

ARADO AT THE CROSSROADS:

An Evaluation of the Arab Administrative Development Organization

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We earnestly hope that this report will prove useful to the Management of ARADO, its Executive Council and General Assembly, and the Economic and Social Council of the League of Arab States in their future consideration and decisions on how to further strengthen the role and positive impact of this important organization on strengthening public administration in the Arab world during these complex and fluid times.

Respectfully submitted,

Xavier Legrain, RAND/DPMG Director, and S. Schiavo-Campo, Team Leader

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Summary

Introduction

From its creation in 1961 as the sole regional organization for administrative development in the Arab world, affiliated with the Arab League, ARADO has had a primary mission of assisting public administration in Arab countries, and a complementary mission to provide services to private entities involved in management development. Accordingly, its strategic objective for the future can be defined as *fulfilling its primary mission to support public administration – particularly in less developed countries -- while improving efficiency, strengthening autonomy and achieving full long-term financial sustainability.*

In 1999-2000, faced with indications that the official funding from country contributions through the Arab League would soon dry up, it became imperative for the organization to seek new sources of revenue and reshape its personnel and operational modalities. ARADO requested and received Arab League approval for “self-financing”; introduced fee-for-service; initiated a variety of new revenue-earning activities; enacted major internal reforms, especially in personnel; and managed to mobilize sufficient revenue to expand substantially its activities. This was a remarkable achievement, both financially and organizationally. In the process, however, the organization has become overstretched by the diversity of its initiatives and activities, and the focus on ARADO’s primary mission to help development of public administration has been diluted.

Today, as at the turn of the century, ARADO is once again at a crossroads. Then, its survival was at stake; today, its relevance is at stake. It can make a number of internal improvements, streamline its offerings, raise the quality of its basic activities -- and continue to do well as a minor player in the region for many years. Or, it can engineer a genuine paradigm shift to achieve a quantum jump in effectiveness, assume a higher profile, and in time become the premier regional entity and preferred partner for supporting public administrations in the Arab world. For the latter to succeed, however, ARADO will also need to be granted more regulatory flexibility from the Arab League and support from the member countries.

In November 2012 ARADO contracted the Development Portfolio Management Group (DPMG) of the RAND Corporation to conduct an independent evaluation to assess the activities of ARADO during 2008-2012 and their strategic alignment and relevance, as well as the organization’s performance, administration and internal processes, and on that basis propose elements of a strategic vision and an action plan for regional and international scaling up. The DPMG team, among other things, made visits to ARADO in Cairo and to five major client countries (Sudan, Jordan, Egypt, Kuwait and Saudi Arabia); reviewed and

analyzed all relevant documentation and data; conducted interviews with about 175 country interlocutors; and designed and administered seven surveys to elicit the opinions of the different groups of beneficiaries and other stakeholders. This summary assembles the principal findings and conclusions of the evaluation, and the main recommendations from among the more than 100 recommendations that are advanced in the text and summarized in the Matrix in Annex 1.

Assessing ARADO's activities

Context

ARADO has to operate in a uniquely difficult context: it has to try and serve a large number of countries with different traditions, languages and systems; under constraints of the Arab League Economic and Social Council regulatory framework (despite the lack of significant direct public funding); and in a region with extremely complicated logistics and different sorts of restrictions, from gender to practical visa problems, and in a turbulent period, particularly in Cairo – the location of ARADO's headquarters. The context should be given proper consideration when interpreting the findings and conclusions of the assessment of ARADO's activities.

Main findings

*ARADO renders valuable services in training and other areas, but several weaknesses have been identified by the evaluation. One of these weaknesses is the lack of linkages among the different activities, e.g., between the published books and articles and the training curricula, or between the consultancies and the conferences. It will be important to exploit the potential synergy among ARADO's activities, in part by strengthening internal coordination and in part by streamlining contacts and consultations with each country. The roots of these weaknesses are to be found both within the organization and in the constraints from Arab League regulations designed for publicly-funded entities and not for a self-supporting organization such as ARADO. It is the *interaction* between internal and external factors that has limited the effectiveness of the organization. Correspondingly, both internal and external changes will be required.*

Training

Training has remained the principal activity of ARADO, accounting for two-thirds of total revenue. In the last five years, a significant internal shift took place -- away from standard courses (one-third of training revenue in 2012 compared to one-half in 2008), and toward (i) customized courses (from less than one percent of training revenue in 2008 to 16% in 2012)

and to (ii) certificates/diplomas (the revenue from which fully doubled during the period and was in 2012 almost equal to that from standard courses.)

ARADO's courses are seen favorably in general (especially by respondents to the participants' survey), but many country interviewees see the program as insufficiently responsive to the needs of the countries, somewhat dispersed, and with a number of delivery issues. According to the opinions of country interviewees, the following problems have been mentioned more frequently:

- the efforts to interact with country clients have not been systematic enough, and the course programs are not always demand-driven;
- communications with clients are excessive and duplicative, and yet responsiveness to client inquiries is not always predictable;
- the training program does not show common themes, is communicated late, and provides insufficient information on course content;
- the content of some courses is too theoretical, with teachers lacking practical experience in the subject;
- the high dependence on Egyptian teachers prevents exposure to diverse experiences;
- the transfer of learning to the participants' workplace is limited; and
- while quality assurance is satisfactory based on the immediate post-course participant feedback forms and to address logistical issues, it could be improved for monitoring the substantive content of courses and the competence of all trainers.

On the issue of costs, persons from higher-income countries consider them too high. ARADO does have the highest *published* fees among comparator institutions, but mainly from the need to use them to cross-subsidize training services to participants from the less developed countries. Average effective fees are therefore much lower than the published ones. *The core of the problem of high fees is the lack of predictable public funding for the public function that ARADO is expected to perform.* Nevertheless, it is a reality that the current market is highly competitive, precluding possibilities for increasing fees and suggesting a need for a variety of concrete actions to reduce costs. By far the most important would be the introduction of online courses for basic skill training in the less developed countries – which has great potential for reducing fees or expanding access or a combination of both, *provided* that is accompanied by the appropriate organizational, trainers' skills and IT improvements (Online training also carries risks for quality and impact of training, which must be recognized and mitigated by a cautious piloting approach.)

The program of professional certificates and diplomas has been a commercial success; its business model, different from other ARADO activities, is sound and the exam success rate of its participants is higher than in comparator institutions. If ARADO is to continue as a

hybrid organization – with both public function and revenue-producing activities – the certificates/diploma program is the prime candidate for expansion on a commercial basis.

Conferences, workshops and similar events do not produce substantial revenue, but are very important for administrative development. The quality of individual events is generally viewed as good (and excellent for some large-scale events such as the health conference), although the program as a whole lacks unifying themes and is too diverse. ARADO has already reduced the number of its conferences in recent years, in order to improve quality and raise profile. There is a strong consensus that this line of activity can have much greater impact if it becomes even more focused on topics of current importance, and the quality continues to be improved further.

Consulting

During the last decade, ARADO's consultancy practice has had disappointing results. From major but occasional assignments in earlier years (e.g., Yemen), there was a hiatus after 2007, with no consultancies in 2008, 2009, and 2010. Since then, consulting has resumed but has been a relatively low \$684,000, of which more than half from a single IT consultancy contract in Saudi Arabia, and a further quarter from one in Iraq. Yet, interviews and opinion surveys all consider that this line of activity should be central to ARADO's mission, and the few consultancy clients express satisfaction with the quality of the advice. Pricing is competitive but low expert fees and extremely limited internal capacity have prevented its growth.

Publications

The publications program, too, contributes a minor portion of revenue but could potentially produce positive impact, and also indirectly strengthen the training curricula and programs. The process of review and publication is satisfactory (although dissemination of books is seen as an area for improvement), and the quality of the published material appears satisfactory as well. On the issue of relevance, however, the articles in its flagship publication – the Arab Journal of Administration – are predominantly devoted to private corporate topics. The AJA reads much more as a typical business management journal than one dedicated to administration. When combined with the fact that the AJA is not included in the main listings of journals in the field of administration, its impact on public administration cannot be presumed to be significant. Because of its otherwise good quality, however, if reoriented to topics of current relevance to the major problems of public administration in the Arab world, it could in time make a very substantial contribution.

Awards

ARADO's hosting of the three major awards -- for environment management, best thesis in administration, and local government excellence -- is useful to the image and profile of the

organization, although the role of ARADO is not always recognized in the related web postings, and for rewarding and promoting good administrative practice.

Conclusions and recommendations

Training

Customized courses and professional certificates/diplomas should be expanded to mobilize additional revenue, and basic skills courses and online training in less developed countries should be expanded to enhance the public function of ARADO. Correspondingly, basic skills and other standard courses should be de-emphasized in countries with an abundance of public and private training providers. Conferences and similar events should also expand but in depth, not in scope, assuring the highest quality of events and expertise of speakers, and better use should be made of ARADO's convening power to strengthen linkages among Arab administrators and among managers of national training institutions. For this, the fees for experts and speakers should be brought into line with market realities. (This is also relevant for consultancies.)

Among the other recommendations on training, it is especially important to improve the content, timeliness and credibility of the ARADO training program, mainly by more systematic communications with the client countries, and to move toward medium-term planning. It is also advisable to convene a panel of experts for a one-time evaluation of courses content and teaching methods and, over the medium term (i) diversify the pool of trainers and expert/speakers, (ii) increase the number of courses offered locally and – most importantly – (iii) introduce online training focusing at first on basic skills courses for participants from less developed countries.

Consulting

After the disappointing experience of the last decade, ARADO's consultancy practice deserves a fair shot. A substantial upfront investment would be required and success in this highly competitive and crowded area is improbable even with the best and most persistent efforts, but ARADO's reputational and locational advantages make such efforts worthwhile. Because experience shows that even consulting entities that rely almost entirely on external expertise need a minimum critical mass of internal substantive expertise, the first requirement would be to support the current manager by hiring two persons with genuine expertise and experience – respectively in the “numbers” aspects of administration, and in e-government and public service provision. It would be also necessary to choosing a particular niche, and an aggressive outreach and marketing effort should be conducted to engage in subcontracting for large international consulting firms, in areas directly related to public administration or capacity building in Arab governments.

Publications and awards

The publications program would benefit from more systematic dissemination of books and better use of the Newsletter. Most importantly, the Arab Journal of Administration should be redirected into a vehicle mostly for articles with actual direct relevance for public administration as it is normally understood (central government administration, subnational government administration, and nonfinancial public enterprises). Also, synthesis articles may be more relevant and influential for administrative development than original analysis of narrow topics.

As for the awards, ARADO should explore possibilities and sponsors for establishing a new award of a substantial prize for high-level civil servants who have devised or implemented a practice that has advanced good governance or improved a specific government service or process (or has the demonstrated potential to do so.)

Overall assessment

Owing to the special nature of ARADO and the challenging context in which it must operate, noted earlier, benchmarking in the technical sense is not possible, owing to the major differences vis-à-vis potentially comparator organizations. Nor are comparisons with private training companies appropriate, given the sharp difference in mandate and motivation, although ARADO should consider introducing certain good practices of private training firms. However, comparisons to public institutions with a similar mandate were made. Taking the uniquely difficult context into account, ARADO's training and other activities do not compare unfavorably with those of international public organizations such as the World Bank Institute, the Asian Development Institute, the African Development Institute and the Joint African Institute, and compare well with many local training institutions in Arab countries. ARADO has much to offer in terms of internal flexibility, integrity and efficiency.

Assessing ARADO's internal processes

Main findings

Organizational arrangements

The common finding of the assessment of all ARADO activities was that their focus, coherence of interventions and communications could be improved. In part, this is related to the current organizational structure, which lacks systematic mechanisms for internal coordination and is excessively flat -- hampering delegation while burdening top management with too many minor decisions. As confirmed by interviews and the employee survey, a major consequence is the rise of an organizational culture characterized by a short-

term perspective (in turn fostered by the necessity to bring in revenue), and a culture of competition between individuals. While this is healthy to spur efficiency, it should be balanced by providing adequate incentives for cooperation and exchange of information among staff. The aim should be to move towards “One ARADO” -- acting in unison, exploiting synergies, pursuing long-term effectiveness, and speaking with one voice.

Financial Programming, Budgeting and Financial Management

Programming and budgeting. With a total revenue of almost \$7 million in 2012, of which only 4% from country contributions through the Arab League, ARADO has virtually completed the transition to self-financing that began at the turn of the century (when 73% of revenue came from country contributions). Prospects for revenue remaining at about the same level are cautiously favorable (but heavily dependent on political and security developments on the ground). Further sizeable increase in own-revenue appear unlikely (with possible revenue gains from an expansion of professional certificates/diplomas partly offset by a likely decline in revenue from standard courses) -- barring a substantial further increase in demand for ARADO services from Iraq and Libya. In contrast with revenue, the composition of expenditure has remained fairly constant, with salaries accounting for a modest 39% of expenditure, and operations for 51%. This composition demonstrates efficiency, but for longer-term sustainability and effectiveness salaries would need to be adjusted upward in order to attract and retain qualified staff, and the very low 4% of expenditure on administration and overhead means that resources for central oversight are insufficient, and maintenance expenditures are dangerously low.

Despite the Economic and Social Council requirement of a balanced budget, ARADO has generated a cash surplus every year, resulting in accumulated reserves of almost \$4 million. The reserves cannot be used, however, except by permission of the Economic and Social Council of the Arab League. It is also important to note that the surplus is due to non-operational revenue (mainly rents), with operational activities slightly deficitary.

Ex ante “plan” revenue is entirely fictional (owing to the theoretical rule that 20% of revenue should come from country contributions), and as a consequence planned expenditure is largely fictional as well. ARADO’s budget “system” meets none of the basic standards of financial programming and budget preparation. The main reason is the disconnect between Arab League regulations designed for publicly-financed entities and the reality that ARADO’s activities are almost entirely self-financed.

Budget execution, control and audit. The financial regulations are adequate to safeguard assets and integrity in the execution of the budget, and there is no evidence of any misuse or abuse of financial resources. The regulations, however, do not promote efficiency. On the contrary, both the procurement rules and the financial regulations have restrictive aspects unsuited to a quasi-commercial operation such as ARADO’s. The main practical constraints are the prohibition of

sole-source procurement even for the smallest purchases; the absence of procedures for procurement of technical services, critical for ARADO; and the limit of downpayments to a maximum of 20% -- quite insufficient for ARADO's operations, where suppliers (e.g., hotels) typically require advance payment of 50%. However, several other deficiencies -- primarily in the financial recording system, costing, revenue and expenditure classification, communications between the financial and the operational units and financial reporting -- are not related to constraints from the external regulations, and can and should be corrected by ARADO itself.

