FOR

AGENDA

EBAP/12/70
Supplement 1

June 18, 2012

To: Members of the Executive Board

From: The Secretary

Subject: **2011 Diversity Annual Report—Broadening the IMF Diversity**
            Agenda—A Discussion Note

The attached discussion note is being issued as a supplement to the 2011 Diversity Annual Report (EBAP/12/70, 6/18/12), which is tentatively scheduled for discussion on **Friday, June 29, 2012**.

Questions may be referred to Ms. Paul (ext. 36309) and Mr. Robinson (ext. 39804) in HRD.

The staff proposes the publication of this supplement after the Executive Board completes its discussion, together with the main paper and a PIN summarizing the Executive Board's discussion.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities

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Department Heads

2011 Diversity Annual Report

Broadening the IMF Diversity Agenda—A Discussion Note

I.   INTRODUCTION

1.   **This note discusses a number of issues raised during the Executive Board's consideration of the 2010 Annual Report on Diversity (EBM/11/46, May 11, 2011**). Following the introduction, which delineates the specific issues highlighted by the Board, Section II describes the results of a survey of comparator institutions undertaken to benchmark their approach to the issues, and suggests possible best practices that may be applicable within the Fund. Section III contains conclusions and recommendations.

2.   **The paper seeks primarily to assess the approaches that other institutions have used to address the areas identified by the Executive Board in comparison with current Fund approaches, and to suggest additional measures for consideration**. It is not intended to address all aspects of diversity recruitment and retention nor the full range of constraints on attracting candidates from underrepresented regions.

3.   **We consulted widely in developing the paper**—with the Diversity Council on the approach of the paper, with Diversity Reference Groups (DRGs) chairs on the practical applicability to the day-to-day experiences of the work of the staff in their departments, and the paper [is currently being shared with Senior Personnel Managers (SPMs), whose views were taken into account, before the paper was sent to the Diversity Council for approval]. Its main findings will be reflected in the 2011 Diversity Annual Report, scheduled for discussion by the Executive Board in early July 2012.

4.   **To foreshadow the conclusions, we found that for each of the areas addressed here, the approaches used by the Fund are broadly aligned with best practices of comparators.** Consequentially, the recommendations in those individual areas are primarily intended to enhance and strengthen measures already in place.

5.   **The approaches used by comparators are already in use at the Fund to varying degrees.** The key difference, in the strategies of most effective comparators when compared with the Fund, was the clarity with which they articulated what they considered "top quality" and the approaches they used in attracting top candidates, including ways in which they partnered with universities based on the competencies they were seeking in their candidates.

II.   Survey of Experiences at Comparator Organizations

6.   To develop recommendations to address the particular issues highlighted by the Executive Board (see Box 1), the Diversity Office undertook **a survey of best practices at peer institutions**, both those that are the Fund's direct multilateral comparators as well as a

limited number of U.S. federal financial institutions and private sector multinational banks and corporations that are acknowledged leaders on diversity issues.[1]

7.   **In the discussions with comparator organizations, the staff took into account that a number of factors are highly specific to each organization**—for example, the employee demographics, the nature of the work undertaken in each institution/company, and the context in which they operate (such as public versus private sector, geographic specialization). In some cases, they have not faced or faced as sharply the issues that the Fund is seeking to address in the near term, and some questions did not apply with equal salience to each institution. Nevertheless, there are effective models to draw on from others who have undertaken successful diversity initiatives that may have sought to address similar aspects of diversity to those the Fund is facing.

8.   **The distinctions between the issues discussed below are not watertight** and a comprehensive strategy would aim to tackle them together. Nevertheless, for ease of consideration, the individual topics are discussed separately.

A. Broadening the Range of Educational Backgrounds

9.   **Traditionally, the Fund has identified well-qualified candidates from a wide range of universities worldwide, but has hired many of its incoming staff from a highly select base of top universities**[2] and, for its core economic staff, has generally sought an advanced degree—almost always a Ph.D.—in the major sub-disciplines of macroeconomics (fiscal, monetary, growth analysis, trade, exchange rates, and related areas).[3] The pool of women and underrepresented groups, including some particular nationalities, in these specialized areas has, historically, been limited.

