

Consequences of the Field Vision for Internal Management Processes at Sida

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Consequences of the Field Vision for internal management processes at Sida

1 Introduction

1.1 Background

In 2003 a feasibility study was made of internal management processes at Sida. The feasibility study was presented in a report from the Internal Audit¹. The feasibility study established that internal management is a multi-dimensional phenomenon. There are a large number of management impulses that reach the staff at Sida. Management mainly takes place through different processes and not merely through directives. In a rational internal management system the different processes supplement each other. Furthermore, it was established in the study that there are strong common values at Sida and that, within the framework of these common values, there are a number of more or less specific sub-cultures.

The feasibility study described five areas for in-depth examination. When the Sida's Board discussed the study, it was decided that two main studies would be made – Performance Management at Sida and Consequences of the Field Vision for Internal Management Processes at Sida. These two studies were included in the audit plan for 2004 approved by the Board.

The two main studies have been performed in parallel and a separate report has been produced on each study. Organisation analyses have also been made within the framework of these studies. An overall report on the organisation analyses was submitted in the report Organisational Cultures at Sida².

This audit report is on the consequences of the Field Vision³ for internal management processes at Sida. However, this field overlaps, to a certain extent, Sida's performance management. With the aim of avoiding, as far as possible, that the same issues are taken up in both reports from different perspectives, references are made to each report whenever applicable.

1.2 Aims, problem areas and the implementation of the study

The aim of the study of the implementation of the Field Vision is:

- to describe and analyse the implementation of the Field Vision at Sida,
- to analyse and assess the consequences of the Field Vision for internal management processes at Sida,
- to submit proposals for measures to be taken to improve Sida's internal management processes in the light of the implementation of the Field Vision.

Some of the problems examined in the study are:

- What has the implementation of the Field Vision meant for Sida's work, for example in respect of the division of roles and responsibilities between Sida Stockholm and the embassies⁴?

¹ Prerequisites for management at Sida – a feasibility study (Internal Audit 03/03, Department for Evaluation and Internal Audit, Arne Svensson/Wiveca Holmgren).

² Institute for Personnel and Corporate Development (IPF), Organisation Cultures at Sida, Carin Eriksson, Barbro Forsberg and Sida's Internal Audit, Wiveca Holmgren

³ Formal decision of the Director General (119/20) of December 20, 2002, on: "The Action Programme – Vision for a strengthened field orientation at Sida, 2002–2004". The decision also describes the implications of the vision.

⁴ This report also uses the concept "Field Office" (FO).

- Does the greater degree of delegation⁵ mean changes, for example in terms of manning at embassies, in the duties that seconded staff and national programme officers (NPO) are responsible for, and in the structure and volume of the portfolio of contributions?
- Are Sida's internal management processes appropriate in relation to the process of decentralisation that has taken place?
- Does Sida have an organisation culture that supports greater delegation to the field? What is required to develop an organisation culture at Sida that supports a greater degree of field orientation?

The Internal Audit provides an account of the implementation of the study in Appendix 1. It can be seen from this account that the Internal Audit engaged a consultant, Arne Svensson, of Professional Management Arne & Barbro Svensson AB, to implement the two studies together with Wiveca Holmgren, an internal auditor at Sida. In addition two consultants, Carin Eriksson and Barbro Forsberg of the Institute for Personnel and Corporate Development (IPF), were engaged as sub-consultants to analyse the organisational culture at Sida. IPF's report has been published separately. Appendix 2 contains the report, which has mostly been written by Arne Svensson. Regular consultations have been held with Sida's Internal Audit. Appendix 3 contains a report on the review of the portfolio of contributions, administrative resources and division of work in the four case studies performed by the Internal Audit.

This report from the Internal Audit is based on the consultants' reports and summarises the most important observations and conclusions from the study, as well as the Internal Audit's recommendations. For a more exhaustive description of observations, conclusions and assessments, reference should be made to Appendix 2. A reading of Appendix 2 entails a certain repetition of observations etc. This is due to the fact that the Internal Audit has not wished to make changes to its text since the consultant is the main author.

The study was performed during the period March to September, 2004. Staff at Sida have been given the opportunity to provide points of view on the content of the draft report. Internal Audit has taken these points of view into consideration when writing this final report. Furthermore, the Internal Audit has supplemented the report with information on Sida's work of implementing the Field Vision during the period September to December.

2 Internal Audit's conclusions and recommendations

2.1 Implementation of Sida's Field Vision

The study establishes that a vision can be a powerful tool for change if it is accompanied by action. Sida has implemented a number of activities based on the action programme⁶ for a strengthened field orientation⁷.

The study shows that the implementation of the Field Vision has not entailed any dramatic changes at Sida. Today, there is an acceptance at Sida for the strengthened field orientation and, as a concept, the Field Vision has a great amount of support. At the same time, there are differences in views on what full delegation means and on the practical consequences of the Field Vision. There is a wish that expectations and responsibilities in the organisation should be further defined.

The implementation of the Field Vision has coincided in time with other changes in conditions for development cooperation. For example, there has been a process of re-orientation in that donors are increasingly giving consideration to the control systems in the partner countries (alignment) and coordi-

⁵ Here, the term "greater degree of delegation" is used synonymously with "full delegation".

⁶ Action Programme – Vision for a strengthened field orientation

⁷ A final report that takes up the implementation of the Field Vision will be presented at the end of December 2004.

nating ways of working and methods (harmonisation). The form and content of development cooperation are changing character through Sida's new Policy for Global Development and Perspectives on Poverty (PoP). The linkages between PoP and the Field Vision are of central importance. Sida has stated that PoP provides the answer to the question "What" and the Field Vision provides part of the answer to the question "How". This audit has shown that the increase in Sida's presence in the field has created more appropriate organisations in the partner countries in relation to these new conditions. The possibility of achieving greater flexibility and of taking rapid action and making faster decisions has been enhanced, thanks to the Field Vision.

The study establishes that, in practice, the Field Vision has hitherto only affected a small part of Sida's work, i.e. bilateral development cooperation in 14 countries, which represents approximately 30% of Sida's disbursements for this form of development cooperation. There is a need to analyse what an increase in field orientation would mean for other activities. SAREC, SEKA and the Multilateral Coordination Division were given the assignment of studying the possibilities for field orientation of research cooperation, humanitarian assistance and support to NGOs, and multilateral development cooperation. A report on the assignment was submitted to the Field Unit on October 1, 2004.

Experience gained at DFID and Danida shows that costs increase in connection with decentralisation. The increase in costs arises, for example, from travel costs and costs for extension of IT services. Initially, no attention was paid to the costs of the increase in field orientation. In later phases, information on costs of the implementation of the Field Vision has been produced and analysed and, in connection with this, a standard manning schedule for Field Offices has been produced. Furthermore, the Department for Africa has started to work on an analysis of the embassies' capacity.

The Internal Audit has made an analysis of contribution portfolios, administrative resources and the division of work in four case studies: in Mozambique, Zambia, Bangladesh and Sri Lanka. The aim has been to analyse the effects of full delegation at these embassies in respect of the contribution portfolios and allocation of resources. The conclusion that can be drawn from the analysis is that it is difficult to distinguish clear indications of changes in the structure and volume of the contribution portfolios during the short period of time since the embassies were given fully delegated authority. However, the following conclusions can be drawn from the analysis:

- that, in the case studies, the contribution portfolios do not show a consistent change towards longer and larger contributions,
- that the embassies are responsible for a very high (in some cases increasing) proportion of the volume of contributions compared to Sida in Stockholm,
- that the embassies in Bangladesh, Mozambique and Zambia have, in general, equally high personnel costs in relation to the volumes that are being administered, while personnel costs in Sri Lanka are considerably higher.

The results of this analysis are presented in appendix 3 but, as is emphasised in the text, no major conclusions should be drawn from the information presented. The intention of the Internal Audit has been to study the information that is available on the embassies' resources etc as a basis for a quantitative analysis, and the degree of accessibility of the information. There are shortcomings in these respects, which makes it difficult to compare the allocations of resources made by the embassies in relation to their workload.

Recommendations

- Sida should analyse and adopt a position in respect of what an increase in field orientation should mean for those parts of Sida's operations that have not been included in the implementation of the Field Vision during the period 2002–2004.

- Furthermore, Sida should analyse and assess the costs that have been associated with the implementation of the Field Vision and make use of this information in future processes of change.
- Sida should produce statistical information and make analyses of contribution portfolios, information on manning and other administrative resources etc, and use this information in connection with planning processes.

2.2 The consequences of decentralisation for Sida's internal management processes

In its report on Performance Management at Sida, the Internal Audit takes up Sida's internal management processes and directives in greater depth. In the study of the consequences of the Field Vision for Sida's internal management processes, it can be said that these consequences have hitherto only been given little amount of attention at Sida.

The study emphasises that a decentralised organisation needs more powerful internal management processes than an organisation in which decision-making is centralised. Far-reaching decentralisation with extensive delegation to embassies increases requirements for performance management. There are some weaknesses in the management processes in respect of the field, for example in respect of the formulation of goals in country strategies and country plans, the follow-up of effects, and feedback on performance. This has the effect that the controls are weakened and that shortcomings arise in the allocation of resources to regions, countries and contributions.

The Internal Audit study shows that, where internal management processes and tools are concerned, the Field Vision has mainly focused on further development of the country plans and the country reports, for example a new format for country plans has been used. The changes that have been made to the internal management tools are positive, but there is a need of further improvement. In connection with changes to these tools, Sida should decide how large differences may be between the working methods, routines and documentation of the regional departments in the internal management process. Uniform working methods would simplify the work of other departments at Sida.

In the study it is established that Sida's internal management processes have not been fully adapted to the various activities pursued by Sida, but tend to be largely based on bilateral development cooperation. The Internal Audit is of the opinion that greater field orientation of other types of development cooperation could contribute to bringing activities at Sida Stockholm closer to each other and to creating more uniform management processes. The decentralisation to the field that Sida has implemented should be accompanied by a review of the internal management processes to enable it to have a full impact.

Recommendation

- In the light of the process of decentralisation, Sida should make a review of its internal management processes. Work on operational planning and country plans should be reviewed with the aim of simplification and of creating a greater degree of uniformity. Internal management processes should be developed by creating specific links between the different organisational levels at Sida.

2.3 Quality assurance

The Internal Audit is of the opinion that, in a decentralised organisation, quality assurance is an important management tool to ensure observance of the rules, efficiency, and the dissemination of appropriate routines and processes. A Local Quality Assurance System (QAS) reviewed by a QA mission is required for an embassy to be given full delegation.

Sida has decided to reinforce quality assurance in the field with special quality assurance reviews in the field. The special quality assurance reviews have had the aim of ensuring that current directives are being applied at embassies with full delegation, that quality assurance mechanisms are working well, and that cooperation with Sida in Stockholm is satisfactory. The study shows that the special quality

assurance reviews have been of considerable importance for the implementation of the Field Vision for the quality assurance of Sida's operations at embassies with full delegation.

In the report on performance management at Sida, we take up the role of the central and local project committees for the quality assurance of Sida's programmes of development cooperation. The Department for Policy and Methodology (POM) was commissioned to present a report on the different roles and mandates of the various project committees on January 31, 2005.

Recommendation

- Sida should define the implications of quality and quality assurance at Sida and create a coherent system for quality assurance to meet the demands that can be made of a decentralised organisation that is managed by results.

2.4 Human resource development and learning

It is evident from the study that the Field Vision means new roles for the staff. There are shortcomings in staff recruitment and in human resource development in connection with the implementation of the Field Vision. Among other things it has been difficult to recruit staff with the right qualifications and experience for certain countries.

The study shows that PEO was given a number of assignments in the Field Vision Action Programme. PEO was commissioned to report on these assignments to ROV. PEO was also commissioned to analyse its own role at Sida in the light of the Field Vision, for example in respect of support for the field in recruitment work. Issues relating to personnel and human resource development are of strategic importance in connection with a decentralisation process and should be analysed on the basis of a holistic perspective. Thus other divisions at Sida-S and units in the field should be able to participate in the formulation and implementation of PEO's assignments, for example in the form of participation in steering groups and/or reference groups.

The new roles of staff at Sida in connection with decentralisation entail new requirements in respect of qualifications and experience. It is mentioned in many documents that Sida is a learning organisation, but the study shows that Sida has not developed or created a systematic method to enable staff to learn from each other. Learning is highly dependent on individuals and there are sometimes shortcomings in the possibilities to transfer knowledge. The lack of time and suitable meeting places are given as two reasons for this.

The study shows that there is a lack of efficient routines when programme officers are replaced in the field. There is often a time lag between programme officers leaving their posts in the field and new programme officers taking over. This time lag leads to deficiencies in the transfer of knowledge. In such cases the role of the NPOs is important since they carry the institutional memory: they know how things worked previously at the workplace.

Introductory training is of importance for the speed and ways in which new employees are socialised into their work and the organisation. The study shows that there are shortcomings in Sida's introductory training, in the possibilities available for further education, and in participation in exchanges of experience.

Sida has produced guidelines for locally employed staff at embassies: The Role of Locally Employed Professionals. In connection with the study, a number of points of view have been expressed on the description of the role of NPOs and the possibilities given to NPOs in their work in the document. This study shows that there are different approaches to NPOs at Sida. By producing guidelines Sida has started to develop an approach to NPOs, but has not yet made much progress in this work.

In the study it has been established that, in addition to the contextual understanding of conditions for development cooperation in the country in question, NPOs also have good professional skills. NPOs have special needs of human resource development if they are to be able to take professional responsibility and the Field Vision shall have a full impact. Their need of human resource development concerns, among other things, knowledge of the Swedish public administration, financial follow-up of contributions, PLUS. PEO is not involved in the recruitment of NPOs and, at Sida in Stockholm, there is no overall picture of the skills of NPOs and the need of human resource development programmes for them.

Recommendation

- Sida should review and develop its routines for staff changes, particularly in the field. The introductory training programmes should also be reviewed and be better adapted to the needs that have arisen as a result of the implementation of the Field Vision. Sida should also further develop the systems for transfer of knowledge between the staff, taking the conclusions drawn in the learning strategy project into consideration.

2.5 Division of roles and organisation structure

The Internal Audit study notes that the idea behind the increased field orientation is that a strong local presence, in combination with a professional and supportive head office, is the most effective way of implementing programmes of development cooperation. All departments at Sida-S have analysed the consequences of the Field Vision for their own operations. These analyses show that all departments support the increase in field orientation. The Director General has made a formal decision (87/04) which lays down the guiding principles for the division of roles and responsibilities between Sida-S and embassies with full delegation. Sida's Field Unit will follow up the decision at the end of 2005.