Human resources policy and management

Of the 181 ARADO staff, 20 are permanent, 141 fixed-term, and 20 part-time. Overall, the staffing complement appears appropriate but, if major improvements are to be implemented, there will be a need to obtain new high-level expertise. The low number of permanent staff is the result of a deliberate decision to hire new staff only on fixed term contracts. (All hiring was conducted in accordance with Arab League regulations.) This had given ARADO personnel flexibility unparalleled among Arab League organizations (and most other public organizations) and operational agility, but has come at a cost, in terms of the human resource dynamics associated with the differences in job security, salaries and other terms of employment. The other implication is that half of the workforce has served in ARADO less than five years, which suggests a need to provide professional development opportunities.

In the new unified salary structure mandated by the Arab League, salaries for permanent staff are competitive (albeit less so for the higher grades, which include key jobs for management and supervision). For fixed-term staff, the minimum starting salaries are in the bottom quarter of the Cairo market, and clearly insufficient to attract talented persons. The maximum salaries at each range are reasonably competitive for administrative and support staff, but inadequate for technical and professional jobs. The salary guidelines for experts hired as staff allow a high level of managerial discretion, and are competitive for persons already living in Cairo, but are very unlikely to attract to ARADO regional and international experts. In any event, the new salary schedule and guidelines will result in large differences in pay for ARADO employees with comparable qualifications in comparable jobs.

In addition to the standard compensation package, ARADO provides bonuses to some staff. Many staff see the bonuses as too dependent on the discretion of their immediate manager and some staff question whether the bonuses reflect staff performance as a whole in an objective and fair manner.

Experts and consultants contracted to deliver training, participate in conferences, or contribute to delivering other services are not considered ARADO staff. As noted, the maximum fees set by ARADO itself in 2007 are insufficient to recruit top Arab or international talent. Although originally set by ARADO, any revision on the maximum fees will now also require approval by the Economic and Social Council.

Information and communications technology (ICT)

ARADO relies heavily on the use of information and communication technology (ICT), and has set up five service units in the ICT Department. In addition, there is a Digital Library unit, a Marketing Database Unit and an ICTAG Unit for external training. The ICT staff has good skills, and ARADO uses an appropriate set of software tools (development software, DBMS, network protocols). However, there is no single focal point to assure coordination among all the ICT units, let alone cooperation between them and the operational units.

Several different databases contain the records for the bulk of ARADO's business and administration, and have their own separate applications. The databases have serious problems -- directly related to lack of cooperation. Each unit generates its own data and keeps the information to itself due to ARADO's competitive organizational culture and bonus incentive structure. This has produced fragmentation and duplication of information, which in turn compromises the effectiveness of ARADO across the board and damages its external credibility.

Online training (OLT) can play a pivotal role in facilitating the exchange of know-how, but ARADO has no contacts with online universities and centers which deliver such training nor a service unit to advise on developing OLT courses, nor internal processes and web facilities necessary to create an "information clearinghouse". The ARADO website suffers from several inadequacies, including difficulties of access and navigation; partial and sometimes obsolete content; and insufficient up-to-date information, especially on training delivery. The Digital Library site is much better, although improvements are possible to better exploit its potential.

Conclusions and recommendations

Organizational arrangements

The following actions would be especially important in order to move to a "One ARADO" structure and culture (combined with those recommended under Human Resources):

- Establish a Management Team, to collaboratively manage the organization under the leadership of the DG;
- Create the role of Country Coordinator, as a single focal point for the country, under the authority of the DDG and accompanied by the formation of "country teams" composed of the main staff persons working on training and other events for the particular country;
- Consolidate external affairs, public relations, and marketing functions into one unit;

- Provide a focal point for specialized human resource expertise.
- Provide a focal point for coordination and harmonization of ICT.

Budgeting and financial management

Although within the current financial regulations and restrictions ARADO's budget cannot become a fully effective tool to support strategic decisions and longer-term planning, ARADO can on its own make a number of important improvements:

- Prepare estimates of the expected revenue and expenditure for each major type of activity, and use them as the starting point for the annual budget preparation;
- Introduce a detailed budget timetable, specifying (and enforcing) the key milestones and dates in the preparation of the annual budget;
- Formulate a simple procedure to estimate revenue and expenditure over a 3-4 year period. (This is *not* a recommendation to introduce a formal and complex medium-term budget framework, which would be unrealistic and produce no concrete benefits.)
- Assure consistency between the planned activities and the proposed budget, including the completion of the training program at an early stage of the preparation of the budget.
- Request the Economic and Social Council to allow sole-source procurement for purchases of up to a modest limit, and downpayments beyond the 20% ceiling;
- Develop a comprehensive operational manual of internal procedures, covering among other things both procurement and financial management.

Human resources

The unified personnel regulations, while generally appropriate for ensuring equal treatment of staff of organizations affiliated with the Arab League, imply certain constraints on ARADO's effectiveness. For its part, ARADO's own staff performance management and HR policies need several improvements. The main recommendations are to:

- Explore with the Economic and Social Council the possibility of receiving more flexibility in the length of fixed-term contracts;
- Complement the technical expertise already onboard by recruiting a *few* thematic subject matter experts in the main focus areas;
- Expand the Competency Reports into comprehensive performance management;
- Bring the fee structure for high-level external experts in line with the market;

- Award monetary bonuses on the basis of overall performance (and eventually eliminate them if and when the pay structure is revised and harmonized), and introduce non-monetary awards and recognition.

Information and communications technology (ICT)

Although the ICT staff are competent, units work independently of each other, communication and coordination between operational and computerized processes are inadequate, and the various databases are disorganized and inconsistent with one another. The most important recommendation is to designate a focal point in ARADO to coordinate the generation and use of information, and the development of information systems - within the framework of a new IT master plan. The other main recommendations are to:

- Clean up the current databases; prevent entering of multiple records for same event; and migrate to an integrated database management system for the “marketing” database, based on a unique & common identifier;
- Review and optimize the ARADO website, for easier navigation and user-friendliness, and enhance its content with information/feedback gathered from subscribers
- Foster the creation of a “correspondents’ network” to inform on good administrative practices and a “digital forum” to exchange views and provide feedback;
- Create a small online training advisory service;
- Take a variety of actions to improve the content, utility and access to the Digital Library;
- Redesign and simplify the records management system, its administration, information standards and sharing, access, security and backup.
- Draw up an ICT Master Plan, in parallel with the revision of ARADO’s organizational structures and scope of activities.

Where does ARADO go from here?

ARADO’s performance in comparative perspective

Taking into account the unique nature of ARADO as a self-financing public organization operating in particularly complex circumstances, appropriate comparisons with other multicountry public organizations engaged in capacity building lead to the conclusion that ARADO’s performance has been broadly satisfactory, with certain activities moderately unsatisfactory and others satisfactory.

For the future, since this evaluation is mainly of an institutional and organizational nature, the correct indicators to assess the organization’s performance in the short and medium term are

process indicators. These are embedded in each of the major recommendations of the report (e.g., create the role of country coordinator, or formulate an ICT master plan with certain specified features). Results indicators, whether output or outcome, cannot be defined before ARADO has decided on the particular modalities of implementation of the main recommendations, and targets to be sought. Accordingly, it is suggested that, after decisions are made on how and when to implement the main recommendations, a small internal task force be formed to define the few key result indicators relevant to each recommendation and the corresponding high-quality specifications and targets – with specialized expert support and in consultation with the clients.

Elements of a new strategic vision

A long-term vision for ARADO rests on seven pillars:

- remain a hybrid organization, with a mix of public interest and revenue activities
- focal point on the key issues of public administration
- facilitator of dialogue and searches for solutions to the administrative problems associated with the political and social transition triggered by the Arab Spring.
- main partner of national training institutions in the less developed countries (LDCs)
- regional leader in technical assistance to public training institutions in the LDCs)
- knowledge broker for Arab administrations and between them and the rest of the world
- “go-to” regional partner for major consulting firms and international organizations.

ARADO’s strategic objective consistent with that vision can be defined as *fulfill the primary mission to support public administration – particularly in LDCs -- while improving efficiency, strengthening autonomy and achieving full long-term financial sustainability*. This objective should be pursued based on five main guidelines:

- “scaling up” should be understood as scaling up of role and impact, not necessarily scaling up of the volume of all activities; on the contrary,
- some activities ought to be substantially strengthened while others should be gradually phased out; and, in the process of changing its output-mix, the organization should
- give priority to activities directly relevant to public administration, and
- focus more on the highest-quality regional activities, while
- orienting its services more and more toward the needs of the less developed countries in the Arab world.

A plan for the future: Creating an enabling environment and financing the cost of reform

As noted at the outset, ARADO cannot fully meet the “scaling-up” challenge under the current constraints on operational efficiency and on financial predictability arising from Arab League regulations designed for fully publicly-funded entities but inappropriate for ARADO. It is necessary therefore to ask bluntly whether the Arab League and the member countries really want an effective regional institution that can play a central role in assisting public administration development in the Arab world. If the answer is no, ARADO can and should still enact the various improvements that are under its control. If the answer is yes, then the Economic and Social Council should allow ARADO the autonomy and flexibility it needs to scale-up its contribution and impact, as well as permit use of the reserves under agreed conditions; and the member countries ought to proactively and materially support these changes.

A majority of the recommendations in this report can be expected to be implemented by ARADO through the use of its own current staff resources and facilities. Many important recommendations, however, will carry additional start-up costs and recurrent annual costs -- as explained in the Business Development Plan that concludes the text of the report.

The start-up costs, estimated at about \$1.5 million, could be easily financed from using part of the current balance in the reserve accounts, if the Economic and Social Council approves. And the recurrent annual costs, estimated at about \$1.0 million, could be financed by the savings from public funding of ARADO services to the less developed countries, as explained below. As noted, the requirement in both cases is a willingness by the Arab League and the member countries to face the implications of their choice to support ARADO to become a much more important regional institution for administrative development – if they wish to make such a choice.

Advancing the public interest function while assuring financial sustainability

Currently, there are two components of public financing for ARADO – a small one through the country contributions, and a larger one through the cross-subsidization of services to less developed countries by a portion of the fees paid by other governments for their participants to ARADO training events.

The former component is too small to make a difference. Indeed, halting completely the country contributions to ARADO (while remaining under Economic and Social Council general oversight and retaining Arab League affiliation in all other respects) would be an appropriate quid-pro-quo for being granted the regulatory flexibility it needs to perform its functions in an efficient and effective manner. The latter component of public financing is substantial, but is provided indirectly, non-transparently and inefficiently, through the cross-

subsidization policy. The guiding rule is this: the revenue-producing activities should be placed on a firm market basis (including full costing) and financed by user fees; and the public interest activities should be financed in part by the revenue-producing activities and in part by public funds, through a predictable and sustainable mechanism.

If ARADO's services to the less developed countries (and particularly to the low-income countries) could be financed separately from its other activities, the organization would be enabled to deliver such services at a level commensurate with the needs of those countries, and use its own revenue to finance the cost of internal reforms, contributing to other public interest activities, and scaling up quality across the board— thus providing full financial predictability and raising the efficiency and effectiveness of *all* types of activity. A proposal is suggested below.

A Special Fund for the less developed countries

The above approach could be implemented by creating an endowed Special Fund, with an endowment sufficient to yield annual returns commensurate with the level of services to less developed countries -- as such level may be determined. There is extensive experience with the functioning of endowed special funds, which have been used in a variety of situation worldwide as an accountable mechanism to finance priority expenditures, as for example the multidonor trust funds managed by the World Bank. In the case of ARADO, such an endowed special fund would:

- be used only to finance the training activities with *direct* relevance to public administration in less developed countries;
- have a transparent and representative governing body with participation by the contributors and the Economic and Social Council;
- operate under specific binding agreements and conditions;
- meet strict financial management, reporting and fiduciary requirements entrusted to a separate entity contracted for that purpose.

While the fund itself would be managed separately, ARADO would propose to the Special Fund governing body the annual budget consistent with the annual revenue expected from the endowment; manage the programs and activities financed under that budget (not the endowment itself); and be accountable for the use of the moneys and the quality of the programs. If this proposal is deemed to have merit, various sources of funding, suggested in the report, are potentially available.

Abbreviations

AJA	Arab Journal of Administration
ARADO	Arab Administrative Development Organization
CMA	Certified Management Accountant
COLA	Cost of Living Allowance
DG	Director General
DDG	Deputy Director General
DL	Digital Library
DPMG	Development Portfolio Management Group
EC	Executive Council
EGPA	European Group for Public Administration
ENA	Ecole Nationale D'Administration
HR	Human Resources
ICT	Information and Communication Technology
IEG	International Evaluation Group
ILO	International Labor Organization
IPRA	International Public Relations Association
ICTAG	Information Communication Technology Action Group
JCR	Journal Citation Reports
KSA	Kingdom of Saudi Arabia
MOOC	Massive On-line Open Courses
MOU	Memorandum of Understanding
MRP	Market Reference Points
OECD	Organization for Economic Co-Operation and Development
PUMA	Public Management Directorate
UNPAN	United Nations Public Administration Networks

I. Introduction

Genesis and Scope of the Evaluation

1. The Arab Administrative Development Organization (ARADO) was created in 1961 as a public organization affiliated with the League of Arab States and as the *sole* regional public entity charged with supporting administrative development in the Arab world.

2. In November 2012, ARADO contracted the Development Portfolio Management Group (DPMG) of the RAND Corporation to conduct a comprehensive independent evaluation. As defined by ARADO itself, the objectives are to:

- Assess the alignment of ARADO activities with its strategic work plan, and their relevance to the priorities of the member countries;
- Assess the benefits accrued by the target beneficiaries in those countries;
- Review ARADO's organizational performance systems and processes in order to optimize the administration, provision and financing of services, including reviews of (a) organizational performance systems and internal processes, (b) service delivery systems, and (c) ARADO strategic work plan;
- Design a rigorous impact evaluation system for monitoring the impact of ARADO activities in Arab states; and
- Propose a strategic vision and business development plan for future regional and international up-scaling of ARADO activities.

3. Activities covered under the scope of this evaluation are:

- Training activities
- Consultancy Services
- Publications
- Studies and Research
- Awards

4. Previously, a self-evaluation had been conducted by ARADO itself. Partly in light of the far-reaching political and social changes in many countries of the region, ARADO determined that an independent evaluation by an internationally reputable firm was timely, and this evaluation was undertaken: (i) in the context of the fluid governance and public management developments in the Region; (ii) with a view to the potential regional and international scaling-

up of ARADO's activities; ; and (iii) with due consideration of both the lessons of international experience and the specific circumstances and needs of the client countries. Accordingly, by both intent and design, this evaluation is intended to be more forward-looking and potentially more timely than most other exercises of this sort. In addition to providing a thorough and candid assessment of past experience, strengths and challenges of ARADO, and recommending improvements, this report attempts to help the organization to position itself for a stronger and more influential role in support of a successful transition of member countries to greater administrative effectiveness and improved public service provision, in an environment of more inclusive governance.