10.   **The university recruitment practices of comparators varied considerably. Those that undertook a good deal of university recruitment tended to direct their efforts**

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[1] The comparator institutions included the Board of Governors of the U.S. Federal Reserve System, Deutsche Bank, Ernst & Young, the European Commission, the European Investment Bank, the Inter-American Development Bank, JP Morgan Chase, Novartis, the U.S. Federal Deposit Insurance Corporation, and The World Bank.

[2] As noted in 2010 Diversity Annual Report, there is no universally accepted ranking of a "top" university in economics. While the various ranking sources and services may vary in detail, it is generally the case that the top spots tend to be dominated by U.S. and U.K. institutions with strong Ph.D. programs and a faculty that includes many of the most frequently-cited scholars.

[3] In recent years, more emphasis has been given to candidates with financial sector knowledge, although these recruits have mainly been mid-career hires than new graduates.

**Box 1. Broadening the IMF's Diversity Agenda—
Issues Highlighted by the Executive Board**

In their discussion of the 2010 Annual Report on Diversity in June 2011, Directors commended the favorable developments relating to diversity in the Fund in recent years. They also highlighted the important challenges that lie ahead to achieve staff diversity that adequately reflects the Fund's membership, and they encouraged management and staff to press ahead vigorously in implementing the diversity agenda.

Directors expressed concern about the Fund's slow progress towards the benchmarks and about the IEO report pointing to a need for greater diversity of perspectives to prevent groupthink. They questioned whether recruiting more broadly would help to address both of these concerns and recommended that the following key issues be looked into and reported back to them:

- **Broadening the range of educational backgrounds of staff**, including from top universities across the world and from language backgrounds in addition to English;

- **Widening the variety of staff professional experiences**, such as mid-career professionals from finance ministries, central banks and other financial, and economic sectors;

- **Accounting for staff with multiple nationalities**, particularly when one of the nationalities is from an underrepresented region and the other (which is often the U.S. or U.K.) is the default; and

- **Enhancing representation from some G20 nations that have low numbers of staff in the Fund** (such as BRIC countries, Saudi Arabia, and Japan) given that the current approach is focused on regions rather than countries.

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mainly to a set of "priority" schools which they considered to produce high-quality graduates in the fields they were seeking.[4] While even institutions with a global outlook generally sought out candidates from colleges and universities in the U.S., some private sector organizations also undertook recruitment missions to "top" universities in countries they viewed as important emerging markets for their products and services. European-oriented organizations in the comparison group, on the other hand, tended to place greater emphasis on applicants with degrees from educational institutions in Europe.

11.   **In discussing how to attract "harder-to-find" candidates at the university level, comparators outlined a number of strategies.** Perhaps most important, they stressed, was **developing a relationship with the target schools** and universities, and raising the question

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[4] One U.S. institution, on the other hand, had a list of 600 colleges and universities from which it sought applicants regularly, albeit often through a "consortium" arrangement whereby several schools in a city or region would hold joint job fairs. In the case of this institution, this level of recruitment tended to be somewhat lower down the "educational ladder" (B.A. or Masters) compared to the Fund's core staff. At the other end of the spectrum, one organization concentrated almost all of its recruitment efforts at the annual meeting of the American Economic Association.

with them of why the kind of diverse candidates the institution or company was seeking were not represented in the student population. They noted that it was important to reach out to key figures such as deans, department heads, and job placement officers.

12.   **Private companies, in particular, noted that it required great, and sometimes creative, efforts to identify potential candidates for ongoing recruitment**. One company, for example, developed its own database from demographic information of university students **to identify the "nexus between diversity and talent"**—i.e., to determine which institutions with highly ranked programs also had higher proportions of women and minority students in those programs; thereby, allowing them to target their diversity recruitment efforts more effectively. It was also stressed that, to attract younger recruits in particular, companies need to be conscious of the newer generations' expectations in terms of working methods, work culture, and the working environment (see Box 2. Generations in the Workforce.)

Box 2. Generations in the Workforce

A substantial body of management research has shown that the existence of different generations in the workforce adds to the complexity of recruiting, motivating, and managing staff. The separate generational cohorts by birth years are usually defined as:

- Generation Y (1981–2002)

- Generation X (1965–1980)

- Baby Boomers (1946–1964)

- Traditionalists (1927–1945)

This diversity in the generations requires organizations to be flexible so as to successfully address each generation's unique perspective and different ways of relating to their working environment. For institutions like the Fund that recruit globally, it also needs to be recognized that generational differences may not be uniform across all countries and cultures.

