IDEV
Independent Development Evaluation
Évaluation indépendante du développement

Evaluation of the AfDB's Human Resource management: recruitment, retention, career development, and performance management

(HR Evaluation 1)

CONCEPT NOTE

July 2023

AFRICAN DEVELOPMENT BANK GROUP

I. Introduction and background

1. Introduction

The Independent Development Evaluation function (IDEV) of the African Development Bank (AfDB or the Bank) is undertaking an evaluation of the Bank's Human Resource Management. This evaluation is part of IDEV's 2022-2024 work program approved by the Bank's Board of Directors with respect to its mandate of (i) providing a basis for accountability by documenting the use and results of Bank Group resources and (ii) contributing to the generation of lessons for the purpose of learning. The evaluation will be structured into two components focusing on specific themes: HR Evaluation 1 (Recruitment, Retention, Career Development, and Performance Management), and HR Evaluation 2 (Rightsizing/Strategic Staffing and Incentive structure). This concept note focuses on the HR evaluation 1.

The evaluation is the second of its kind following a previous one conducted by IDEV in 2017 which covered the Bank's human resource management policy and strategic directions. It also has a forward-looking dimension and is expected to inform future actions and guide the successful implementation of reforms in human resource management systems and practices for the implementation of the Bank's next Ten-Year Strategy (TYS). This concept note briefly outlines the scope, objectives and approach proposed for the evaluation.

This concept note follows a preliminary concept note, drafted in October 2022. It was reviewed after a series of consultations with Board members and senior officials of the Bank in February 2023. The consultations discussed the context of HR practices in the Bank as well as the timing, approach, and objectives of the evaluation. Following these consultations, the concept note has evolved, mainly in the context and approach of the evaluation.

2. Background: former evaluations of HR practices

While the Bank has initiated major organisational changes in the past and in recent years mainly on delivery of the High 5 priorities, it remains imperative to attract, retain and develop a high-quality workforce necessary to deliver on the Africa transformation agenda. In this context, IDEV's 2017 Human Resource Management Evaluation assessed two main issues: (i) the state of the Bank's Human Resources Management System (HRMS) relative to industry best practice and traditional comparators; and (ii) how the Bank has organized itself to deliver on its strategic objectives for HR Management, e.g. increasing accountability for the delivery of client services; increasing the efficiency of administrative activities; and improving strategic planning and implementation performance. As a result, six key recommendations for Bank Management were identified under two broad directions: (i) addressing infrastructural deficiencies; and (ii) upgrading the policy framework. Management responded to the recommendations by committing to specific actions for implementing the recommendations.

IDEV's 2022 report on the Management Action Record System (MARS) that assesses the progress made by AfDB Management in adopting and effectively implementing agreed evaluation recommendations looked at the level of adoption of 4 out of the 6 recommendations of the 2017 Evaluation of Human Resource Management that were due at the time of reporting. The 2 remaining recommendations were not yet due for implementation at the time of the assessment. The evaluation will review the extent to which the remaining 2 are addressed in the current reforms.

In addition to IDEV's 2017 evaluation, three separate HR audits have been conducted since 2017, which have found deficiencies in internal controls concerning staff separations and relocations, staff recruitment and retention, and the staff performance management system and process.

Many reforms have been implemented since these reviews by the HR complex, including:

(1) The renewal of the People Strategy (2021-2025)
(2) A review of the Total Compensation Framework
(3) New Staff regulations and rules
(4) A revised contract architecture
(5) A new performance framework
(6) Introduction of remote work
(7) The implementation of web-based "SPOT" system to facilitate the safe and anonymous reporting of proven incidents of harassment, abuse of power and discrimination
(8) A new Whistleblowing policy

Other initiatives and strategies are still being implemented and/or developed, most notably:

(1) Talent Councils and Job Families Committees (identified and trained in 2020)
(2) Staff engagement surveys
(3) A comprehensive flexi work policy for staff and consultants

(4) Staff mobility guidelines
(5) A review of the recruitment manual and training in unconscious bias
(6) New directives on Sexual Exploitation, Abuse, and Harassment (SEAH)
(7) A new Policy for the Young Professionals Program