Evaluation Process

5. In November 2012 the RAND DPMG Team (hereafter "the team") began the process leading to the evaluation of ARADO. A first mission to Cairo, in January 2013, discussed and agreed with the ARADO Director General (DG) on the evaluation scope and methodology, deliverables and timetable, resulting in an Inception and Methodology Report finalized on February 14, 2013. The evaluation proceeded along the path agreed in the inception report: A first visit to two countries (Sudan and Jordan) took place in April, and a second visit to three countries (Egypt, Kuwait, and Saudi Arabia) took place in May. The team took the opportunity of the second visit to Cairo to discuss with ARADO selected managers and staff a number of remaining questions, and go into further depth into certain important issues.

6. A preliminary informal progress report was submitted to ARADO, and intermediate and draft reports subsequently. The comments, corrections and suggestions from ARADO, including those from a video-conference with members of the Executive Council on September 4, were fully reflected in the final report -- which includes all relevant quantitative and qualitative evidence, the analysis, and detailed conclusions and recommendations. (The recommendations are shown in summary form in the Matrix of Recommended Actions at Annex 1.)

Evaluation Methodology and Evidence

Evaluation period and sources of evidence

7. The evaluation period is 2008-2012, although prior evidence and historical data were also considered. The evaluation methodology and sources of evidence are described in detail in Annex 2. In brief, evidence on the relevance, efficiency and effectiveness of ARADO's activities was obtained from two main sources:

- *Internal evidence* – extensive review and analysis of all relevant documents and data; interviews with all of ARADO’s managers and many of its staff concerning the operational activities, the organizational architecture, budgeting processes and financial controls, personnel policies and management, and information flows and technology; and a survey of employee opinion.
- *External evidence* on ARADO’s courses, conferences, consultancies, publications, and the digital library. This included structured interviews in the five countries selected as major ARADO clients (Sudan, Jordan, Egypt, Kuwait, and Saudi Arabia) with 148 randomly selected interviewees from four groups of stakeholders (participants’ supervisors; managers of government training programs; leaders of other training institutions; and high-level officials); focus groups in each country, with 28 participants, also selected at random; a survey of all participants to ARADO training events in 2008-2012; and five other surveys related to opinions on publications (surveys of book authors and book referees, and of article authors and article referees) and the digital library.¹

Comparing and assessing performance

8. Benchmarking in the technical sense was not possible, owing to the major differences between ARADO as an organization and potential comparators. ARADO is unique in its characteristics of a (i) public organization; (ii) affiliated with a major international grouping of states and subject to its regulations; yet (iii) almost entirely self-financing. It cannot therefore be appropriately compared to private entities -- which are dedicated to training managers of private corporations – nor to public entities which do not have an international clientele or responsibilities. In contrast, ARADO is responsible to governments of countries with widely different needs, priorities and levels of development, and operates in a diverse region with unique complexities which, in addition, has experienced and is experiencing severe political and social turmoil.

9. However, as and when appropriate, relevant comparisons were made to some regional training institutions, to public international organizations active in capacity building in the Arab world and with broad mandates similar to ARADO’s -- including the World Bank Institute, the African Development Institute, and the Development Institute of the Asian Development Bank – and some good practices of private training organizations. In addition, the personal experience of the RAND/DPMG team members permitted making qualitative comparisons of the performance of ARADO in certain areas, relative to other organizations in general.

¹ The protocols for the structured interviews are at Annex 3 and the surveys instruments and results are at Annex 4.

10. Performance in the various activities was primarily assessed, in Ch. III, by reference to the documentary record and the views and opinions of the direct beneficiaries and other major stakeholders -- canvassed systematically for the major activities as described above and in the corresponding annexes, and quantified accordingly. The performance indicators embedded in the various surveys of participants and other stakeholders related primarily to inputs and output; the country interviews of training managers and supervisors, leaders of national training institutions and high-level officials were focused mainly on outputs, outcomes and processes. (A summary table of standard performance indicators and the associated criteria is shown below.)² ARADO's organizational arrangements and processes were assessed qualitatively, in Ch. IV, by reference to international good practice, norms and standards, and in light of possibilities for streamlining and improvement.

Key Performance Indicators

<u>Indicator</u>	<u>Social Value</u>	<u>Criterion</u>
<i>A. Inputs</i>	<i>Cost</i>	<i>Economy</i>
<i>B. Outputs</i>	<i>Price of close substitute</i>	<i>Efficiency</i>
<i>C. Outcomes</i>	<i>Undetermined</i>	<i>Effectiveness</i>
<i>D. Process</i>	<i>Undetermined</i>	<i>Sustainability</i>

Limits of the evaluation

11. The principal limitation is associated with the well-known problem of assessing the effectiveness of inherently long-gestating activities – such as training, publications, and the other main activities of ARADO. The approach followed in this report (as that of the World Bank's Independent Evaluation Group and most of the regional development banks) addresses the problem by evaluating the main factors known to determine effectiveness. This helps to assess

² "Impact" (sometimes used interchangeably with outcome, as in Annex 6 of this report), is technically speaking the *net* outcome which is directly attributable to the outputs and actions of the organization, i.e., the outcome after subtracting the contributions from all other major factors and entities. Especially for the assessment of institutional change, the measurement of impact in this sense is extremely difficult, complex and expensive – and very rarely cost-effective. On the general issue of assessing performance in public organizations, see S. Schiavo-Campo, "Performance in the Public Sector", *Asian Journal of Political Science*, December 1999.

the *likelihood* of effectiveness, but cannot demonstrate that the outputs and activities have in fact achieved the desired outcomes – let alone the specific degree to which they have done so.³ A related and more important limitation is the problem of attribution – which is insuperable in a complex multi-country environment where the agent is a comparatively minor player and the probability of achievement of outcomes depends on a host of other major factors (some known, others unknown).

12. A second major caveat concerns the weak representativeness of many of the survey results. Only the employee survey and the surveys of book authors and of article referees produced a high response rate, and their findings were unquestionably statistically representative. The response rate of the other four surveys was low or minimal. In some cases (e.g., book authors and digital library subscribers), the low response rate can be attributed to the well-known cultural reluctance in parts of the region to respond to surveys. In other cases, however, the problem was mainly related to the disorganized and unreliable databases of individuals to whom the survey instrument was distributed. (For example, 28% of the 6,270 surveys emailed to former training participants were returned as undeliverable.) The database problems are addressed in the ICT section of Ch.IV. What is important to note here is the questionable nature of survey results grounded on a faulty database. However, the participants survey response rate of 9.4% is still considered as borderline acceptable and the 422 valid responses deserve consideration.

13. Finally, the initial intention to visit seven countries had to be scaled down to five countries – for different practical reasons. This reduced the total number of possible interviews and precluded obtaining opinions from two major client countries one of which (Iraq) has accounted in the last three years for a rapid increase in demand for ARADO’s training services. Nevertheless, the five countries account for two-thirds of the volume of ARADO’s training activities (and revenue) and the related documents and interviews still provide a solid basis for findings and conclusions.

Structure of the report

14. Following the broad structure agreed in the Inception and Methodology Report, this draft report is in five chapters: the next chapter addresses the current strategic posture of ARADO; Ch. III assesses the efficiency and effectiveness of the main types of activity; Ch. IV examines

³ It would be even more unrealistic to try and assess impact, understood in the technical sense of the net contribution of the entity’s outputs to the outcome after deducting the influence of all other factors. Impact evaluations are notoriously complex, time consuming, and often without benefits commensurate with their very high cost. The scope of this evaluation encompasses economy, efficiency and (likelihood of) effectiveness – but not impact as such. In any event, in the literature of the Middle East impact and effectiveness are considered synonyms.

the organizational, financial, human resource, and informatics dimensions of ARADO; and the concluding Ch. V defines strategic directions for the future and suggests options for scaling up of ARADO's effectiveness, influence and impact -- including proposed financing modalities.

15. Several annexes complement the text, as follows:

1. Matrix of recommended actions
2. Evaluation methodology and evidence
3. Protocols for the structured interviews and focus groups
4. The opinion surveys
5. The focus group meetings
6. Towards an impact evaluation system for ARADO
7. Financial regulations
8. Best practice note on performance management
9. The databases
10. List of interviewees
11. List of documents, data and references

II. ARADO: Mission and Current Strategy

ARADO's Mandate and Strategic Objective

16. The fundamental starting point of any evaluation is to identify the mission and objectives which the organization is expected to pursue. While one might assume that, as a public organization affiliated with an international public body, ARADO's mission is only to assist the development of public administration, the authorizing documents and the subsequent record are not sufficiently clear. Also, current views of country interlocutors on ARADO's mission vary – from those who would exclude any involvement with private sector management to those who advocate limited involvement.

17. The following evidence may help delimit, if not resolve, the issue:

- The governing documents on the mandate and mission of ARADO are the 1961 statute that first created it as an affiliated organization of the League of Arab States and the 1990 amendment. Both of them refer to “administrative development”. These documents either specify "public" administration nor include (or exclude) "private sector".⁴
- The governance structure of ARADO – the General Assembly and the Executive Council - - comprises only officials of governments or public institutions, with no private participation.
- The "Mission and Goals" statement on the ARADO website (the Arabic corresponds to the English) states that: "...ARADO has been offering services and programs to the governments of its 21 member states. The scope of services also includes public and private institutions involved in management development in the Arab region". The statement makes a clear distinction between ARADO's primary mission of assisting governments, and its secondary mission (“also includes”) to serve public *and* private institutions. Moreover, it explicitly limits its services to institutions *involved in management development*, thus not including services to other private corporations.
- The Executive Council has decided that "up to 15%" of ARADO's services can be delivered to the private sector – without specifying the nature of the private entities being served.⁵

⁴ We made an attempt to research the historical context in 1961 and 1990, but were unable to clarify the question with any confidence.

⁵ It is not clear whether the ceiling refers to the number of activities, the share of expenditure, the number of staff, or other criterion. In this report, we interpret the EC instruction to refer to a maximum of 15% of total expenditure, without distinction as to whether the private entities in question are or not involved in management development.

18. Taken together, the above demonstrates that *ARADO has a primary mission of assisting public administration in Arab countries, and a secondary mission to provide services to private entities involved in management development.*

19. Accordingly, the official documents and statements about ARADO's mandate, combined with the views elicited during this evaluation, point to the following *strategic objective* for ARADO:

Fulfill the primary mission to help public administration development in the Arab world – particularly in the less developed countries -- while improving efficiency, strengthening autonomy and achieving full long-term financial sustainability.

The Current Strategic Posture of ARADO

20. Most of the issues identified in this report are well-known to ARADO Management and the Executive Council (EC). Indeed, in late 2012, the EC set out 13 main principles for advancing the development of ARADO. The evidence collected through this evaluation and our own conclusions confirms the relevance and importance of most of the principles set out by the EC.⁶ The questions are whether it is realistic to pursue them all at the same time and, if not, how their implementation should be sequenced and financed.

21. The subsequent Strategic Plan was an effort by Management to respond to the EC guidance, with some initial success in certain areas. However, many of the proposals were not commensurate with the scope of the guidance and others were theoretical⁷ -- rather than targeted on the institutional, organizational, human resource and informatics challenges facing ARADO.

22. Alongside the Strategic Plan, the DG advanced his vision to improve the work of the organization, through 57 different "mechanisms". These differ widely in both scale and specificity,⁸ and several of them are only loosely related to ARADO's primary mandate to assist public administration development. Beyond these issues, the key missing questions are

⁶ These principles are: (i) reinforce the EC role; (ii) take a more professional approach; (iii) work beyond ARADO's traditional role; (iv) link priorities, activities and services; (v) consider the new developments facing the Arab Region; (vi) focus on the less developed countries; (vii) disseminate best and worst practices; (viii) deliver country-tailored and demand-driven programs; (ix) establish an Award for administration; (x) promote ARADO's role as the main Arab house of expertise; (xi) prioritize the use of Arab experts; (xii) boost the role of Arab youth; and (xiii) promote partnership with Arab and international administration institutes

⁷ For example, one workshop in Mauritania is listed (twice) as response to the need to focus on less developed countries; and, "applying new models in quality monitoring" is mentioned as a response to performance issues.

⁸ For example, they include huge tasks such as introducing an automated system for all activities as well as minor tasks such as posting a calendar for the Sharjah office; and include very concrete measures such as hiring a monitoring expert, as well as generic exhortations such as "embracing creativity".

how and by whom these priorities and diverse mechanisms should be implemented and financed.

23. ARADO does not at the present time have a coherent strategy – one which establishes a *few key* priorities consistent with the primary mandate of the organization; specifies the timeframe within which those priorities are to be implemented; defines by whom and how they are to be implemented; and identifies the human, informational and – most importantly - - financial resources needed for their implementation. However, the combination of the EC guidance, the strategic plan response and several of the mechanisms proposed by the DG, provides an initial platform on which to formulate a new strategy.

24. In practice, the main guiding rule – as revealed by ARADO’s actual operations and the interviews -- appears to be to identify and deliver programs that mobilize revenue while using part of the revenue to provide some assistance to less developed countries. It is not surprising therefore that the organization has become overstretched by the diversity of its initiatives and activities. This is entirely understandable, considering the post-1999 imperative to cope with the sharp reduction in official funding, find new sources of financing, reshape its personnel and expand its activities. Indeed, *this achievement must be reckoned as a remarkable success story*. In the process, however, the focus on ARADO’s primary mission to help development of *public* administration has been diluted. There is now a consensus on the need for a coherent new strategy that restores that focus. The recommendations advanced below are intended to help doing so, and elements of such a strategy and action plan are suggested in the concluding chapter.

25. It is very hard to overstate the uniquely difficult context within which ARADO has to operate. It has to try and serve a large number of countries with different traditions, languages and systems; in a region with extremely complicated logistics and different sorts of restrictions, from gender to practical visa granting problems; the constraints of the Arab League Economic and Social Council regulatory framework (despite the lack of any significant direct public funding), and particularly during this very turbulent period in the region and in Cairo – the location of ARADO’s headquarters. These must be given proper consideration when interpreting the findings and conclusions of this report.

