

**FOR
INFORMATION**

EBAP/20/63

September 9, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Notification of Organizational Changes in the Information Technology Department**

Board Action: Executive Directors' **information**

Additional Information: Attached is a memorandum from the Managing Director.



OFFICE MEMORANDUM

To: Members of the Executive Board

September 9, 2020

From: The Managing Director /s

Subject: **Notification of Organizational Changes in the Information Technology Department (ITD)**

I wish to inform the Executive Board of my intention to make the following organizational changes, effective October 1st, 2020.

The IT Department (ITD) reorganization aims to modernize IT services and digital capabilities to meet the Fund's transformation agenda and changing needs. The reorganization includes ITD's new organizational structure, job architecture, and job families. This memo includes the details of a proposed organizational structure at all levels, together with the HR processes and implications of the proposed future state on ITD staffing, as well as the training strategy and change management plan to ensure a successful roll out of the new IT service delivery model. OBP and ITD agree that implementation in FY21 will be consistent with the agreed FY21 budget envelope.

Background

The ITD reorganization is within a larger ITD Transformation Program which comprises a series of business and organizational activities, delivery models, processes, and capabilities that are required to enable efficient support for the Fund's transformation to its new business model. It is also one of the first steps that ITD is taking to reposition itself. The transformation program is commonly referred to as "Align ITD".

Align ITD's Goals and Benefits

- Align the department with the institutional priorities to ensure a set of shared, business-centric objectives and accountabilities holding ITD and the business jointly accountable for driving the Fund's digital transformation throughout the development life cycle: ideation, design, costing and savings capture, development, implementation, and support.
- Develop a business focused IT strategy, supported by a robust Enterprise Architecture practice along with agile and efficient processes.
 - Align staff skills with the right roles in the structure while creating clear career paths.
- Revamp the ecosystem of sourcing partners for a more efficient solution delivery and better risk management. Ensure that the new IMF partner ecosystem strategy reflects the required

level of agility, adaptability, productivity, and cost effectiveness to rapidly support the changing business needs within the available budget space.

- Enable the next-generation ITD operating model with agile processes, robust automation, tools, and fit-for-purpose team roles and responsibilities including Centers of Excellence (COEs) to ensure standardization which will help drive efficiency.

In order to accomplish the above objectives, ITD is following a structured and systematic approach to transformation by:

- Defining and adopting the target ITD Operating Model using a phased and sequenced approach while managing risk and costs to ensure continuity in the department's key activities.
- Creating business and product-aligned, multi-speed IT service delivery models that support IMF business outcomes, ITD transparency, compliance, and efficiency.
- Defining new "ways of working" in support of the new delivery models to optimize processes and balance between agility, adaptability, and efficiency.
- Ensuring that all IMF technology-enabled business capabilities are scalable and adaptive to changing business needs using a robust Enterprise Architecture (EA) discipline.
- Developing a robust change management program that focuses on strengthening the leadership competency along with training and workshops regarding the new ways of working coupled with a series of communications, and culture change enablement.

