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Development Insights: DAC peer learning brief on building, buying and borrowing skills

This Development Insights brief on building, buying and borrowing skills draws together learning from recent peer reviews and builds on discussions during the Peer Learning event held in Paris on 11 December 2019 [DCD/DAC(2020)19]. Development Insights are short briefs prepared by the Development Co-operation Directorate to support learning and knowledge sharing within the Development Assistance Committee.

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Rahul Malhotra, Tel. +33 (0) 1 45 24 15 07 Rahul.Malhotra@oecd.org

Mags Gaynor, Tel. +33 (0)1 45 24 95 86 Mags.GAYNOR@oecd.org

Anita King, Tel. +33 (0)1 45 24 17 74 Anita.KING@oecd.org

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Building, buying and borrowing staff and skills

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This *Development Insight* identifies several approaches to building the capabilities, people and teams to deliver development co-operation effectively today and tomorrow. It complements the 2019 OECD Council Recommendation on Public Service Leadership and Capability by identifying issues that are more specific to development co-operation and humanitarian assistance.

Key messages

- The skills and capacities needed to deliver development co-operation effectively are constantly changing. But so too is the range of options available to public service managers to build, buy and borrow the skills needed to deliver development co-operation policies and priorities.
- Strategic planning, a learning culture and collaboration are important foundations for ensuring a flexible, adaptable and fit-for-purpose workforce. Training and re-skilling also enable development co-operation providers to build up the skills and capacities of existing staff in order to respond to new challenges.
- Managing human resources for development co-operation requires providers to co-ordinate functions at headquarters and, increasingly, in fragile contexts. Attracting experienced staff to partner country contexts and maximising the contributions of local staff can support a strong country presence.
- Where new skills are needed, providers have successfully adopted a number of strategies: investing in existing staff to build up new competencies, and buying and borrowing resources from the market and other development co-operation partners to complement in-house expertise.

Figure 1. Making the most of capabilities and skills: Building blocks for success



Source: Author's compilation based on learning from OECD DAC peer reviews, www.oecd.org/dac/peer-reviews/.

Making the most of capabilities and skills...

Challenges related to skills development and performance management are of course not unique to development co-operation. Today, the context and challenges of the public sector are changing rapidly. To ensure that ministries and agencies are ready to respond – to make better policies and to collaborate with partners and stakeholders – the capabilities of public servants also need to adapt. In this context, the OECD Council Recommendation on Civil Service Leadership and Capability (OECD, 2019_[1])¹ offers useful insights, recommending governments take action according to three key themes:

- creating a **values-driven public service**, where commonly understood values guide the culture, leadership, and policy and services design
- building a trusted and capable public service with the ability to **identify the skills and competencies it needs**, and which aligns its employment systems to bring those skills and competencies in, develop them, and motivate their use
- ensuring a **responsive and adaptive** public service with the **empowerment, resources and agility** needed to effectively and efficiently address fast changing, ongoing and emerging challenges.

Establishing a **learning culture** to build skills and compensate for specialist gaps, and supporting **knowledge management** to ensure learning leads to improved outcomes, are additional factors highlighted in the recommendation. Supporting **staff engagement** by ensuring that employees have opportunities to contribute to decision making and are partners in public service management issues, can help to build a common vision and is critical to effective change management (OECD, 2019_[1]).

...to deliver development co-operation

Managing human resource capacity and performance for development co-operation poses a number of particular challenges.

A distinctive feature of managing development co-operation is the need for senior managers to co-ordinate policy and implementation functions at headquarters and in partner countries. This is often particularly challenging where the partner country context is fragile. Additional factors include getting the right mix of skills – diplomatic, technical, financial management and oversight – in the right place, attracting staff to fragile contexts, supporting knowledge management, learning and innovation, and doing all of this while official development assistance (ODA) budgets increase and administrative budgets remain static or contract.² Development co-operation is also increasingly delivered across government with several ministries and agencies involved, often with different procedures, budgets and staffing constraints.³

Building blocks for success

Based on learning from OECD DAC peer reviews, the following five building blocks can help providers to build capabilities and make the best use of human resources to deliver effective development co-operation.