26. Aside from the regional and current political difficulties, the basic causes of the challenges facing ARADO are to be found both within the organization and in the entities exercising external oversight over ARADO. It is the *interaction* between internal and external factors that has led to the successes as well as the weaknesses of the organization. Correspondingly, both internal and external reforms will be required to allow ARADO to perform its function. The right sequencing is critical: the internal reforms will be useful in themselves to raise the efficiency and effectiveness of ARADO’s activities. But they must be initiated in order to strengthen the argument for being granted the greater operational

autonomy and funding predictability that are required to scale-up ARADO's role and impact as the *only* pan-Arab administrative development entity.

27. The recommendations flowing from the assessment of the activities and internal arrangements of ARADO are in Chapters III and IV, respectively, and their financial implications are estimated in the concluding chapter V.

III. The Efficiency and Effectiveness of ARADO's Activities

Overall assessment

28. It is important to emphasize at the outset the very challenging context within which ARADO must operate, with a large number of member countries with widely different income levels, interests and objectives; very complicated logistics; the external regulatory constraints; and the unique difficulties of the region -- in general and particularly during this very turbulent period. Benchmarking in the technical sense is not possible, owing to major differences among the comparable organizations and even between the individual activities. However, the assessment of the different activities of ARADO conducted during this evaluation, combined with the personal familiarity of the team members with institutions with a similar mandate lead to the following general conclusion.

29. Taking the uniquely difficult context into account, ARADO's training and other activities compare acceptably well with those of global organizations such as the World Bank Institute and regional organizations such as the Asian Development Institute and the African Development Institute. Relative to many local training institutions in Arab countries and to its sister organizations affiliated with the Arab League, ARADO compares very well. ARADO can do much better, however, in several important respects -- even without changes in the external environment. Indeed, it must do better if it wishes to scale-up its positive impact and influence on administrative development in the Arab world.

Training

30. With almost 7,000 participants per year, ARADO's extensive training program is the organization's most important business line, and accounted for two-thirds of its total revenue during 2008-2012. It comprises standard and customized courses, certificates and diplomas, and conferences/workshops/seminars, assessed in turn below.

The Courses

31. The overall finding -- based on the 148 persons interviewed in the five countries, the survey of former participants, and the focus group discussions -- is that ARADO's training program is seen favorably, in general, but is supply-driven and insufficiently responsive to the needs of member countries administrations, needs a more clear focus, and has a number of delivery weaknesses. The information and opinions from the interviews underpin much of the discussion and findings related in this chapter. (The structured interview protocols are at

Annex 3.) The main results from the participants survey and focus groups discussions are summarized below. The details on the survey and the focus groups are at Annexes 4 and 5.

The participants survey

32. A survey was designed and administered by the team to ascertain independently the views and opinions of former participants to ARADO training events. The main findings are summarized here, and the full details are provided in Annex IV. Of the total of 6,276 surveys emailed, covering all persons listed in ARADO’s participants database for the period 2008-2012, 1,781 (28%) were undeliverable, leaving a total of 4,495. Responses were received from 590 persons, of whom 422 (71%) had attended an ARADO course or other training event since January 1, 2008. The response rate of 9.4% is lower than in comparable surveys elsewhere but may be considered borderline acceptable, considering the cultural reluctance in the Arabian Peninsula to respond to email surveys.

33. Of the respondents, 29% are Saudis and 17% Iraqis – accounting for almost half of completed responses. While the Saudi percentage is comparable to the 31% of Saudi training participants recorded in the ARADO database, the percentage of Iraqi respondents is much higher than the 9.8% recorded in the database – suggesting a significantly higher level of interest. No other nationality accounted for more than 8%. (See Annex 4 for the detailed results.)

34. Two-thirds had attended a course of up to 5 days and one-third a longer course. A large plurality of 42% attended the training event in Egypt, far ahead of second-place UAE with 13%. No other location accounted for more than 7% of respondents.

35. The survey asked respondents to rate seven dimensions of their experience with ARADO training, based on a four-point scale with two favorable and two less favorable ratings (e.g., “Very interesting/informative”; “Somewhat interesting/informative”; “A little bit interesting/informative”; and “Not at all interesting/informative”.)⁹ Table 1 reports the ratings.

Table 1: Summary Results of Training Participants’ Survey
(In percent)

Dimension	Favorable	Somewhat	Somewhat	Unfavorable
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⁹ An even-numbered scale prevents respondents from choosing the middle rating as a way to avoid taking a position.

		Favorable	Unfavorable	
Interesting	56	37	6	1
Informative	50	37	8	5
Relevance to my work	39	45	12	4
Improved work performance	21	51	16	12
Applicability to workplace	18	53	18	11
Better quality than other institutions ¹⁰	16	54	23	7
Relevance to current issues of administration	25	44	23	8

36. ARADO training seems to be viewed more favorably as a source of “consumption” or “general knowledge” than for “investment”, i.e., relevance or impact on work performance. Taken in isolation, this finding is not problematic, since productivity in the long-term can be positively influenced by the individual stock of general knowledge and not only by an immediate impact of the training on the workplace. Combined with the inertia common to public administrations in the region and elsewhere, however, there is a risk that the general knowledge and interest elicited through the training dissipates quickly leaving little or no long-term trace.

37. A large majority of respondents gave positive ratings to all seven questions. This is encouraging, as also is the extremely low percentage of respondents who gave the lowest rating. However, it is a reason for some concern that fewer than one in five respondents gave the highest rating to the questions related to impact. (This finding reinforces the message from country interviews that ARADO training tends to the “academic” and the “theoretical” – discussed later.)

38. In any event, it is important to alert the reader that the opinions elicited through the country interviews and (to a lesser extent) the focus groups were much less favorable than the survey results. This apparent divergence is explained by the fact that former participants naturally tend to view the training in terms of their own “satisfaction quotient”, whereas the interviewees (participants’ supervisors, training managers, high-level officials, training institute leaders) tend to focus on the *overall* training program, the transfer of skills to the workplace, and the degree of influence on improving administrative practices. This explanation is consistent with the finding that participants view the training more as a source of consumption than as investment – as noted earlier.

¹⁰ Calculated as a percentage of the 195 respondents who stated they had also attended courses from other providers.

The Focus Groups

39. The team conducted focus group discussions in each of Sudan, Jordan, Kuwait, Egypt and Saudi Arabia. A brief summary of salient points of consensus is below. (For details please see Annex 5) Discussions were lively and participants were open to sharing their experiences and showed real interest in ARADO and its activities and. The focus was on the participants experience with ARADO, the quality of services provided and their potential to be translated into improvement in the work place, and recommendations for future improvement.

40. Focus group discussants generally agreed that attending ARADO's training had been activities was a good experience, which also provided them with networking with other Arab countries participants, but views differed concerning the quality of training and its cost.

41. The main issues, raised by all five groups and on which there was a consensus, were:

- ARADO is not fully playing its role as the pan-Arab administrative development organization;
- marketing and communications are confusing, and individuals receive many announcements from different units at ARADO
- training details shared through the different communication channels are insufficient;
- topics are too often repeated and content is not updated;
- there is a need to have a clear and effective contact point for each country in order to better serve the needs of the countries; and
- ARADO must address the strategic issues of public administration in the Arab countries.

Relevance of the courses program

42. The relevance of ARADO's program of courses was assessed in relation to three criteria: broad country priorities, specific agency needs and individual participant needs.¹¹

Relevance to country priorities

43. ARADO makes regular efforts to ascertain country needs, primarily through the regular meetings organized by the professional meetings unit with heads of national training institutions, training managers and others, on different thematic areas related to capacity development. It is also important to note that customized courses (which are by definition demand-driven), have accounted for an increasing proportion of ARADO training – with 2012 revenue over one third that of standard courses.

¹¹ In evaluation, 'relevance' is the extent to which an activity is suited to the priorities and policies of the target group, recipient and funders or sponsors. (OECD/ DAC: *Criteria for Evaluating Development Assistance*. Paris.

44. However good these efforts may have been, judging from the country interviews , they have not always produced programs that adequately meet country demands. The issue most frequently mentioned in interviews is that ARADO's programs are not systematically built up from member countries' demands, but are 'supply-driven'. Many of the senior officials interviewed stated that ARADO has made little or no effort to find out what their public administration would like ARADO to provide. One official said: "They never ask us what we need; we need a workshop for ARADO to listen to HR and training people." Interviewees from a civil service ministry stated: "We have never communicated with ARADO before". There is an impression that the Director-General (DG) is the only person in ARADO with responsibility for *overall* country relations, and that other country contacts are made by individual units for the purpose of recruiting participants to their respective courses. Several interviewees suggested that ARADO should name a contact person for their country or agency. (It should be noted in this context that ARADO has already made efforts to address programmatic needs through regular meetings with leaders of national training institutions and country focal points, as well as responding to the countries' training needs conveyed through the Executive Council members.)

45. A few interviewees raised concerns about the *Memorandum of Understanding* which, in principle, should be the vehicle for matching ARADO offerings to country priorities. They noted that these memoranda promise a long list of activities that are very unlikely to actually be carried out, and did not view them as "partnership documents".

Responding to country needs: The Sharjah Office and the issue of other resident offices

46. Owing to the cancellation of the visit to UAE, the original intention to assess the operations of ARADO's office in Sharjah could not be met. Based on the documentation reviewed and information obtained from ARADO staff, the following observations may be advanced, however. The small regional office in Sharjah, with three staff members (one of whom is the supervisor) and one helper, is under the direct control of ARADO Head Office. It has no financial autonomy and operates on the basis of advances from Cairo. So far, the office has been used mainly as a center for the delivery of training, but also provides logistical support for other ARADO activities implemented in UAE and elsewhere in the Gulf. The entire training program is planned and decided in Cairo, including implementation arrangement and trainers.

47. From the beginning of the Arab Spring, ARADO has responded to the logistical and security difficulties in Egypt by shifting a number of courses from Cairo to the Sharjah office. The number of courses given in Sharjah has more than doubled, and the 2013 business plan includes an intention to increase further the delivery of special training programs in Sharjah.

48. Partly because the team has not had an opportunity to visit Sharjah, it does not offer any suggestion as to whether the office should remain as a training delivery facility or be developed into an semi-autonomous operating branch. In the latter case, the first step should be a market survey and operational analysis to determine the initial feasibility of doing so, including the additional staffing requirements and budgetary autonomy. In any event, the office has an important prudential and operational role, especially in the current unstable and unpredictable circumstances of Egypt, as an “accordion-like” mechanism and safety valve for redeploying courses from one location to the other depending on the evolution of conditions on the ground in Egypt.

49. A few high-level interviewees thought that ARADO should open a center also in their country. The team recommends against the establishment of other ARADO field offices which, in these days of electronic communication, would not be cost-effective. As discussed later, the recommendation to create a Country Coordinator as the single focal point within ARADO to coordinate all its operations in a given country, including frequent visits, would achieve the benefits of a field office without the heavy associated costs. Increasing further the number of training events organized in the recipient country as opposed to Cairo, as we recommend later in this report, could be done through utilization of the facilities of local training institutions.

Relevance to agency needs

50. A few interviewees said they are impressed by the wide scope of offerings in ARADO’s course catalogue -- “Their brochure seems to include everything we need”, according to one senior official. A much larger number felt that the proposed program is not credible – “It is huge and all over the place” -- and consider it unlikely that ARADO could really deliver so many courses at a uniformly high standard. Several interviewees stated that ARADO course descriptions are not adequate and do not specify the learning objectives, and that the catalog lists very briefly what each course will cover, but not what the participant is expected to take away. Several training managers said they had tried to get more details from ARADO but their inquiries hadn’t been answered. One former participant believed that some of the listings in the catalog exist in name only, with the full syllabus being developed only if enough people sign up.

51. To help map out the demand for training and thus facilitate future decisions by ARADO, training managers were asked to name the topics on which staff of their agency needed training. Echoing the responses given in the earlier training managers’ survey conducted by ARADO, the replies were, in order of frequency of mention:

- Human resource management, and specifically: adapting to civil service reform; preparation of job descriptions; conducting training needs assessments; ‘psychological’ and behavioral aspects, succession planning and general HR.

- Aspects of ICT -- e-government, paperless management, computer literacy for teachers.
- Particular legal and regulatory issues as they are implemented in the Arab countries, specifically consumer protection, anti-money laundering, and customs regulation.
- Several interviewees suggested that ARADO should respond to the expectations generated by the Arab Spring.

Relevance to individual participants

52. The picture from the interview evidence is mixed. Some training managers stated that ARADO's catalogue specifies neither the target participants nor the skills and knowledge to be acquired. Senior officials in one country stated that public servants were very reluctant to attend ARADO training events even when encouraged to do so. However, as noted earlier, large majorities of survey respondents considered ARADO training events informative, interesting and relevant to their work (with smaller majorities rating them positively for the impact on workplace and relevance to public administration). The preponderance of the evidence points to ARADO courses being relevant to the individual participants, in some personal sense.

Recommendations on relevance

53. ARADO should:

- Reduce gradually the number and scope of its training offerings and focus on a few main themes where it has a comparative advantage as a multi-country, Arab institution.
- Cap the number of offerings of basic skills courses in countries where such courses are widely available from other private or public providers; and expand correspondingly the number of offerings of these courses in the less developed countries, delivering them, to the extent practicable, in partnership with national training institutes.
- Explain better the rationale behind its training program; assure that each event listed is accompanied by a brief description of content; disseminate the training program well in advance of the year; and deliver the training as committed in the published program.
- Create the role of "country coordinator" (as explained in the Organizational section of Ch.IV), to improve responsiveness and the coherence of country programs.
- Prepare, jointly with country officials, a rolling indicative three or five year plan that sets out the country's training objectives and how ARADO is going to support some of them with a package of courses, workshops, and certificates training. This approach would incorporate the current "memoranda of understanding". Owing to the magnitude of this initiative, it could at first be piloted with two or three governments. Note that *a simple plan is recommended* here, and not a complex programming

exercise that would be out of step with reality and produce little benefit. The main objective is to focus the attention of both ARADO and the country officials, jointly, on the medium term rather than only on the immediate future.

Effectiveness

54. According to the World Bank Independent Evaluation Group (IEG), three factors are necessary for effective training: good pedagogy; transfer of learning to the workplace; and adequate tailoring to organizational needs. Because it is very difficult to assess effectiveness of long-gestation activities such as training, the assessment is in effect one of the *likelihood* of effectiveness, rather than effectiveness itself. (See the Limits to the Evaluation section in Ch.I.)

Pedagogy: content and methods

55. The quality of a course is obviously essential for training effectiveness. Survey respondents rated ARADO courses favorably, as noted, and so did an over 60% majority of participants who filled ARADO's "satisfaction forms" – as described in the annual quality reports. Interviewees in all categories offered many comments on the subject, with positive statements in about one-third of interviews. The most favorable statement was from a very high-level official who said: "ARADO has improved a lot over the last five years. I find a real improvement". Other positive comments were qualified: "The quality is good, though others are better...Crown Agents and ILO [International Labor Organization]"; "The materials are okay but the presentation needs improvement"; "The programs are mostly good, but it's the same trainers again and again. They need to get some new faces."