Various studies have found, for example, that members of Generation Y are self-directed, results-oriented, and impatient if advancement opportunities are not readily available. As the first generation to have grown up entirely in the internet age, they are tech-savvy, have a desire for flexibility (as regards the hours and location of work), yet maintain a preference for speed and efficiency. They expect to be able to use the full range of technological options available to them and are also willing to put the time in to stay "digitally literate" as technologies rapidly change.

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13. **The Fund has, in practice, used some elements of these approaches, and others as well, but these could be strengthened and adapted further.** It would be possible for the Fund to cast a wider net than the set of "top" schools that have been the traditional primary focus of the Fund's hiring. As one interlocutor put it, "top" schools tend to be the most expensive, and an exclusive focus on these institutions can miss very capable candidates from poorer backgrounds. Similarly, the Fund could place greater effort on extending and enhancing its relationships with educational institutions overseas, drawing on the knowledge that exists within the Fund (among HRD recruitment teams, other staff, and Executive Directors) to identify eminent universities in key English- and non-English-speaking countries or strong economic and financial academic programs within institutions that may not make the "top" tier in some rankings.

14. **Decisions about which universities comparators recruited from were made within a broader context of their criteria for measuring top quality based on the current business needs of their institutions.** For many of the global businesses surveyed, diversity is viewed as a component of quality, is linked to their mission, and is a recognized factor in their effectiveness and their profitability. In those institutions, diversity and cultural competence is included in their criteria for top recruits and in their determination of top universities from which to recruit.

15. **In the end, the approaches that have proven to be most effective for comparators went well beyond decisions about which institutions to recruit from and included rigorous and comprehensive strategies designed to provide them a competitive advantage in identifying and attracting the top candidates in their areas of focus.** The key approaches used were:

- Well-defined measures for what constitutes top quality in their areas of focus and using those to develop the qualifications they were seeking in their new hires.

- A wide range of initiatives to attract the top applicants worldwide. These approaches involved current staff in the overall recruitment strategies; took into considerations the knowledge accumulated about the four generations in the workplace; and sought to position institutions for competitive advantage among comparators. The determination of which universities to target worldwide was part of the strategic decision-making process based on the competencies they were seeking.

- The use of onboarding initiatives (in some cases a process that lasted as long as a year) as an essential part of a successful recruitment strategy and a requirement for all new employees.

16.   **Based on the best practices identified, we recommend the following:**

- Engage in an examination of what constitutes quality based on current Fund priorities and develop clearly articulated competencies for all staff that would be used in the recruitment process to identify highly-qualified candidates. This would involve a review of recruiting approaches and criteria used at the Fund. Make decisions about any changes to the current recruitment approach based on the findings.

- Re-examine the approaches used to recruiting the top candidates to determine their suitability for the (Generation Y) professionals entering the workforce who, research shows, have very different attitudes towards work and approaches to how they work compared to earlier generations (see Box 2 above).

B. Widening the Variety of Staff Professional Experience

17.   **The recruitment of underrepresented mid-career staff presents its own set of challenges**, as individuals at that level may well be reluctant to alter well-defined prospective career paths and they may have personal commitments and concerns (spouse, children, housing arrangements, and so on) that make the practicalities of a lateral move more difficult.[5] For international institutions like the Fund, these difficulties can be particularly sharp. In addition, the recent emphasis by the Fund on recruitment of mid-career professionals from the financial sector rather than those with a "typical" standard macroeconomics training creates challenges for both sides, for example in terms of identifying the right fit and in relation to salary expectations/offers.