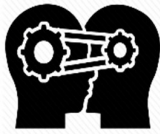


1. Plan strategically

Achieving sustainable development results requires long-term investments. Undertaking **strategic workforce planning** enables managers to build long-term relationships at the country level, and to effectively co-ordinate policy settings in capitals and implementation in partner countries to support policy reform. Strategic planning also enables managers to address evolving skills needs and undertake succession planning. As the integration of new staff can result in short-term reduced efficiency, a long-term recruitment strategy can help smooth this curve and attract the right skills. For example, the French Development Agency (Agence Française de Développement, AFD), planned to increase staff over a period of 7-8 years, creating a new, more flexible contract model to attract the right staff. **Management tools to estimate staffing needs** against particular workloads and budgets can also help by flagging overall trends. New Zealand’s leadership “dashboard”, for example, allows strategic oversight by linking human resources to projects.

Institutional arrangements, such as the presence of an implementing agency and the type of staffing contracts in place across different institutions, have important implications for human resource management, including access to and availability of relevant skills. Taking time to examine these arrangements can help address areas of duplication and identify possible areas for collaboration. It is also important to ensure effective feedback loops between different parts of the system.

2. Support team building



Peer reviews frequently identify how challenging it is for providers to manage institutional memory and learning. Positive team dynamics are regularly identified as an important foundation for the effective flow of information and thus essential for facilitating collaboration and innovation. Creating a **learning culture** is also critical to building adaptive, flexible and nimble teams. Managers need to strike a balance between bringing in new people and skills including short-term contractors and **building team dynamics**. Aligning terms and conditions – such as across different ministries or agencies – can be an important factor in promoting team building and collaboration. In addition, some providers set aside part of the budget for creativity, learning and experimentation.



3. Build skills and capacities

Re-skilling and building up the competencies of existing staff can be critical to delivering new policies. This is relevant where budgets and regulations limit the number of permanent staff or, conversely, where existing staff contracts limit opportunities to recruit new skills. Effective learning and knowledge management can help build skills, improve relevance, reduce duplication and compensate for specialist gaps.

Staff mobility is another way to fill skills gaps and can serve to increase understanding and collaboration. While it can be challenging to incentivise movements where not institutionalised, many foreign ministries encourage an interchange between diplomatic and development policy staff, or staff movement between ministries and agencies. Structured induction and handovers are critical in the context of high staff mobility.

Rotations come at a cost, however, as they can have a negative impact on retaining access to specialist skills, sustaining external relationships and team building.

There is often a case to be made for **protecting some key functions from turnover and rotations** in order to build specialist expertise and institutional memory. For example, statistical staff in the Australian foreign ministry are recognised as specialists and exempt from internal staff rotations.



4. Invest in country presence

While leadership and policy direction at headquarters are essential, a country presence enables providers to respond to partner country priorities and needs. Regularly **reviewing local markets to see what skills are available** and what employment packages are considered competitive can enable providers to draw more on local staff, who tend to bring an in-depth understanding of the context and continuity in managing key relationships. Several providers already rely on staff appointed in country for representation and policy engagement in technical working groups. Empowered local staff in Swedish and Norwegian missions have been effective in challenging assumptions that did not match the country context.

Opening up senior technical positions to local recruitment can leave donors open to criticism for drawing skills away from national governments. **Time-bound secondments** to and from government can offer win-win solutions to both development partners and partner country governments. Regional recruitment, albeit potentially more expensive, can also increase the pool of available skills. **Cross posting**, where staff move between duty stations, can provide local staff with additional exposure and career opportunities. For example, in the United States and United Kingdom country offices, local staff have successfully bid for other posts, including in neighbouring fragile contexts.