New Operating Model and Organizational Structure

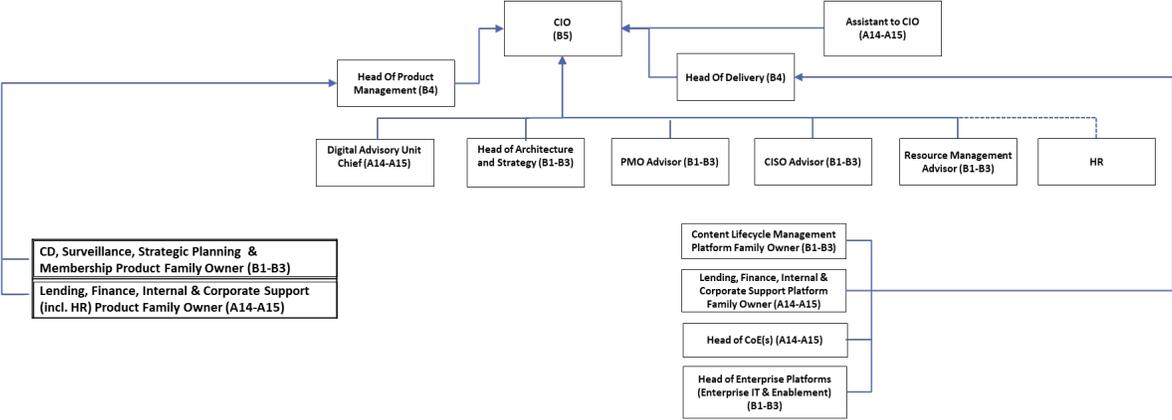
The new ITD Operating model ensures robust delivery of a business aligned portfolio of Products and Platforms in line with core IMF business functions and the Fund Thematic Framework (FTF) (Detailed in Appendix 1).

The new operating model enables a clear focus and accountability on 1) business alignment of IT strategy and roadmaps with the business priorities leveraging a Product Management function; 2) a clear focus and accountability on building efficient, effective, reusable, and scalable capabilities across ITD through a strong Enterprise Architecture; 3) a clear focus and accountability on a strengthened Security and Risk Management to manage and mitigate information security risks to the Fund's critical information assets (Crown Jewels); 4) a clear focus and accountability on optimizing the department resources with the Fund's priorities leveraging a redesigned Resource Management function; and finally 5) a clear focus and accountability on agile and efficient delivery of IT services and platforms through a robust and scalable delivery.

As part of the transformation, ITD is proposing to replace its existing organizational model with a new industry-standard operating model in support of our envisaged future state. The new organizational model includes a new set of 'ways of working' which will enable ITD to realize the substantial efficiency coupled with a new IT sourcing strategy that will use a diversified

Managed Services Providers (MSPs) ecosystem to enable ITD to rapidly innovate while reducing staff augmentation presence over time, hence reducing delivery costs, and mitigating single-provider dependency risks.

Figure 1. Proposed ITD Organizational Structure



In order to operationalize the new operating model, the organizational structure will be reprofiled as follows:

- An expanded front office with 2 Deputy Directors at B4 (versus 1 at B3 in the current model). One Deputy Director will oversee the Product Management teams to ensure full alignment of the department initiatives and the business IT solutions with the Fund’s priorities, while the other Deputy Director will provide the oversight of the IT solution delivery per the agreed upon priorities.
- The Product Management (Business Alignment) function comprises one Division “CD, Surveillance, Strategic Planning & Membership” and one Unit “Lending, Finance, Internal & Corporate Support (incl. HR)”.
- The delivery function is comprised of two divisions: “Content Lifecycle Management Platforms” and “Enterprise Platforms”, and two Units “Lending, Finance, Internal & Corporate Support Platforms” and a “Centers of Excellence” Unit.
- The existing Enterprise Architecture Division, Digital Advisory Unit, Information Security Group, PMO and Resource Management Units will remain in the front office at the existing grade bands reporting directly to the CIO.

Implementation

The transition approach adopted by ITD was designed and assessed in the context of the risk and impact on each of the **five organizational design principles** for ITD:

- Minimal interruption to ITD Operations and Delivery
- Strengthening the delivery of Modernization & Transformation Projects (MTP)
- Align with in-process Sourcing Initiative

- Successful exiting of current application services provider and onboarding / transition of new providers and internal staff in an orderly fashion
- Consistency/alignment with IMF HR decision making policies and practices
 - Remain in existing position
 - Transfer to different position
 - Change in job requirements
 - Competitive selection for new position

In addition, ITD recognizes that the transition needs to take fully into account the constraints inherent in the flat budget environment during a period when several large change projects underway across the Fund. As such the timing and sequencing of changes will be closely coordinated with HRD and OBP.