18.   **Comparators differed in their approach to this issue**, with some, noting that they relied primarily on youngish recruits who would stay with the institution throughout their career, while others, though also hiring largely newly-graduated staff, had an "up or out" approach and did not expect the majority of new hires to remain as long-term employees. **They all acknowledged the challenges of identifying and attracting highly-qualified mid-career personnel from underrepresented groups and noted that these efforts tended to be resource-intensive and that their strategies were built for increases based on gradual changes over the long term.** Some, particularly the private sector companies, relied heavily on external recruitment agencies. For example, the CEO of one company meets several times a year with the group of about 20 such firms to set out the company's diversity goals and to make clear that they must bring forward high quality candidates from underrepresented groups or risk losing the company's business. By putting the onus on the

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[5] Such constraints also exist, of course, for some out-of-university recruits.

search firms, the company considered that the costs were manageable, and the approach has resulted in a significant increase in women hires in the past two years.[6]

19.   Organizations also emphasized the importance of **developing relationships with professional associations focused on targeted groups,** attendance at their annual conferences or job fairs, advertising in their publications or websites, etc. One U.S.-based institution noted that the financial crisis had increased the availability of candidates previously employed or who otherwise might be employed on Wall Street. This had enabled them to recruit strong candidates with relevant experience, including a significant number of minority candidates.

20.   **Many institutions, both in the public and private sectors, used existing staff to identify targeted groups for lateral hiring through their networks.** In some cases, especially in the private sector, this approach was quite systematic and almost all staff, including operational managers, were regarded as ambassadors for the corporation and as "recruiting agents." For example, one company asked staff attending professional conferences or external meetings, to provide the names of at least three contacts from the conference or meeting whom they believed would make excellent recruits for the firm. The names and positions of such potential employees were then entered in a database that enabled managers to stay in touch with them and track their career progress over time.

21.   Several private sector organizations also reported that they used **incentives to current staff to target future hires**, with a cash bonus being awarded if the identified individual eventually accepted a position with the firm. This policy was, however, less common among public sector institutions surveyed, and, where it had been tried, it had not proved a major source of new hires.[7]

22.   There is increased interest in **the use of social networking websites**, such as Facebook and especially LinkedIn, as potential recruitment tools. Comparators were largely in an exploratory stage with the use of these online services, but all saw them as areas that would almost certainly be part of their recruitment strategies moving forward. One regional institution placed particular emphasis on advertising on region/country-specific job sites in the area of its primary interest.

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[6] The Fund, on the other hand, has found that the use of external agencies can be relatively expensive and may be justified on occasion only for a small number of very high-level positions.

[7] The Fund has in place a "TalentLink" referral scheme that allows staff to make a hiring recommendation through the online application tool on the Fund's website.

23.   Peers emphasized that **a strong "onboarding" and orientation policy was important** to ensuring that mid-career or lateral hires, especially in many cases women and some nationalities that were not as extensively integrated into established networks, were swiftly integrated into the organization's culture and ways of working. One firm reported that the CEO personally took new senior hires on a tour of the headquarters office to introduce them to other senior colleagues at an early stage in their arrival. While the Fund has undertaken efforts to integrate mid-career professionals into the work culture, a comprehensive program would likely speed the process for this group of staff.

24.   **Again, the strategies adopted by its peers are not unknown in the Fund, but there may be scope to develop them further.**[8] Fund staff across all departments meet their professional counterparts through a variety of means, whether in the course of attendance at seminars and conferences, or more informally through other professional and personal networks. These contacts could be better leveraged, while remaining sensitive to the conflict of interest concerns that arise in mission work, by encouraging staff to identify professional contacts to their departments or HRD as potential future Fund recruits. It would certainly be possible to have a systematic approach to strengthening the pool of potential candidates and also to increase staff awareness of the opportunities to act as "talent agents" for the Fund, in particular from a diversity perspective.[9] Staff, including especially Resident Representatives, could be further encouraged to be on the watch for candidates that appear to have strong potential to contribute to the Fund's work. For example, the Fund's existing referral scheme ("TalentLink") could be more vigorously advertised to staff and the current bonus awarded to staff when a referral is brought on board might have greater yields if it were increased.

25.   Recommendations:

- Engage all staff in serving as "talent agents" for the Fund by identifying professionals with whom they engage in their professional networks who may at some point in time be interested in a career with the Fund.

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[8] The TGS 2011 Global Recruitment Campaign, for example, made use of almost all of these tools to significantly enhance its recruitment of SCS staff from underrepresented regions in the past year. Further details on this effort will be provided in the 2011 Diversity Annual Report.

