

GF/B20/6
Attachment 2



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Accenture Development Partnerships
The Global Fund Workload Analysis Project
(Executive Summary & Conclusions)

14 September 2009

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Executive Summary

1. Project Introduction

The Global Fund has requested an independent review of the assumptions used for calculating resource requirements in the Secretariat's Budget Model. Accenture Development Partnerships was asked to conduct this review from July to September 2009. The scope of the review comprised of a bottom-up assessment of workload in grant related processes, and of the benchmarking of grants processes and other supporting functions.

1.1 Workload Assessment

A workload assessment questionnaire was collected from 25 managers/team leaders and 60 individual team members. The questionnaire included questions on the total workload during the year (distributed over normal, busy and easy weeks) and questions on actual time spent on activities in the Grant Lifecycle (cycle of grant proposals, grant management and grant renewals). In addition, qualitative information on the factors that drive workload has been collected.

Managers/Team Leaders involved in the grant processes were asked to assess the workload for each of the roles in their team. Individual team members were asked to provide information for their own role. The individual input has been used to validate the input from the team questionnaires and to collect additional qualitative workload driver information. The results of the questionnaires and the drivers of the workload were discussed in a series of interviews and focus group meeting in which results were discussed and additional qualitative input has been gathered.

1.2 Benchmarking

The benchmarking analysis aimed to provide comparators for processes that are not grant related (Group B) and, where possible, for grant related processes (Group A). Public sources were consulted as much as possible; some additional information from the personal network of people within The Global Fund has been collected.

Six groups of peer organizations of the Global Fund were identified: Foundations, Bilateral Organizations, Public Private Partnerships, Development Banks, Established Multilateral Organizations and NGOs. Based on relevancy, the peer groups were mapped to the functional areas in the scope (i.e. IT, HR etc.) to determine research scope. Next, a benchmarking peer set (10 organizations) was determined based on availability of public information for the mapped relevant functions. The 10 selected organizations were uniformly distributed over the peer groups, in order to be able to determine a relative ranking of The Global Fund. The peer set has been used consistently for all benchmarked functions (according to mapping of research areas). In addition, six NGOs were selected specifically for benchmarking of the resource mobilization function.

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2. Workload Analysis - Group A

The results of the analysis suggest only minor changes to the 2010 Budget assumptions. Moreover, they validate the overall size number of staff working on Group A activities. The (relatively minor) overall differences with the 2010 Budget fall within a category of shifts from Group B to Group A activities and a category of shifts within Group A activities. Benchmarks indicate that the number FTEs working on Group A is line with peers.

2.1 Shift from Group B to Group A

The workload assessment indicates that grant-related activities constitute 46% of total Secretariat workload, 8% higher than the 38% in the original 2010 Budget allocation. The 46% workload consists of 42% grant volume-related activities and 4% other grant (non-volume) related activities. The analysis has identified a number of Group A activities that were previously classified as non-grant related support (i.e. Group B) by mainly Country Programs teams.

2.2 Shift within Group A

A number of activities in Group A take up more time than allocated in the original 2010 Budget. The shifts within Group A are mainly driven by activities on grant negotiations (+3%), renewal applications (+2%), relationship management (part of grant management support, +3%) and regional/in-country meetings (-2%). The interviews and focus group yielded additional insights into the drivers of the workload. These insights are used as input for suggested further development of the Workload Model as discussed in section 4.

3. Benchmarking Analysis – Group A and Group B

3.1 Group A Benchmarking

Benchmarking confirms that the size of the grant-related workforce is in line with peers. The Global Fund's 46% proportion of in-house staff on grant-related activities is in the lower mid range when compared to peers. However, when accounting for the fact that The Global Fund's operating model implies extensive Group A related work performed by LFAs, then a combined (in-house plus LFA) workload renders 61%, which is in line with peers. The average value of grants awarded per FTE is high compared to peers. Moreover, average working weeks at The Global Fund (for assessed teams) consist of 47 hours.

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3.2 Group B Benchmarking

Benchmarking indicates that the size of each of The Global Fund's Group B functions (activities for which the workload is not driven by grant volumes) does not deviate greatly from peers.

- Human Resources, Information Technology, Communications, Legal within the Global Fund are sized in line with peer set
- Finance and Resource Mobilization are relatively small compared to the peers
- Governance, Strategy and Policy, and Oversight functions are relatively large compared to the peer set

The relatively small size of Finance is explained by the fact that The Global Fund does not have in-house investment and treasury functions. The operating model using partners and relatively secure government funding, and a common approach for reporting and transparency of activities reduce the need for a larger in-house Resource Mobilization function and related extensive reporting to individual donors.

The relatively large Governance function is partly driven by the composition and size of the Board and the specific meeting logistics. The relative newness of The Global Fund organization and the related levels of new policy development also contribute to the size of the Strategy and Policy function.

Also, robust internal audit and investigations functions across 140 countries require a relatively large Oversight function.

4. Conclusions

The overall conclusion of the project is that the Workload Analysis confirms the validity of the workload assumptions in the 2010 Budget model.

- The results of the as-is workload by The Global Fund staff confirm the validity of the workload assumptions as used; minor adjustments have been suggested to improve accuracy
- Benchmarking confirms that the size of the grant-related workforce is overall in line with peers;
- Benchmarking renders that the HR, IT and Legal functions are sized in line with of peer set, Finance and Resource Mobilization functions are relatively small. Governance, Oversight and the Strategy & Policy functions are relatively large

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The Workload Analysis confirms validity of the workload assumptions in the 2010 budget model and summarizes input for future initiatives

Workload Analysis – Grant related processes (Group A)

Validation of 2010 Budget Model for Group A

- The results of the as-is workload by the Global Fund staff **confirm the validity of the workload assumptions** as used in the 2010 Budget Model
- The analysis suggests (minor) adjustments to those assumptions:
 - Grant-related workload is 46% of the total Secretariat workload. This is 8% higher than the Budget 2010 assumption of 38%
 - The additional 8% mainly consists of higher workload from grant negotiation, renewal application and relationship management activities than assumed in the budget
- The teams that have been included in the assessment work in average 47h/week

Benchmarking Analysis – Grant related (Group A) and Non grant-related (Group B)

Benchmarking of Group A against peers

- Benchmarking confirms that **the size of the grant-related workforce is in line with peers**
- The Global Fund's 46% proportion of in-house staff on grant-related activities is in the lower mid range when compared to peers
- When accounting for the fact that The Global Fund's operating model implies extensive Group A related work performed by LFAs, then the combined (in-house plus LFA) workload renders 61% which is approximately equal to peer set median

Benchmarking of Group B against peers

Benchmarking renders that:

- The **HR, IT, Communication and Legal functions are sized in line/middle of peer set**
- The sizes of the **Finance and Resource Mobilization functions are relatively small**
 - Resource Mobilization is driven by a partner fundraising model and get the majority of funding from secure sources of funds, and in addition a transparent reporting solution
- The sizes of the **Governance, Oversight and the Strategy & Policy functions are relatively large**
 - Driven by composition and size of the governing Board and Commissions, operations in 140 countries and new policy development