56. Negative interview and focus group comments centered on three interrelated concerns:

- ARADO courses use mainly a lecture format, with little interaction with the participants. A group of interviewees said: "Training is based on lecturing, not learning and participation. It's either academic or dictating in nature."
- Courses are taught by professors, as distinct from trainers. Several interviewees noted that many of ARADO's instructors are academics: "The people providing the training may have PhDs and may be very professional, but I don't see a real effect of their work"; "My people are not university students. They have already been through that type of learning."; "There should be professional trainers who understand professional administrative work." The issue here is of course not whether courses are taught by professors or by others, but that the teacher must have practical experience relevant to the subject matter.
- Course content was sometimes described as outdated. As illustrations, a training manager said "ARADO needs to keep up with the latest in training – so many new

concepts have come up” and a former participant noted that an ARADO course in monitoring and evaluation was essentially a ‘refresher’ for material he had already studied.

57. The length of courses has been found to affect training effectiveness. The two-to-five day model that dominates ARADO’s program is significantly shorter than in many other institutions benchmarked for the World Bank IEG evaluation,¹² which run courses for two weeks up to two months. The two-to-five day model is adequate for some objectives but generally not for lasting capacity-building. Indeed, ARADO’s own participant satisfaction reports show that participants call for longer courses.¹³ For ARADO, however, there is a tension between pedagogical effectiveness and financing constraints; course fees and accommodation costs -- already seen as a significant problem (as discussed below) -- would be increased by lengthening course duration. Moreover, it would be difficult for a civil servant to absent himself from his post for long periods.

58. The preponderance of Egyptian instructors in ARADO training is viewed as a problem -- not necessarily for pedagogical reasons --- but because the limited use of talent from other countries is perceived as precluding a diversity of views and experience. Some suggested that ARADO could offer lower fees if it were to hold courses held outside of Egypt with local trainers instead of flying in Egyptian instructors. (This suggestion could be valid if the courses are held in countries where local trainers do not command fees higher than those for Egyptian instructors.)

Transfer of learning to the workplace

59. A second feature of effective training is that it “seeks to...support the trainee in applying new knowledge and skills in the workplace. This is generally done in two ways: by the use of practical learning techniques and follow-up in the workplace.

60. Of the respondents to the participants’ survey, 71% said they could apply their ARADO learning in the workplace ‘a great deal’ or ‘somewhat,’ and that the training helped them improve their work performance ‘a great deal’ or ‘somewhat’. These ratings are comparable to findings from a World Bank IEG study of training in six countries, where 80% of respondents said their training resulted in ‘substantial’ or small improvements to their work functions.¹⁴ They are also in line with the findings of ARADO’s own Quality Reports.

61. The interview reports are much less positive. Only a few of the individual and group interviewees mentioned using in their work their learning from ARADO training. Several

¹² IEG, op.cit., p. 24

¹³ For example, the mid-2012 quality report showed that participants in all categories of activity would have preferred more training days.

¹⁴ IEG study Appendix C, ‘Summary of Client Surveys in Six Countries’ p. 70

interviewees observed that ARADO's course content was mostly theoretical and did not involve case studies or real-life problems: "The courses should be more oriented to practical, daily problems...the material should help us cope with the present practical life we are living."

Tailoring to client needs

62. The design of training should begin with a thorough needs assessment, based on which one can set training objectives, criteria for identifying participants, and course topics and content. Based on information received by the team, ARADO does not offer training needs assessments to its clients. No interviewee mentioned that a training needs assessment was done by or for ARADO in their organization. Whether or not this is generally the case, providing advice for training needs assessments, or conducting such assessments directly, could be an important dimension of ARADO's consultancy practice in the future.

63. Two of the eight comparator organizations conduct training needs assessments: a large public management institute said it custom-designs courses around the needs of particular agencies; and a large private sector company designs its training to meet the gaps and weak points revealed by the performance evaluation of its employees.

Recommendations on effectiveness

64. It is suggested that ARADO should:

- Complement its internal substantive expertise by acquiring the input of high-level educators or former senior public sector practitioners – as explained fully in the Organizational section of Chapter IV.
- Convene a panel of outside experts for a one-time evaluation of the courses content and teaching methods of all existing instructors, and recommend concerning changes in content and/or the retention of the instructors.
- Recruit new trainers and guest speakers from a wide range of member countries, in consultation with local training institutions and public sector entities.
- Develop a set of guidelines for its trainers, building in part on the trainers' manuals already issued by different teams. To help prepare these guidelines, ARADO might wish to organize a brainstorming session with trainers from other institutes around the Arab region.

Financial Aspects

Level of fees

65. ARADOs course fees were last raised in 2005 and have not been changed since then. In many cases, discounts are given for multiple bookings and to participants from the 17 less

developed countries. Beginning in 2010, fees have been waived altogether for participants from low-income countries. Altogether, the discounts and subsidies have reached in 2012 \$1 million, or about 25% of the \$4.4 million training revenue.

66. Not surprisingly, the opinions of interviewees differ. Of the total 36 training manager and senior official interviewed, 14 said that ARADO's fees are "too high", one said the fees are "fair" and the other 21 did not mention fees or costs (presumably not viewing them as a major obstacle). There are three different respects in which the fees were considered "too high":

- In some less developed countries, interviewees consider ARADO fees too high *in relation to their agencies' training budgets*. In particular, Sudan's current economic crisis makes ARADO fees unaffordable even with the across-the-board 50% discount. Moreover, Sudan's hard currency constraint prevents it from obtaining the dollars that ARADO requires for its fee payments.
- In some more developed countries, interviewees felt that fees are too high *in relation to value provided*.
- In several countries of both groups, many interviewees said that ARADO is expensive *in relation to alternative providers*.

Benchmarking ARADO's fees

67. Many interviewees noted that their agencies have access to an abundance of free training. In Jordan and Egypt, especially, public agencies receive scholarships for overseas training funded by international and regional donors. In addition, in ICT and infrastructure, ample training opportunities are included in procurement packages for equipment and are thus free to the participant's agency. The availability of free or low-cost training puts pressure on ARADO to make its offerings cost-attractive.

68. ARADO's fees (which were set in 2005 and have not been raised since then) were benchmarked against those of eight other training organizations. (The organizations cannot be named because they were assured that the information provided was not for attribution). The results are shown in Table 2 below, ordered from highest to lowest fees.

69. Since the training organizations differ in their business models, quality and financial structure, comparisons can serve only as a very broad indicator, but it does appear that ARADO's *published* fees are significantly higher than all the comparators. Most similar to ARADO is 'Egypt 4', a public sector entity that offers programs for public sector managers and is, according to interviewees, almost entirely self-financing. Its published fees are about one-quarter of ARADO's. 'Egypt 2' is also an interesting comparator: it is a purely commercial venture operating in several countries, and charges one-seventh of ARADO's

fees. (However, the team could not attempt to assess the quality of the training offered for these economical fees.)

Finally, 'Kuwait 1' is financed entirely from public funds, its training is free of charge to participants, and it serves staff of public agencies in many countries of the Arab region. The same logic of financing public interest activities through public funds should apply to the public interest training activities conducted by ARADO in less developed countries, as argued in Ch. V.

70. This comparison of fees has been done by the team expressly to respond to ARADO's request for benchmarking, whenever possible. However, comparing ARADO's published fees with those of other training organizations can be severely misleading. In the first place, some of these organizations are fully supported by public funds, making it possible for them to charge little or nothing. Secondly, it is ARADO's practice to give participants from less developed countries heavy discounts, or waive the course fees altogether. The *effective revenue* received from training courses is therefore a better metric than the published fees: while the published fee averages \$3,500 per person for a 5-day course, the *actual* revenue per participants has averaged \$1,162 during 2008-2012. (See Table 12.) The two measures are not comparable, but the large difference shows that ARADO's actual fees are, *on average*, substantially lower than its published fees. The interviewees' impression of high fees is thus influenced primarily by their country of origin.

71. The practice of cross-subsidizing participants from less developed countries through the fees charged to participants from richer countries is appropriate, and made necessary by the absence of adequate and predictable financing for the training services rendered to the less developed countries. The only sustainable and efficient solution to this predicament would be to finance training for less developed countries entirely through public funds, and charge full cost-recovery fees to participants from other countries. This would, incidentally, lead to lower fees for those participants as well. How to mobilize *public* funding for the *public* function of training in less developed Arab countries is a critical issue, which is addressed extensively in the concluding chapter.

72. Nevertheless, it is a reality that in many countries there is a large number of both commercial and government training institutes serving public sector agencies. This highly competitive market, combined with the availability of free training in some countries, means that ARADO cannot count on raising its fees as a source of new revenue, but should consider how to lower its costs while improving quality, while pressing for a comprehensive financing solution such as the one proposed in the concluding chapter.

The issue of travel costs

73. The cost of attending an ARADO course includes not only fees but also airfare, meals and accommodations. These travel costs currently pose an insuperable obstacle in Sudan,

and a significant one in Jordan and Egypt. Some training managers said they allow participants to attend only one-week courses in order to limit accommodation costs.

Table 2: Training Fees in ARADO Member Countries

Training provider ¹⁵	Local currency fees cited in interview	US\$ per person per day equivalent, based on 5 days/week and 20 persons in each group
ARADO		140
Sudan 2	SP 6000/week for entire group	60
Egypt 3	250 EP /day	36
Egypt 4	EP 2000-5000 for 20 people per day	36
Sudan 1	SP 600/week per person or SP 7500/week for entire group	27
Egypt 2 (commercial)	500 – 750 EP / week for Egyptian citizens	22
Jordan 1	JD 60 per training hour	21
Egypt 1	250 EP / week	8
Kuwait 1	Free	Free

74. Several interviewees from all countries suggested ARADO could reduce the burden of travel costs by conducting more courses in the participants’ respective countries. (ARADO is already doing so for some courses.) Doing so would also allow the courses to be better tailored to each country’s particular needs and permit partnerships with national training organizations. Yet doing so would also present a paradox, because it would eliminate one of ARADO’s main value propositions -- the opportunity for participants to network with counterparts from across the region. In fact, some interviewees in Kuwait and Egypt stated that participants are willing to attend ARADO courses *only if* they involve travel. If ARADO is to attract participants to training events held in their own countries, the relevance and quality of the training will need to be improved.

The potential of online training

75. On-Line Training (OLT) has a vast potential to bring knowledge to persons who otherwise have limited access or ability to benefit from traditional classroom training. OLT

¹⁵ The organizations are not named due to their requested confidentiality.

is therefore not merely a way to reduce costs, nor a luxury add-on for ARADO, but primarily a means to expand access by providing appropriate knowledge to those public service employees in the Arab world who cannot, for one reason or another, afford to attend traditional training in expensive locations. OLT effectiveness can be measured with the same yardsticks used to measure traditional training, and initial indications show that it can not only be cost-effective, but also provide richer content, *provided* that it is accompanied by appropriate institutional measures and delivered by trainers with the requisite new skills. However, OLT is neither a panacea nor should be used as a way to sidestep the fundamental requirements of effective learning. Indeed, if it is not approached in the right manner, and used only for those subjects and/or locations where it is best suited, OLT can present severe risks to quality. The loss of face-to-face interaction is of particular concern, and needs to be offset by other measures. ARADO would thus need to acquire the core capacity to support OLT provision and training delivery – and preferably leverage such capacity with participation with institutes which have a proven record in the area (as ARADO has already initiated) and offer adequate OLT support facilities. Moreover, it will be important to proceed cautiously, taking into consideration the lessons of international experience with such programs (in particular, the need for tutorial support) and learning while doing. It is therefore recommended to begin on a pilot basis with a few basic administrative skills courses in one or two less developed countries.

Recommendations on costs

76. The main reasons why ARADO's course fees are the highest among the comparator institutions are two: (i) the organization does not have an endowed fund; and (ii) ARADO cross-subsidizes participants from less developed countries through the revenue of the higher fees paid by other participants. Consequently, some clients consider that ARADO courses are overpriced, while others cannot afford the fees, even when discounted, and the travel costs. There may be opportunities to reduce ARADO's costs (suggested below), but with only marginal impact. *Given* the current revenue and financing modalities, the policy of cross-subsidization of less developed countries is not only sound, but is the only policy that can provide some access to participants from those countries. There is no satisfactory partial solution to the financing of services to the less developed countries, which must be addressed as the necessary corollary of an integrated package of reforms (as discussed in Ch. V).

77. Pending such integrated solution, it is suggested that ARADO should:

- Establish an overall policy on discounts and cost recovery. Such a policy would set out, inter alia, the extent to which each individual course is expected to be financed by its own fee receipts vs. the extent to which courses get funding from a central budget. Once a cost-recovery policy has been established, ARADO should consider the financial

implications of providing adequate access to participants from the less developed countries, since the current discounts do not fully meet their needs.

- Further explore opportunities to reduce costs without affecting quality, such as: placing the training catalog online and discontinue the paper catalog; use only electronic mail; and, possibly, rationalize managers and staff travel.
- Increase the number of courses offered locally (which, as noted, should be designed in partnership with one or more national training institutions, when possible).
- Most importantly, greater use of online training (distance learning) could provide a low-cost way (after the sizeable upfront investment) to open up access to basic administration skills to a very large number of persons who would otherwise be unable to afford the cost of face-to-face training. A prerequisite for implementing this last option would be the major rationalization of ARADO databases and informatics systems that is discussed in the ICT section of Ch.IV.

Communications and Client Relations

78. The most frequently mentioned issue was the excessive number of letters and e-mails that ARADO sends to senior officials and training managers to market ARADO events. While a couple of interviewees saw this practice as evidence of dynamic marketing, the vast majority found it to be both irritating and evidence of lack of coordination within ARADO. One very senior official, for example, said that ARADO typically sends the same letter to 7 or 8 people in his ministry, demonstrating that ARADO has not taken the trouble to identify the appropriate contact person. This practice is evidence not only of insufficient internal coordination but also of the multiple, overlapping and outdated data bases (discussed in the ICT section of Ch.V). According to some interviewees, the problem also indicates that ARADO does not know enough about its clients – underlining the recommendation to designate country coordinators.