It is evident from the study that there is a certain degree of concern on the part of the field that Sida's sector departments will compensate for the reduction in scope for decision-making in bilateral development cooperation programmes by working more with regional and global programmes. This is of importance for the future breakdown between bilateral, regional and global cooperation and for the allocation of resources at Sida.

The study shows that the division of roles between the embassies and Sida-S has gradually evolved and has become clearer. The division of roles between Field Offices and Sida-S should be further developed and refined in respect of responsibilities and powers. Sida should administer individual contributions to a smaller extent, which can reduce the risk of duplication of effort in relation to the field. More clearly defined roles should be created both for the regional and sector departments, and for the administrative departments at Sida, i.e. PEO, EVU and INFO, whose roles and responsibilities have changed to a lesser extent in connection with the realisation of the Field Vision. It is evident from the formal decision of the Director General (87/04) that the sector departments are to be responsible for professional advisory services and support in the implementation of the country programmes. The advisory role is described in detail in the decision. The study shows that, among staff in the field, there is a relatively common opinion that most members of staff at the sector departments lack the cutting-edge skills in their subject fields and need to develop their capacity to work as advisers.

To facilitate internal management processes, certain basic principles should apply as far as possible to all sector departments. The sector departments should be more accessible and flexible in relation to the field where undertaking short or long assignments is concerned, and forms for demand-side steering should be further developed. Furthermore, the skills of the Field Offices for commissioning assignments from Sida-S should be improved with the purpose of enabling the Offices to clearly define assignments, to specify times for implementation etc.

Organisation structure

One important matter in connection with the implementation of the Field Vision is whether Sida has an appropriate organisation to supply the intended results, on the basis of the Policy for Global Development and changing conditions for development cooperation. The Internal Audit's study notes that a decentralised organisation becomes efficient when the staff can adapt activities to the local context with a great degree of freedom. Furthermore, decentralisation is not merely an issue of extending decision-making rights and powers to certain parts of the organisation, but rather that the entire organisation needs to be adapted to the new conditions.

In the study it is noted that when decentralisation takes place there is a risk that tendencies to form sub-cultures are strengthened, which can make internal management processes difficult since priorities and assessments are not made on a uniform basis. The divisions at Sida that have policy-making responsibilities have an important role in respect of bridging these differences and creating arenas for the development of knowledge. Programmes of development cooperation are to a great extent dependent on their context and it is not possible to use simple templates to create uniformity. Certain minor differences are acceptable, but if these become too great there is a risk that the sub-cultures will be strengthened and that the organisation will become fragmented. The Internal Audit considers that there is a need to further develop and strengthen the central internal management processes and adapt them to the new conditions for Sida's decentralised organisation.

It is evident from the study that the realisation of the Field Vision has not resulted in any dramatic changes for Sida or has had any major consequences for Sida's internal management processes. The implementation of the Field Vision has largely focused on increasing delegation to the field. Experience shows that the most difficult aspect of decentralisation is to change ways of working and approaches in those parts of the organisation where the decision-making powers diminish. The Field Vision has had the effect that certain changes have been made to the division of roles at Sida. However, no comprehensive change has been made and the organisational structure has been kept intact. The Internal Audit's study of the implementation of the Field Vision shows that there is reason to make an integrated survey of the needs for changes to the organisation structure at Sida-S.

Recommendation

Sida should take further steps and proceed with the field orientation of its activities. In connection with this, Sida should make a survey of the need for changes to the organisation at Sida in Stockholm. Within the framework of this survey, light should be shed on the following areas:

Designation of roles and responsibilities between the regional departments and Field Offices

One point of departure should be to review and further develop the role of the regional departments in respect of guiding, coordinating and supporting the field.

The role of the sector departments as advisers and specialists

Where the division of roles between the field and the sector departments is concerned, Sida should investigate the possibility of establishing a clearer model for demand-side steering. The skills of the staff should be adapted to enable them to work as advisers.

The role and skills of Field Offices in commissioning assignments at Sida-S

Field Offices should be developed with the aim of improving their capacity to commission specific and clearly defined assignments, state times for implementation, needs of expertise etc.

Analyse the consequences of greater field orientation for SEKA, SAREC and Multilateral Coordination Division

Sida has commissioned SEKA, SAREC and Multilateral Coordination Division to investigate the possibilities for field orientation of research cooperation, humanitarian assistance and support to NGOs, and multilateral development cooperation. Sida should also decide what this entails for the departments at Sida-S that work with these forms of development cooperation.

Sida's support and service functions

Sida's support functions, i.e. PEO, EVU, INFO and FU, should be reviewed from a field perspective. Some of the questions that should be answered are: what support can the field expect from Sida-S, how should the field's need of support and service be organised to make it as efficient as possible, how large should the supportive resources be, etc.

Appendix 1

Implementation of the study

Review of documents and interviews

The study included a review and analysis of Sida's documents. Written documents that take up the Field Vision and the formal decisions made in various forums in respect of the Field Vision and its implementation were analysed. With the aid of interviews with staff at both Sida in Stockholm (Sida-S) and at the embassies, a survey was made of the ways in which the Field Vision has been implemented and of its consequences for internal management.

In the main study, a total of 68 interviews were conducted at Sida-S and the embassies. The interviewees included 14 heads of departments, heads of divisions, ambassadors or counsellors. In addition to this, the feasibility study's reference group and 15 interviews are also included in the material on which our overall assessment is based.

Case studies

In order to obtain further material for the study, case studies were performed in four countries – Mozambique, Bangladesh, Sri Lanka and Zambia¹. The embassy in Maputo was visited between March 15–19, 2004, the embassy in Dhaka between May 3–7, the embassy in Colombo between May 10–14, and the embassy in Lusaka between May 24–28. The overarching directives, country strategies, country plans etc for each country were analysed. Management and staff at the embassies concerned were interviewed to supplement the documentation, thereby facilitating an in-depth understanding of the implementation of the Field Vision.

Furthermore, the entire contribution cycle for 6–10 contributions per country was studied (all in all 33 contributions). Some of these contributions included several components or a large number of components. The selection of contributions was intended to reflect the breadth of Sida's development cooperation programmes in respect of sectors, forms of support, scope, duration etc of the contributions. Contributions were selected that were at various stages in the contribution cycle – from completely new to finalised contributions. All available documentation on these contributions at the embassies and Sida-S was examined. Moreover, the programme officers responsible for the contributions at Sida in Stockholm were interviewed.

Where the case studies are concerned, a quantitative review was made of contribution portfolios, administrative resources and division of work. One of the points of departure was to examine the information that is available at Sida and the analyses it is possible to make on the basis of this information. Appendix 3 contains a more detailed account of this review.

¹ Bangladesh and Sri Lanka received full delegation in 2004, Zambia in 2003, and Mozambique in 1999.

Consultants

Internal Audit engaged consultants to perform the study together with Wiveca Holmgren, internal auditor at UTV. Arne Svensson, a consultant from Professional Management Arne & Barbro Svensson AB, performed the study together with Sida's Internal Audit. Arne Svensson is the main author of the report presented in Appendix 2. Regular consultations were held with Sida's Internal Audit.

Internal Audit also engaged two consultants, Carin Eriksson and Barbro Forsberg of the Institute for Personnel and Corporate Development (IPF), as sub-consultants for an analysis of organisation cultures at Sida. The report "Organisation Cultures at Sida" has been published separately. The report describes the method used to analyse and describe the culture at the two embassies and two divisions included in the study.

Internal and external communication

The observations and conclusions of the study have been discussed with the staff at Sida. The project that had the primary responsibility for implementing the Field Vision has completed its work. However, the field-orientation of Sida's operations has continued in other forms and certain decisions have been made. Internal Audit has tried as far as possible to obtain information on this work and has consulted staff/divisions concerned at Sida.

Sida's staff have also been given the opportunity to submit points of view on the Internal Audit's draft report.

Appendix 2

Report: Consequences of the Field Vision for internal management processes at Sida

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Acronyms and abbreviations

AD	Administrative Departments
AFRA	Sida's Department for Africa
ALNAP	The Active Learning Network for Accountability and Performance in Humanitarian Action
CAS	Cooperation Agreement Strategy
CAW	Country Analytic Work
CPP	Contribution Preparation Plan
DAC	Development Assistance Committee of the OECD
DESO	Sida's Department for Democracy and Social Development
DFID	Department for International Development
ESV	Swedish National Financial Management Authority
EU	European Union
EVU	Sida's Department for Finance and Corporate Development
FD	Finance Development
FO	Field Office
HRM	Human Resource Management
HUM	Sida's Division for Humanitarian Assistance and Conflict Management
IFRS	International Financial Reporting Standards
INFO	Sidas' Information Department
LFA	Logical Framework Approach
LPC	Local Project Committee
M&E	Monitoring and Evaluation
MbO	Management by Objectives
MbR	Management by Results
MDG	Millennium Development Goals
MoU	Memorandum of Understanding
NATUR	Sida's Department for Natural Resources and the Environment
NGO	Non-Governmental Organization
NPO	National Programme Officer
OECD	Organization for Economic Cooperation and Development

OD	Organizational Development
POM	Sida's Policy and Methodology Department
PoP	Perspectives on Poverty
PPP	Project Planning Process
PRBS	Poverty Reduction Budget Support
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSR	Programme Support Recovery
QA	Quality Assurance
QAM	Quality Assurance Mechanism
QAS	(Local) Quality Assurance System
RBM	Results Based Management
RD(s)	Regional Department(s)
SD(s)	Sector Department(s)
SAREC	Sida's Department for Research Cooperation
SEKA	Sida's Department for Cooperation with NGOs and Humanitarian Assistance and Conflict Management
Sida	Swedish International Development Cooperation Agency
Sida-S	Sida's head office in Sweden
SWAP	Sector Wide Approach
TOR	Terms of Reference
UN	United Nations
UTV	Sida's Department for Evaluation and Internal Audit
WB	World Bank
VCA	Vulnerability and Capacity Assessment

1 Summary

In the autumn of 2003 a feasibility study was made on internal management processes at Sida. The main study, which was made in the spring of 2004, covers two areas: performance management and the consequences of the Field Vision for internal management processes at Sida. This report refers to the second area.

The study includes an analysis of how the Field Vision has been implemented at Sida and of whether Sida's internal management processes are for efficient operations which are in accordance with the constitution and pursued in accordance with Sida's regulations, and which meet the need of reliable reports on results.

The study shows that there is a broad degree of acceptance of the importance of making Sida's operations field-oriented. At the same time, the meaning of the term "*a greater degree of field orientation*" varies between different operational areas. The practical consequences of the Field Vision for these areas are thus, of necessity, also different.

The implementation of the Field Vision has coincided in time with a number of other changes in conditions for efficient development cooperation. For example, during the last few years, international trends have intensified in respect of donors' alignment to the control systems in the partner countries, and donors' harmonisation of their ways of working and methods. Sida has participated actively in these developments. The study has shown that a greater field presence has been of significance for creating an appropriate organisation in the partner countries in these respects.

In the study we have found that, in essentials, the implementation of the field vision has proceeded in accordance with the action plan. Field orientation is now widely accepted and supported. However, the implementation of the Field Vision in 2002–2004 has had a narrow focus – on bilateral development cooperation in 14 countries, which account for 30% of Sida's disbursements. The study shows that the need for – and the forms for – a greater degree of field orientation in other areas has not been discussed to a sufficient extent. It is also important to put a greater focus on what a field orientation means for the other 70% of Sida's operations.

In connection with the implementation of the Field Vision, certain adjustments have been made to the organisation and division of responsibilities. The study shows that there is reason to make a coordinated review of Sida's organisation structure. It is necessary to specify where in Sida's organisation the responsibility exists for making regularly reviews to ensure that Sida has an appropriate organisation structure and initiates requisite processes of change.

A decentralised organisation needs stronger internal management processes than an organisation in which decision-making is centralised. Our study shows that there are certain weaknesses in the management processes in respect of the field, for example for the formulation of goals in country strategies and country plans, follow-up and analysis of effects, and performance reports. There is a risk that the allocation of resources to regions, countries and contributions will not be optimal.

The Field Vision's decentralisation of responsibilities and authority to make decisions to embassies has mainly taken place where the needs of development cooperation are greatest. At the same time, it is in these countries that the prospects of pursuing efficient programmes development cooperation are smallest due to their weak institutions and undeveloped control systems. This increases the demands on Sida's internal management processes.

Our study reveals a fragmented picture of management and control at Sida inasmuch as requisite attention is not given to the consequences that changes in one dimension of the internal manage-

ment processes have on other areas. The consequences of the Field Vision for other part of the internal management processes have been taken into consideration in certain respects but, within the framework of the project, no systematic analysis has been made of the changes that it is necessary to make to these processes in other areas. There appears to be a lack of vigorous coordination of Sida's internal management processes from a holistic perspective. It is important that the responsibility for the development of Sida's management systems and processes as a whole is specified.

The study shows that the consequences of the Field Vision for individual departments at Sida in Stockholm have hitherto been given attention principally in respect of division of roles and related capacity issues. Decentralisation should always be followed by a review of all internal management processes to enable it to have a desired effect. All departments should therefore make a systems-based audit.

In a decentralised organisation, quality assurance is an important management instrument to ensure observance of rules, and efficient and dissemination of appropriate routines and processes. Use should be made of experience gained of quality assurance at the embassies affected by the Field Vision in the general discussion of quality assurance of Sida's work.

Our study shows that there is a need of further development of the division of roles between RDs and FOs. It is not sufficient to have a general division of roles between FOs and SDs that apply to all SDs since the operations of SDs are so very different in character. The division of roles must be based on the specific characteristics of each SD and in this respect SEKA and SAREC should be given special attention. At the same time, we are of the opinion that that it is far too narrow an approach to limit responsibility of FOs to areas with full delegation. For example, responsibilities should also be defined for the participation of FOs in the coordination of Sida's programmes of cooperation in the civil sector, their role in conflict prevention work and in disasters, and their work in connection with the development of research policies.

Work of great merit has been done on defining different roles at SDs (e.g. policy bearer role, analytical role, advisory role, expert role, dialogue role, intermediary role, developer role, coordination role and human resource development role). It is important to create uniformity in respect of these roles so that they are perceived in the same way by different departments and FOs in their internal discussions on the division of responsibilities and work.

The process that leads to a Country Plan can be further improved, above all in respect of the dialogue between FOs and Sida-S and between RDs and SDs. In particular the relationship between CPs and the SDs' work plans need to be further developed. A long-term strategy is clearly needed that can ensure sustainable support from SDs in cases where a long-term approach is required. At the same time, it is necessary that management tools permit rapid reaction to other changes in conditions (increased corruption, disasters etc). In the new decentralised organisation structure it would be more appropriate to have a rolling annual strategic planning process at country level. In our opinion this should be more clearly based on the country's own strategy (PRS) in the way that is developed in more detail in this report.