Implementation of the new operating model will be based on the following four criteria for staff movements, with sequencing of implementation taking into account available budgetary resources:

Job Architecture

- As part of the department alignment, ITD will implement an IT career play book supported by a Job Architecture which includes a set of Job Families, Positions, Titles, and Career Progression. The titles will follow the industry best practice. Current titles, 'Information Technology Officer (ITO) and Senior ITO' will no longer be used under the new operating model.

Figure 2. Position Title Framework. Example

	Grade	Technical Track	Managerial Track
	A15	N/A	Deputy Division Chief
Band	A14	Information Architecture Lead II	Deputy Div. Chief / Architecture Section Chief II
	A13	Information Architecture Lead I	Architecture Section Chief I
Band	A12	Sr. Information Architect, Sr. Analyst	
	A11	Information Architect, Analyst	
Band	A10	Associate Analyst II	
	A09	Associate Analyst I	

Overall Training Roadmap

The skills gap is addressed through external hiring, training, and a stronger leverage of MSPs. In addition, a comprehensive leadership development and technical training curriculum for all ITD staff, including B-level leaders will be in-place prior to October 1, 2020 and will be delivered through 2021.

Staff will be coached/trained in the ways of working which will help ITD staff:

- Learning and adjusting to their new roles and associated tasks
- Know how to work together within the new Operating Model
- Understand and align with the core work of the Fund which will help them run projects, communicate effectively, and perform various activities
- On-the-job training will be used in the short term for a quick ramp up
- Self-learning capabilities will be provided to get staff the foundational knowledge of key concepts needed for them to assimilate more complex concepts which will be delivered subsequently through 'class-room style' and 'on-the-job' training.

Change Management

- During the past 18 months, there have been several townhalls, ITD Align and ITD management meetings and workshops held to design, size, and communicate the future state, all of this supported by ISG One, the external consultants, who have been helping ITD to redesign the new IT operating model. ISG One have also assisted in designing and developing the job architecture, the skills inventory, developing job descriptions, and bringing the industry best practices in the IT service delivery and operating models.
- In addition, ITD Front Office conducted and will continue to conduct regular meetings with key stakeholders and Management to keep them informed and engaged throughout the process.

cc: Ms. Kochhar
Ms. Shannon
Mr. Demba
Mr. Costa
Ms. Gheriss

Appendix 1

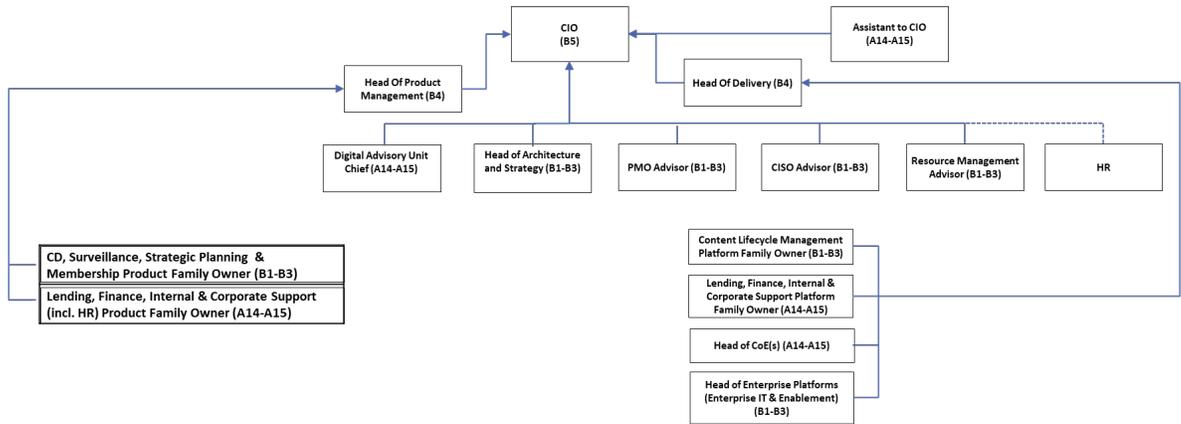
ITD Capabilities alignment with Strategic Framework