79. Training managers are dependent on ARADO's catalogue (also called 'brochure') and website as their main tools for deciding who should go on what training. Several remarked that the catalogue lacks enough information about course content, instructors' qualifications and target audience. Others noted that it is impossible for them to plan when the training program is issued well after the start of the year. A few interviewees reported having sent participants on a course that turned out to be – after their arrival in Cairo -- one they had already attended, as the title had been changed without any change in content

80. Several interviews raised specific issues of ARADO's responsiveness. In one country, a large state-owned company had for many years sent staff members on ARADO courses, but after the company was split into smaller entities, ARADO failed to contact the training managers of the successor companies. Some interviewees cited different incidents where ARADO had failed to reply to their questions about course content. One said, for example: "We had to contact five different people, through five different cell phone numbers, to get a

simple answer to an inquiry.” Two training managers in different countries mentioned that courses had been cancelled or relocated at the last minute, even after participants had already started their journey.

81. In sum, ARADO seeks client views and inputs regularly but not systematically. It sends too many communications (often duplicative), yet does not provide clients with adequate information. The catalogue contains insufficient information to guide training managers’ decisions; the training program is communicated late; predictability is hampered; staff are slow to respond to inquiries; and clients do not have a single focal point to whom to address country inquiries about a variety of activities. Even if these problems are experienced by a small minority, they are enough to tarnish the credibility of the entire organization. Recommendations advanced in this and other sections should help substantially to remedy these perceived problems.

Quality Assurance

82. Quality assurance refers to the systematic monitoring and evaluation of the various aspects of a service to ensure that standards of quality are being met. While some quality assurance occurs in ‘real time’, evaluation is by definition done after an activity is completed. The dissatisfaction that many interviewees have expressed with the relevance and quality of ARADO courses suggests that, although the quality assurance and evaluation processes are effective in many respects, they could be strengthened in terms of pedagogy.

83. ARADO’s training coordinators are responsible for assuring the quality of each course in real time. They do this by attending sessions and trouble-shooting problems as they arise. They also review the participant satisfaction surveys for each course and follow up on complaints. Interviews indicate that they are well placed to handle logistical difficulties, but are neither competent nor expected to monitor the course content or the instructor’s effectiveness. ARADO has no clear locus of responsibility for quality assurance of substantive content and high competence of instructors.

84. The main evaluation instrument is a satisfaction survey given to each participant at the conclusion of each event. The Quality Assurance Unit compiles the results and shares them with course managers and concerned stakeholders. In addition, the unit has conducted a one-time survey of training managers. These tasks are performed very well, but their scope is limited. ARADO does not systematically test participants before or after the course, to ascertain actual learning received, although pre- and post-tests are administered by some trainers on an ad hoc basis. Also, only about 10-15% of training managers request trainers to provide written feedback on trainees learning achievements. Participants’ direct supervisors, however, are not contacted to obtain their views on how the participants’ work performance improved as a result of the training.

85. The team asked leaders of comparator training organizations about their quality assurance procedures. As summarized in Table 3, the most common method, as in ARADO, is participant satisfaction forms. But, in addition, organizations also use a variety of other approaches that are also employed by ARADO, but not systematically.

86. Recommendations about improving ARADO's evaluation practices and methodology are in Annex 6 – *Toward an Impact Evaluation System for ARADO*.

Table 3: Sources of Feedback on Training in Arab Comparator Training Organizations

Participant satisfaction forms	7
Interviews with participants' supervisors	5
Face to face interviews with participants	2
Testing/skills assessment	2
ISO audits	2
Feedback from instructors	1

*Professional Certificates/Diplomas*¹⁶

The Program

87. The Professional certificates/diploma program aims at narrowing the gap between modern professional systems and practices in management and the practices prevailing in many Arab countries. The program comprises *standard training* in five categories:¹⁷

- Professional Certification (e.g., as Certified Management Accountant, Certified Public Accountant, Certified Internal Auditor);
- Financial Sector (e.g., Computerized Budget Preparation; Financial Procedures in Privatization; Industrial Accounting in Oil Companies);
- Diplomas (e.g., in Human Resource Management, Hospital Management);
- Specialized Certificates (e.g., Management Information System Certificate; Strategic Planning Certificate; and Training of Trainers Certificate; and
- Consultative Team Building Programs (e.g., Strategic Management Consulting; HR Consultant program; Management Development Consultancy Program.)¹⁸

88. In addition, the program includes *customized training* to meet the needs of a particular entity – either upon ad hoc request or based on an analysis of these needs. While the focus and scope of the program are clearly different from those in the standard or custom courses, there appears to be some overlap and possible duplication.

¹⁶ Since the participants are generally not public servants, this activity was not covered by the interviews carried out for the evaluation. Document and data review was complemented by extensive discussions with the ARADO manager and staff responsible for the Certificates/diploma program.

¹⁷ Several courses are offered in English.

¹⁸ In addition, a major activity of the Certificates and Diploma Unit is international programs (such as the M&E program in association with the World Bank, the health program with the Royal College of Surgeons in Ireland and others. Time and resources did not permit an assessment of these programs which, however, are examples of the kind of international partnership recommended for ARADO more widely.

89. ARADO’s professional certificates and diploma program accounts for a substantial and increasing share of its overall training revenue, with an average revenue of over \$1 million during 2008-2012 – rising from \$730,000 in 2008 to \$1.4 million in 2012 (almost one-third of total training revenue). It is important to note that the number of participants in the Professional certificates/diploma program remained about the same during the period, at an average of about 960 persons per year. The increase in revenue is therefore attributable to the doubling in revenue per participant, from \$760 in 2008 to 1,455 in 2012. It is to be expected that the participants’ fee per course are higher in this program – owing to the longer duration of the courses. Also, the reasons for the increase in revenue per participant from 2008 are the 20% increase in fees, and the change in course mix that has increased the number of full-time students with the correspondingly higher fee income.

90. Because professional certificates/diplomas course are of longer duration – in some cases one year–access by participants from less developed countries is especially limited as they cannot afford the accommodation and other expenses of living in Cairo for an extended period.

The Business Model

91. The business model for the professional certificates activity is substantially different, in several ways, from the other ARADO training activities, as summarized in Table 4 below.

Table 4: Professional Certificates Compared with Other ARADO Training

	Professional Certificate	Rest of ARADO
Participants’ employment	Private sector or seeking employment	Mostly public servants
Participant Selection	Self-nominated	Nominated by government training managers
Payment	Pay own fees	Fees paid by employer
Course length	Part-time (evening) Many weeks	Mostly one week, full time
Language	Mostly English	Arabic
Expected Outcome	Externally administered test or certification	Usually no test or certificate

92. The professional certificates business is subject to a stringent ‘market test’ because the participants have to pay their own way and there are many alternative sources of similar

training in most ARADO member countries.¹⁹ This has the following major implication, among others.

93. To compete successfully with other providers, ARADO needs to demonstrate the effectiveness of its courses in preparing participants for the CMA and other exams. The unit has begun to collect data on how its participants fare when they eventually take the exams. ARADO had a very good record in 2012, with 31% of its course participants passing the exam, compared to 23% for Egypt and 18% for the region. (Source: ARADO and Institute of Management Accountants -- as reported by ARADO)

94. Since the CMA exams are offered several times a year, and people can sit them at any time, it is difficult for ARADO to keep track of its former participants' exam outcomes. Indeed, ARADO lacks information on 15% of its 2012 participants. Since former participants who fail the exam are less likely to report their results than those who pass, there is a risk of upward bias in the reported figures. ARADO has already devised techniques and incentives to keep tabs on former participants. These should be further developed with the goal of 100% coverage. It is also possible to envisage that the ARADO program might offer accreditation of similar programs in other institutions, or advise on obtaining such accreditation.

Recommendations

95. As discussed in Ch.II, ARADO is and will remain an organization with the primary mission to support public administrations but also a mandate to provide services to improve management in general. Thus, whatever other changes may be made on public financing for ARADO's public service activities, there will continue to be a need for substantial financing from non-official sources. Moreover, implementing some of the recommendations in this report will entail a revenue loss or additional expenditures – which will need to be offset. Accordingly, the main conclusion and *recommendation is that the Professional certificates/diploma program is the best candidate within ARADO to expand its activities on a purely commercial basis* – based on the success registered during the last five years and the competitive nature of its services.²⁰

96. Other *recommendations* are:

¹⁹ Note that this applies only to the professional certificates (CIA, CMA, CPA). Participants to the professional diplomas are all from the public sector, and the clients for the remaining activities of the unit are from either the public or the private sector.

²⁰ Such an expansion, and the need to assure eventual continuity, would justify creating the position of assistant manager for the unit, as well as strengthening the cooperation with the marketing unit.

- ARADO should conduct a rapid internal assessment of the scope of training under this program compared to the scope under the courses program, in order to ascertain the extent of possible duplication and overlap, and correct it if and as needed.
- ARADO should expand the number of professional certificates/diploma courses delivered in less developed countries, as well as explore possibilities for online delivery to participants in those countries of its major certificates and diploma courses – particularly in accounting and human resource management. (This online training should be based on recent international experience, integrated with the broader use of online training recommended in the ICT section of Ch. IV, and mindful of the requirements and risks emphasized earlier).
- Given the recommendation for the program to function on a purely commercial basis, the delivery of certificates/diploma training to less developed countries should be financed through an adequate and transparent transfer to the program from ARADO’s general budget.
- While it is gratifying that ARADO participants are more likely than the regional average to pass their exams, a quick study should be conducted to compare the overall profile of ARADO participants with that of other training entities (to the extent permitted by the available information, since some information may be proprietary).
- For robust quality assurance on the content of its courses and competence of the trainers, and to make further improvements, ARADO needs reliable feedback from participants on *specific* aspects of the certificates/diploma course. The Unit has already developed a participants’ feedback instrument different from those used for other ARADO training, and performs analysis of the data. This instrument is effective, but the following modifications would further improve it:
 - The current response scale generates biased results because it offers three favorable but only one unfavorable options. It needs to be more balanced, preferably by eliminating one favorable option and adding an unfavorable one.
 - The term “average” should be avoided, because participants will have a different perception and experience of the meaning of “average”. A better option would be: Very good / Acceptable/ Mediocre / Poor.
 - Some of the current questions are likely to generate ambiguous responses. For example, to the question “Was the amount of time adequate?” A “no” response does not reveal whether the time was too long or too short. A better alternative would be: to ask “Was the amount of time too long/About right/Too short?”

Conferences/seminars/workshops

Main findings

97. The interview basis of the assessment of this category of activity is less extensive than that of the other categories. When the subject was raised during the country visits only about

a dozen interviewees (most of whom were high-level officials) had direct experience with participation to ARADO conferences and expressed clear views. However, the interviews with the ARADO managers and staff concerned with designing and conducting conferences and similar events were very informative. Also, the relevant financial data were assembled and analyzed, the distribution of speakers/trainers examined, and additional information was gleaned from the participants' survey (discussed earlier). We feel a reasonable degree of confidence in the observations, conclusions and recommendations presented below.

Financial aspects

98. As shown in the analysis of revenue and expenditure in Chapter IV, events under this category have generated a significant proportion of ARADO's revenue (about 14 percent over 2008-2012), although less than half of the revenue from standard courses. The situation is reversed for the number of participants, with attendees at conferences/workshops totaling 15,823 during 2008-2012, or almost half the total of 34,367 participants in all categories of training. The obvious reason is the shorter duration of conferences/workshops/fora, typically three days. Correspondingly, the average revenue per participant to conferences/seminars was the lowest of the four major categories of training – less than \$300 compared to the \$1,162 average per course participant, \$1,455 per certificate/diploma participant, and \$592 per IT/digital library participant.

99. Also, conference/seminar/workshop revenue fell from its high of \$1.1 million in 2008 to \$839,000 in 2012, as proportionally so did the average revenue per conference participant, from \$331 in 2008 to \$274 in 2012. It is not clear whether this decline was a result of the political and social uncertainties from 2011 in Egypt, where many of these events are organized, or also of other factors. Still, the revenue from conferences/seminars/workshops has generally covered the direct operational costs. In any case, this component of ARADO's programs cannot be assessed only or even mainly in terms of revenue mobilization – indeed, some conferences could justifiably be run at a loss, as has been the case, particularly when the event is addressed to problems of less developed countries. The conferences/workshop/seminar activity must be evaluated in terms of its potential impact on the long-term administrative effectiveness of Arab countries. However, such impact can only become visible over the long term; moreover, the assessment is also complicated by the heterogeneous nature of the conferences/ workshops/seminars category. The observations below are therefore limited to issues of relevance, focus, and event quality as perceived by the (few) interviewees.

Relevance

100. Perusal of the ARADO conferences/seminars/workshop programs reveals high diversity of subject matter. At least judging from the titles, a few event topics appear unrelated or only tangentially related to administration (especially public administration). Examples include the workshop on real estate project risk management (Sharjah, January

2012) and that on managing business e-marketing campaigns (Sharm-el-Sheikh, February 2012). However, the large majority of events have direct and demonstrable relevance for administration and government services. One may single out in this respect the series of meetings on administrative practices, and the workshop on government performance measurement (Kuala Lumpur, September 2012). Recent events have also included novel and important topics, such as the role of social networks in supporting e-government (Dubai, September 2012), and the management of public opinion poll centers (Tunisia, May 2012) -- topics which are at the cutting edge of the government adjustments required to improve the provision of public services.

101. Also of substantial relevance appear to be the frequent gatherings of Arab public administration managers and professionals, e.g., the one on the legal and regulatory framework to combat corruption (Istanbul, July 2012). Finally, major conferences on subjects of central importance to public administration have figured prominently in the ARADO program. Signal examples are the health conference, well attended and almost universally praised, and the annual conferences on good governance, which suddenly acquired much greater prominence after the events of January 2011. Twelve such governance conferences have been held, and a thirteenth is planned for December 2013. The final statement of the 12th conference (Cairo, September 2012), while still generic, contained a forthright condemnation of unaccountable government and narrow power networks, as well as a welcome endorsement of the importance of civil society participation.²¹

Quality

102. The interviews with the ARADO managers, advisors, and staff concerned revealed a high sense of commitment and professionalism in designing and conducting the individual events, but – echoing a general finding of this evaluation -- a lack of unifying themes, weak inter-sectoral cooperation, and little systematic programming (except for the repeated annual conferences).

²¹ Judging from the Tentative Concept Note, there is a risk that the 13th Conference will return to the generalities of earlier years. The intended coverage is immense and a sense of priorities is lacking. It is very difficult to imagine how three days of discussion can produce actionable recommendations on “how internal and external factors of policy-making influence sustainable outcomes”, or “the optimal structures within governments”, or “how to crystallize a clear view, at the organizational and political levels, for the contemporary issues of governance, public administration and policy, along with analyzing the causes of the weaknesses of state entities [etc.]...”. Long experience by international development institutions and others have shown that without an *actionable focus* such all-encompassing events produce no impact and are, at best, an interesting experience for participants and, at worst, a waste of resources and a source of frustration. The plans for the conference also reveal a certain lack of familiarity with the extensive literature and practice in the area, posing such questions as “how to build national governance indicators”, or “score cards on essential public services” – when in both cases there exists a plethora of such indicators and scorecards developed over the last two decades. (See, for example, Hazel McFerson, “Measuring Governance: By Attributes or by Results?”, *Journal of Developing Societies*, June 2009.)

