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Concluding Remarks by the Acting Chairman
The Fund's Personnel Policies and Objectives
Executive Board Meeting 91/105, July 31, 1991

Executive Directors agreed on the general key objectives of Fund personnel policy as set out in the staff paper. Directors stressed the objective of enhancing the staff's work environment. Speakers also agreed with the broad thrust of the personnel strategies to be pursued over the medium term.

Several Directors emphasized the importance of prioritizing the Fund's work so as to relieve work load pressures on individual staff members. That should be done in the context of a fundamental review of the Fund's activities, as well as on a day-to-day basis.

There were no calls for major changes in the Fund's approach to compensation, which did not seem to be a major constraint to attracting and retaining staff. However, Executive Directors viewed the limitation of employment opportunities for G-IV spouses as a significant problem. The Fund will have to work on improving such opportunities both through its contacts with the U.S. authorities and by helping spouses to find work in Washington. As it becomes more common for both husband and wife to have careers, individual decisions will increasingly be made on the basis of whether both can find jobs in Washington. That will naturally be more difficult for G-IV couples.

Executive Directors stressed the need to give more priority to personnel management in the day-to-day work of managers at all levels. That is a theme that both the Managing Director and I have emphasized in discussions with the Departments. It is essential that a balance be maintained between the needs of the individuals involved and those of the Fund.

Executive Directors strongly supported maintaining and strengthening staff development policies so as to ensure a diverse and motivated staff, with particular emphasis on expanding access to education and training. In particular, many Directors considered that managerial training, with special attention to personnel issues, ought to be a requirement for promotion to managerial levels. The need for training for support staff who had to adapt to changing automation requirements was mentioned by some Directors.

There were mixed views on the performance appraisal process. A basic issue in this area is the tradeoff between clarity and the fact that since the Fund is a multicultural institution, some individual staff members find it difficult to accept or to offer explicit criticism. Many staff members prefer such messages to be conveyed indirectly, which makes it difficult to achieve uniformity and transparency of appraisals across departments. Some

Directors mentioned that more emphasis on training people--in how to both give and receive performance evaluations--was in order. More thought should perhaps be given to that possibility. There was strong support for mobility, both within the institution and externally, including assignments to the World Bank or to national governments to gain external experience. It was also suggested that where an individual performance was in question--and reference was made in particular to longer-serving staff who show weaknesses in performance--individuals should be transferred, to the extent possible, to permit an alternative assessment by other supervisors.

Speakers emphasized the need for improved two-way communication, an important part of which was the bilateral personal communication between supervisors and subordinates. The SAC Chairman has made the point quite emphatically that a wide gap exists between the A-level staff and the B-level staff. Sometimes in the press of work, it is easy to take support staff for granted and not keep them informed about what is happening or consider their own work pressures. Directors also stressed--and rightly so--that the system should not be overloaded with excessive circulars, which could be counterproductive. The report of the communications committee will be welcome, however, because much information in the institution cannot be communicated purely on a bilateral basis without distorting the message as it proceeds down the chain of command.

Some Directors mentioned the recent discussions on the Administrative Tribunal. Management has been seeking a relatively straightforward way to explain to the staff at large the complex issues, many of which are still outstanding in the Board discussions.

Recruitment was the dominant focus of many Directors' interventions. Executive Directors placed priority on maintaining quality, and then achieving broad geographic distribution. The SAC Chairman stressed the importance of recruiting more women in the institution, and creating promotion opportunities on a broadly geographic basis so that there would be a reasonably good geographic distribution of staff at all levels. That becomes more difficult as one moves up the grade ladder because there are fewer jobs within which the desirable regional balance can be achieved. But the effort must be made.

There was extensive discussion on the appropriate academic and work experience requirements for economists, but not necessarily a consensus. A number of Directors strongly supported the use of midcareer appointments. Speakers pointed out that the Fund needs to look for ways to reach out to universities in a variety of countries. Another way of increasing the pool of potential recruits would be to provide training in economics that would be relevant to the work at the Fund where that is the constraint, or to provide language training to the extent that lack of complete facility in

English might make it difficult for somebody from a non-English-speaking university, though with a good economics background, to be a viable candidate. Accordingly, the Fund will have to give more thought to training at the entry level, and to devote resources to that end.

A number of Directors made the point that staff members' qualifications should be more effectively used in the tasks that they are assigned--for example, by using research assistants to perform some work currently being done by economists, such as managing databases. That is increasingly being done. In some countries, particularly those with ESAF arrangements, the data take an enormous amount of staff time, because the mission often actually assembles the database for the country. That burden can in part be handled by research assistants. Management has also been trying to address that problem by having the Statistics Department reorient its work toward supporting the building of databases within such countries. But even in those countries that have relatively sophisticated databases, there are differences of view among the staff on the extent to which professional staff should become involved in working with the data. While there has to be a balance, it is important that somebody giving policy advice be involved with the data in some depth, so as to understand the quality of the data underlying important judgments concerning performance criteria and the like.

On the issue of hiring economists with advanced training in economics, an important consideration is that, increasingly, the staff's counterparts in national governments--even at the junior levels--often have a high degree of economic training. That is particularly true in the industrialized countries and in some of the middle-income developing countries. While in many of the lower-income countries advanced economic training may not always be necessary, it is important to avoid a dichotomy between those who work on developing countries and those who work on the more advanced industrial countries. Mobility across departments, including between developing country and industrial country issues, is an important principle of Fund personnel policy. Thus, when someone is recruited, it is expected that that person would be able to work on any country.

A number of speakers raised the question of whether appointments for department heads should be for fixed three-year appointments. The Managing Director does not have rigid three-year appointments in mind. Rather, the intention is that department heads should not feel that they are excluded from the possibility of mobility, and that after a period of about three years, positions would be reviewed so as to take advantage of any opportunities, where appropriate, for shifting department heads around.

Executive Directors also raised the question of how staff members with specialized skills, for example on poverty or the environment, would be incorporated into the institution. The general practice has been to bring in generalists, some of whom have an expertise in a particular area--such as central banking, fiscal affairs, or statistics--that they can bring to their work in the institution, which might place them for most of their career in

a particular functional department. In the environmental area, for example, the Fund will be hiring economists with a broad background, including knowledge of environment issues, rather than individuals specializing on some environmental subjects. There is certainly no intention to build up cadres of highly specialized skills within the institution. Where specialized skills are required, such skills will be drawn from other institutions to the extent possible.