Fund Thematic Framework			
Economic and Financial Research	Multilateral Surveillance	Global Solutions	IMF Policy
Country Operations	IMF Finance	IMF Governance & Membership	Internal Support
Product Families			
Capacity Development	Surveillance	Strategic Planning, Membership & Communications	
Products			
CD – Content (structured and unstructured) Lifecycle Mgmt CD – Membership Outreach & Engagement CD – Specialized Economic Services CD – Delivery Management CD – Translation and Interpretation	SUR - Content (structured and unstructured) Lifecycle Mgmt SUR - Membership Outreach & Engagement SUR - Specialized Economic Services SUR - Translation and Interpretation SUR - Calendar Planning SUR - Logistics Planning	SMC - Board Operations SMC - Annual & Spring Meetings Ops SMC - Calendar Planning SMC - Logistics Planning SMC - Governance, Risk, and Compliance	
Business Platform Families and Platforms			
Content Lifecycle Management Platform Families (Platform Family Level Management Structure)			
Econometric Modeling, Big Data, AI, ML, Platform Family <ul style="list-style-type: none"> • Bigdata, Visualization & Sharing Platform • Econometric & Modeling Platform • AI Platforms • Computational economics Platforms Data Collection, Exchange & Management Platform Family <ul style="list-style-type: none"> • Collection and Exchange Platform • Core Data Management Platform 	Knowledge Management Platform Family <ul style="list-style-type: none"> • Workflow, Authoring, DM, RM & Archives Platforms • Dissemination, Collaboration and Search Platforms • Learning, Language and Library Platforms • Digital Asset and Innovation Platforms • Strategic Planning, Governance and Member Engagement Platforms 		
Enterprise IT Platform Family			

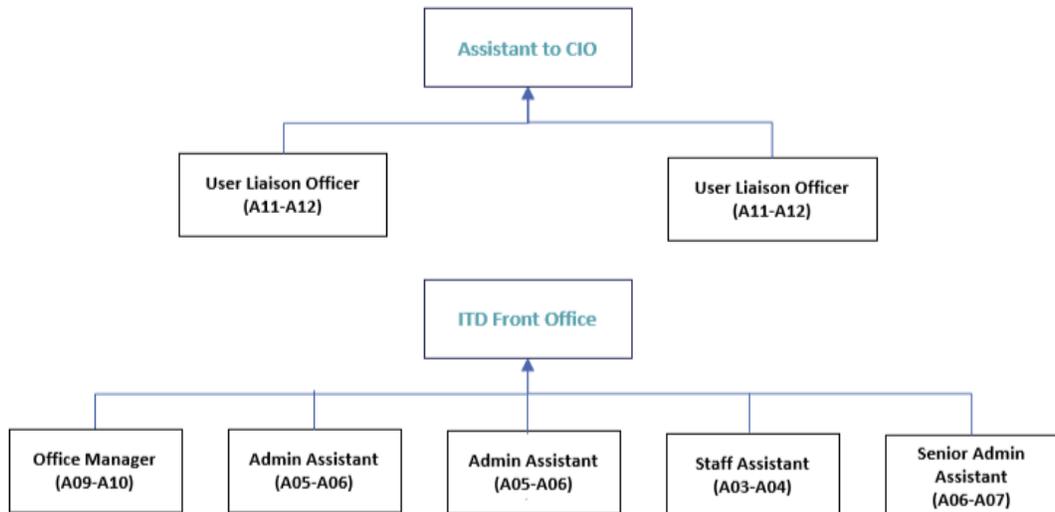
Fund Thematic Framework			
Economic and Financial Research	Multilateral Surveillance	Global Solutions	IMF Policy
Country Operations	IMF Finance	IMF Governance & Membership	Internal Support
Product Families			
Lending and Finance	Human Capital Management	Internal & Corporate Support	
Products			
Member Financial Services Lending Quotas Internal/Corporate Financial Operations	Recruitment & Staffing Workforce Planning & Performance Management Learning & Development Employee Relations Compensation & Benefits Health & Safety HR Analytics	Security Operations Legal Affairs Management Facilities & Workspace Mgmt Internal Digital Communications and Event Management Resource & Project Planning	
Business Platforms Families and Platforms Lending & Finance Platform Family (Platform family level management structure)	Business Platforms Families and Platforms HCM Platform Family	Business Platforms Families and Platforms Internal & Corporate Support Platform Family (Platform Family Level Mgmt Structure)	
Member Financial Management and Operations (Flexcube) Financial Data Management Platform Corporate Finance & Planning Platform (Peoplesoft)	<ul style="list-style-type: none"> • Workday • Peoplesoft 	Corporate Support Platform Family <ul style="list-style-type: none"> • Security Platforms • Facilities Real-estate and Workspace Management Platforms • Digital Communications & Information Sharing Platforms • Annual & Spring Meetings Ops Internal Resource & Project Planning Platform Family <ul style="list-style-type: none"> • Project Management Platforms • Resource Management Platforms 	
Enterprise IT Platform Family + IT Enablement Platform Family			