[9] The use of the term "talent agents" here is intended to reinforce that non-HRD staff would not be expected to engage in recruitment activity, an issue of sensitivity to some authorities, but would rather simply identify to HRD potential, high-quality, future recruits.

- Develop a comprehensive onboarding program for mid-career professionals to help in integrating them into the Fund's work culture[10].

- Build a world-wide pool and maintain a database of talent for future sourcing.

- Engage staff about the best (i.e., most widely used and credible) means of communicating about a recruitment mission or job posting directed to their respective country/region.

- Make enhanced use of social media sites for recruitment purposes.

C. Taking into Consideration the Representation of "Underrepresented" Countries

26.   **At present, the Fund accounts for geographic diversity among staff on a regional basis**—i.e., departments are assessed against diversity targets by number of staff from Africa, East Asia, the Middle East, and the Transition Countries, and not by individual nationality. **Any consideration of changes to this approach is well beyond the scope of this paper.** However, as has been pointed out by several Executive Directors, benchmarks have not been set for all regions (for example, Europe or Western Hemisphere) and there are instances in which the Fund has reached the diversity benchmarks for a region but with very few or no B-level staff from large countries (for example, Brazil, Russia) within that region.

27.   **Some comparator organizations have faced similar problems of having to pay particular attention to "underrepresented" countries or areas.** For the most part, this is an issue that presents itself more sharply in public sector organizations rather than private sector corporations. While private corporations generally have no formal mandate to meet prescribed nationality goals, the largest companies are very aware that they compete in a global marketplace for talent, and they also recognize that overwhelming reliance on a particular nationality or set of nationalities can limit their global appeal or cause questions to be raised about their relevance in "underrepresented" countries. These private sector comparators were often keen to bring on board employees from countries that they see as important and growing markets with the goal of ensuring that the "face" of the organization in local offices is representative of the country or region where the office is situated. The policies adopted to meet such goals tend to be specific to the particular circumstances and defined needs or goals of the individual firm. For example, one company developed a

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[10] The lack of a sufficiently well-developed onboarding and orientation policy for mid-career staff in the Fund was noted in 2010 Staff Survey results. A number of initiatives proposed to strengthen the Fund's efforts in this area are contained in the Diversity Office's action plan in response to the Staff Survey results.

program of hiring specialists on a short-term basis from a country that it considered a key emerging market in order to develop a relationship with an important customer base, raise its profile in that country, and establish a potential pool of future recruits.

28.   **In the international public sector, one notable approach (though not without drawbacks) is that used by the World Bank which has developed the concept of "nationalities of focus".** The Bank uses a formula to identify the countries that fall into this category and thus become the focus of special recruitment efforts. However, it is acknowledged that this approach can lead to rigidities, with countries being reluctant to be removed from the list when the share of their nationals rises to what would be judged a reasonable level. Other organizations prefer to take a more ad hoc approach, targeting new member countries for recruitment missions as the need arises or developing other hiring efforts that can be adjusted in response to perceived needs at a given time. The latter has been the Fund's approach and has been moderately successful in enhancing representation from "underrepresented" countries over time while allowing a degree of flexibility that takes into account departments' specific needs.

29.   Recommendations:

- Review the effectiveness of the current Externally Financed Appointees (EFA) program to determine whether a similar approach would be an appropriate way to address the low rates of nationals from larger nations that have relatively low numbers of staff in the Fund in regions that are not underrepresented in the Fund[11].

- On an ongoing basis, continue to monitor both the stock and flow data to identify "recruitment gaps" in major countries within a given region that are significantly "out-of-line" with what might be considered a reasonable representation among Fund staff. Arrange targeted recruitment missions to such countries on a periodic basis within the current resource envelope.