II. Rationale, scope, and objectives

1. Rationale and Purpose

The HR complex is, as of today, in full transformation, conceiving, developing, and implementing various reforms to improve HR practices to further the action of the Bank. These reforms, as well as scoping interviews conducted with Board members and Senior Management of the Bank, highlighted key issues to be addressed in the evaluation. Interviewees underlined the importance of conducting this evaluation now, as well as their expectations from it. These are to:

(1) Provide a situational analysis of changes and reforms being deployed, initiated, or fully implemented in the last few years;
(2) Assess the extent to which recommendations of the HR evaluation of 2017 and HR audits have driven these changes and reforms;
(3) Draw lessons from the implementation of these reforms to ensure the success and effectiveness of further changes, and ensure the Bank is fully equipped in terms of technology, human resources, and data to anticipate and support new and future HR challenges;
(4) Evaluate the alignment of the Bank's HR management with comparator organizations;
(5) Assess the extent to which the ongoing and planned HR processes will support the Bank's ten-year development strategy;
(6) Provide concrete suggestions to enhance the professionalization of the HR complex; and
(7) Provide transparent information on the HR complex activities and lay the foundation for a more collaborative approach between the HR complex and other Bank actors.

Considering that the last HR evaluation was conducted more than five years ago, and the HR audits which underlined critical shortfalls in key HR processes, this evaluation of HR practices will enable the Bank to have a clearer view of all changes implemented and their effectiveness since the last evaluation, and to identify key optimization areas to serve its mission and delivery.

In addition, the Bank's HR practices have been challenged since 2020 following the Covid 19 pandemic, most notably concerning remote work. Remote work is now available for staff, at the initiative of themselves or the Bank, not only for public health motives but also for a better work-life balance. Hybrid work has also become a new way of working at many duty stations. These actions, which are in line with the general trend in all organizations to favour flexiwork policies, could benefit from insights from comparator organizations, and an evaluation of their premises would allow for the development of an enhanced and effective comprehensive flexiwork policy.

2. Objectives

The purpose of this evaluation is to examine the quality and performance of the Bank's current HR management processes and practices as they pertain to recruitment, retention, career development, and performance management. To this end, the evaluation will assess the following topics:

(1) The adequacy of key HR processes in meeting the main challenges faced by the Bank in recruitment, retention, career development, and performance management.

(2) The impact and quality of the measures taken by the Bank following the Covid-19 crisis concerning new forms of work (remote and hybrid working), and their impact on recruitment, retention, career development, and performance management.

(3) The efficiency and effectiveness of the reforms deployed by the HR complex since 2017 to address the main deficiencies found in IDEV's 2017 HR evaluation and subsequent HR audits as well as the implementation of the recommendations in relation to recruitment, retention, career development and performance management.

(4) The alignment of the Bank's HR processes with those of comparator organizations and good practice standards in recruitment, retention, career development and performance management.

The specific objectives of the evaluation are to:

(1) carry out a diagnostic review of the Bank's institutional environment with regard to HR in the four key areas (recruitment and induction, retention, career development, and performance

management) focusing on the adequacy of the structures, systems, people, and processes to implement the Bank's TYS in a sustainable manner and the Bank's human capacity to deliver on the High 5 priorities.

(2) review the progress made by the Bank against the people Strategy objectives and examine to what extent key issues raised (in previous evaluation, audit, and staff surveys) were addressed or are being addressed.

(3) capture lessons from the experiences of comparable institutions through a benchmark study in the four areas (recruitment, retention, career development and performance management), particularly in the context of organizational transformation, and inform the approach of the ongoing reforms and HR frameworks to ensure effective delivery.

(4) provide strategic directions to the Bank in the key areas of reforms in human resource management based on the findings and lessons from (1), (2) and (3) above.

3. Scope of the Evaluation

The evaluation will look at the evolution of the Bank's HR management practices since 2017 when the Bank's Management committed to specific actions in response to the IDEV evaluation recommendations and other reviews in addressing the following elements of HR: Recruitment and induction; Retention; Career development; Performance management system.

4. Evaluation questions

For this evaluation, the following broad questions will be considered. These questions may be further developed in the inception report.