Appendix 2

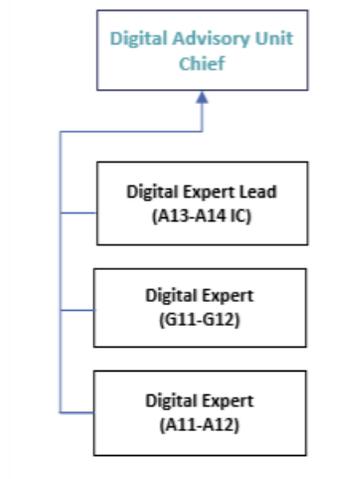
Level 1: Proposed ITD Organizational Structure



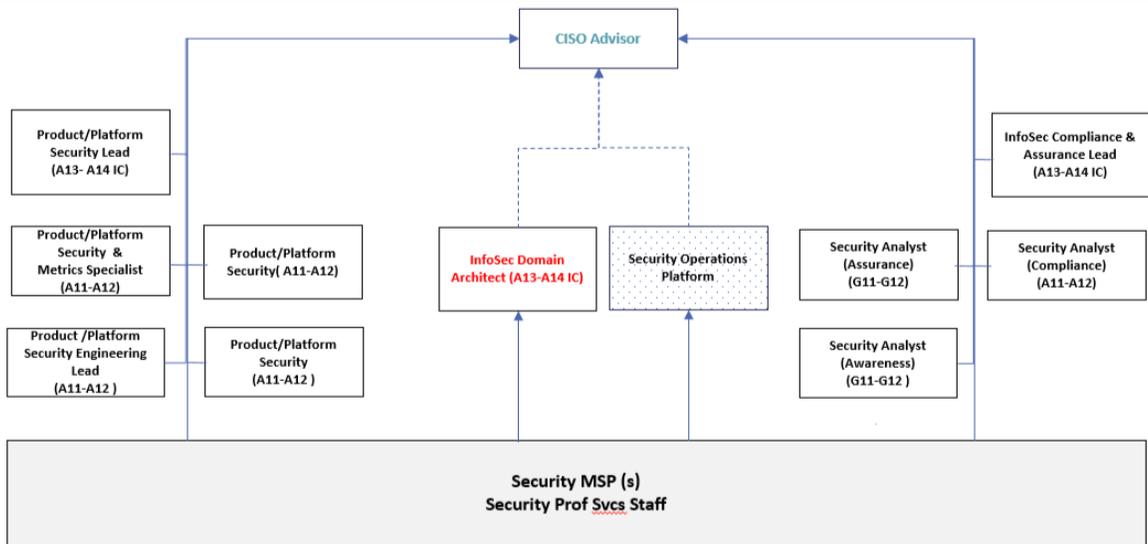
Level 2: Proposed ITD Governance - Office of CIO