D. Accounting for Staff with Multiple Nationalities

30.   **Historically, the IMF has not emphasized the collection of data on multiple nationalities—except for staff that have or acquired U.S. citizenship (because of the tax implications for this group).** Comparator institutions were asked if they had sought to address this issue in any fashion and what approach they had taken. Most organizations have indeed considered the matter of multiple nationalities in their approach to diversity, but **there**

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[11] The Externally Financed Appointees program provides a means by which member countries can finance temporary secondments for nationals of their countries to gain professional experience at the Fund.

does not appear to be a broadly based consensus around any particular solution. For institutions that are bound to recruit from a relatively narrow nationality base, such as some national or regional government agencies, the issue does not arise in the form that it does for international organizations. Such agencies are conscious, however, of the need to take account of staff who are members of cultural or ethnic minorities within their national/regional populations. There appears to be an increasing tendency toward collecting data on dual or multiple nationalities (or in some cases, membership in a cultural or ethnic minority groups) *on a voluntary basis*. The extent to which such data, when collected, is used to assess progress toward diversity goals varies considerably, with some paying close attention to it and others taking note of it without using it in any "scoring" sense. The World Bank, for instance, collects this data on a voluntary basis and includes it in its annual diversity report but does not count it towards benchmarks.

31.   Within the Fund, the question of multiple nationalities has also been raised by staff and managers. Some consider that **the extent of diversity within the institution or within their own department is undercounted by the current practice of not acknowledging that a relatively high number of staff have multiple-citizenships** or even, very strong affinities to the countries of their birth. It has also been noted, however, that the issue is not purely a technical one since the strength of the relationship with the "origin" country may vary considerably.

32.   As noted, as staff members become U.S. citizens, they must inform the Fund so that their citizenship can be changed in the system and their tax-liability status can be duly reflected to the U.S. authorities. However, **other changes in nationality are not systematically captured,** although staff are informed that they can enter one additional nationality through HR Web. As of April 30, 2012, only 197 staff had provided such information, and Table 1 reflects the current state of knowledge on multiple nationalities within the Fund to the extent reflected in the PeopleSoft database. The data shows, for example, that the share of staff from four underrepresented regions as a whole rises from 15.9 percent based on primary nationality to 17.5 percent based on second nationality among B1–B5 staff, and from 32.4 percent to 35.4 percent among A9–A15 staff.

Table 1. Dual Nationality Status of Fund Staff 1/

	Staff with Second Citizenship, by Region			Staff by Grade Group								
				A9–A15			B1–B5			A9–B5		
Region	A9–A15	B1–B5	A9–B5		Current Share	w/ 2nd diversity region citztenship		Current Share	w/ 2nd diversity region citztenship		Current Share	w/ 2nd diversity region citztenship
	No.	No.	No.	No.	Percent	Percent	No.	Percent	Percent	No.	Percent	Percent
Africa	12	1	13	123	7.2	7.9	15	4.7	5.0	138	6.8	7.4
Asia (Other)	7	1	8	-	-	-	-	-	-	-	-	-
East Asia	6	-	6	199	11.6	12.0	17	5.3	5.3	216	10.6	10.9
Europe (Other)	83	13	96	-	-	-	-	-	-	-	-	-
Middle East	22	4	26	74	4.3	5.6	12	3.8	5.0	86	4.2	5.5
Other Western Hem.	18	3	21	-	-	-	-	-	-	-	-	-
Transition Countries	11	-	11	158	9.2	9.9	7	2.2	2.2	165	8.1	8.7
U.S./Canada	14	2	16	-	-	-	-	-	-	-	-	-
Total	**173**	**24**	**197**	**1709**	100.0	100.0	**320**	100.0	100.0	**2029**	100.0	100.0
U/R Regions Total	51	5	56	554	32.4	35.4	51	15.9	17.5	605	29.8	32.6

Source: PeopleSoft HRMS. Data as of April 30, 2012.

1/ Excludes OED.

33.   **It would be worthwhile, to update and maintain the staff's multiple citizenships on a regular basis.** The most efficient and least costly in terms of resources, would be to specifically request that new staff to identify any additional passports they hold (beyond their primary one) at the time they come on board. Existing staff would be reminded to update their nationalities annually. As there would be no changes in benefits based on their reporting, this self-reported information will be considered voluntary and will not be verified by HRD.

34.   **The question then arises whether and how such data should be reflected in measuring diversity within the Fund.** One approach would be simply to note the data at the Fund-wide level and record the results in the annual diversity report. However, while collection of data on multiple nationalities would enrich our understanding of the diversity of staff, the issue is sensitive and a number of complexities would need to be resolved. For example, would staff need to maintain a *current* passport to count a secondary or third citizenship or could staff claim citizenship without a passport as some countries allow? Would only countries with a formal policy of acknowledging dual nationalities be counted, or would nationality from all countries be accepted? It would seem that the complexities involved in having a reliable database for multiple nationalities would be great. In addition mandatory reporting would be a costly and time consuming process. The Fund would, therefore, need to have a clear policy and then encourage all staff to self report, while acknowledging the limitations of the data.

