

# **ICLARM Progress Report**

**Presented by John Dillon, Chair, ICLARM Board**

**ICW'93**

**26 October 1993**

Mr. Chairman, Ladies and Gentlemen,

Never would I have predicted that I would stand before you today as Chair of the ICLARM Board, the only CGIAR center with Resource Management in its name. At this year's Mid-Term Meeting in May in Puerto Rico, I was just a listener to the ICLARM discussions. In mid-July, following a request made to me in Puerto Rico, I presented a Board Workshop to an Extraordinary Meeting of the ICLARM Board. At very short notice I was elected to the Board at that meeting and named to be Board Chair from August 1, 1993. I stayed on for the remainder of that July Board meeting and have since visited ICLARM for four days in early September. As yet, I've still much to learn about ICLARM.

You are aware that ICLARM had severe difficulties in the period preceding our Mid-Term Meeting in Puerto Rico. These difficulties culminated in the resignations of the Board Chair and Director General in April of this year. That the institute survived and is on the mend is due in no small measure to the contributions of Mr. Basilio Rodriguez, Jr., Director of Management Services, who served as Officer-in-Charge until Dr. Larry Stifel joined as Director General in mid-July; Dr. Barry Filshie who served as Acting Chair until August 1; and Mr. Alexander von der Osten and Dr. Selçuk Özgediz of the CGIAR Secretariat. The CGIAR is indebted to them and, in particular, to Dr. Larry Stifel who came in as Director General at very short notice to serve during the inter-regnum until a new Director General is appointed. He is doing an absolutely outstanding job.

In this report I hope to convince you that ICLARM is resolving its problems, moving forward with its research program, and effecting management changes to improve its effectiveness and to bring it into conformity with the CGIAR.

I begin by reporting on Board developments. These arise from the Extraordinary Board Meeting and Workshop held in mid-July last and respond to suggestions made by the Oversight Committee in early July last.

## MISSION STATEMENT

Recognizing that many of the problems of management had their origins in poor performance by the Board in many ways and for a considerable period, the Board now has in place a Board Mission Statement. A copy of the statement is appended. This statement incorporates the general principles and values identified as being important for an international center within the CGIAR and includes those highlighted by the Oversight Committee. This statement will no doubt be refined in time but we believe it represents the unified view of the Board on how it will best serve ICLARM, its partners and beneficiaries, and represents the benchmark against which the Board will continue to monitor and evaluate its performance.

## BOARD ACTION PLAN

The Board has identified many issues that are in need of examination, some of which require changes in attitude and others which are in need of urgent action by the Board to improve its own performance or the operations of the Center. These fall broadly under the headings of code of conduct; improvement of internal and external relations; improvement of Board operations; improvement of the Board's oversight function; establishment of the Center's international status; and the search for the new Director General. To these were added the other matters identified by the Oversight Committee - makeup of the Board; and linkages with IRRI. I will refer to these matters seriatim. (A copy of the Board Action Plan is attached to this report.)

### Code of Conduct

A small sub-committee has been formed to draft a code of conduct for the Board to be considered by the Board at its next meeting. This will address such issues as:

- cohesiveness and teamwork,
- preparation for meetings,
- assumption of responsibility for decisions,
- promotion of the Center,
- preservation of the values of the Center,
- confidentiality, and
- awareness of the role of Trustees in relation to staff.

### Internal and External Relations

There is a need to improve communications and the flow of information between Board members and between the Board and the Center. More importantly under this heading is the urgent need to develop plans to rebuild confidence between the Board, the Center's staff, the donors and our NARS partners. These plans will be drawn up in close cooperation with the Director General.

### Board Operations

Actions required to bring ICLARM into line with other centers include:

- establishment of Board rules of procedure,
- review of ICLARM's Constitution and By-Laws,
- clarification of roles and responsibilities and streamlining of committee operations,
- review of frequency of Board meetings (linked to Board size), and
- induction and orientation of new trustees, including finalization of the Board Handbook.

A sub-committee led by the new Board Chair is addressing these issues for consideration by the Board at its April 1994 meeting.

### Board's Oversight Function

The Board has pledged its full support to the Director General and has empowered him with full responsibility for managing the day-to-day operations of the Center. High priority will be given to:

- support to the DG to restore institutional discipline,
- development of human resource management systems, including personnel manuals, staff development and performance review processes, and grievance and appeals procedures, and
- having a Board-approved investment policy.

Dr. William Gormbley, a consultant familiar with the human resource systems of CGIAR centers, visited ICLARM in late July to assist with development of the Center's personnel manual, the draft of which will be considered by the Executive Committee of the Board at its meeting this coming weekend.

### International Status

The Board identified the need to review the international status of ICLARM to ensure that it is aligned with that of other CGIAR centers and to initiate discussion of a host-country agreement. The Director General is undertaking this task in consultation with the Philippine Government's ex-officio member of the Board.