(1) To what extent do the Bank's human resources reform agenda and practices address recruitment, retention, career development and performance management issues identified to support effective implementation of the Bank's TYS, and the High 5 priorities as defined in the People Strategi(es)?
   a. Where performance is lagging, what are the key areas that the Bank should focus on to further the deployment of these strategies?
   b. What lessons can be learned from the Bank's implementation of the last People Strategy and other key HR documents? What are the constraining and facilitative factors?

(2) To what extent did the recommendations provided by previous Evaluations shape the development of the People strategy and other HRM strategies and frameworks with respect to recruitment, retention, career development, and performance management?

(3) To what extent did Covid-19 and subsequent changes to work practices impact the human resources reform agenda with respect to recruitment, retention, career development, and performance management and what lessons can be drawn for the implementation of current and considerations for future strategies?

(4) To what extent has progress been made regarding the objectives of the people strategy (2021-2025) particularly in relation to recruitment, retention, career development and performance management?

(5) How do the Bank's human resource management policy, system and practices align with those of the comparator institutions where applicable?
   i. What are the good practices being successfully applied in the comparator organisations?
   ii. How has the human resource management function within the four key areas facilitated processes of transformation in the comparator organisations?

III. Context of HR in the Bank

HR management in the Bank is driven by several strategic documents and policies, which serve as a background for the evaluation. These include (but are not limited to):

(1) *GCI-VII commitments* accompanied by the fifteenth and sixteenth replenishments of the African Development Fund (ADF-15 and ADF-16)*:* GCI-VII-Objective 4 "Strengthen the Bank's capacity to deliver on its mandate" detailed in the Bank's strategy to improve its HR practices and concerning this evaluation scope, stated 2 sub-objectives (a) attract and retain top-notch staff and increase staff engagement; (b) promote a culture of performance and results.

(2) Strategic action plans, mainly defined by recommendations following the 2017 HR evaluation,

(3) HR policy, formalized in *the successive People Strategy* adopted by the bank, the last one being the 2021-2025 strategy currently in operation.

Considering the various objectives posed by these documents, scoping interviews and preliminary

document reviews have underlined key issues to be evaluated for each dimension of the HR1 evaluation:

1. Recruitment and induction:

The 2017 IDEV evaluation of HR management policy and strategic directions considered the recruitment process as standardized[1], with a defined job description process, a standard orientation for new hires, and assessments using standard behavioral competencies. However, limited advance advertisement of anticipated vacancies or strategic outreach to candidates with desired skills were noted, as well as ad hoc use of prequalified candidate lists to fill anticipated vacancies.

To respond to the findings of this evaluation, the HR complex developed a revised contract architecture in 2021, and a new recruitment manual is currently being conceived.

Proposed evaluative questions for the Recruitment and induction processes are:

(1) To what extent do current reforms in recruitment reduce the time for staff recruitment and improve the quality of the recruitments?
(2) What actions were taken by the HR complex to address the findings of audits and the 2017 HR Evaluation, and what is their level of effectiveness?
(3) To what extent is the employee value proposition recognized by applicants, and does it facilitate recruitments?

2. Retention

The 2017 IDEV's evaluation of HR management policy and strategic directions did not evaluate the staff retention process but studied staff engagement and its consequences on retention. It was considered that HR processes did not contribute to workforce outcomes as anticipated, including in promoting staff motivation and engagement, which are major drivers of staff retention. The evaluation also stated that the absence of key enabling factors had contributed to limited progress towards retaining young and high potential talents.

Many reforms undertaken or being undertaken by the HR complex seek to contribute to greater staff retention, including the new total compensation framework, the revised staff rules, and regulations, the new performance management system. Other reforms being developed including the Talent Councils and Job Family Committees, the new mobility guidelines, staff engagement surveys, etc. could also impact staff retention.

Proposed evaluative questions for the Staff retention process:

(1) To what extent have reforms enabled a better staff retention, especially in a global context known as the 'Great Resignation' (an economic trend in which employees voluntarily resigned from their jobs *en masse*, beginning in early 2021 in the wake of the COVID-19 pandemic)?
(2) Which areas of reform are enablers for improving staff engagement and pride in their employer to enhance staff retention?
(3) How does the Bank fare compare to other international organizations on the matter? What practices could enhance the Employee Value Proposition?
(4) What lessons are there to support the Bank's effort to achieve its targets on staff retention in a sustainable manner?