35.   Recommendations:

-   Establish clear guidelines and request staff, on a regular basis, to voluntarily update their nationalities through the HR Web so as to fully reflect any multiple nationality status they maintain.

-   Review the data on nationalities of staff in the PeopleSoft system and report on them annually, to demonstrate the broad demographic profile of the institution.

-   Review the voluntary reporting process to determine if it is effective in capturing the relevant data or if the process should be made mandatory.

III.   SUMMARY AND CONCLUSIONS

36.   **Following up on the issues raised in the 2010 Annual Diversity Report and identified by the Executive Board as worth particular attention, the Diversity Office is in the process of developing a strategy to strengthen the Fund's diversity agenda.** With this in mind, it has recently surveyed a number of comparator institutions in order to learn from their experiences in these areas and benchmark against their approaches.

37.   **In general, as the reporting on the survey of comparators shows, the issues facing the Fund are broadly similar to those being addressed by peer organizations,** albeit to different degrees and in different contexts reflecting their specific circumstances. While some of the solutions or strategies adopted by comparators are in response to their individual needs and environment, the Diversity Office believes that they provide a number of suggestions for ways in which the Fund could move forward in developing its own strategy within current resources.

38.   In summary, there seemed to be **two key distinctions between the Fund's approaches and those of comparators** that might serve to strengthen current practices:

-   The most effective comparators on an ongoing basis gave attention to defining what constituted "top quality" recruits for them, linked to their mission and the current realities in which they work. For most of those organizations, decisions about which universities to recruit from grew out of well-articulated competency frameworks that were intended to give them the best competitive advantage in their areas of focus.

-   The comparators focused extensive time and resources on finding ways to attract and retain the best and the brightest in their fields with specific emphasis on the younger generations in the workforce (Generation X and Generation Y).

IV.   KEY RECOMMENDATIONS

39.   Based on the these findings, and in addition to the more specific issues for consideration highlighted elsewhere in this paper, the Diversity Office recommends that the Fund undertake the following key recommendations:

- Engage in an examination of what constitutes quality based on current Fund priorities and develop clearly articulated competencies for all staff that would be used in the recruitment process to identify highly-qualified candidates. This would involve a review of recruiting approaches and criteria used at the Fund. Make decisions about any changes to the current recruitment approach based on the findings.

- Re-examine the approaches used in recruiting top candidates to determine whether they are the most effective measures to use to attract the (Generation Y) professionals entering the workforce who, research shows, have very different preferred approaches to how they work compared to earlier generations.

- Engage all staff in serving as "talent agents" for the Fund by identifying professionals with whom they engage in their professional networks who may at some point in time be interested in a career with the Fund.

- Develop a comprehensive onboarding program for mid-career professionals to help in integrating them into the Fund's work culture[12]. Based on best practices in onboarding, this program would ideally extend over a period of time and would provide mid-career new hires with the tools needed to quickly begin contributing to their full potential.

- Consider additional approaches to provide opportunities for nationals from member countries to gain experience at the Fund.

- On an ongoing basis, continue to monitor both the stock and flow data to identify "recruitment gaps" in major countries within a given region that are significantly "out-of-line" with what might be considered a reasonable representation among Fund staff. Arrange targeted recruitment missions to such countries on a periodic basis within the current resource envelope.

- Collect data on nationalities of staff through a voluntary self reporting process linked to the HR Web. This would be done by establishing clear guidelines and request staff,

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[12] The lack of a sufficiently well-developed onboarding and orientation policy for mid-career staff in the Fund was noted in 2010 Staff Survey results. A number of initiatives proposed to strengthen the Fund's efforts in this area are contained in the Diversity Office's action plan in response to the Staff Survey results.

on a regular basis, to update their nationalities so as to fully reflect any multiple nationality status they maintain. Data on nationalities at the Fund will be reported annually, however only primary nationality would continue to be counted towards the diversity benchmarks. Review the voluntary reporting process to determine if it is effective in capturing the relevant data or if the process should be made mandatory.