### Search for a New Director General

Ninety applications or nominations were received following advertisement and extensive canvass of relevant people and agencies. These were considered by the Search Committee at its first meeting held in Seattle September 21 - 23 last. The 14 most outstanding candidates are currently under further appraisal. The Search Committee will meet here in Washington over the next two days to provide a short shortlist for consideration by the Board's Executive Committee at its meeting on October 30 - 31, this coming weekend, with a view to having the three top candidates for interview by the Board and meeting with staff in the first week of December next at ICLARM in Manila. I believe we will have excellent candidates for interview. Nor do I have any doubt that the selection process is being conducted in a credible transparent professional manner. We are most grateful to the CGIAR Secretariat for enabling us to have the assistance of Mrs. Karen Broome of the World Bank in the search process. She is an experienced executive recruitment professional who has previously assisted in the CGIAR Director General search process.

Our hope is to have the new Director General in place as soon as possible and to have Dr. Stifel continue as interim Director General until then.

### Board Officers

With my appointment as Chair, Dr. Barry Filshie has resumed his role as Chair of the Board's Finance and Management Committee and Dr. Nyle Brady has been elected as Board Vice-Chair.

### Makeup of the Board

The Board's Nominations Committee has been directed by the Board to examine carefully the makeup of the Board to ensure that a proper balance and rotation in terms of geographic distribution, scientific and management qualifications of members, etc., is achieved and maintained. The Nominations Committee has noted the suggestions from the Oversight Committee about the necessity of having CGIAR-nominated individuals on the Board and also the problem of the untoward association of some Board members with donor agencies. These issues are being addressed in the overall context of size and makeup of the Board. It is my hope that, at its April 1994 meeting, the Board will finalize these matters and also accept my proposals to reduce the size of the Board from 16 to 12 and to have two meetings per year rather than, as at present, only one. I am also taking steps to ensure the cohesiveness and better culture of the ICLARM Board.

### Linkages with IRRI

Since Dr. Stifel's arrival in July last, ICLARM's management has had the benefit of most useful consultations with IRRI management on a wide range of matters including personnel practices, relations with the host government and housing of a former IRRI scientist now serving as an ICLARM consultant. We (i.e., Drs. Falcon, Lampe, Dillon and Stifel) have this week agreed that a small working group of relevant officers of the two Centers, co-chaired by the two Directors General, will consider a number of collaborative activities including common procurement and management procedures, joint use of facilities and the possibility of ICLARM being located on the IRRI campus and making use of relevant IRRI services. To increase communication between the two Centers, ICLARM's April 1994 Board meeting is scheduled to coincide with IRRI's Board meeting and we hope to arrange a joint dinner for the Trustees following an inspection of the IRRI campus by the ICLARM Board. On behalf of ICLARM I wish to record our thanks to Dr. Falcon and Dr. Lampe for their clear interest in helping ICLARM and in developing collaborative mechanisms between our two Centers to achieve economy in the use of CGIAR resources.

Let me now move on to questions of internal management and donor relations.

### Internal Management

Management will propose a number of basic changes relating to personnel management to the ICLARM Executive Committee which meets immediately after this ICW, and we expect to start implementing them immediately.

Personnel was given high priority because of the need to address the deep polarization between staff groups, and the anxiety caused by uncertain and inconsistent policies.

- A Personnel Policy Manual has been prepared for international staff with full staff participation. A Personnel Manager has been hired, and she is starting to develop a comparable personnel manual for national staff of ICLARM.
- A biweekly internal staff bulletin has been introduced in order to improve communication within the Center. The amount of material contributed to the bulletin demonstrates the need for such a mechanism. This is a biweekly bulletin because many staff argued that a small center like ICLARM would not have enough news for a weekly.
- A conventional staff performance-evaluation system is being developed and it will be introduced next year. It replaces a complex quantitative system used for setting salaries and salary increments that confuses and irritates the staff.
- The personnel salary structure and compensation policy have been revised to strengthen ICLARM's ability to recruit outstanding professional staff in the national market. Review has begun of the salary structure and compensation policy for internationally recruited staff.
- A Financial Controller has been appointed and the first of a series of staff seminars and ovulars was held on management and financial services at ICLARM. After having been suspended for many months due to systems changes, monthly financial reporting to Directors was resumed this month.

In the past, program evaluations were conducted in response to requirements built into specific projects. There were no systematic or program-wide reviews of the type that most CGIAR centers undertake to assure the quality and relevance of their research. Management, therefore, has designed an internal program review process that will be initiated next April with participation of all international scientists, external evaluators selected by the Director General, and Trustees on the Program Committee.