Many reviews find local staff are on one-year renewable contracts with few opportunities for career progression. Systems, guidance and training opportunities are oftentimes only available in the members' national languages or on a different IT system. Different leave policies can also unnecessarily demotivate staff. Addressing these **unintended barriers** can enable local staff to contribute to their full capacity and supports team building.

Many providers find it difficult to **attract experienced, senior staff to fragile situations**. While requiring staff to fulfil at least one "hardship post", sometimes as a first assignment, can fill gaps, new entrants bring less institutional knowledge and networks. **Posting staff to regional offices**, for example to Nairobi to cover the Horn of Africa, is a strategy used by France, Italy, Luxembourg and Spain. This tends to be more effective where the division of labour between headquarters, regional and country offices is clear. Shorter posting periods, more frequent travel to headquarters and additional leave or allowances are other strategies.



5. Buy or borrow additional skills

Many providers complement in-house teams by buying and borrowing skills, either from the private sector, other parts of their government or from partners. For example, the Czech Development Agency outsourced contract preparation and procurement functions, and the United Kingdom engaged an external company to help monitor its humanitarian portfolio in Somalia and Yemen. The U.S. Agency for International Development combines in-house technical staff with private sector specialists procured through indefinite quantity contracts (Nunberg, 2017^[2]).

Drawing on expertise across government, including other line ministries, can be useful where caps on recruitments are in place. For example, the Italian Agency for Development Co-operation has largely relied on the secondment of civil servants from outside the field of development co-operation to fill executive

positions. The United Kingdom Department for International Development has made staff available through helpdesks and secondments to raise awareness of development policies and practice and to establish systems in other government departments managing ODA.

Collaborating and sharing resources between providers is another option for complementing in-house skills. Conducting context analysis, due diligence, evaluation or oversight processes jointly or deferring to the work of other providers can reduce duplication and relieve pressure on limited staff resources. For example, joint programming between European Union member states can reduce the need for each member to hire their own technical experts. Europe House arrangements in partner countries enable sharing of some corporate services, such as reception, security and travel. However, few peer reviews have noted examples of staff, such as sector experts or monitoring and evaluation specialists, being shared between DAC members at any scale.

Drawing on other donor or implementing partners' skills and knowledge by **borrowing staff or through helpdesks or other models** can help build-up expertise in priority areas and can support understanding through two way exchange. However, this tends to work best as a short-term solution. For example, AFD and Austria's development bank OeEB have drawn on experts from Germany's development bank, KfW to bring in expertise on innovation.

References

- Nunberg, B. (2017), *Improving human resource management in development agencies*, [2]
<http://www.odi.org/twitter>.
- OECD (2019), "Recommendation of the Council on Public Service Leadership and Capability [OECD/LEGAL/0445]", *OECD Legal Instruments*, [1]
<https://www.oecd.org/gov/pem/recommendation-on-public-service-leadership-and-capability-en.pdf>.

Notes

¹ The framework for assessing and identifying skills as set out in the OECD report *Skills for a High Performing Civil Service* (2017) is another useful and relevant resource, <https://dx.doi.org/10.1787/9789264280724-en>.

² While most DAC members' ODA budgets have increased over time, administration budgets and staff numbers have rarely kept pace. Austerity measures implemented in many OECD countries over the past decade have translated into recruitment and promotion freezes over several years, resulting in a loss of skills and institutional memory.

³ See *Development Insight*, "Playing to strengths: How can working across government help deliver sustainable development?" (forthcoming, 2020).

Contact

OECD Development Co-operation Directorate (✉ DAC.PeerReviews@oecd.org)

This *Development Insight* brief is part of a series of briefs that build on discussions within the Development Assistance Committee (DAC), learning from OECD DAC peer reviews and peer learning exercises, and feed into standard setting at the DAC. Building, buying and borrowing staff and skills was a discussion topic at the December 2019 OECD DAC Peer Learning Event. See background papers at [https://one.oecd.org/document/DCD/DAC\(2020\)19/en](https://one.oecd.org/document/DCD/DAC(2020)19/en).

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