3. Career Development and progression

The 2017 IDEV evaluation of HR management policy and strategic directions considered the career development process as ad hoc, considering that the talent management processes were not supported by an active Career Development Framework (CDF) to assist staff in managing their career development and progression. Also, it found that the Bank lacked standardized learning programs to provide an internal means of developing and enhancing required technical skills across different job families. Furthermore, it found no program for the development and support for the preparation of high talents for leadership roles. The evaluation also stated that the absence of key enabling factors had contributed to limited progress towards developing skills in line with the High 5s.

The main ongoing reforms concerning career development relate to the staff mobility guidelines, which is currently being developed, the management development program, and the learning & development framework. These changes are still ongoing and are not expected to be implemented in the next few months.

[1] the evaluation considered four levels of business process maturity: ad hoc, standardized, integrated, and strategic

Scoping interviewees considered the career development process to be somewhat effective, as specified in staff guidance document(s)[2], though some of them raised concerns on the clarity and transparency of career paths for staff at both professional and GS levels and the application of the policy.

Thus, the evaluation will provide insight on the actual renewal of the Career Development Framework.

Proposed evaluative questions for the Career Development processes:

(1) To what extent do Career Development processes ensure that competencies needed by the Bank to deploy its strategies are readily available?
(2) To what extent are the current expectations from internal clients met, including in terms of competency development and professional growth?
(3) How can Career Development processes better support the functioning of the Bank?

4. Performance management

The 2017 IDEV evaluation of HR management policy and strategic directions considered the performance management process as standardized, considering the implementation of an automated system, an organization-wide annual timeline, and the documentation of guidelines in a Staff Performance Management Handbook. However, it also stated that ongoing feedback was not yet fully institutionalized and that the integration of the performance management process with other relevant processes on staffing such as career development among others remained limited. The evaluation also found that the absence of key enabling factors such as directives for guidance on implementation and defined roles and responsibilities within the ecosystem had contributed to limited progress towards promoting staff mobility.

A new performance management directive was deployed in 2021, in accordance with GCI-VII commitments, the People Strategy and the strategic action plans. Scoping interviewees expressed various levels of acceptance and agreement with this new directive. Some interviewees considered soft skills to be overrepresented in the final framework and as such not as representative as “goal meeting” objectives.

Proposed evaluative questions for the Performance management process:

(1) To what extent does the performance management process support the Bank in implementing its mandate? What are its strengths and weaknesses?
(2) What are the main lessons to be drawn from the implementation of the performance management framework to drive further reforms?
(3) To what extent does the performance management framework feed into and interact with training and career development strategies to optimize synergies and ensure the delivery of the Bank mission?

IV. Approach and methodology

1. Approach

This evaluation will analyse the institutional environment of the Bank in relation to human resource management in the four key areas of focus. It will assess the implementation of its current People Strategy (2021-2025) and subsequent reform actions with the aim to bring out lessons that can inform the effective execution and sustained benefits of ongoing HR reforms as well as inform the future direction of the Bank’s human resource strategy.

This will necessitate an extensive review of existing documentation and systems, analysis of human resource data, and collection of information from key informants regarding their experiences and expectations in strategic human resource management.

The evaluation will use a theory-based approach with a framework for understanding the processes that lead to achieving objectives of the Bank’s strategic human resource management regarding the elements under study.

Considering the transformations currently being implemented by the HR complex, this evaluation will mostly be formative, with some aspects having a summative assessment. It means this will not evaluate potential results of the reforms but will focus on the rationale behind their implementation and the effectiveness of their design. Summative review will be carried out for reforms deployed before 2020, as their first effects should already be discernible at the date of the evaluation.

A Formative evaluation ensures that a program or program activity is feasible, appropriate, and acceptable

[2] Career development Guidance note

while its being implemented and developed or when an existing one is being adapted or modified. In the Bank's context, it will mainly look at transformations currently being carried out, most notably concerning recruitment processes and retention policies. Such an evaluation will allow to secure and improve the implementation of these reforms, to enhance their impact.

Summative evaluations assess programs and policies' effectiveness in achieving their ultimate goals. They are usually conducted when a program, activity or process has been deployed and results are measurable. In the Bank's context, it will focus on assessing the performance of and drawing lessons from the implementation of strategic reforms and transformations, such as the Performance Management Directive, to assess whether its application currently serves to address and pursue the planned objectives.