SDs should improve their accessibility and be more flexible. The forms for demand-side steering based on both long-term and acute needs should be developed through commissioned assignments. A long-term approach and flexibility can be achieved through a combination of regular services (on an annual or multi-year basis) and call-offs from framework agreements. The client role of FOs should be specified and skills for this purpose should be developed at the FOs.

2 Implementation of the Field Vision

2.1 Study of the Field Vision

In connection with the feasibility study, the reference group emphasised the importance of Sida's work being results-oriented and that everything else should actually be subordinate to this. Does Sida have the most appropriate organisation for achieving the intended results?

The Field Vision has been a strategic priority in Sida's operational planning since 2002. The Vision is to create a stronger field organisation in terms of resources and authority to make decisions, in order to achieve a better dialogue with the partner countries, a greater degree of real partnership and better results from development cooperation programmes. The implementation of the Field Vision is a process of change with consequences for internal management processes at Sida.

2.2 Decision behind the Field Vision

From October 1997 onwards, a group in the regional departments worked on formulating a long-term view of the field in Sida's organisation. Its discussions were based, among other things, on the Field Study made in 1996 and reviews of the role of the field in other studies¹. The group proposed that a model containing a greater degree of delegation should be tested at two or three embassies for a two-year period. The so-called June decision of 1998 established a project group which was appointed in August 1998 with the task of designing a model for greater delegation to three embassies (Hanoi, Dar es Salaam and Managua), to start activities on January 1, 1999². The pilot activities were approved in December 1998³.

A survey of attitudes towards pilot activities for greater delegation to the field was made in June 1999. According to the report from this survey⁴, there were doubts among Sida's staff. These doubts had *"different overtones: representatives of the sector departments have fundamental and negative points of view while those of the embassies are practical and positive"*. Furthermore, it was stated that *"there is some tension between the conceptions of many members of staff at Sida in Stockholm that their working situation will not be affected to any great extent and the comments of members of staff at the embassies"*. A corresponding questionnaire was to be distributed at the end of the pilot period to see what effects the changes had had⁵. However, this was never implemented. Sida's Management Forum discussed the interaction between the field and Stockholm on October 28, 1999.

In 2001, the regional departments produced a proposal for a Field Vision with a focus on the year 2004 (five embassies in 2002 and fifteen in 2004 with full delegation). This proposal was met by comments that mainly referred to its lack of an impact analysis (*"At the present time, the Vision does not contain any analysis of the consequences for Sida in Stockholm."*⁶) In the spring of 2002, the SDs collected experience gained of full delegation.

In the Field Vision which was approved in 2002, it is laid down, among other things that *"Sida's vision is to create an optimal balance between an empowered and strengthened field organisation and a supportive organisation at headquarters, thereby creating the best possible prerequisites for fulfilling the poverty reduction goal. Flexibility will govern*

¹ The Field Project: The field and the future (Memorandum 1998-05-25)

² Department decision 1998-08-06 (Asia Department)

³ Decision of the Director General 1998-11-13, based on a report from the working group on greater delegation to the field.

⁴ Norberg Network AB: Knowledge and perceptions of pilot project on greater delegation to embassies 1999-08-28.

⁵ Director General's staff, Bengt Ekman: memorandum to everyone who had participated in the attitude survey.

⁶ EVU: Proposal on how we should proceed (memorandum 2001-11-30 to the Management Group).

*the allocation of resources and delegation of authority to the field. With the prevailing situation and the actual size and character of the programme of co-operation as the points of departure, more authority will be delegated to the field*⁷.

The work on the Field Vision had the aim of⁸:

- “1) First, to reach out within Sida to emphasise the field and the importance of a field-oriented organisation and work methods.
- 2) Secondly, to support the activities necessary to further field-orient Sida, as described in the Action Plan. Many of these aimed at facilitating the work of fully delegated field offices.
- 3) Thirdly, to quality assure what had already begun.”

Focus would be placed on the following aspects, according to the action programme that was produced for the implementation of the Field Vision⁹:

- Redefining roles in the field and at headquarters
- Management tools
- Instrument for quality assurance
- Human resources management
- Communication capacity and IT-support
- Small field offices

The study of the implementation of the Field Vision is presented below. Firstly, a report is provided on each of the above-mentioned aspects (in separate sections). An overall assessment of goal fulfilment is given in section 3.3.

At Sida, working in the form of projects is used to a great extent¹⁰. A temporary organisation is created with the powers to counteract the structure and decision-making processes of the line organisation. However, for the implementation of the Field Vision a partly different form has been used. This work was finalised in July 2004 through a formal decision of the Director General¹¹. The decision also contains appendices on the division of roles between FOs and Sida-S as well as guiding criteria for full delegation. A final report on the project has been produced¹². The final report is partly based on reports¹³ from FOs and departments at Sida-S, including responses to questions posed by FU¹⁴. These reports have been synthesised¹⁵ and discussed at a Consultative Meeting¹⁶ of representatives of field offices and departments at Sida-S on April 28–30, 2003, in the Field Vision’s steering group, and in meetings with Sida’s management.

⁷ A Strengthened Field Orientation at Sida, 2002

⁸ Field Unit: The Field Vision. Final Report 2004-10-03

⁹ The Action Programme for the Vision for a Strengthened Field Orientation at Sida, 2002

¹⁰ Working in projects at Sida – a “limitless” way of working for collaboration, flexibility and dynamism.

¹¹ Decision of the Director General 87/04

¹² Field Unit: The Field Vision. Final Report 2004-10-03

¹³ Annex 2 till Field Unit: The Field Vision. Final Report 2004-10-03

¹⁴ A Commission on Future Roles and Division of Work – March 2003.

¹⁵ FV – Achievements and issues for consideration (November 2003)

¹⁶ See Conclusions (2003-05-27) and Detailed Notes (2003-05-21)

2.3 Implementation of the Field Vision

2.3.1 Division of roles

In Sida's organisation survey of 2003, the division of roles between FOs and Sida-S was one of the areas given the lowest ranking. This means that the majority of Sida's staff considered that it was vague. Moreover, in the interviews that were conducted in connection with this study, this vagueness in the division of roles has been emphasised as a problem area. However, it does not merely apply to the division of roles at Sida, it also applies to an equally great degree to the division of roles between Sida and the Ministry for Foreign Affairs.

The idea behind the greater degree of field orientation is that a strong local presence, in combination with a professional and supportive head office, is the most efficient way of implementing programmes of development cooperation. Sida's standing orders have been adapted to the changes made necessary by the Field Vision¹⁷. These changes include, for example, modified roles for the sector departments as well as giving them the authority to make decisions on setting up or closing field offices and the increase in delegation to the field. The delegation of authority to use appropriations has had the effect that the responsibility for large parts of the programmes of development cooperation has been shifted to a number of embassies.

During the spring of 2003, all departments at Sida have analysed the consequences of the Field Vision on their own operations. All supported the greater degree of field orientation. The meaning of full delegation was considered to be clear, in principle. On the other hand, there were different conceptions on the extent to which this should result in changes in the division of work between FOs and SDs and whether it meant more work¹⁸. Some of the staff interviewed maintained that the return of the authority to use appropriations from embassies to Sida-S has occurred on some cases to such an extent that the intentions of full delegation have been undermined. In connection with the operational planning process for 2005, it has been laid down that FOs with full delegation shall not normally further delegate contributions to Sida-S¹⁹.

A formal decision of the Director General, 87/04, contains the guiding principles for roles and division of work between Sida-S and embassies with full delegation²⁰. FU has been commissioned to follow this up and to present some case studies in a report at the end of 2005. This report will describe effects and experience of the division of roles²¹.

Delegation to an FO is based on the country plan which is approved each year by the head of each regional department (see further 2.3.2). Thereafter, the FO is responsible for the entire implementation of the programme of development cooperation. Normally there is no re-delegation of authority to Sida-S. On the other hand, special assignments can be given to Sida-S in order to utilise the expertise available at SDs. Furthermore, during the initial assessment process, FOs are to hold consultations with Sida-S on at least one occasion, or no later than in connection with the formal decision to proceed with in-depth preparations.

In addition, the FOs shall be responsible for

- most of the strategic work, for example during the country strategy process, on behalf of the head of the region.

¹⁷ Decision of the Director General 48/04

¹⁸ Field Unit: The Field Vision. Final Report 2004-10-03

¹⁹ RD/FU "Operational Planning for 2005" EVU: Directions for operational planning 2005-2008

²⁰ Principles Regarding Roles and Division of Work between Fully Delegated Field Offices and Sida Stockholm Departments. Annex 1 to the decision of the Director General 87/4. Decisions on issues relating to the completion of the Field Vision Project.

²¹ Decision of the Director General 87/04

- production of proposals for country plans
- follow-up of results and performance reports to Sida-S
- quality assurance of the country programmes and other programmes delegated to the FOs
- financial, personnel and other administrative matters delegated from Sida-S²²

The formal decision of the Director General, 87/04, states that the regional departments are to lead the country strategy process, while the FOs have the main responsibility for their production. In the annual operational planning process, in which the country plans are approved, the RDs are responsible for coordination and negotiations between Sida's departments and the field. Furthermore, the RDs are responsible for conveying directives and information from Sida-S to embassies. RDs are responsible for disseminating experience and learning among FOs in each region. Whenever an FO so wishes, the RD is to assist in coordinating resources at Sida-S for the implementation of the country strategy.

During the interviews, opinions have been presented that the role of RDs (to manage, coordinate and support) need to be further developed. The points of view have taken up the role the regional strategies should have, and the responsibility of the RDs for internal management of the composition of the contribution portfolios at local, regional and global level.

Under the formal decision of the Director General, 87/04, the sector departments are to be responsible for providing professional advice and support for the implementation of the country programmes. The extent of this support is stated in the country plans, based on the negotiations held during the operational planning process. Their role as advisers is specified in detail in the decision of the Director General. In the interviews at Sida-S, it has been maintained that different roles (responsibility for projects, expert, adviser, policy development etc) cross-fertilise each other and that an excessively strict refinement of roles would risk fragmentising the work and undermining expertise at Sida. Furthermore, it is emphasised that the adviser role requires considerable expertise if staff are to contribute to the preparation and follow-up of individual contributions and to have sound knowledge of a suitable mix for the focus and composition of the contribution portfolios. On the other hand, specific expertise in a narrow subject area can be procured externally in connection with the preparation of a contribution. During the interviews it was maintained that a large number of staff at certain divisions lack requisite expertise for the advisory role and have not developed their capacity to work as advisers. Sida uses other government agencies more than most other donors in its programmes of development cooperation, which means that knowledge of the Swedish resource base is important, as well as the intermediary role²³.

Several members of staff interviewed pointed out that the activities of the sector departments are of such varying character that it is neither possible nor desirable to have a uniform division of roles between FOs and SDs. On the other hand, others expressed the opinion that it is important to have a general and clear division of responsibilities, for example DESO which has the following opinion: *"It is important to have a fundamental and generally applicable division of roles and responsibilities between the embassies with delegated powers and the sector departments"*²⁴.

The Director General's decision, 87/04, states that SDs, working on behalf of the RDs, shall be active in the main processes at Sida, for example in the development of country plans and strategies. The SDs are also responsible for regional and global programmes.

²² Decision of the Director General 87/04

²³ See, for example, DESO's vision for a greater degree of field orientation (DESO's management group 2003-06-13).

²⁴ DESO's vision for a greater degree of field orientation

Some of the staff interviewed at embassies consider that one of the main issues concerned future allocations between bilateral, regional and global cooperation, in order to achieve the goals in the most efficient way²⁵. There are apprehensions that the SDs will compensate for the reduction in their decision-making powers in bilateral development cooperation by focusing instead on regional and global programmes. Some even claimed that the potential for making staff reductions at divisions such as Education Division and Health Division had not been utilised in connection with the delegation of an ever-increasing number of contributions in these sectors to the field. These interviewees thus considered that much-needed resources have been withheld from the FOs.

Our interpretation of the Field Vision is that the SDs are responsible for leading the development of policies in their sectors with the aid of normative controls (quality assurance, dissemination of knowledge) instead of controls in the form of separate decisions. International networking, providing guidance, and the role of policy bearer shall be integrated at SDs. An important part of Sida's performance management has taken place through policies. However, this is taken up in our other report and is thus not reiterated here.

In the interviews several persons commented that it is unclear where the responsibility lies at Sida for matters concerning the division of work and roles, as well as the overall responsibility for organisation development. In the interviews, the comment was made that shortcomings in the internal management of the implementation of the Field Vision have had the effect that some departments have fallen behind. This has led, in turn, to unnecessary tensions in the organisation. SAREC, SEKA and Multilateral Coordination Division have recently been commissioned to review the possibilities available to them for a greater field orientation in their work²⁶. Their proposals are to be presented in October 2004 at the latest.

The division of roles between Sida and the Ministry for Foreign Affairs has also been discussed during the implementation of the Field Vision. This applies not least to management issues and administrative coordination²⁷. Problems of "dual control" between the Ministry's ambassador and Sida's counsellor have arisen on several occasions. (*An unclear division of roles and responsibilities that must be constantly renegotiated leads to duplication of work and uncertainty, internally and externally.*²⁸)

2.3.2 Management tools

An FO is either an embassy or a section for development cooperation linked to an embassy. Parliament decided in 1993 that the former Development Cooperation Offices in Sida's field organisation should be integrated into the embassies concerned.

Relations between Sida and embassies are regulated for administrative purposes by an ordinance²⁹, which forms the foundation of Sida's authority to issue directives and instructions to the embassies concerned to discharge their development cooperation undertakings. This ordinance also forms the basis of Sida's own directives, under which "*Sida may delegate authority to an embassy or another government agency to settle matters on behalf of Sida that are of the type that they do not need to be examined by Sida's board, Research Council, staff disciplinary committee or Director General*". One interesting consequence of this is that the role of the Research Council influences the possibility of full delegation where research cooperation is concerned.

Both the Ministry for Foreign Affairs and Sida issue directives for the operational planning process at embassies. The ambassador shall deal with the signals from both the Ministry and Sida (from a holistic

²⁵ See also, for example, NATUR and the Field Vision (2003-06-15)

²⁶ Decision of the Director General 87/04

²⁷ Rolf Bergman, Min. for Foreign Affairs, Bengt Ekman, Sida, "Proposal for measures for administrative integration at embassies where the Min. for Foreign Affairs and Sida are active", 2004-05-12

²⁸ Experience of full delegation to the embassy in Tanzania (AFRA, memorandum 2002-10-03)

²⁹ Ordinance with instructions for representation abroad

perspective) and with staff that have both the Ministry and Sida as their employer, and lead the work in an integrated and uniform manner. Several of members of staff interviewed described the difficulties that arise when two different sets of control systems are to be administered. This is also evident from other studies³⁰.