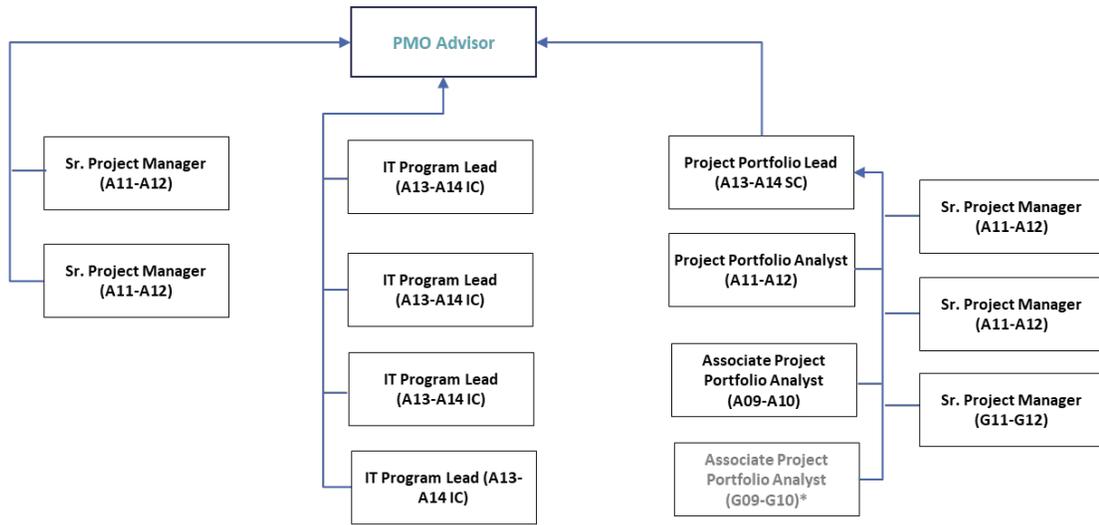
Level 2: Proposed ITD Governance - Digital Advisory



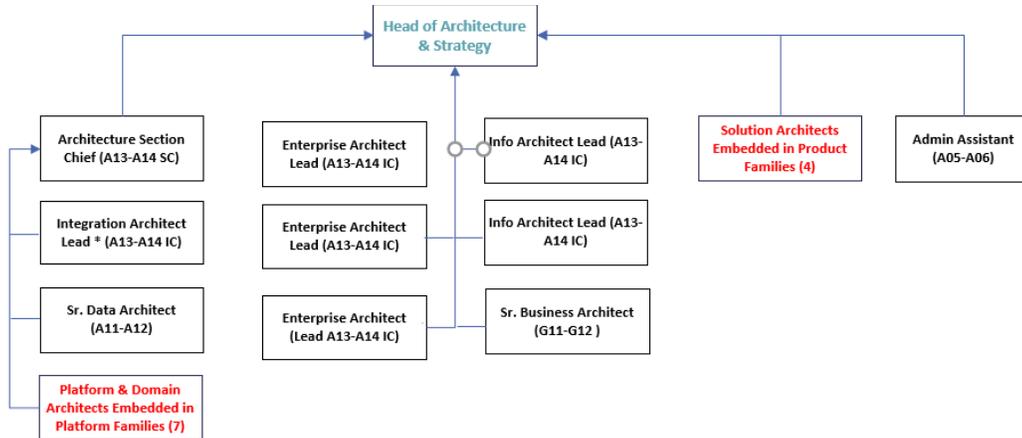
Level 2: Proposed ITD Governance – Security & Risk