Combining both approaches for this evaluation will permit a comprehensive evaluation of HR practices and support further transformation of the HR complex.

2. Methodology

a) Overview of the methodology

The methodological approach for data collection in this HR2 evaluation will integrate both quantitative and qualitative techniques, ensuring a comprehensive assessment. The evaluation will utilize existing reviews and studies while collecting new data through extensive document review, analysis of secondary data (from the Bank's information systems), key informant interviews, focus group discussions, and an online survey targeting Bank employees

b) Data Collection and analysis throughout the evaluation

Data and information for the evaluation will be gathered through qualitative and quantitative methods. This will involve extensive document review, analysis of secondary data (from the Bank's information system), key informant interviews, focus group discussions and an online survey to be administered to Bank staff (to be confirmed after the inception phase).

Document review will be necessary in three areas.

a) Review of the Bank documents. This would involve a review of the Bank policies, strategies and the institutional reforms undertaken in human resource management as well as in closely related areas such as decentralisation, organisational structuring, business processes and administrative budget reforms as they pertain to recruitment, retention, career development, and performance management. It should enable a mapping of the processes and implementation of these reforms in the Bank.

b) Review of comparator organisations' documentation. This should enable a comparison to be made with the Bank's human resource management systems and practices in the areas of recruitment, retention, career development, and performance management.

c) Review and synthesis of previous studies and evaluations on the topic.

Key informant interviews will be an important data collection technique for this evaluation, helping to address most of the evaluation questions. Interviews will be conducted according to good practice standards. Field missions and remote interviews may also be used where appropriate, especially with consultations with the Country and Regional Office staff. Most Bank interviews will take place in the Bank's headquarters in Abidjan.

Benchmarking- The benchmarking exercise will compare the Bank with peer organisations in terms of processes and practices followed with comparable elements in the four areas of HR focus, the application of good practice standards and challenges and lessons from such experiences. This exercise will involve document review and semi-structured interviews. For the benchmarking data collection, considering the sensitive and confidential nature of HR issues, face to face interviews will be required in the comparator organisations' headquarters. Remote meetings will also be considered where feasible.

Comparing the Bank with others will require mapping and comparing the situation in the Bank with the ones in an agreed list of organisations selected based on well-defined criteria, including the staff size and budget, diversity in the areas of activity, management models followed, geographic location of the organisation and the people they serve, age of the organisation, nature of organisational restructuring and the transformation undergone recently.

Online Survey will be administered among selected Bank staff, including the HR business partners, management and staff, as well as user departments, to collect information on human resource management reforms measures implemented in the past and the challenges and suggestions with a forward-looking perspective. The survey will be carefully designed addressing different levels of management and staff in HQ and Country Offices as well as the Board officials.

Data analysis will necessitate the use of key standard techniques and approaches, where applicable and would consider the following among others;

Coding and content analysis: Given the large volume of interview and survey data and its centrality in answering key evaluation questions, interview data will be coded and analysed robustly. The analysis will consider using frameworks that will help create typologies of enabling and constraining factors along the results chain.

Process mapping: Document review and semi-structured interviews to gather data to allow processes to be mapped. Process mapping should establish a) review of the approaches in strategic human resource management in the four focus areas; and b) the tools, systems and processes followed in the Bank in the four focus areas.

Contribution analysis: To review the status and outcome of reforms and changes made through HRM strategies and policies in response to previous IDEV evaluation and institutional restructuring, a contribution analysis will be done. This will help to determine the extent to which actions and changes made over the period contributed to outcomes noted or captured from data collected.

C) Phasing of Evaluation activities

After this concept note's approval and the evaluation's initiation, the evaluation stages will proceed as outlined below:

Phase 1: The inception phase will ensure a solid understanding of the objectives, scope and context of the evaluation, set out the methodological foundations for the study and develop the data collection strategy and tools. It will include a desk review, initial interaction with the main stakeholders, testing of the data collection tools, preparation of draft inception report, and a workshop with key stakeholders to discuss and validate the inception report including emerging themes from the four focus areas of the evaluation, and the finalisation of the inception report.