The Director General delegates fixed budgets to heads of departments at RDs and SAREC. RDs delegate to authorised embassies and, where there are no such embassies, to SDs concerned, with reference to contributions included in the country plans³¹. During the interviews, comments were made that SAREC has its own budget which FOs may not use.

Where management tools are concerned, the action plan for the Field Vision has primarily focused on further development of the country plans (CPs). A new format for CPs was approved in 2003³² and was used for the first time in the planning process in 2004. The new format is intended to provide the “missing middle” and to bring ambitions for development cooperation in line with requisite resources. In 2004, AFRA tested a more highly structured CP process with “country reviews” and “country meetings”.

In the spring of 2002, as a result of a decision in the Region Forum, a new format for the country report was used³³. This is more closely linked to the country strategy and the country plan. Two country reports are to be produced each year, of which one refers to the period January–August and the other to the entire year. These reports replace the former half-yearly reports.

The country plan presents an overall picture of registered indicative, planned and approved contributions at a certain point of time in the Plus system. For embassies that are assessed to have capacity for full delegation, the decision of the head of the region means that the implementation of the country plan is delegated (on certain conditions) to the embassy. There has been some uncertainty as to how the contribution designations in the country plan shall be interpreted. For example, it is not necessary that a contribution is included in the country plan for the embassy to make an initial assessment. On the other hand, the contribution must be in the country plan for the embassy to make the decision that a contribution is to be implemented and in-depth assessment started. If an in-depth assessment has not been indicated in the country plan, the sector department concerned has not allocated personnel resources to assist the embassy in this work. In certain cases this has led to conflicts in which the SDs consider that the FOs have shortcomings in their long-term planning and the FOs consider that the SDs show a lack of flexibility.

In the interviews the reactions to these new tools were mainly positive. However, it is felt that the process leading up to a country plan could be further improved, mainly in respect of the dialogue between FOs and Sida-S, and between RDs and SDs. Several interviewees considered, in particular, that the relationship between the country plans and the SDs’ work plans needs to be further improved. Comments were also made that there are excessively great differences between each RD’s ways of working, routines and the material they submit to the SDs.

In our interviews in the field, emphasis was given to the necessity of SDs having a high degree of preparedness for providing advisory services to FOs. Many of those interviewed were negative to the present system of development cooperation appropriation weeks. One general conception is that SDs must be more flexible in undertaking short or long-term assignments. It is felt that there are considerable differences between the SDs in this respect. It is easiest to obtain requisite assistance when there are highly developed personal contacts between the programme officer at the FO and the adviser at the

³⁰ PEO/PER: Working environment in the field. An assignment for the Field Vision. (Memorandum 2004-03-25)

³¹ Delegation 2004

³² A Revised Format for the Country Plan (Decision AFRA 206/03)

³³ Instructions for Sida Country Reports, 18 December 2003

SD. The best support is provided when the programme officer in Stockholm has changed places with his/her colleague in the field. The difficulties are greatest when help is needed in emergencies, which have not been predicted in the negotiations on the country plan. This applies especially to SDs with an organisational structure that is based primarily on countries or regions. From the FOs' perspective – and the FOs have the requisite country knowledge – it is the sector expertise which is most important. It is therefore considered important that more than one person is available when advisory services are needed.

Earlier studies have shown that internal management processes are satisfactory at the embassies studied³⁴. However, the Swedish National Audit Office has commented on public administration legislation aspects for the management of the work at embassies. Furthermore, the auditors have pointed out that, at the present time, Sida does not have any instruments to measure the amount of time spent by the staff of the Ministry for Foreign Affairs and Sida on performing working duties for the Ministry or Sida³⁵. During our interviews, other problems also emerged in respect of Sida's management tools, for example shortcomings in the follow-up of delegated funds.

Full delegation means that FOs have the authority to make decisions in respect of projects and programmes of up to SEK 50m in the country plan. The standing orders at the embassies regulate the authority to use the funds. There was considerable uncertainty in the interviews about a number of formal aspects that have not been given sufficient attention in the implementation of the Field Vision. This applies, for example, to vague management structures and considerable difficulties in obtaining legal assistance at FOs compared to Sida-S. Other examples are a looser approach to the procurement rules at embassies and less support/control by the procurement specialists at EVU. Greater collaboration between FOs and EVU/JUR is planned and there are examples of legal advisers from Sida-S working for three-month periods at embassies, for example in Hanoi and Tegucigalpa³⁶.

The embassies fall under the jurisdiction of the directives that apply to the Government Offices³⁷. These directives are supplemented with an ordinance containing directives for representation abroad³⁸. The ambassador is responsible for the activities of the embassy in their entirety. However, the Ministry for Foreign Affairs and Sida have agreed to reduce the mandate of the ambassador at five embassies through compulsory further delegation of the authority to use development cooperation funds to the counsellor for development cooperation. The National Audit Office questions this agreement as a form for regulating management of operations at embassies³⁹. It considers that this further delegation leads to a lack of clarity in the responsibility for development cooperation between the ambassador and the Government Offices.

2.3.3 Quality assurance

For an embassy to be given full delegation, the following criteria must be met⁴⁰:

- Programmes of development cooperation must be sufficiently extensive and include a number of sectors
- Long-term partnership with the partner country

³⁴ Study of embassies in Windhoek and Vientiane, Internal audit reports 02/02 and 02/03. Wiveca Holmgren and Thorbjörn Bergman.

³⁵ Swedish National Audit Office. Development cooperation via embassies.

³⁶ The Field Vision of the Department for Finance and Corporate Development (EVU, Memorandum 2003-06-04)

³⁷ Ordinance (1996:1515) with instructions for the Government Offices, §4.

³⁸ Ordinance (1992:47) with instructions for representation abroad.

³⁹ Development cooperation via embassies. A study of the Min. for Foreign Affairs and Sida in development cooperation. Swedish national Audit Office 2004:10.

⁴⁰ Principles Regarding Roles and Division of Work between Fully Delegated Field Offices and Sida Stockholm Departments. Annex 2 to decision of the Director General 87/04 Defining and Guiding Criteria for Full Delegation

- Country strategy
- Approved country plan
- Quality assurance mechanisms in place and functioning
- Appropriate manning
- Appropriate systems for administration and communications

Quality assurance in the field shall be performed by the QA function, local project committees at all FOs with full delegation, and the controller function at all FOs⁴¹. In addition to this there are all the general instruments such as policies, regulations, routines etc.

The local project committees (LPCs) perform quality assurance of contributions over SEK 5m. LPCs at the four embassies included in this study have only been operational for a short period of time.

The persons interviewed at the embassies have a positive attitude towards PCs, above all because the meetings offer a good opportunity for learning since they give an insight into the different operational areas of the embassy. However, some interviewees emphasised that PCs enter the assessment process too late. A review of minutes of PC meetings shows that the PCs have not analysed contributions in question as part of the portfolio of contributions as a whole. The discussions have mainly taken up the description of the contribution in the assessment memorandum as such and needs to supplement the description. There are few examples of substantial changes to the content of a contribution. Furthermore, it was stated that there is a lack of clarity in the division of roles between the departments' PCs and those at the embassies⁴².

QA came into being in September 2002 with the aim of assuring the quality of operations in the field. QA has visited all FOs that have, or were proceeding towards, full delegation, in order to ensure that the embassies have sufficient resources, knowledge and systems to take on the responsibility. In reports on the visits and in summaries, QA has provided feedback on its observations as a foundation for future programmes of development cooperation⁴³. The reports produced by QA were studied prior to our field visits to four embassies. We have been able to establish that QAM has had a considerable effect on quality assurance of the work at the FOs concerned, and also in general where the development of Sida's internal management processes is concerned⁴⁴.

In its reports, QAM has shown that FOs' project administration is not satisfactory. The reports from QA also draw attention to shortcomings in the services and support provided by Sida's administrative departments to FOs. This picture was reinforced in our interviews. Comments were made on the degree of decentralisation and centralisation respectively of different administrative duties. In view of the complexity of the rules, the administrative base at FOs is far too vulnerable for far-reaching decentralisation. If the work of a specialist is to be distributed to all FOs, it will only constitute a small proportion of the responsibilities of a post holder.

During our interviews, requests were also made for development of the controller function in the field. Attention was drawn, for example, to the lack of logic in that large embassies did not have a controller while much smaller departments at Sida had one. The National Audit Office has also drawn attention to the need of controllers at embassies⁴⁵. However, the controller at FU has recently been commissioned to develop the controller function in the field, in line with experience gained in Lusaka⁴⁶.

⁴¹ Quality assurance mechanisms of Sida's field operations. Decision of the Director General 79/02

⁴² See, for example, INEC's response in respect of the Field Vision 2003-06-18

⁴³ See, for example, Quality Assurance in the Field – Conclusions and Reflections, October 2002–May 2003 (Memo August 18, 2003)

⁴⁴ We have also studied QA's reports on Nairobi, Addis Ababa (2), Pretoria, Managua, Vientiane and Dar es Salaam

⁴⁵ Swedish National Audit Office. Development cooperation via embassies.

⁴⁶ Decision of the Director General 87/04

2.3.4 Personnel

Manning in the field

This study shows that there are a number of shortcomings in Sida's personnel policy. Some of the issues taken up in the interviews related to the difficulties in recruiting staff with the right experience and qualifications for certain countries. This would indicate that measures of several types are required, for example in respect of the personnel policy, learning strategies, human resource development, recruitment, long-term and short-term personnel planning, individual career paths, pay policy and the rewards system.

The Ministry for Foreign Affairs and Sida have concluded agreements that regulate, among other things, the appointment of management staff and other personnel, titles, standing orders, authority to use development cooperation funds, and employer's responsibility in respect of the field. Under these agreements, Sida is the employer of seconded Sida staff at embassies. This is also evident from Sida's directives: *"After consultations with the Government Offices, Sida may station personnel at a mission abroad."*

The Field Vision's action programme gave PEO a large number of assignments⁴⁷. PEO is to report on these assignments to ROV⁴⁸. PEO is also to analyse its own role at Sida in light of the realisation of the Field Vision, for example where recruitment support to FOs is concerned.

Funds for basic manning and operating costs in the field have been delegated to the heads of the regional departments. Decisions on the number of staff for basic manning at embassies, as well as the allocation of resources for fixed operating costs and running operating costs are made in consultation with the Ministry for Foreign Affairs on the basis of country strategies and country plans.

The manning of FOs is based on an assessment of the needs in each individual case. Various attempts have been made to develop models for the allocation of resources⁴⁹. In order to give the discussion on manning at FOs a concrete foundation, FU produced a proposal⁵⁰ that was discussed at a management seminar in December 2003. In 2004 "typical manning" for a FO was produced – one for major programmes exceeding SEK 500m and one for "regular size" programmes⁵¹. According to the typical manning, 16 persons are needed at large FOs, of whom 8.5 should be seconded staff and 7.5 local employees (of whom 3 NPOs). At the other FOs 10.5 employees are required, of whom 5 should be seconded officers and 5.5 local employees (of whom 2.5 NPOs).

In the feasibility study, we drew attention to the lack of linkages between Sida's allocations of resources and its working duties. QA is also critical of the situation that the allocation of resources and duties are not closely related to each other. As an example it can be mentioned that the country frame for Ethiopia was increased considerably at the same time as a request for staff reinforcements at the FO was rejected. Embassies with similar conditions and similar scope in their programmes of cooperation can have completely different manning. Lusaka and Dhaka are mentioned as examples⁵². There is a risk that this will result in a downward spiral in which it will be difficult to recruit qualified and experienced staff to work in embassies that are felt to have excessive workloads.

⁴⁷ Field Vision Action Program, 2002 (Decision of the Director General 119/02)

⁴⁸ Decision of the Director General 87/04

⁴⁹ For example, FU: Strengthening the links between resource allocation and assignments – explanation of the matrix (memorandum 2004-06-11)

⁵⁰ FU: Sufficient manning of Field Offices, Nov 2003

⁵¹ Principles Regarding Roles and Division of Work between Fully Delegated Field Offices and Sida Stockholm Departments. Annex 2 to Decision of the Director General 87/04 Defining and guiding Criteria for Full Delegation

⁵² Quality Assurance in the Field – Conclusions and Reflections, October 2002–May 2003 (Memo August 18, 2003)

Generalists/specialists

During the interviews, several members of staff pointed out that no specific profile for the staff at FOs had been drawn up. Naturally there cannot be specialists at every embassy in all the sectors that can be considered for programmes of development cooperation. Nor can a sector department completely cover a broad subject area. A couple of interviewees were of the opinion that Sida must define core skills in each division and man the divisions with “specialists/generalists” who can place specific orders for expertise and quickly produce the right expert.

At the same time as the roles are changing at the embassies with delegated authority, the roles of the staff at the sector departments have also changed. If the main tasks for SDs are to be policy and methods development, quality assurance, and developing and maintaining the knowledge base in Sweden, this will have the effect that these departments will acquire the character of skills centres. One important question refers to the consequences this will have on internal management processes. Rotation of staff between the field and Sida-S is emphasised as an important link between development of ideas, policy work and operations⁵³.

In the present system, the possibility available to Sida of using the development cooperation appropriation to finance a larger number of posts in the field is limited. The available budget for appropriation-financed posts has gradually increased, from SEK 140m in 2000 to SEK 250m in 2005. This budget finances short-term appointments, long-term appointments and locally employed programme officers (NPOs). However, it should be the actual work itself that governs this and not where the work is performed. Appropriation constructions that restrict the freedom to choose the most efficient alternative are counter-productive and lead to sub optimisation⁵⁴. An earlier evaluation presented twelve different possibilities for further developing the existing financing model. The point of departure for internal management processes should be by whom, how, where and when a certain duty is performed most efficiently.

In the interviews, points of view were presented on the way in which the role of NPOs are described⁵⁵ and the opportunities NPOs are given in their work. NPOs are permanent employees at FOs. Sida has the ambition to make them employable at other employers after seven years since there are no career paths for them in Sida. During the study it emerged that there are different approaches to NPOs. At some FOs, the NPOs represent the “institutional memory”. Despite this it is sometimes the case that an NPO has to return to being an assistant when a seconded officer arrives in the sector. Attention has also been drawn to the difficulties for NPOs in connection with the policy dialogue at a high level on issues relating to human rights and corruption⁵⁶.

