- <u>Changed plans</u>: French + Japanese secondees likely to end Q2-2018; Senior Manager Performance Management filled through 50% consultant in 2018.
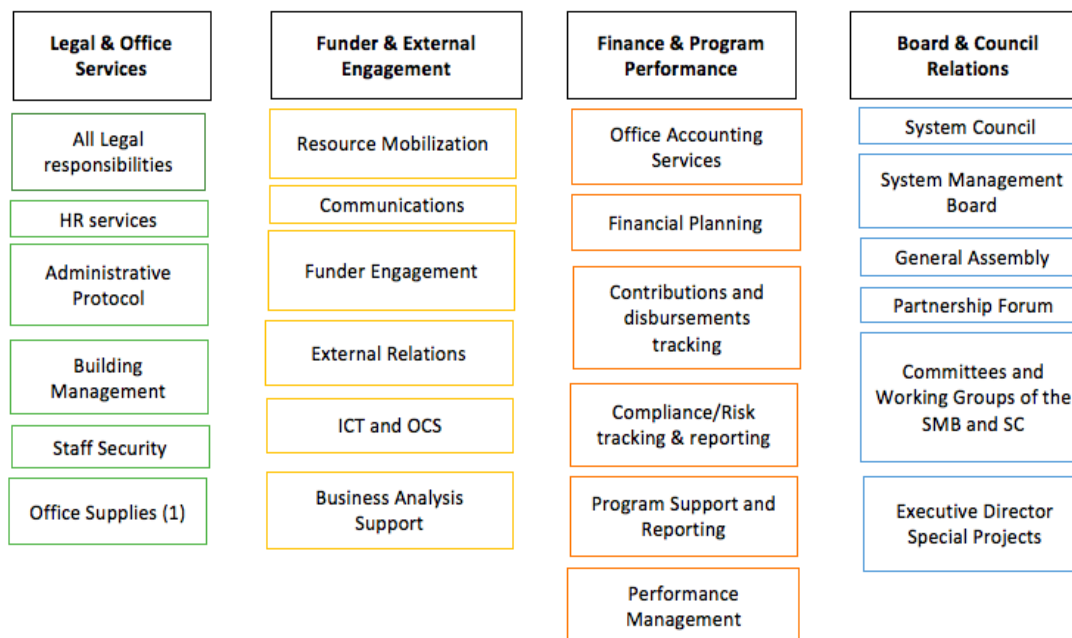
Staffing efficiencies being achieved:

- **2015 actual**: 42 FTE (Fund Office - 12, Consortium Office – 30)

- **Mid-2016** projection at time of transition: 37.5 FTE

- **2018 projection: 35 FTE**, with a few variables still in play (e.g. Performance Management Senior Manager requirement in the medium to longer term)

From 1 March 2017: revised functional structure

Logic:

- Recognition of importance of Board and Council support

- Change in nomenclature of unit leaders from "Director" to "Head of" to reflect Office's supportive role

- Finance & Program Performance Unit created to explore operational efficiencies

Legal & Office Services	Funder & External Engagement	Finance & Program Performance	Board & Council Relations
All Legal responsibilities	Resource Mobilization	Office Accounting Services	System Council
HR services	Communications	Financial Planning	System Management Board
Administrative Protocol	Funder Engagement	Contributions and disbursements tracking	General Assembly
Building Management	External Relations		Partnership Forum
Staff Security	ICT and OCS	Compliance/Risk tracking & reporting	Committees and Working Groups of the SMB and SC
Office Supplies (1)	Business Analysis Support	Program Support and Reporting	Executive Director Special Projects
		Performance Management	

Stock take at December 2017:

- Majority of arrangements operating well with improved cross-office engagement
- Still considerable ongoing internal change-management as we embed new approaches
- To create two connected but distinct units on Finance + Program Performance from early 2018

Traffic light assessment on 2017 business plan – Main areas of ongoing work across the System

** All had a small set of indicators behind title upon which self-assessment is based

1. Supporting effective system-wide financial management systems/processes

2. Fundraising and supporting funder engagement/improved funder intelligence

3. Supporting CGIAR System-level comms and branding

4. CRP and Platform support (incl evaluations and country collaboration)

5. ~~Oversight and coordination of System policies and reporting~~
   (dropped mid-year to avoid duplication)

6. Supporting IT platforms and System-wide collaboration

7. Supporting linkages between global initiatives/groups and Centers

8. System Management Office internal ops and communications

9. Managing SMB, committee, working group and General Assembly business

10. Managing System Council and committee business

All of which also had a small set of indicators upon which this self-assessment is based

11. Fixing the funding model/ adopting flexible funding modalities

12. Exploring opportunities to enhance institutional efficiencies and effectiveness

13. Putting in place an initial performance management framework

14. Completing the CGIAR Portfolio (GLDC) – facilitating appropriate processes for relevant additional elements to be supported by the System Council

15. Establishing a Risk Management Framework of the CGIAR System, and (post SMB8) arrangements for an Internal Audit Function that provides sufficient system-wide assurance

2018 Business Plan

Reflections going into the 2018 year ahead

Overall perspective

- Receiving positive feedback on how the office is working for the System

- Key challenge now is to try to match capacity with growing demand

Key areas of 2018 operational focus

- Ramp up resource mobilization and funder engagement efforts – including better targeting comms and branding into these efforts and leveraging Center support

- Evolve other key tasks/workstreams to align with business cycle approach adopted at the System Council's 5th meeting

- Introduce new approaches to better manage work-life balance

- Improve capability, relevance and use of electronic platforms, including OCS

- Effectively manage significant ongoing staff changes across 2018 - 20% change expected: 2 of the senior management/leadership roles (Finance; and senior Program Performance role), new hires, retirements + changes of focus

2018 Plan – Summary of major externally facing workstreams + deliverables

Major 2018 deliverables
1. Design a multi-year CGIAR System business cycle plan
2. Revamp the CGIAR website as a strategic information tool
3. Pilot a 'CGIAR Performance Report' – integrating finance, performance and intellectual assets data
4. Deliver interoperable Results dashboards and information tools
5. Implement the Portfolio Allocation Strategy
6. Facilitate strategic portfolio amendments (e.g. special breeding initiative)
7. Facilitate System approval of a Policy on Gender in CGIAR Research (From Gender evaluation)
8. Host a System Council ++ event in November to launch new business cycle with potential funder event
Major continuing workstreams
9. Coordinate major system-wide fundraising and communications and branding efforts
10. Support effective system-wide financial management, systems and processes
11. Support continuing evolution of research portfolio to optimize performance
12. Manage SC, SMB, committees and General Assembly business

2018 Plan – SMO budget by 4 major workstreams

		Total SMO	
		$ M	%
1	Fundraising-communications and branding	2,349	30%
2	System financial management-systems and processes (Incl IT)	2,395	31%
3	Research portfolio-optimize performance	1,268	16%
4	Council, Board and GA support	1,779	23%
Total SMO		7,791	100%

Questions .....
Unintentionally, much the same as last year

1. Is there anything that we have missed?

2. What could we do less of or stop doing while still meeting the needs of System Council and SMB/Centers?

3. Are there areas that the SMB believes Centers step forward to lead or co-lead a key activity?

4. How to adjust delivery expectations when there are competing priorities and many expectations? When should we be saying 'no'?