Level 2: Proposed ITD Governance – PMO



Level 2: Proposed ITD Governance – Architecture & Strategy

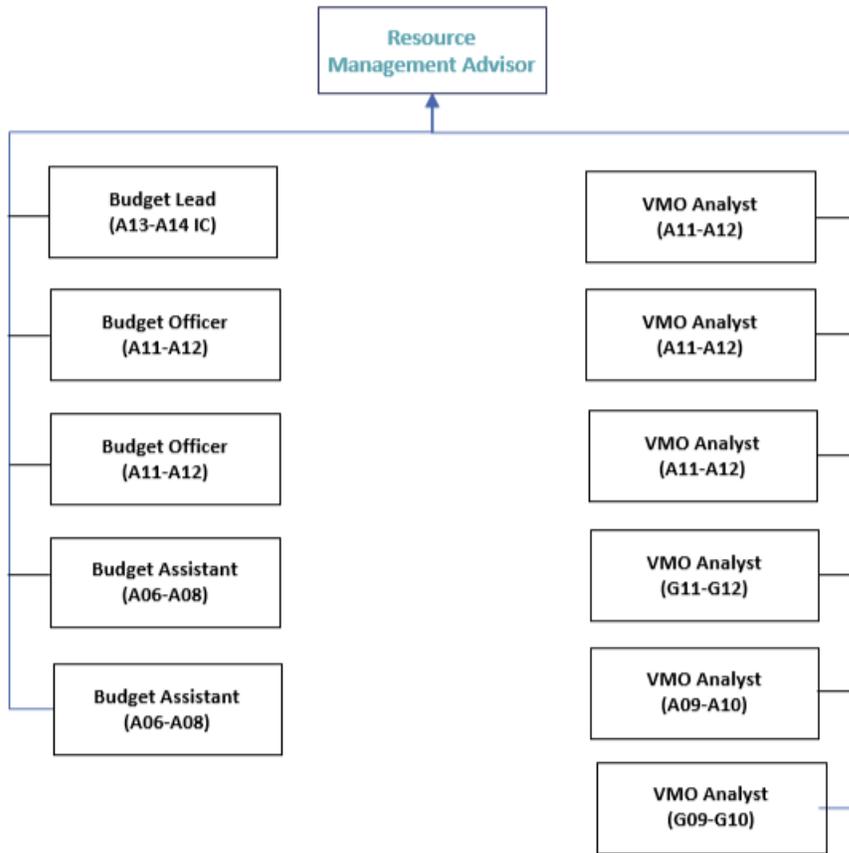


Platforms & Domain Architects report to Architecture but are also aligned to their respective Platforms. See individual platform teams for sizing details