The study has shown that the majority of Sida’s NPOs, in addition to the advantage of having a greater contextual understanding of conditions for development cooperation in the country in question, also have good sector knowledge. What are needed in addition to this are programmes to integrate them fully into Sida as an organisation. Skills analyses with a NPO perspective have been requested by PEO from embassies. One difficulty in this connection is that PEO is not involved in the recruitment of NPOs. Therefore, there is no coherent picture at Sida-S of the skills of NPOs and likewise no coherent recruitment strategy.

⁵³ Principles Regarding Roles and Division of Work between Fully Delegated Field Offices and Sida Stockholm Departments. Annex 1 to Decision of the Director General 87/04 Decisions on Issues relating to the completion of the Field Vision Project.

⁵⁴ The Government’s assignment in respect of Sida’s capacity: Evaluation of existing systems for the financing of certain posts for programme and project staff in the field. Professional Management’s final report 2002-03-01.

⁵⁵ Guidelines on “The role of locally employed professionals” (October 2003, Decision PEO 1014/03)

⁵⁶ See, for example, the Sector Departments’ experience of full delegation to embassies, 2002-07-04

In order to ensure that NPOs are given good opportunities to assume professional responsibility for the realisation of the Policy for Global Development, it is necessary to have extensive training programmes in Swedish public administration. The staff interviewed at embassies emphasise that NPOs must also be given equally good knowledge on the financial follow-up of contributions, PLUS etc, as that possessed by seconded officers⁵⁷.

Since work in the field is increasingly a question of high-level dialogue with representatives of the partner country and other donors, Sida's representatives are expected to be able to contribute Swedish experience of the sector in question (*"Partners in the dialogue often request Swedish experience"*⁵⁸). The credibility of Sida staff is undermined if, in a discussion of requirements in respect of goals and follow-up systems in a contribution, they are unable to base their demands on general Swedish experience and their own personal experience from their organisation.

Many critical points of view emerged on, for example, introductory training, the possibility to have continuous further education and training, participation in the exchange of experience regionally and at Sida-S etc. The first course for NPOs on the Swedish public administration was held in February 2004. There is a proposal to develop an introduction programme for new employees⁵⁹. According to the Learning Strategy project, it is estimated that NPOs will be in the majority in all FOs by 2010⁶⁰, which indicates a rapid change in comparison with the typical manning figures presented above. By then, half of the staff at INEC and DESO will have reached retirement age, as well as a large proportion of their colleagues at NATUR and in the administrative departments. One precondition for enabling the generation shift to take place as smoothly as possible is that good use can be made all of Sida's skills and capacity, and that an operational analysis and/or organisation analysis is made in order to create the most efficient organisation possible.

2.3.5 Communications and IT support

Since the study refers to ways in which the Field Vision affects management and controls at Sida and does not refer directly to the support functions, these have not been studied in detail. Since, among other things, IT support is of great significance for running activities in the field efficiently, certain points of view were presented in the interviews at the embassies that should be presented in the study.

One consequence of the fact that an ever-increasing proportion of Sida's staff do not speak Swedish is the transition to English as Sida's working language. Written information and other forms of documentation, as well as activities for human resource development, are increasingly in English. For example, iNSIDE is in both Swedish and English and Disa is partly translated. The division of roles between the field and Sida-S is described in Sida's communications policy⁶¹. Requests from FOs for support in their information work have increased considerably during recent years and an increasing number of FOs have drawn up their own communications plans⁶².

This study shows that most of Sida's departments hold different types of conferences with participation by the field, or arrange seminars etc in the field. Regional conferences are also increasingly being planned and held. It is evident from the interviews that the NPOs benefit from their participation in these conferences etc⁶³.

During the interviews, considerable problems emerged in respect of getting the international communications to function properly at the embassies. It is just as necessary for FOs to have IT systems (e-mail,

⁵⁷ See also the Field Vision of the Department for Finance and Corporate Development (EVU, Memorandum 2003-06-04)

⁵⁸ The Sector Departments' experience of full delegation to embassies, 2002-07-04

⁵⁹ Final report Learning strategy project (May 2004)

⁶⁰ FU: 11 conditions for the realisation of the Field Vision by 2010 (Memo. 7 April, 2004)

⁶¹ INFO: Communications Policy – Sida's work with communication

⁶² INFO: Information Department on Field Vision Commission (Memorandum 2003-06-13)

⁶³ See also, for example, Evaluation regional workshop Hanoi 2–4 June 2004

web-mail, access to the Internet, iNSIDE etc) with a high degree of reliability and quality as for Sida-S. The needs of communications with Sida-S, other donors, and partners in cooperation are the same as in Stockholm. The capacity in the field has been strengthened considerably but is nonetheless felt to be inadequate. Several of the interviewees consider that Sida-S has been given higher priority in the development of IT. The skills of the systems operators need to be reinforced at embassies. Furthermore, there is some irritation at shortcomings in IT support, for example in cases of breakdowns. The main system at an FO can be out of action for weeks – this would never be accepted at Sida-S. During the interviews, attention was drawn to the importance of clarifying the role of the IT division for quality assurance and as the supplier of IT. The IT division has taken action to improve the situation, for example two persons circulate to FOs and assist with problems, accessibility to support has improved, and alternative communications channels have been developed⁶⁴. However, it is felt that more can be done.

There is an awareness of the problems at EVU. They are due above all to a lack of resources for investments in technology and systems in the IT field. The IT strategy points out that ongoing discussions with the Ministry for Foreign Affairs on the responsibility for IT operations at embassies can affect the possibilities for future investments⁶⁵. Further reasons given are inadequate personnel resources at Sida-S and that the Ministry does not have the requisite capacity in respect of IT. Among other things, EVU has proposed that the systems operators should be certified⁶⁶.

2.3.6 Small field offices

Responses to a questionnaire distributed to all small offices in 2003 showed that the support provided by Sida-S is mainly considered to be satisfactory. It was proposed that each office should have at least one administrator⁶⁷. As an alternative, a proposal was made for regular visits by the various administrative functions at Sida-S⁶⁸.

RDs have pointed out that the ambition of being field-oriented is dependent on the degree of delegation at embassies and that the staff at Sida-S must learn to work together with all types of field organisations⁶⁹. This was underlined in our interviews.

The three levels of delegation (full, partial or no delegation) are not absolute levels, but rather three intervals on a continuum. Management and the division of responsibilities have been specified for the embassies to which Sida does not delegate financial responsibilities and powers and for the section offices for development cooperation⁷⁰. Problems in respect of the division of work between embassies and their section offices in accredited countries are being rectified⁷¹.

FU has also recommended that Sida-S and FOs produce a joint administrative development plan for newly established offices, in a similar way to those in Kabul and Dushanbe.

⁶⁴ The Field Vision of the Department for Finance and Corporate Development (EVU, Memorandum 2003-06-04)

⁶⁵ EVU/IT: IT strategy 2004 (2004-04-29)

⁶⁶ EVU/IT: IT strategy 2004 (2004-04-29)

⁶⁷ Administrative Support Systems Needed by Small Field Offices (Dec 2003)

⁶⁸ Field Unit: The Field Vision. Final Report 2004-10-03

⁶⁹ See, for example, AFRA Vision (30 June 2003)

⁷⁰ Min for Foreign Affairs/Sida: Integrated embassies – management and division of responsibilities (Memorandum 2004-04-30)

⁷¹ Min for Foreign Affairs/Sida: Relations between embassies and their section offices in accredited countries, 2003-12-17.

3 Assessment of the consequences of the Field Vision

Two instruments for internal management processes are the design of the organisation and results-based management, which are very much mutually dependent on each other. Accordingly, the two areas examined in the main studies overlap each other. Therefore, this chapter starts with some overall conclusions. Thereafter, we present our assessment of the realisation of Sida's Field Vision. Firstly goal fulfilment and efficiency are analysed. Thereafter, a presentation is made of conclusions in areas where further development work is particularly important. The overall assessment of the consequences of the Field Vision for internal management processes is presented in section 3.3.

3.1 How are internal management processes affected by decentralisation?

Decentralisation can be implemented in various ways, for example the relocation of staff or delegation of the authority to make decisions. Far-reaching decentralisation with extensive delegation to embassies increases requirements for specific results-based management.

It is evident from the study that Sida's field orientation goes back to the 1970s and the Field Vision is based more on a conviction of how the division of roles should be between Sida and the partner countries than on a belief in decentralisation as an organisational concept. Progress has been made at Sida in respect of integrating the former independent agencies. However, there are still certain differences between departments at Sida-S and, in relation to the FOs, these are clearly expressed in the form of different approaches, views on the division of responsibilities and work etc. The study also shows that Sida's control processes have not been fully adapted to the various activities but are still based on traditional bilateral development cooperation. Accordingly, a greater degree of field orientation could contribute to bringing the different activities at Sida-S closer to each other with the aim of creating more uniform controls. However, as can be seen in section 2.3.1 above, large sections of Sida's activities have not fully been an integral part of the work of implementing the Field Vision during the period 2002–2004.

Sida is among the few donors that can give assignments to embassies, i.e. Sida is authorised to issue directives, and can delegate the authority to use funds to ambassadors. This has the effect that Sida, and, for example, DFID, have made considerable progress in the field orientation of their activities in comparison with other donors. Even if several countries have NPOs (e.g. Holland, Canada and Australia), DFID has made most progress among bilateral donors where offering NPOs career paths is concerned (e.g. becoming the head of a country office).

Far-reaching decentralisation with extensive delegation to embassies increases requirements for specific performance management⁷². Sida – as other government agencies – is governed by a number of ordinances. The Government has granted Sida an exception in order to facilitate Sida's operations abroad in respect of the Fees Ordinance. There are also exceptions where procurements are concerned, which is evident from the Public Procurement Act. The Ministry for Foreign Affairs and Sida have implemented the decision of Parliament on the integration of embassies with the aid of agreements on collaboration. However, the National Audit Office emphasises in a study that, from an administrative law perspective, it is not possible to use agreements to regulate the exercise of public authority. Standards for the management and activities of an embassy should have the form of regulations or special formal decisions. The basic foundation of Sida's delegation to the field is thus in question. This means that there is a lack of clarity in respect of the consequences for Sida's management and control of embassies that cannot be assessed in this study, since it is dependent on how the management structure for Sida/embassies is designed at embassies.

⁷² Development cooperation via embassies. A study of the Min for Foreign Affairs and Sida in development cooperation, Swedish National Audit Office.

Some of the problems with integrating activities at the embassies described in this report can be solved in connection with making the Policy for Global Development operational. Implementation of this policy should reasonably have the effect that there is closer cooperation between more parties, which should lead to a strengthening of Sida's role for coordination and quality assurance.

In organisations such as Sida, many policy documents are often produced without steps being taken to ensure that the documents will be systematically observed throughout the entire organisation.

There can be many reasons why a policy is not followed – for example the policy is not known, administrators do not have the time or strength to absorb it due to a high workload, it is deselected more or less deliberately when priorities must be made etc. We have encountered all these reasons in our study.

Today at Sida there are many geographically based sub-cultures. For example, there are differences in views on human rights between the regions that cannot merely be explained by the environment/context they work in. Where decentralisation has the effect that personnel resources are relocated, there is a risk that tendencies for sub-cultures grow which can make internal management processes difficult if they are not adapted to the decentralised organisation form. In cases where interaction between sub-cultures is small, the risk arises that priorities and other assessments are not made in a uniform manner. Departments that currently work thematically and with creating policy at Sida in Stockholm have an important role to play in overcoming differences and creating arenas for building up knowledge for the entire organisation, for example where assessment of contributions that should be given priority are concerned. Since the assessments must be dependent on context, it is not possible to use simple standard solutions and templates to create uniformity. Certain small differences are acceptable but, if these become too large, there is a risk that the organisation will disintegrate into different parts, which will lead to serious consequences for the internal management processes. For example, it emerged in the study that harmonisation of the guidelines for programme support in order to facilitate the administration of this form of support is an urgent matter. Where decentralisation is concerned, there is a need to change and strengthen the central control functions and adapt them to the new conditions. Sida has started working on this but further development is necessary.

3.2 Overall assessment

The consequences of the Field Vision for internal management processes have been given far too little attention hitherto at Sida. As has been established in this report, the responsibility for the different processes is fragmented. There are norms and common values at Sida that function as a substitute for these organisational shortcomings in the organisational base for control and make control possible, although the instruments are not so very well honed.

This study shows that the consequences of the Field Vision for Sida-S have hitherto been given most attention in respect of the division of roles at Sida-S and in relation to the field, and associated issues relating to capacity. Some of the control instruments have been the subject of systematic development work, for example the country plans. Important interventions have been made through QA in respect of the quality assurance of operations at FOs. No corresponding interventions have been made at Sida-S to guarantee the realisation of the Field Vision.

A strategic grip has been taken on certain specific areas in FU's action plan. This is shown by the survey in sections 2.3.1–2.3.6. In other respects the work with change to internal management processes has had more of an ad hoc character. Decentralisation must always be followed by a review of all control systems in order to have an impact.

The form and content of development cooperation is changing character as a result, for example, of Sweden's new Policy for Global Development, the implementation of a more specific focus on poverty, greater harmonisation and alignment among donors, programme thinking and field orientation.

This trend should influence the selection of organisation structure, for example which organisation can best create results in relation to invested resources. These changes also influence conditions for the management of Sida's activities and its selection of control systems, i.e. the mix of forms of internal management processes and their content. It is our assessment that these should be further developed at Sida.

In the feasibility study, it was established that Sida has a matrix organisation with a lack of specific decision-making processes and a consensus culture. This picture has been confirmed in the main study, even if a number of formal decisions have been made during the last twelve months that increase clarity in the organisation in respect of the division of responsibilities and powers, for example the establishment of POM and the creation of the function of planning director. Despite the changes that have been made, there are still a number of outstanding problems that are described in chapter 2. These appear above all to be related to the fact that insufficient attention has been given to the consequences the implementation of the Field Vision have on the internal management processes of the organisation in its entirety.

In the feasibility study, the reference group emphasised that it is important to have a holistic view of the organisation and its management. This has also been pointed out at interviews conducted in the main study. The newly established planning director function gives, in our opinion, a clearly explicit responsibility for coordination of the follow-up and development of Sida's organisation and internal management processes.

A large number of problems have been given attention in the study which are associated with deficiencies in the linkages partly between management by objectives and performance management and financial controls, and partly the allocations made from the development cooperation appropriation and the administrative appropriation. These problems have not arisen as a consequence of the Field Vision but, in a decentralised organisation, it is even clearer that different parts of the internal management processes must be closely related to each other. It is our assessment that a coordinated structure for performance management and financial management enhances the conditions – and the possibilities – for planning, follow-up, results reports and analyses of efficiency. The aim should be to find a reasonable balance between legitimate requests for flexibility on the one hand and the possibility to plan resources on the other.