103. We cannot comment on the individual qualifications of conference speakers/trainers, but note that their geographic profile is somewhat more diversified than in other ARADO activities. As Table 5 shows, the largest nationality accounted for only 15 percent of speakers/trainers, and the four “top” countries accounted for fewer than half of the total. Also, at 10 percent, speakers/ trainers from the Maghreb are somewhat better represented than in the ARADO courses (and a much larger proportion than participants from Maghreb countries). It is of concern, however, to see such low participation by non-Arab speakers/trainers. Cross-fertilization of ideas and exchange of experiences among Arab administrators is a key objective of the program, but another key objective is to learn from international experiences. This cannot be done if only one in fifteen speakers/trainers is from outside the region. That travel costs from outside the region are higher is true, but does not invalidate the point.

104. Of the respondents to the participants’ survey, 34 percent had attended a conference, forum or similar event – a proportion second only to the 42 percent who had attended a standard course.²² It can be inferred from cross-tabulation with the overall participants’ survey results that almost 70% considered the conference/forum event somewhat or very informative and somewhat or very interesting, with a smaller majority of about 60% viewing it as somewhat or very applicable to their work. (These findings are consistent with those from ARADO’s own surveys.)

105. The comments from country interviewees (almost all who commented on this topic were high-level officials), were also favorable, but problems were pointed out. In one group interview, participants found the papers presented to have been of low quality. In some cases, the recommendations had been prepared before the conference even began and were read out on the final day without any discussion. A senior official who had attended many ARADO conferences said that they were not structured to allow for transmission of experience between countries: “ARADO should facilitate learning between the more and less advanced countries, but instead they just hold a conference, people talk, *halas*.” Two contrasting opinions may illustrate. Referring to the one major conference, one attendee stated: “This was one of the most interesting and important gathering I have ever attended. I will go to any conference that ARADO organizes.” Referring to another ARADO event, an attendee said: “I went in with good expectations but after two hours I just left. The level was elementary. I don’t have that kind of time to waste.”

²² Because the survey was distributed to the universe of participants to the various training events, and the number of attendees at conferences/seminars was larger than that of participants to training courses, the effective response rate was lower for former conference attendees than for the participants to other types of training. In view of the high number of undeliverable questionnaires, it is very difficult to estimate the true response rate and thus the statistical confidence level. Nevertheless, the response rate among conference attendees can be very roughly estimated at 6-8%, and the total of 110 validated responses from conference attendees is not negligible -- whatever its “true” statistical significance may be.

Table 5: Conference Speakers by Nationality, 2010-2012

Nationality	Number	Percent
Jordan	40	15
Egypt	37	14
Oman	27	10
KSA	22	9
Iraq	21	9
Libya	10	4
Sudan	10	4
UAE	10	4
Lebanon	9	4
Algeria	7	3
Palestine	7	3
Bahrain	6	2
Kuwait	4	2
Morocco	4	2
Tunisia	4	2
Yemen	2	1
Qatar	1	--
Syria	1	--
Other Arabs	23	9
Foreigners	16	6
Total	259	100

106. Overall, the available evidence suggests that the overall quality of ARADO's conferences/workshops/fora has been good and has improved during the past few years. In part, this is the result of focusing on the more important events, through the reduction in the number of conferences to just six per year. It also appears that the costs of attendance are not out of line with other organizations (again, taking into account the policy of discounting fees for participants from less developed countries.)

Recommendations

107. The transfer of knowledge among Arab public administrators, the provision of a systematic interface between the Arab countries and the rest of the world, and the creation of an enabling environment for open debate should be considered as a central component – possibly *the* central component – of ARADO's activities. For this reason, further attention to even higher quality is advisable: the quality of ARADO's conferences can and should be

among the best held in the region, and not just comparable to the average. For this, the organization has the priceless advantage of being the only pan-Arab regional organization in administration development, with a unique “convener role” distinct from and above the interests and particular concerns of individual governments and training institutions.

108. The following measures are intended as a way to aim for the much greater potential contribution that conferences/seminars/workshops can make to the positive evolution of the current political and economic upheaval in the Region, *if they are of the highest quality and designed around particular issues chosen in prior consultation with the participants themselves.*

109. It is **recommended** to focus the future conference/seminar/fora/workshop activity by:

- Consider measures to increase even further the quality and relevance of events, mainly by: (i) bringing in high-level speakers; (ii) assuring that papers presented are directly relevant to major public administration issues of current interest and are of the highest quality (whether synthesis or analysis); and (iii) contracting an external peer reviewer expert in the subject matter to review, comment and advise on the draft papers to be presented.
- Expand the brief encounters for high-level policymakers – using the successful “Round Table” model, and with participation by world-renowned speakers;
- Design the gatherings of Arab public managers around concrete issues of common concern (as defined by the managers themselves), and program those gatherings in consultation with them for a period of 3-4 years in advance (subject to annual modifications and/or updating);
- Similarly, focus events that assemble public administration training institute leaders around current topics chosen in advance by the leaders themselves;
- Hold one single annual conference for top government civil service or administrative officials, on the same date during the year, on recent best/worst experience in public administration, with participation by genuine experts from outside the region; ²³
- Refocus the important governance conferences on some actionable aspects or one specific major governance issue for each event; and

²³ The open “digital forum”, and the “correspondents network” suggested in the ICT section of Ch.IV can generate ideas and practical illustration for use and debate at this conference.

- Expand partnership with international institutions – primarily the Islamic Development Bank, the World Bank Institute, the African Development Institute, and the OECD Public Management directorate (PUMA) – with possibly joint organization of conferences, building on initiatives already taken by ARADO in the past.

110. It will be a major undertaking for ARADO to conduct the requisite consultations and assemble a robust multiyear program along the above lines. It will thus not be advisable to expend time, energy and attention on peripheral events, which should be discontinued. (The revenue loss will be minimal; see Table 15 in Ch.V.) In any case, quality is a must – one bad experience, in which the attendees know more about the subject than the invited “expert”, can do more damage to ARADO’s image and external propensity to support the organization than ten good experiences.

111. All this will take money. The fees commanded by high-level regional and international experts reinforce the recommendation to focus on fewer, highest-quality events, and obtain from other international organization genuine expertise by jointly organizing conferences and similar events. In any event, travel and accommodation costs are generally higher than the fees for the speakers. (Recommendations on financing are provided at the end of this report.) Judicious expansion of collaboration with other public institutions may help substantially to cover the additional costs associated with highest-quality events.

Consultancies and Entrepreneurship Services

Consultancies

112. In the past, ARADO has had an active consultancy practice, with more than 200 contracts between 1969 and 2007. There was a hiatus after 2007, with no consultancies in 2008, 2009, and 2010. Since then, consulting has resumed but has generated a relatively low \$684,000, of which more than half from a single IT consultancy contract in KSA, and a further quarter from one in Iraq. Excessive fees do not appear to be the reason for this disappointing performance, and ARADO’s gross profit of 35% is in line with international consulting firm standards. The compensation structure for the experts, while on the low side, is also workable (although it will need to be updated -- as recommended in the Human Resources section of Ch. IV) -- especially if the profile and quality of consultancies is to be substantially raised). Finally, the limited feedback received on the quality of the recent consultancies has been very favorable. In our view, the main reasons for the failure to expand ARADO’s consulting activity are the lack of clear focus and the extremely limited internal capacity – with the unit consisting only of the senior manager and one assistant.

113. This line of activity should be central to ARADO’s mandate. Despite the limited results so far, there is a substantial upside potential. If, and only if, the scope of ARADO’s consulting is clearly focused on selected major aspects of public administration (e.g., public

service delivery) the organization could develop a significant market niche – easily generating in due course several million dollars of annual revenue on a regular and sustained basis, and producing positive impact on administrative effectiveness in the member countries. This potential cannot materialize without building the capacity to deliver consistently good quality consultancies.

114. The basic problem, as it was before 2007, is the lack of internal capacity in the substantive areas of public sector management. In established consultancy firms, e.g., McKinsey, Towers Perrin, Pilat, Booz Allen Hamilton, etc., business developers explore opportunities, local representatives do the initial needs assessment and scoping, and in-house experts then develop a technical proposal. If accepted and as agreed with the client, these experts constitute the final project team and, if the skills are not available in-house the firm collaborates with other firms or independent consultants. However, even in a small and tight organization which relies almost entirely on hiring external expertise on an ad hoc basis, a minimum critical mass of internal substantive expertise is required for efficient scrutiny and hiring of the right experts, their oversight and quality control. We are not aware of any successful consulting organization that operates with only the director and one assistant.

115. The current head of the unit at ARADO is a highly experienced training professional, who could lead the unit to a major expansion – but cannot do it alone. Moreover, a pool of tried-and-tested experts of the highest level needs to be identified and their general interest in collaborating ascertained. Also, a successful consultancy activity requires sound and up-to-date norms and operational procedures; the current regulations date back to 2007 and are highly generic.

116. Most importantly, as any successful consulting firm, ARADO should define its particular niche, specialization and comparative advantage. Among the possible areas of specialization, two appear to be paramount for both impact and revenue potential: (i) consultancies to advise and support the development of capacity of national training institutions in less developed countries (in close collaboration with ARADO's training managers); and (ii) consultancies to provide accreditation of diplomas and training programs, and/or advise on how to achieve such accreditation or certification if a process is already established (in close collaboration with the professional diplomas and certificates unit).

117. Accordingly, it is *recommended* to:

- Appoint a small internal task force, reporting to the Director General, to: (i) define the areas of specialization of ARADO's consulting activity, including among other things capacity development for national training institutions and facilitation of certification of diplomas and other programs; (ii) draft – in consultation with the appropriate officials of the member governments -- new specific norms and procedures to guide

ARADO's consultancy activity, and (iii) present the proposed areas and procedures to the DG for approval and subsequent endorsement by the Executive Council.

- Hire at least two experienced persons to support the manager – either on renewable fixed-term contracts or possibly on secondment from another organization -- one expert in the “numbers” aspects of public administration (e.g., public financial management) and the other in e-government and public service provision. Because experience shows that even consulting entities that rely almost entirely on external expertise need a minimum critical mass of internal substantive expertise, the first requirement would be to support the current manager by hiring two persons with genuine expertise and experience – respectively in the “numbers” aspects of administration, and in e-government and public service provision.
- Plan and implement a sustained effort at mobilizing potential clients, resting on ARADO's comparative advantage as the only cross-border, pan Arab institution.
- Consider outreach efforts to engage in subcontracting for larger and well-established international consulting firms.

118. To build sufficient internal consulting capacity would require a significant upfront investment – including in marketing and dissemination. However, ARADO would not have to scale up from a standing start, because of its track record in this area (albeit thin), its location, its reputational advantage, and the excellent physical facilities and equipment whose utilization would carry a very low marginal cost. If ARADO is not willing to make the substantial effort required to have a chance at breaking into this crowded and highly competitive field, it would be better to suspend the consultancy activity altogether until such time when the effort can be made. It harms ARADO's image in the Region to incur repeated failures to obtain sizeable contracts and undertake minor retail consultancies.

Entrepreneurship services

119. The motivation of creating the equivalent of a “small business administration” to provide technical assistance to new small private enterprises, particularly family businesses, is praiseworthy, but ARADO has neither the institutional competence nor any comparative advantage in this activity.²⁴ Indeed, this area of activity is a good illustration of how far afield ARADO has moved away from its primary mission.

120. None of the interviewees with whom the question was raised were aware of the existence of this activity, and the current volume of activity is very low. The team does not

²⁴ In particular, a public organization has no special competence to “promote the concept of entrepreneurship among Arab private sector organizations” – the first “strategic objective” listed for this line of activity.

advise making any effort to attempt expansion. By contrast with consultancies in the area of public administration, ARADO has neither an actual nor a potential comparative advantage in the area of entrepreneurship services, which, moreover, does not fit ARADO's primary mandate nor is it a potential source of revenue.

121. While the recommendations in the other areas of ARADO activities have consisted of modifications within each activity -- expanding certain aspects and reducing involvement in others -- the team believes that this particular line of activity should be phased out, considering the necessity for ARADO to develop a better-defined strategic focus.

Publications, Research and Studies

122. ARADO lists separately the Publications activity from that of Research and Studies. However, no in-house original research and studies have been done in recent years, with the exception of studies on the quality of training. This is not a criticism – on the contrary, ARADO should not attempt to be a mini-university. The main role of ARADO in this area is to intermediate, serving as a bridge among Arab countries and between them and the rest of the world. It is recommended to bolster the publications program – in the manner recommended below and in other ways – and not dedicate resources to original research/studies, while retaining the valuable translation activity.

123. The publications program has produced annual gross revenue of about \$600,000 on average during 2008-2012, albeit with a sharp drop in 2011 and 2012 from its high of \$921,000 in 2010 (mainly associated with the unsettled situation in Egypt, which prevented the holding of book fairs). Although the current ARADO financial system does not permit full estimation of the expenditures associated with the program, the revenue has covered most of the direct costs. In any case, there is evidence of reasonable cost control, and the issue here, as in the case of conferences, is not “profit”, but impact on administrative development.

Books

124. Several books have been published by ARADO during 2008-2012. The process of eliciting book proposals, evaluating and reviewing manuscripts and publication is orderly and meets standard practice. From perusing the book titles, although some are more relevant to the non-government sector, several appear appropriate to ARADO's primary mission – especially those on such critical public administration issues as *E-governance as a Tool for Democracy and Cultural Development* (by M. Al Thari), and *Modern Trends in Public Budgeting: Comparative Arab Experiences* (by Emad Abu Shanb).

125. The surveys of opinion were distributed to all six book authors and all six book referees. Only two authors and two referees responded. The authors as well as the referees had a generally positive view of the process of considering book proposals, reviewing and

revising book manuscripts and the steps leading to publication. The two authors were very negative about ARADO's marketing and dissemination efforts, with one stating that neglect of dissemination goes "to the point that when [the book] is requested from universities...it is not available even though the universities have included that same book into their curriculum". (See Annex 4 for details.) These opinions are merely illustrative, owing to the very low number of respondents, but may deserve some attention from ARADO.