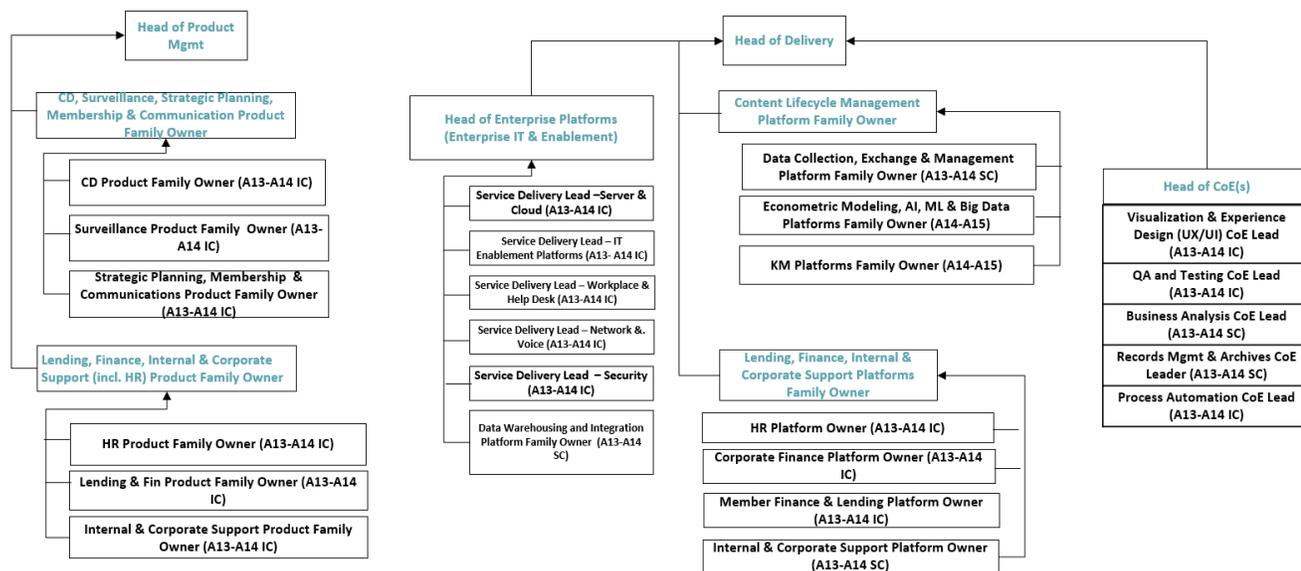
Solution Architects report to Architecture but are members of Product Family teams. See individual Products Family teams for sizing details

*Data and Integration architects from the Strategy & Architecture team will support respective Enterprise platforms (i.e., Datawarehouse & Integration Platforms)

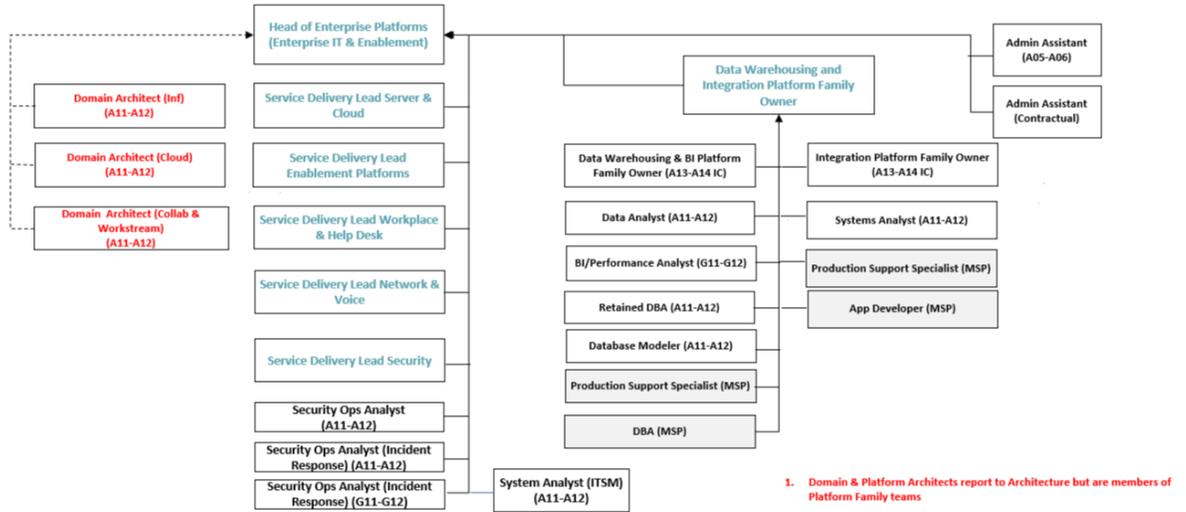
Level 2: Proposed ITD Governance – RMU



Level 3: Proposed ITD Product Management and Platform Delivery



Level 3: Proposed ITD Delivery– Enterprise IT and Enablement Platforms



Level 3: Proposed ITD Delivery – CoEs