The possibility for each member of staff to see his/her part in the whole should increase. The controller network has produced an example of how a process of this type could be designed. Another example of how a chain of objectives can be designed to link together the objectives and development plans of individual members of staff with the poverty goal can be studied at DFID.

The division of roles and responsibilities for Sida's internal management processes is an important area for development. Some years ago ROV, the Sector Forum and the Region Forum were established in order to relieve management of certain matters, and thus to permit management to devote more time to strategic considerations. Financial and personnel functions, POM, and policy functions at department level are responsible for different parts of the internal management processes. A contributory reason for the difficulties of coordinating management is that management issues have been fragmented to many organisational units. The organisational location of different functions (for example the former POLICY and METHOD) was governed more by chance than by a specific organisational concept. The merger of responsibilities for policy and methods development and the organisational location of POM directly under the Director General are steps in the right direction⁷³. Another is the appointment by POM of an adviser with the responsibility for harmonisation and results orientation.

⁷³ Organisation of Sida's policy and methods functions, Decision of the Director General 29/04.

Sida's internal management system is largely designed on the basis of the needs of traditional bilateral development cooperation and has not been adapted to other activities and processes (for example support to NGOs, humanitarian assistance, budget support, international training programmes, multi-lateral support, contract-financed technical cooperation and research cooperation). It is within this institutional framework that delegation to the field is taking place. Even the implementation of the Field Vision has therefore hitherto focused on bilateral development cooperation which has had the effect, for example, that the experience gained in the field by NGOs has not been given attention to the same extent as development cooperation at the public administration level.

3.3 Goal fulfilment and efficiency

A vision can be a powerful tool for change. But it must be accompanied by action. There are a number of activities listed in Sida's action programme for the Field Vision. This study shows that these activities have been implemented.

There is a generally positive attitude towards the increase in field orientation at Sida. The critical comments mainly concern the lack of clarity in the goals, the forms for the implementation of the vision, the focus on embassies with full delegation, and the remaining problems in obtaining a full impact for felt needs of changes. Several of those interviewed consider that the Field Vision should have been fully implemented by the year 2000, directly after the pilot projects. One reason why the field orientation was delayed is the consensus culture which has the effect that important changes are not started until all key persons are convinced that this way is the right way.

In the Policy for Global Development it is assumed that Sida could assume a greater responsibility for development cooperation in the field⁷⁴. Corresponding demands are also made by the Ministry for Foreign Affairs in respect of the choice of countries and channels⁷⁵. The Link between PoP and the Field Vision is of central importance. Sida has established that PoP answers the question “*what*” and the Field Vision is part of the answer to the question “*how*”. However, in our interviews a number of critical points of view were directed towards what is experienced to be a far too narrow focus on the work of the Field Vision project. The Field Unit also considers that the project has been limited: “*So far, a considerable part of the work to further field-orient Sida has concerned one dimension of FV, i.e. the delegation of full responsibility for bilateral development programmes to selected FOs and the measures that need to be reinforced, changed or developed to support this change*”⁷⁶. However, this limitation was considered necessary for quality assurance of the delegation that had already taken place.

One goal of the Field Vision was that 15 embassies would work with full delegation by 2004. At present 13 embassies have full delegation and Uganda will probably be given full delegation in 2005⁷⁷. Accordingly, the result is that 14 countries will have field offices with full delegation at the end of 2005. This 14 countries account for only 30% of the disbursements and 40% of the time worked at Sida. Sida is represented in 43 countries and works through 1 500 different parties in some 130 countries. The implementation of the Field Vision has thus hitherto focused on a small part of Sida's operations. Therefore, there are many interviewees who consider that the Field Vision has not resulted in great changes for them.

The roles of SAREC, SEKA and Multi in a field-oriented operation have been given little attention in the work. Despite the fact that it was clear at an early stage in the process that work according to the Field Vision's action plan did not fully incorporate the special conditions that apply to research cooperation, cooperation with NGOs and humanitarian assistance, few measures have been taken to assist

⁷⁴ Shared responsibility – Sweden's policy for global development

⁷⁵ Min for Foreign Affairs: Selection of countries, channels and cooperation, Feb 2004

⁷⁶ Field Unit: The Field Vision. Final Report 2004-10-03

⁷⁷ Field Unit: The Field Vision. Final Report 2004-10-03

the divisions concerned at Sida-S in their internal discussions on the Field Vision. The study shows that there are many critical points of view of the fact that different parts of Sida are out of step with each other where decentralisation is concerned. Greater collaboration in the field in respect of research cooperation, humanitarian assistance and the role of NGOs in the development of civil society would have many advantages. There are examples of initiatives in this direction, for example in respect of research cooperation⁷⁸. It has also been emphasised that the regional programmes and regional resource centres, as well as the global programmes, are important components of the Field Vision⁷⁹.

SEKA has taken up the need to define the role of embassies in connection with disasters. In our interviews examples have been given of embassies that are reluctant to become engaged in acute disasters with reference to their assignment of working with bilateral development cooperation. The traditional division of development cooperation into humanitarian and long-term support is questioned. Of Sida's 22 most important partner countries, 77% are in the throes of an armed conflict or are in the post-conflict stage⁸⁰. It is increasingly necessary to pursue humanitarian activities in parallel with ongoing long-term development contributions⁸¹. During recent years, for example, most of the UN system's country programmes have also contained a development component. The transition phase should therefore be given a greater amount of attention in the country and regional strategy work. Contributions that have the aim of recovery and stability should be gradually phased in while disaster contributions are phased out. Accordingly, humanitarian assistance is an important component in a field-oriented organisation. The implementation of the Field Vision in countries that do not have development cooperation activities at embassies should be given special attention. The possibility of using the popular movement appropriation and the humanitarian appropriation flexibly and in parallel should also be extended.

SAREC uses the embassies to a small extent for the preparation and follow-up of contributions. In an earlier study it was stated that *"It is not clear what the embassies can contribute and what role they could have within the framework of research cooperation"*⁸². In one of the four countries included in the study, financial follow-up of contributions has been delegated to the embassy. This function takes up 25% of the working time of one post, which can be compared with the fact that research cooperation accounts for 33% of the country frame. Usually there is a contact person who devotes 5–10% of his/her working time at the embassy to research matters, who can be of assistance, particularly with practical matters. However, with such a small input it is not possible for the person concerned to be familiar with the subject area.

Sida is trying to reduce its administration costs by increasing the size of average contributions. This is based on the hypothesis that larger and longer contributions will reduce Sida's capacity needs. Whether or not this corresponds to reality is not known since there is no information on, for example, how much the preparation process for different types of contributions costs. Nor in the work on the Field Vision have any analyses been made on how the preparation process has been affected and what financial consequences this will have.

Experience gained by DFID and Danida has shown that cost increases occur in respect of personnel in a decentralisation process. In addition, travel expenses increase dramatically, as well as costs for IT development, according to interviews with DFID. However, initially in the Field Vision the costs of an increase in field orientation were not given attention. All staff interviewed were of the opinion that both costs and quality are improved through decentralisation. On the other hand, there were differences in opinion in respect of how large the costs were and the magnitude of the positive effects. The costs usually show that an officer on secondment from Sweden costs 2–3 times more than an officer based in

⁷⁸ Country Plan for Development Co-operation with Sri Lanka 2004–2006 (Decision Asia 194/03)

⁷⁹ See, for example, NATUR and the Field Vision (2003-06-15)

⁸⁰ Reflections on Development Co-operation and Violent Conflict, Sida, June 2003

⁸¹ Sida: Final report from the Rehabilitation Project.

⁸² Sida's research cooperation – a study of SAREC (Internal Audit 01/01 Wiveca Holmgren)

Stockholm. FU are of the opinion that it is more relevant to compare the costs of a seconded officer + an NPO with two persons stationed in Stockholm. Then the cost difference is reduced. No cost/benefit analysis or any other form of relationship between the effects of development cooperation and cost trends has been presented. The value of BBE posts was also emphasised in the interviews. A post of this type costs twice as much as a JPO post in the UN system⁸³. However, Sida has not analysed the cost efficiency of different alternatives. In connection with the increase in field-orientation it should be just as natural as with any other organisational changes to make explicit cost calculations in order to compare the costs with the expected benefits and other alternatives, for example channelling the sector-specific support via a like-minded donor or a UN agency.

In the operational planning directives for the embassies for 2003⁸⁴, it was stated that Sida's strategic objectives are more programme support, longer agreements and larger and fewer contributions. Concentrating support to fewer sectors also has the aim of reducing transaction costs⁸⁵. The Swedish National Audit Office has established that the administrative costs of development cooperation at embassies have increased in recent years, which coincides with the commencement of extended delegation of authority to embassies and the start of the Field Vision. *"The fact that cost of disbursed development cooperation at embassies has increased in recent years is an example of a trend that is going against the desired direction"*, in the opinion of the National Audit Office⁸⁶. This conclusion has also been given attention in the media and politically. However, as an indicator of efficiency, this measure is completely irrelevant, in our opinion. Two examples can illustrate this. If Sida spends working time on a study of suspected corruption and then stops disbursements as a result of proved improprieties, the indicator would show less efficiency than if no measures were taken. If an embassy spends a great deal of time on a policy dialogue with a ministry and thereby produces a better programme that gives the same results with less financial support, this would also be an indication of less efficiency.

There is a risk that the presentation of misleading indicators for Sida as a whole, in combination with negative reports on problems in individual contributions, reduces confidence in development cooperation and Sida, and consequently the will of citizens to finance activities. Our conclusion is that Sida needs to find indicators of the efficiency of operations that provide correct information for debates and political decisions.

3.4 Division of roles

The division of roles between FOs and Sida-S has gradually developed and become clearer in recent years. General descriptions of the division of roles between FOs and RDs have been drawn up. The same applies to relationships between FOs and SDs. Where research cooperation, humanitarian assistance, multilateral cooperation and support via Swedish NGOs are concerned, the division of work between different programmes and countries varies. The general description of the division of roles between FOs and SDs does not correspond to the actual situation. The administrative departments have the same roles vis-à-vis FOs as to other departments at Sida and these roles have not been changed to any great extent by the Field Vision.

This study shows that there is a need to further develop the division of roles between RDs and FOs. A general division of roles between FOs and SDs that would apply to all SDs is not possible, since the operations of SDs are so different in character that the division of roles must be based on the specific characteristics of each sector department. However, to facilitate internal management processes, certain basic principles should apply to all.

⁸³ Region Forum (notes taken 2004-06-09)

⁸⁴ Sida, Instructions for operational planning 2003–2006, Memorandum 2002-06-07.

⁸⁵ Sida, Strategic priorities for the planning of activities 2004–2006, 3 June, 2003, p 4.

⁸⁶ Development cooperation via embassies. A study of the Min for Foreign Affairs and Sida in development cooperation, Swedish National Audit Office.

It would be far too narrow an approach to limit the responsibility of FOs to areas with full delegation. The responsibility should also be defined for FOs' participation in the coordination of Sida's cooperation in the civil sector, its role in conflict prevention work and in disasters, as well as in connection with the development of research policies.

Work of great merit has been performed by the working group that has led the work of defining different roles (e.g. policy bearer role, analysis role, advisory role, expert role, dialogue role, intermediary role, developer role, coordination role, human resource development role). Discussions in these matters have largely included almost all parts of Sida. This is important for creating uniformity in respect of the roles so that they are perceived in a similar way in the internal discussions between different departments and FOs on the division of responsibilities and work. These discussions should continue.

The study mainly shows positive reactions to the new tools for CPs and country reports. The process that leads to CPs could be further improved, particularly the dialogue between FOs and Sida-S, and between RDs and SDs. Furthermore, the relationship between CPs and the SDs' work plans should be further developed.

In our judgement, SDs must improve their accessibility and be more flexible where taking on short-term and/or long-term assignments is concerned. The forms for demand-side steering that meet both long-term plannable and acute needs must be developed. A long-term perspective and flexibility can be achieved through a combination of regular services (on an annual or multi-year basis) and call-offs from framework agreements. The client role of FOs should be specified and skills for this purpose should be developed with the goal of enabling the FOs to define specific assignments, to specify the time required for their implementation etc.

The study has shown that there is necessary to use Sida's collective expertise more flexibly. This could mean, for example, that a member of staff can undertake assignments at other FOs or other divisions at Sida-S than the office where he or she is stationed.

3.5 Country strategies and country plans

One consequence of the Field Vision is that embassies are to "be in the driving seat" where drawing up proposals for the country plans is concerned, and also for the implementation of programmes of development cooperation in the approved country plan. The dialogue on the composition of the contributions portfolio and selection of level of ambition is intended to take place primarily between the embassy and the partner country. However, the study shows that there is no clear linkages between the selection of contributions and the goals of development cooperation as laid down in the country strategy (see further report on Sida's performance management). In addition, there are no clear linkages to the country's own strategy (PRS). On the basis of the principle of ownership, it would be logical to use the country's PRS as the point of departure, and not a special Swedish product, i.e. the country strategy. Our conclusion is that the country strategy should not exist in its present form.

The country plan has been changed with the aim of making a clearer specification of strategic choices in the medium-term (two years). One justifiable question is therefore whether it is appropriate to limit country strategies to a three to five-year perspective. Naturally there is a need for a long-term strategy that can guarantee sustainable support where a long-term perspective is necessary. At the same time, it is necessary that management tools provide the opportunity to react rapidly to changes in conditions (for example an increase in levels of corruption or disasters). The study shows that, at country level, it would be more appropriate to have a rolling annual strategic planning process. In our opinion, this should be based on the country's strategies/PRS⁸⁷. The question for Sida should be in which parts of

⁸⁷ PRSP, I-PRSP or Government Development Plans. Sometimes there is reason to use corresponding documents from a lower level (state, province, region) as the point of departure.

the country's own poverty strategy Sida wishes to support. The study shows that PRS are used to a small extent in the formulation of the country strategies. The point of departure has rather been earlier experience and Sida's own country analysis of what should be done.

Our overall assessment is that the country strategy, country plan, country analysis, performance analysis and country report should be replaced by electronic, rolling, planning and follow-up documents that are revised once a year and whenever necessary in addition to this. This document should contain the following:

1. Summary of the country's PRS (or equivalent), with a description of the country's requests for support based on the PRS
2. Analysis of, for example, the country's capacity, Sida's experience of earlier cooperation, support given by other donors, conditions and risks.
3. Brief description and assessment of Sida's considerations (selection of areas for cooperation, scope and form of the policy dialogue).
4. LFA matrix of Sweden's undertakings, including the financial resources.
5. Performance report, based on the matrix. Methods for collecting information, follow-up and evaluation of results.