There have been many promising program developments since the July 1993 Board meeting, including the following:

- An International Network on Genetics in Aquaculture (INGA) was established with UNDP support. On Thursday this week CGIAR members will see a short film on ICLARM's research breakthrough in breeding strains of Nile Tilapia that outperform local strains in the Philippines by about 60% - they have been hailed as the aquatic version of miracle rice. INGA will link this success with national fish-breeding programs in Asia and Africa. Dr. D.V. Seshu, formerly the coordinator of IRRI's successful International Rice Testing Program, is on a six-month consultancy to assist in the establishment of the INGA network.

- At the invitation of the Japanese Embassy in Manila, ICLARM has presented a proposal for an integrated aquaculture project in Vietnam. Its initial focus would be on developing a breeding program in collaboration with national institutions for carp, the most important fish in inland aquaculture systems in Vietnam. This would permit ICLARM to build upon its extensive network of training and consultations with Vietnamese fishery scientists. If received, it would be the first grant to ICLARM from the Government of Japan.
- ICLARM will receive substantial funding from DANIDA to launch the important co-management thrust of its Coastal and Coral Reef Resource Systems Program. Co-management, the sharing of fishing management authority between the national or state government and the local community - offers the opportunity to allocate resource rights and benefits in a more sustainable fashion. The project will be implemented in collaboration with the North Sea Centre in Denmark and national institutions in Asia.
- The European Community has confirmed a substantial grant for the initial development of a global database on coral reefs.

#### Relations with Donors

After the Mid-Term Meeting of the CGIAR in Puerto Rico, a number of ICLARM donors deferred funding ICLARM until they were satisfied that our internal management problems were being satisfactorily resolved. Heartened by the reforms on board governance agreed upon at the July Board Meeting and other internal developments, these donors have all resumed normal funding. Donors are supporting a range of new projects, as indicated above.

ICLARM is working closely with the Strategy for International Fisheries Research (SIFR) which has been established at IDRC. The Executive Secretary, Dr. Ziad Shehadeh (former Director General of ICLARM), has been of great assistance in exploring donor interest in ICLARM activities.

In conclusion, Mr. Chairman, let me again reiterate my thanks to all those who assisted ICLARM through its time of crisis. Much remains to be done but we are on track to meet our obligations to the CGIAR and to continue fruitfully our work with our partners. In responding to questions, Mr. Chairman, I trust that you will allow me to seek, where appropriate, the assistance of our Director General, Dr. Larry Stifel.

JOHN L. DILLON  
26 October 1993

## ICLARM BOARD OF TRUSTEES

### MISSION STATEMENT

The Board's primary mission is the setting of policy to ensure achievement of the Center's stated goals and objectives within the mandate of the CGIAR System. In so doing, it will ensure both the scientific excellence of the Center and the relevance of the Center's work for its partners and beneficiaries. The Trustees will promote stewardship, foresight and responsibility by upholding the values of mutual trust, confidence and transparency, thereby demonstrating loyalty to the Center and to the CGIAR mandate.

The Board will act in trust for all the Center's stakeholders - its partners, donors, management and staff, the CGIAR System and the general public. The Board recognizes that it has final responsibility for the good functioning of the Center in a scientific, administrative, financial, managerial and organizational sense and for the Center's international image.

In order to ensure the success of the Center, the Board will monitor policy implementation, actively interact with management and staff, and oversee the preparation of clear rules and guidelines for the operation of the Center. The Board will ensure its own success through a regular process of planning, monitoring and evaluation of its performance.

## BOARD ACTION PLAN

1. Develop a Board mission statement and action plan
2. Develop a code of conduct for Trustees
  - work as a team/promote cohesiveness and loyalty
  - prepare well for meetings
  - being more proactive (not reactive)
  - assume full responsibility
  - promote ICLARM and its good work outside
  - preserve the Center's autonomy
  - respect and protect the Board's wish for confidentiality
  - being aware of Trustee roles in relation to staff
3. Improve internal/external relations
  - improve communication and flow of information
  - develop plans (with DG) to rebuild confidence of staff, donors and NARS
4. Improve Board operations
  - review ICLARM constitution and by-laws
  - review selection/election procedures for new Trustees, Board Officers
  - establish Board rules of procedure
  - establish and implement procedures to evaluate and improve Board performance
  - clarify Board committee roles/responsibilities and streamline committee operations
  - review frequency of Board meetings and size of Board
  - educate ourselves on roles of Boards within the CG
  - induction/orientation of new Trustees
5. Improve oversight function
  - review selection procedures for DG
  - give attention to substantive policy issues
  - give full responsibility and support to DG to restore institutional discipline
  - ensure that management:
    - develops a staff manual
    - establishes staff development policies
    - establishes a grievance/appeals procedures
6. Elect a new Chairman
7. Ensure the Center's international status