

39th Board Meeting

Global Fund Committee Performance Assessment outcomes 2018

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GF/B39/17

09-10 May 2018, Skopje

Board Information

Purpose of the paper: this paper presents the results of the 2018 Committee Performance assessment of the three Standing Committees of the Global Fund.

Executive Summary

Context

The regular assessment of the performance and effectiveness of the committees of the Board is mandated by the Global Fund By-laws. It is a key component of the Board approved Governance Performance Assessment Framework (GF/B33/EDP18) introduced in 2015. In line with best practice, the aim of this framework is to ensure that the Global Fund has a strong governance system in place, which regularly evaluates its performance and benefits from lessons learned. The first assessment of committee performance was conducted by Egon Zehnder in the first quarter of 2018, following guidance from the EGC. Egon Zehnder presented the summary results at the 6th Ethics and Governance Committee Meeting on 13-15 March 2018

Questions this paper addresses

- A. What were the key findings of the assessment?
- B. What are Egon Zehnder's recommendations in response to the key findings?
- C. What are the next steps?

Conclusions

- A. The assessment indicated that the current committee structure is providing increased support to the Board, and has improved in overall functioning of the committees. Challenges were identified around (1) the lack of clarity and overlap between committee mandates; (2) management of cross-cutting issues; (3) the balance between constituency interest and best interest of the Global Fund; (4) perceived lack of trust at times, between Board and Committees and Secretariat; (5) volume of agenda items leading to limited time spent on critical strategic items; and (6) time required to interact with committees.
- B. Egon Zehnder's recommendations include (a) strengthen Board Leadership selection process, (b) review committee and Coordinating Group mandates to make them more specific and precise and re-examine how cross-cutting issues are managed, (c) extend committee terms to three years, considering a staggered approach (d) review criteria and/or their implementation for committee leadership and membership to ensure that language and communication skills as well as time commitment of leaders/members are adequate.
- C. The findings and observations arising from the committee performance assessment will inform governance strengthening initiatives planned under the Governance Action Plan.

Input Sought

This report is shared for Board information.

Input Received

- The assessment outcomes reflect the results of a 360-degree survey involving Board, constituency and committee members, Secretariat and OIG.
- The EGC discussed the findings at its 6th meeting in March 2018.

What were the key findings?

Emerging themes from Committee survey

Mandate	<ul style="list-style-type: none">• Committee mandates still seen as partly overlapping/not sufficiently specific• Constituency demands are perceived as sometimes overriding mandate/agenda, some committee members favouring constituency interests over the greater good for the GF• Both Board and Committees should focus on more strategic issues• Decision power of committee/delegation from board should be increased
Membership	<ul style="list-style-type: none">• Skills of committee members too heterogeneous in terms of technical as well as communicative/language skills. Selection of members may often be more political than serving the purpose• Work not shared equally between committee members, thus workload too high for some
Leadership	<ul style="list-style-type: none">• Competence and influence of Chair vs Vice Chair not always seen as balanced• Role of focal points is not fully clear and some feel they rather add an additional layer of complexity rather than focusing the work of the committee
Performance	<ul style="list-style-type: none">• Lack of trust and breakdown of communication between different groups are perceived as a hurdle to performance (e.g. between committees and secretariat, between committees and board)• Quantity of topics to be covered can be limiting quality and outcomes• Efficiency can suffer from excess materials
Interfaces	<ul style="list-style-type: none">• Coordinating group has helped handling cross-cutting issues, but mandate may still not be fully clear• Complexity of cross-cutting issues should be minimized by ensuring each committee remains focused• Amount of effort and time required to interact with committees considered too high

Governance Action Plan Priorities: Overall, respondents felt that the priority areas identified in the Governance Action Plan were the right ones and that they will contribute to stronger governance within the Global Fund. Strengthening Board Leadership is thought to require particular attention. Respondents highlighted the need for a more formal process for appointing Board Leadership.

Enhanced Governance Structure: Respondents believe that the Enhanced Governance Structure introduced in 2016 is providing increased support to the Board and has improved the overall functioning of most Committees

Governance Action Plan: The outcomes of the survey highlight the importance of the following items of the Governance Action Plan (GAP) (version March 2018):

- #3C “Proposal to strengthen Committee leadership and membership selection processes”
- #4A “Review and proposal on improvements to committee effectiveness including clarity of mandates and focus on committees’ role in supporting Board in core functions of overseeing risk management and organizational performance”
- #5 “Elevate Board Discussions”. (#5.A.: “Implement criteria for strategic agenda-setting”) and ;
- Stipulate a process to define an approach for the management of cross-cutting issues (#5D: Define responsibilities, process and parameters for the management of cross-cutting issues”).

What are Egon Zehnder’s Recommendations?

Consequently, Egon Zehnder (EZ) recommended

- To review committee mandates, in order to make them more specific and precise, thus reducing cross-cutting issues
- To review the mandate of the focal points and coordinating group

- To prolong committee terms to 3 years. Additionally, a staggered approach for membership rotation will help continuity, e.g. only replacing half of the committee this year.
- To review criteria and/or their implementation for committee membership and leadership selection to ensure that language and communication skills as well as time commitment of members/leaders are sufficient

For detailed survey results, analysis and recommendations, please refer to the EGC paper available on the OBA portal. ([GF/EGC06/11: Preliminary Result of Committee Performance Assessment.](#))

What are the next steps?

The findings and observations arising from the committee performance assessment will inform governance strengthening initiatives planned under the Governance Action Plan (GF/B39/16: Governance Action Plan).

Annexes

- Annex 1: Summary of Committee Input
- Annex 2: Relevant Past Decisions
- Annex 3: Links to Relevant Past Documents & Reference Materials

Annex 1 – Summary of Committee Input

At its 6th meeting in March 2018, the EGC supported the recommendations made by Egon Zehnder, such as (a) strengthen the Board Leadership Selection process, (b) review committee and Coordinating Group mandates to make them more specific and precise and re-examining how cross-cutting issues are managed, (c) extend committee terms to 3 years, considering a staggered approach (d) review criteria and/or their implementation for committee leadership and membership to ensure that language and communication skills as well as time commitment of leaders/members are adequate.

Recommendations in relation to Board Leadership and Committee selection processes have been addressed by the current EGC during their 2016-2018 term. Matters relating to committee mandates and committee terms will be handed over to the new EGC with the review of committee mandates being a priority.

The findings of the survey will be incorporated into the Governance Action Plan and EGC work plan. The results of the assessment will also be shared with the Board

Annex 2 – Relevant Past Decisions

Approval of the Governance Performance Assessment Framework	Summary and Impact
GF/B33/DP18: Approval of the Governance Performance Assessment Frameworkⁱ Board approved on 21 September 2015	Brief The Board approved the Governance Performance Assessment framework in 2015 and acknowledged that the implementation of the full framework would start in 2016.

Annex 3 – Relevant Past Documents & Reference Materials

[GF/EGCo6/11: Preliminary Results of Committee Performance Assessment 2018](#) (March 2018)