The advantages of this model are, for example, that dynamism and flexibility increase. Controls are adapted to the partner country's control systems. There would be clearer linkages between the priorities made by the partner country and how Sida meets responds to these priorities. Changes can have a more rapid impact in the composition of the contributions portfolio. Performance reports and analyses of results would be supplied continuously. This would improve the possibility of giving cooperation a long-term perspective, at the same time as there would be a greater degree of preparedness to modify the composition of the contributions portfolio and the individual contributions on the basis of the analyses of results.

3.6 Quality assurance

The study shows that the controller function is important at embassies and that some large embassies do not have a controller, while much smaller divisions at Sida have this function. Our conclusion is that, when personnel resources are allocated, the point of departure should be the need of quality control at embassies with full delegation, and that the present sluggishness in the allocation of resources should be speeded up by the development of control systems of the type proposed in the main study on performance management.

In a decentralised organisation, quality assurance is an important management instrument for observance of the rules, efficiency, and the dissemination of appropriate routines and processes. QA has been of great importance for the implementation of the Field Vision, but has still not been used in a corresponding way at Sida in Stockholm. There are examples of departments at Sida-S that have introduced forums for quality assurance with the ambition to further improve these functions⁸⁸. In our opinion, there is a need for a better coordinated way of working with quality matters in all parts of Sida, including the field.

The study shows that, although they have only been in existence for a short space of time, LPCs are perceived as being very good instruments for quality assurance of the preparation process of contributions. In our judgement, the mandate to further stimulate learning should be extended to include the examination of mid-term reviews and final reports. Standardisation should be based on an analysis of results achieved.

⁸⁸ DESO's Plan of operations for 2004

In the report of the study on performance management, the role of PCs and LPCs is taken up. It is just as important from an internal management perspective that the project committees process reports of results of major contributions as assessment memoranda. This also applies to the local PCs. In order to further develop organisational learning, the results actually achieved should be systematically collected and used as a basis for analysis and for the dissemination of experience.

POM has recently been given the assignment of presenting a report on the roles and mandates of the three different types of PCs⁸⁹. Within the framework of this assignment, POM should study in detail the proposal of extending the mandate of PCs to include an examination of performance reports in the form of mid-term reviews and evaluations that refer to contributions over the same amount that applies to contributions under preparation.

3.7 Organisational structure

A decentralised organisation cannot be managed in detail. The potential for improving efficiency in a decentralised structure first arises when the degree of freedom increases so that more appropriate solutions can be selected in the local context. Instead, a decentralised organisation requires more vigorous performance management than a centralised organisation. Decentralisation should not merely be a question of extending the authority to make decisions and other powers. The entire organisation should be adapted to the logic of the new organisation.

At Sida, the Field Vision has focused on the embassies that have been given, or will be given, full delegation. However, all experience shows that the most difficult aspect of decentralisation is to change methods and approaches in those parts of the organisation that lose the authority to make decisions.

Certain changes have been made at Sida in respect of the division of roles, but it is not a question of a comprehensive change and the organisation structure has remained intact. This study shows that there is reason to review Sida's organisation in a more integrated manner.

POM was formed recently through the merger of two divisions from different departments, but there is still some uncertainty about Sida's other departments and its support and service functions. Some important points of departure in the review should be that the allocation of responsibilities and powers is well defined, reporting channels are specified, and that internal management processes provide a realistic link between undertakings and resources.

A distinction should be made between management and control tasks, support functions and service functions. It should be clear in the organisation which divisions/persons have a line management function and which divisions/persons are working on behalf of the line with advisory services and support. In addition to this there are pure service duties (such as the switchboard, payroll, bookkeeping, caretaking etc). The future role of Sida's various support and service functions should be clearly specified.

The division of roles and responsibilities between the RDs and FOs should be further developed. From an organisation theory perspective, it would be most correct if the embassies received their undertakings from the Director General. Other partner countries can be collected in either one group or regional groups. Another alternative is to retain the existing RDs and give them specific line responsibilities.

The Director General's staff function should include the personnel resources required for the specific management of operations. The staff should include functions related to policy and strategy development, performance management, responsibilities for the work on harmonisation, and the controller function.

⁸⁹ Decision of the Director General 87/04.

As mentioned above, Sida should consider whether it is possible to delegate more responsibilities for research cooperation, humanitarian assistance and multilateral support to embassies, and analyse what this involves for work at SEKA, SAREC and the Multilateral Coordination Division at Sida.

The role of the sector departments as advisers and specialists should be developed. Staff at Sida-S working with advisory services and other forms of support to the line should be specialists and their services should be called off by the line. These functions should be completely demand-steered and dimensioned on the basis of demand. There can be reason to refine the management of assignments so that there are clearer links between the support interventions that are called off and the income to their divisions.

The specialist functions should be organised in natural operational areas. The staff should work in teams based on fields of expertise in order to reduce vulnerability and increase availability. Limitations in availability through excessively rigid divisions into country responsibilities should be avoided.

Appendix 3

Review of contribution portfolios, administrative resources and division of work

1 Introduction

This appendix contains a report on the quantitative review of contribution portfolios, administrative resources and division of work at the four embassies with full delegation that were selected for inclusion in the field study. These countries are: Bangladesh, Sri Lanka, Mozambique and Zambia¹. Some comparisons are also made between the two regional departments at Sida that are responsible for the coordination and follow-up of development cooperation programmes in these countries. Since the period of time that has passed since most of these embassies were given full delegation is very short, the information and analysis presented here should be regarded as indications rather than conclusions.

We would emphasise here that the intention of this report is not to evaluate the quality or the efficiency of the services performed by the embassies or Sida-S. Information in this appendix is more a question of “inputs” for development rather than “outputs”. We would also emphasise that it is very difficult to trace changes in the indicators presented directly to the implementation of the Field Vision. We would therefore urge caution in respect of drawing far-reaching conclusions on the consequences of the Field Vision for these countries on the basis of this material. Instead, the information should be regarded as a contribution to Sida’s future strategic discussions on field orientation.

2 Trends in the contribution portfolios

During recent years, one of Sida’s strategic priorities has been that it should work with forms of support that reduce the workload of Sida’s administration. We have therefore analysed the size of the contributions in each country and region. In order to reduce the effect on our material of contributions that were started in earlier years, our report only contains contributions that are new for each year. In this context, new contributions are all contributions with status A (agreed) and C (completed) that were started in each year. To permit a comparison of trends over time, the average for 1998–2000 has been used as the starting point.

Figure 1 shows that in 2003 the proportion of small contributions (less than SEK 3m) had decreased in development cooperation programmes in Asia (excluding Central Asia) and Africa (sub-Saharan Africa) by more than 9 percentage points compared to the period 1998–2000. Where the case studies are concerned, there has not been a radical reduction in the proportion of small contributions, which can be seen in figure 2. A certain reduction occurred up to 2003 but with considerable variations over time. Where Sri Lanka is concerned, the proportion of small contributions increased somewhat in 2003 compared to the average for 1998–2000.

¹ Bangladesh and Sri Lanka were given full delegation in 2004, Zambia in 2003, and Mozambique in 1999.

As can be seen in figure 3, the proportion of contributions larger than SEK 15m has been higher in the recent years in both Africa and Asia, even if there are large variations between the years. With the exception of Mozambique, the case studies show no specific trends over time, according to figure 4. For Zambia and Sri Lanka the proportion of large contributions had fallen in 2003 compared to the average for 1998–2000.

Figure 1: Proportion of new contributions with an agreed amount of < SEK 3m in Africa and Asia.

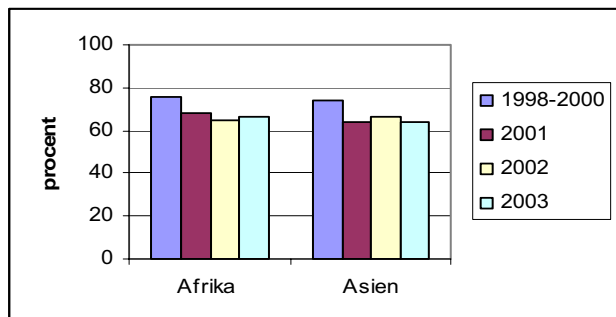


Figure 2: Proportion of new contributions with an agreed amount of < SEK 3m per country.

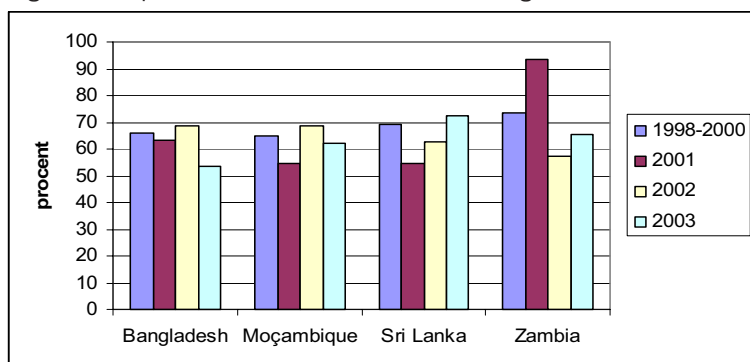


Figure 3: Proportion of new contributions with an agreed amount of >SEK15m in Africa and Asia.

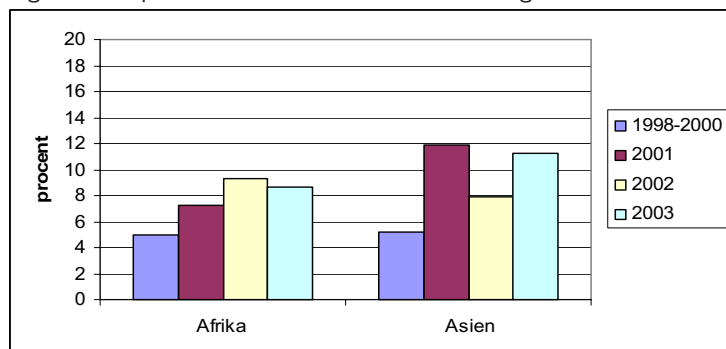
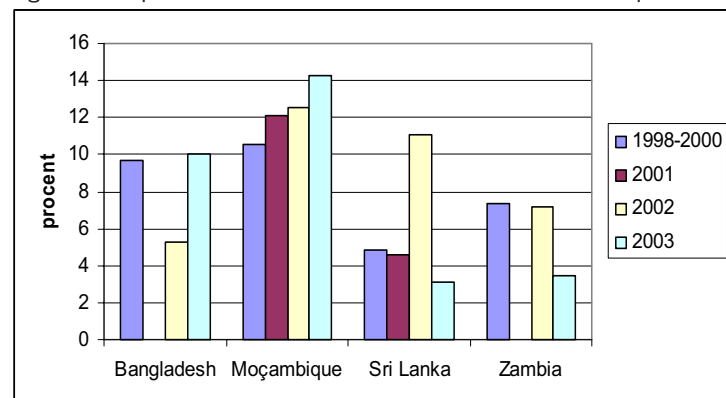


Figure 4: Proportion of new contributions with DAA >SEK15m per country.



Note:
Of the 19 agreements that were concluded for Bangladesh and the 45 for Zambia in 2001, none was larger than SEK 15m

The average number of agreed months for new contributions has not increased for Africa or Asia during the last three years. On the contrary, there is a trend towards shorter agreement periods (figure 5). Does this trend also apply to the case studies? Where the average number of agreed months for new contributions is concerned, it is, as shown in figure 6, only Bangladesh that has a gradual increase in the duration of agreements. The trends for the other countries are uneven, or there is even a trend towards shorter agreements. Also, where the average agreed amount per new contribution is concerned, the trend is uneven and different for different countries (figure 7). On the other hand, for the regions as a whole, a trend towards larger contributions can be discerned.

Figure 5: Average agreed number of months for new contributions in Africa and Asia.

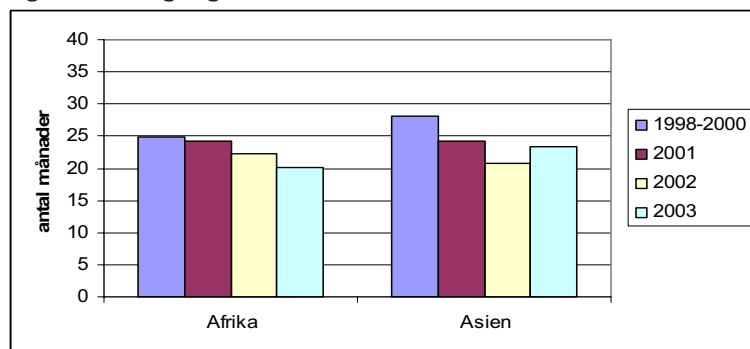


Figure 6: Average agreed number of months for new contributions.

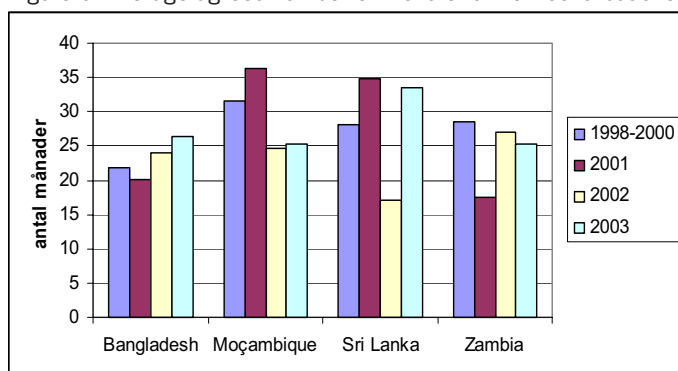


Figure 7: Average agreed amount for new contributions in Africa and Asia.

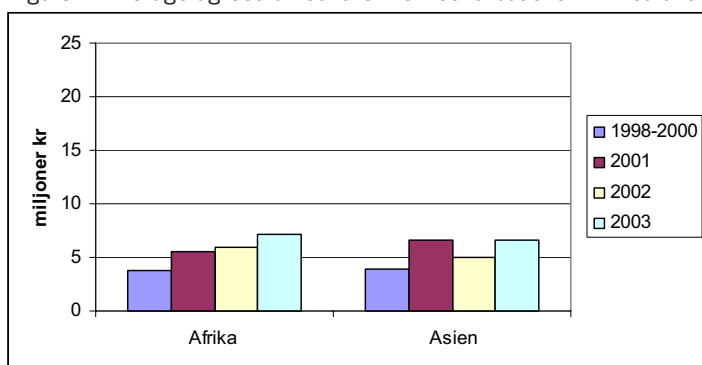
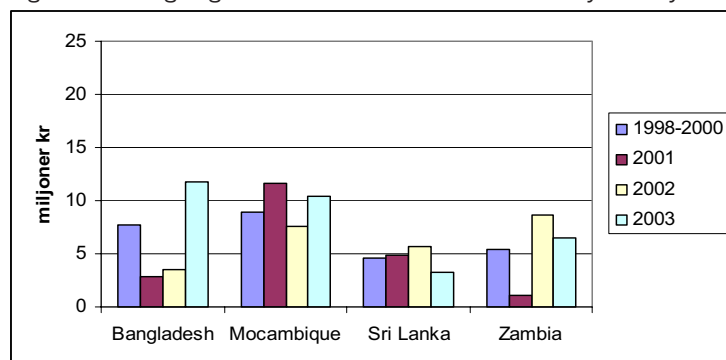


Figure 8: Average agreed amount for new contributions by country.