Phase 2: The data collection phase will include the execution of the data collection strategy defined in the inception report and preliminary analysis of the data collected for the benchmarking exercise. The data collection will consist of in-depth document review, stakeholders' interviews, focus group discussions, survey administration, benchmarking consultations, and consultations with regional groups and the reference group members.

Phase 3: The analysis and reporting phase will include the analysis and preparation of the Benchmarking report, a PowerPoint presentation of emerging findings, the technical report, and the summary report. There will be rigorous Quality Assurance throughout each phase of the Evaluation.

There are five main Quality Assurance consultations which will take place after;

(1) the delivery of the draft inception report
(2) the delivery of benchmarking findings
(3) the delivery of the emerging findings,
(4) the draft technical report and
(5) the draft of the evaluation summary report.

These consultations will provide the HR complex and the evaluation reference group an occasion to review the findings and provide further information or evidence to improve the quality of these deliverables

V. Management of the Evaluation

1. Responsibilities and roles

The evaluation will be conducted by IDEV through a team led by the Task Manager with the support of a research analyst and a team of consultants from EY Paris (a team of HR and Evaluation experts). The main deliverables of the assignment are:

(1) Inception report
(2) Benchmarking report
(3) Technical report
(4) Final Evaluation Summary Report

Roles	Members
Task Manager	Akua Arthur Kissi, Principal Evaluation Officer, IDEV2
Team Member(s)	Roland Akaabza, Research Analyst, IDEV2

External Consultant	EY Advisory Consultants, France
Internal peer reviewers	Oswald Agbadome, Principal Evaluation Officer, IDEV2 Andrew Ajuang Anguko, Chief Quality & Methods Advisor, IDEV0
External peer reviewer	TBD
Knowledge Management and Communication team	Raky Gassama, Senior Knowledge Management Officer, IDEV3 Najade Lindsay, Knowledge Management Officer, IDEV3 Maria R. Muzaaki, Knowledge Management and Communications Consultant, IDEV3
Administrative support	Yao Parfait Kouassi, Team Assistant, IDEV2
Supervision	Madhusoodhanan Mampuzhasseril, Division Manager, IDEV2 Karen Rot-Munstermann, Evaluator General, IDEV0

The Task Managers of the HR1 and HR2 evaluations will set up a coordination mechanism to ensure the coherent implementation of HR1 and HR2, leading to a joint presentation of both evaluation reports to CODE. The coordination efforts will also include evaluation activities and engagement with comparator organizations and Bank Management to reduce transaction costs and repetitions.

IDEV's knowledge management team will support the evaluation to engage with stakeholders and communicate the relevant findings at each milestone as well as to disseminate knowledge from the evaluation.

2. Communication and reporting links

The recipients of the study are the Board's Committee on Operations and Development Effectiveness (CODE) and Bank Senior Management. The evaluation has both an internal and external audience. These audiences are:

a) Internal stakeholders

The Bank's Board of Directors: The evaluation will provide the Board with an independent and evidence-based assessment of the Bank's current HR management and extent of implementation of previous HR recommendations in the areas of recruitment, retention, career development, and performance management.

Bank Management and Staff: This evaluation can inform the development of new HR policies, strategies, systems, processes and practices in the areas of recruitment, retention, career development, and performance management, by providing management and specifically the HR team with an independent and evidence-based assessment of what worked and did not, how and why, as well as suggestions for improvement.

b) External stakeholders:

Peer organizations and comparator institutions: The evaluation will provide insights and knowledge from lessons of the Bank's experience in specific areas of its HR reforms and practices.

Human resource practitioners and recruiters of the public: These groups will benefit from the evaluation's knowledge on the Bank's HR practices and be informed of practices in the labour market of IFI's.

3. Tentative calendar

The estimated timeframe for the conduct of the main evaluation activities is 10 months.

Milestones	Completion date
Preliminary HQ consultations (10 working days)	15th-28th April 2023
Finalisation of Concept Note	July 2023
Inception report draft	August 2023
Staff consultations (20 working days)	September 2023
Benchmarking missions (21 working days)	September-October 2023
Benchmarking report	Mid October 2023

Milestones	Completion date
Presentation of Preliminary findings	End October 2023
Technical report draft	Mid November 2023
Workshop	End-November 2023
Final technical report	December 2023
Draft Summary report	End January 2023
Final summary report for CODE	March 2024