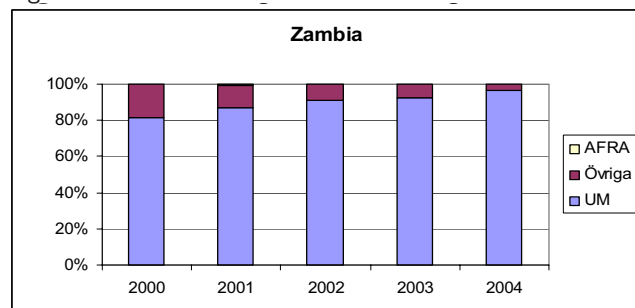
In brief, it can be said that trends in respect of contribution portfolios in the case studies have not moved consistently towards longer and larger contributions. For example, the contributions in Sri Lanka have become smaller in respect of agreed amounts. On the other hand, for the regions as a whole, trends towards larger contributions can be discerned. However, the duration of agreements appears to have become shorter in recent years.

3 Division of work

According to the Field Vision, the embassies will be responsible in principle for all contributions in each country. Figures 9-12 show the breakdown of disbursements at embassies and the departments at Sida in Stockholm, according to the data registered in PLUS². Only the framework appropriation has been included. In this context the term “Other depts” refers to all Sida’s sector departments as well as PEO, POM and UTV. We have also included information for 2004 in order to clearly distinguish and analyse any tendencies. The information shows that the proportion of disbursements registered by the embassies has increased over time.

We would emphasise that these figure do not provide any information about the amount of time embassies and departments in Stockholm devote to a certain country since, during the agreement phase, a contribution can involve a great deal of work or a small amount of work for the division concerned. What can be said is that embassies are responsible for a very high and, in some cases, increasing share of the volume of contributions.

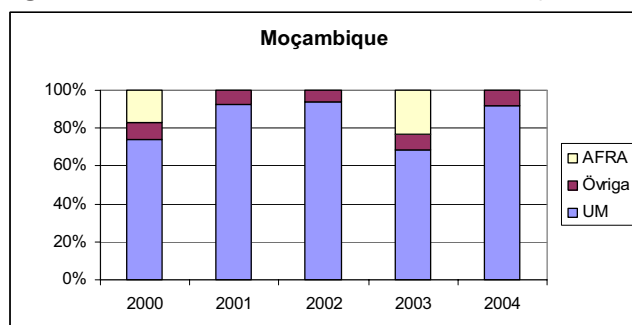
Figure 9: Breakdown of disbursements in Zambia.



Note: The figures for 2004 refer to the period January–September 10.

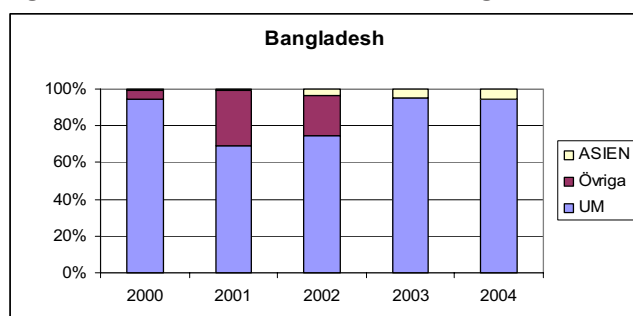
² Note that responsibilities in the agreement phase are studied here, i.e. volume of disbursements for contributions with status A or C for a certain year. It is not possible to see from these figures whether or not the responsibility for contributions was transferred after the contribution passed through the preparation phase (status P).

Figure 10: Breakdown of disbursements in Mozambique.



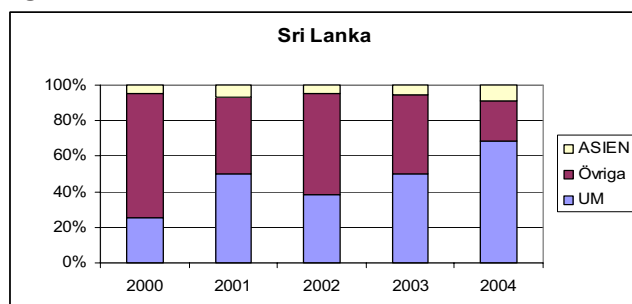
Note: The figures for 2004 refer to the period January–September 10.

Figure 11: Breakdown of disbursements in Bangladesh.



Note: The figures for 2004 refer to the period January 1–September 10.

Figure 12: Breakdown of disbursements in Sri Lanka.



Note: The figures for 2004 refer to the period January 1–September 10.

To obtain a better understanding of the amount of support the embassies receive from Sida-S, the time reports that form the basis of Sida's Goals and Indicators for 2003 have been studied. Figures 13–16 show the breakdown of full-time posts (or the equivalent of full-time posts) for the countries included in the case studies at embassies and at Sida in Stockholm in 2003.

The analysis shows that the embassies accounted for 69 per cent of the full-time posts that worked with Mozambique in 2003. The corresponding figure for Zambia is 86 per cent, for Sri Lanka 59 per cent, and for Bangladesh 72 per cent. Accordingly, the embassies accounted – not surprisingly – for the largest proportion of the work with each country, the sector departments accounted for a smaller proportion and the regional departments for a very small proportion. Of the four embassies, Mozambique and Sri Lanka have the lowest proportions of the workload at the embassies.

It can be added that the case studies are at a considerably higher level than average for the regions where the proportion of full-time posts working at the embassies is concerned. The average for the regions is 51.7 per cent for Africa and 54.3 per cent for Asia. Accordingly, a relatively large proportion of the work takes place at the embassies, which was of course the intention when they were given full delegation.

Figure 13: Breakdown of full-time posts (equivalent), Mozambique.

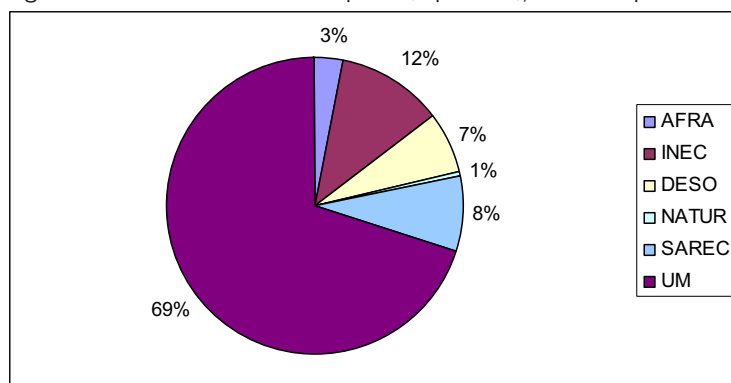


Figure 14: Breakdown of full-time posts (equivalent), Zambia.

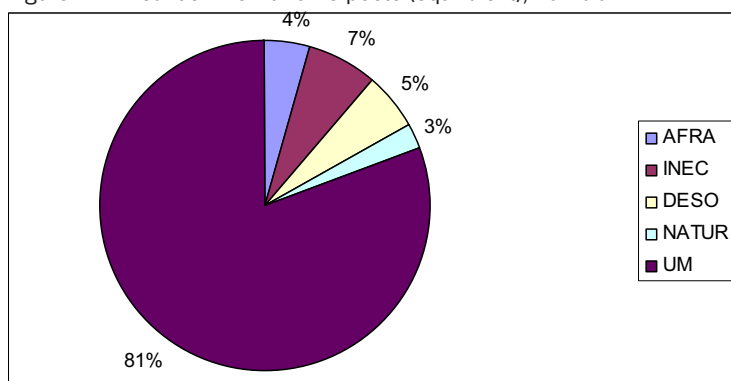


Figure 15: Breakdown of full-time posts (equivalent), Sri Lanka

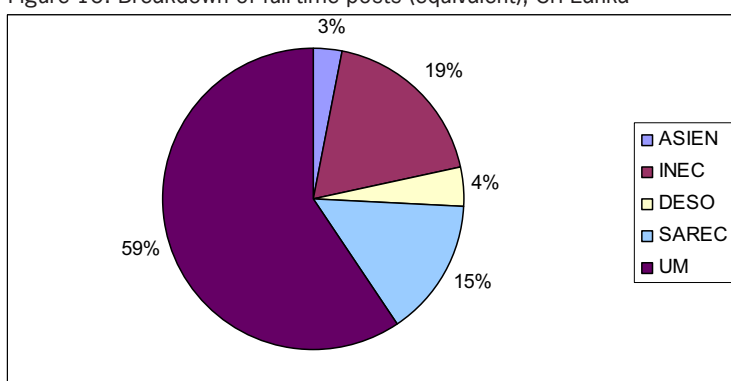
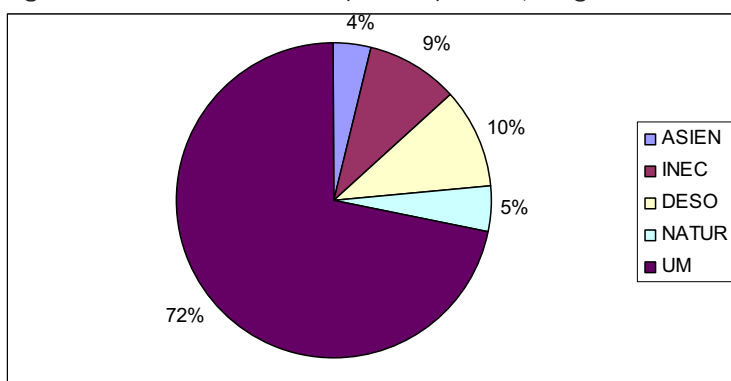


Figure 16: Breakdown of full-time posts (equivalent), Bangladesh.



Administrative resources at embassies

In the implementation of the Field Vision, the increase in manning at embassies has been one of the questions discussed most. In tables 1-4 we show trends in manning over time where the case studies are concerned (i.e. the number of posts in each country for the last four years).

Table 1: Embassy in Bangladesh.

	2000	2001	2002	2003	2004
Seconded	4	4	3	3	4
NPO		3	3	4	4
BBE			1	1	1
Regional					
Total	4	7	7	8	9

Table 2: Embassy in Sri Lanka.

	2000	2001	2002	2003	2004
Seconded	5	5	5	4	5
NPO		1	2	2	2
BBE				1	1
Regional					
Total	5	6	7	7	8

Table 3: Embassy in Mozambique.

	2000	2001	2002	2003	2004
Seconded	10	9	9	9	9
NPO	2	2	3	3,5	4
BBE					
Regional	1	1	1	1	2
Total	13	12	13	13,5	15

Table 4: Embassy in Zambia.

	2000	2001	2002	2003	2004
Seconded	5	4	5	5	5
NPO	3	3	3	4	6
BBE				1	1
Regional				2	4
Total	8	7	8	12	16

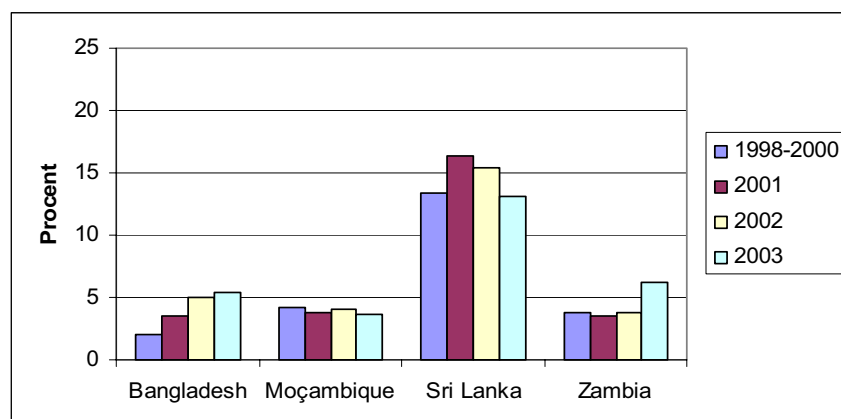
One important question is whether the increase in manning, in terms of costs, is in proportion to the embassies' working duties and undertakings. This question is difficult to answer since this is difficult to measure. One of the difficulties is finding a relevant quantitative indicator of the workload at embassies. Here we have used total disbursements for the contributions for which the embassies are responsible according to PLUS. As we have pointed out above, contributions administered by Sida in Stockholm are also naturally part of the workload of embassies (and vice-versa). However, a comparison between figures 9-12 and figures 13-16 shows that the volume of disbursements that the embassies are responsible for according to PLUS corresponds relatively well with the division of work according to the time study for 2003.

Figure 17 shows the payroll costs for each case study as a proportion of the volume of disbursements. A high (low) column in the figure means that the payroll costs are high (low) in relation to the volume of disbursements administered by the embassy. We would emphasise here that this approximate indicator of efficiency only refers to the "inputs" for development cooperation (staff costs and disbursements), and not the "output" (poverty reduction).

We cannot discern a general trend over time for the countries in the material. However, Sri Lanka, with high payroll costs, differs considerably from other countries, which are at approximately 5 per cent. It is worth noting that the salaries of employees that work with regional contributions are included in the payroll costs for the embassies in Zambia and Mozambique (see table 3 and 4 above). The increase in Zambia in 2003 can partly be explained by the arrival of two regional programme officers.

In summary it can be said that the embassies in Bangladesh, Mozambique and Zambia have, in general, equally high staff costs in relation to the volumes administered at each embassy. On interpretation of the situation that no major changes have occurred in recent years is that personnel resources have increased in proportion to the scope of operations. Furthermore, it shows that staff in Sri Lanka cost far more in relation to the volume of disbursements than is the case in the three other countries. However, this conclusion shall not be taken too far, as mentioned above. The reason is that the outcome of contributions for which the embassies are responsible according to PLUS is far from a reliable indicator of the embassies' workloads, and payroll costs are not an optimal indicator of personnel resources. However, the report indicates tendencies that should be taken into consideration in future discussions of administrative resources at different embassies.

Figure 17: Payroll costs as a proportion of the volume of disbursements.



Note: Payroll costs for embassies/Outcome for contributions for which the embassy is responsible, according to PLUS

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