126. The overwhelming majority of referees for both book manuscripts and AJA articles are Egyptian. This does not necessarily raise a quality assurance issue, considering the wealth of academic talent and expertise in Egypt. However, some diversification appears advisable, to bring in persons with substantial experience beyond Egypt. (The modest amount paid should not be an obstacle, since most book manuscript referees are academics, who consider such work as part of their scholarly activities and adding to their status as scholars.)

Journals

127. The *Arab Administration News* is a quarterly bulletin, which includes the latest news on issues related to management and administrative development regionally and internationally. It also publishes articles by management specialists from all over the Arab world. It provides a review of main Arab and international conferences on management and economics, as well as ARADO's news and latest activities. It could be used more systematically as a targeted vehicle for better and clearer communications on ARADO activities, consistent with the recommendations for improved communications with countries made in the Training section of this chapter. The newsletter could also be a good vehicle for publishing selected contributions from the "good-practice correspondents network" recommended in Ch.IV. The introduction of these or other uses of the newsletter should be closely coordinated with the marketing office.

128. *Edara* (Management) a magazine launched in 2009, is also a quarterly, with a section in English. It calls for papers from eminent persons, with short articles of up to 2,000 words on topics of general management interest. It is a handsomely produced magazine, distributed to Arab leaders from both public and private management, and also distributed to hotels and other establishments. Distribution is free, but Edara but produces revenue from advertising.

129. The *Arab Journal of Administration* (AJA), a peer-reviewed semiannual journal, is ARADO's main scholarly periodical. Based on a perusal by the team of some recent articles, the quality of manuscripts accepted for publication appears good. However, it was not possible for the team to assess the reputation of the AJA by the generally accepted metrics, as for example the journal ranking according to the number of citations in the Journal Citation Reports because the AJA is not included among the journals surveyed by the JCR. The AJA

is included in one of the major listings of scholarly journals but not in others.²⁵ Indeed, a potential reader without prior knowledge of ARADO and its website would find it difficult to even discover the existence of the AJA. Few things can enhance the reputation of an organization as much as a respected scholarly journal -- but people need to be aware that the journal exists, in the first place.²⁶ This again raises the issue of neglect of marketing and dissemination.

130. The survey of article authors was sent to all 38 authors, of whom 16 responded – for a statistically representative 42% response rate – the second highest rate after that of the employee survey. The survey of article manuscript referees was sent to all 34 referees, of whom 13 responded, for a statistically representative 38% response rate – third highest of all seven surveys. (See Annex 4 for details.)

131. Two thirds of authors of articles submitted for publication state that the manuscripts are reviewed and responses received in less than three months, and manuscript accepted are published within six months -- very fast in comparison to other scholarly journals. Almost all authors view the referees' comments as good or excellent, and two thirds of authors view as excellent the quality of the overall publication process and of the analysis -- and consider the AJA better than other scholarly journals.

132. Most referees consider that their publication/rejection advice is generally followed; all of them state that they were given enough time to review manuscripts; and all except one would accept new ARADO requests for reviewing article manuscripts. Two thirds consider that the process and quality assurance are excellent, and that the AJA compares favorably to other scholarly journals. (The fact that article referees receive some compensation does not, in our view, have a material influence on the opinions expressed through the survey.)

133. The evidence is that the process leading to publication and the scholarly quality of the published articles are satisfactory or better. The rejection rate of almost 50% is lower than that of major international journals in public administration but demonstrates adequate selectivity. The issue is the impact of the AJA on administrative development.

134. The AJA masthead states that the journal is “specialized in administrative development and related disciplines”. This is in fact not the case. It may be normal to have some articles on private sector topics, but not the very large majority, as in the AJA. Only

²⁵ The AJA is included in the list of periodicals in public administration of the International Association of Schools and Institutes of Administration, but is not found among the almost 900 journals in the PAIS International Peer Reviewed Journals List (which however does include the Arab Journal of Administrative Sciences, published by Kuwait University.)

²⁶ It is less difficult to find references to the AJA in Arabic. However, if ARADO wants to scale up its impact, in part through international recognition, it will have to make sure that its products are easily available in English, as it the reality for any organization in most countries.

about 20% of AJA articles are in public administration topics, and perhaps another 10% are in topics loosely related to public administration. Fully two-thirds of articles published in the AJA are on strictly private sector subjects (e.g., an applied study on the effects of leverage on corporate returns). For a relevant comparison (not “benchmarking” in the technical sense), the internationally top-ranked *Public Administration Review* publishes almost exclusively articles directly relevant to issues in governance, government management, and the public sector, and so also do the other major journals in administration, such as the *International Review of Administrative Sciences*, *Public Administration and Development*, *Administration and Society*, and others. Even by the most expansive interpretation of “related disciplines” the relevance of the AJA to actual problems of government and the public sector in the Arab world is very low, and far lower than the 85% implied in the Executive Council guidance. Not only is this not normal for the main journal of an organization like ARADO whose primary (although not exclusive) mission is on development of public administration, but it is hardly relevant to the burning administrative issues facing the Arab world and its governments today.

135. Moreover, the impact of the AJA is by definition limited by the fact that the AJA is not included in the main listings of scholarly articles in the field. Yet, if the AJA were to implement the promise on its masthead, addressed important topics relevant to the critical administrative issues of these times, and were better publicized, it could potentially become the premier journal on public administration in the Arab world and on Arab issues and thus make a significant contribution to administrative development in the Arab world, in addition to substantially enhancing the reputation of ARADO.

The Digital Library

136. The Digital Library is ARADO major repository of Arab and international intellectual contributions to public administration management and related fields and, as such, is part of the overall scholarly and dissemination function of ARADO. Since its establishment, it has made a significant and increasing contribution to the organization’s revenue, up to \$650,000 in 2012. The DL and the application of e-Government linkages and on-line training, have real potentials of being primary vehicles for sharing experiences and enhancing coordination among Arab administrations, as discussed at greater length in the Information and Communications Technology section of Ch. IV.

Recommendations

- Re-center the AJA around publication of articles directly related to public administration, i.e., governance, public financial management, social service delivery, expenditure programming and budgeting, civil service issues, organization of government, decentralization, civil society participation, etc.

- Focus on synthesis articles rather than original analysis.²⁷ (Acquiring a reputation for readable syntheses of important current topics can put the AJA “on the map” faster than almost any other initiative, and generate substantial impact.)
- Conduct an outreach effort at disseminating the change in editorial direction and calling for papers -- both within and from outside the Region -- on topics of direct relevance to Arab public administration, and engage more actively with ministries and other public bodies to direct their attention to “the new AJA” and disseminate to the right beneficiaries.
- Seek to diversify the authors and the pool of manuscript referees, while maintaining quality -- with an affirmative effort at identifying and using referees from other countries in the Middle East and include referees from the Maghreb (which has proven possible in the case of conference speakers/trainers). With today’s email communications, the cost of such diversification would be minimal.
- Explore how the AJA can be included in the major journal registries and citation reports.

The Awards Program

137. The Awards Program comprises the Kingdom of Saudi Arabia Award for Environmental Management; the Sharjah Award for best doctoral thesis in Administrative Science in the Arab region; and the Local Government Excellence Award, for local administration.

The Award for Environmental Management

138. The area of public regulation for environmental protection falls within the broad definition of public administration. Thus, the award given to the research on river management strategies in developing countries is germane to the ARADO mandate. Other topics do not appear closely related to environmental *management* – e.g., the treatment of a galvanization effluent via the conversion of sodium cyanide.

139. It is difficult to find online official notifications or mentions of this particular award with a search in English, probably owing to the huge number of such awards worldwide, and what information is published is on the website of the awardee, e.g., the Gulf Petrochemical Industries Company, which received the award in 2008. While it is easier to find the awards

²⁷ As, for example, the widely read Journal of Economic Literature.

in Arabic, exploiting the reputational advantages of the awards for ARADO suggests a need for assuring a successful search in English as well.²⁸

The Sharjah Award

140. A similar consideration applies to the Sharjah Award, introduced in 2001. While the 2011 award was given to a topic relevant to public administration (“The Role of Academic Libraries in Supporting Distance Learning in Saudi Higher Education”), the awards in the other years were given for research remote from any of the central issues in public administration – such as software piracy, and the like. One of the websites notes that the award is given for either public administration or business administration. However, the majority of awards were given to theses in business administration. Thus, the two most recent winning theses were on electronic banking services, and on corporate finance and capital structure. ARADO is neither a business school nor an association for the advancement of for-profit private companies. While one can always make an argument that *any* serious research has a connection to administration, the connection ought to be both direct and significant if it is to fit ARADO’s primary mission.

141. The award is well covered in easy-to-find websites, but no mention of ARADO has been found.

The Local Government Excellence Award

142. This award, recently launched, is intended to raise administrative awareness and social responsibility in the Arab local bodies; disseminate the spirit of competition towards development and excellence in performance; encourage the search for creative solutions; and promote Arabic research, studies, and translations in the field of local administration. The online coverage is friendly and ARADO’s contribution is adequately recognized. The Award is too recent to permit any assessment of results, but its coverage is appropriate and the administrative issues are of great importance.

Conclusions and Recommendations

143. The award process appears transparent and sound for all three Awards, involving a technical committee, referees and a jury to screen submissions and recommend the awards.

144. Several of the topics selected for awards under the Environmental Management and the Sharjah awards appear to have little relevance to administration, and it would be appropriate, with all due respect to the sponsors’ wishes, to encourage the committee to pay more attention to the problems of government management in these areas.

²⁸ The entry mentions ARADO but with an inaccurate translation in English, making it difficult for the uninformed reader to attribute the credit to ARADO.

145. ARADO's hosting of these awards is good for its reputation and recognition. An awards program can be important to expand knowledge of ARADO and its activities, burnish its reputation, and raise its profile in the Arab world. However, the first requirement is that persons not already familiar with the organization or with the particular award should be able to find out about ARADO's involvement in the first place. There is a need for better dissemination of these awards as, according to country interviews, potentially interested persons are not aware of them or know them only by coincidence. From the experience of at least one senior public servant involved in arranging such awards in the government sector, they have a significant impact on the motivation, contribution and performance of the employees concerned.

146. It would be helpful therefore to contact the awarding entities and other entities concerned (e.g., the University of Sharjah) to assure that their communications include regular mention of ARADO and its central role in the award, and request them to insert a web link to ARADO in their postings about the award.

147. Great potential impact could be achieved by exploring possibilities for a new award, squarely addressed to public administration (as it is normally understood – central government administration, subnational government administration, and the nonfinancial public enterprises.)²⁹ Such award should be given to research and proposals that are innovative and have a demonstrated potential for improving public administration effectiveness -- and the range of eligible candidates should be expanded to civil servants who have generated such proposals. Just as the Mo Ibrahim Foundation gives a very large annual award for a top political leader who has advanced the cause of good governance, ARADO could administer an annual award granting a very substantial prize to high-level civil servants who have generated or implemented an administrative practice that has improved a specific government service or process, or has the demonstrated potential to do so. The award could be given as the climax of a major annual conference, in conjunction with other events, publications and papers – all identified with both the award sponsor and ARADO.

148. It is **recommended** to initiate discussions with potential sponsors to launch an annual award for “Best Practice in Public Administration” and, if such discussions are successful, to launch the award process as soon as possible thereafter.

²⁹ The Executive Council made a similar recommendation.

IV. Assessing ARADO's Internal Processes

Organizational Arrangements

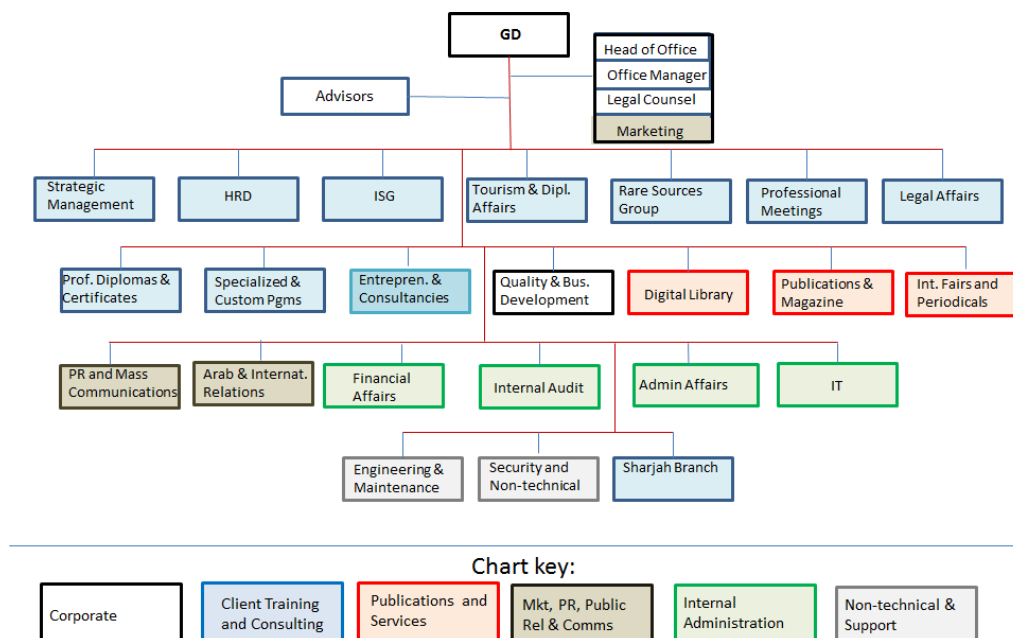
Findings

Organizational Structure

149. ARADO's current formal organizational structure includes only the permanent staff heading units and/or groups, i.e. approximately 11% of its total workforce. A new formal organizational structure was approved in 2011, but has not yet been implemented. ARADO therefore operates with a structure that includes 25 units (or if the DG's staff units are counted separately, 28 units) headed by a manager. All units report directly to the DG.

150. The current de facto structure represents a product-based organization, where each product (type of training, type of event, type of publication, type of communication etc.) has its own specialized Unit or Group. These Units/Groups work independently, in siloes, without any formal mechanisms to coordinate their offerings to clients or collaborate in producing content that is thematically coherent.

Figure 1: ARADO's Actual Organizational Structure



151. This type of organizational structure has several drawbacks. Even with the best and strongest direction from top management (the DG in this case), there is a *lack of coordinating*

mechanisms between independently operating product units/groups. This hampers, to varying degrees, ARADO's ability to:

- Communicate with its clients as one organization with one voice, which is a key factor of credibility among its clients;
- Ensure that its offerings of training courses, events and publications taken together effectively respond to the needs of different country and institutional clients, which, if not addressed, could result in less interest in ARADO's offerings and negatively affect long-term sustainability;
- Form productive and comprehensive partnerships with other learning institutions;
- Ensure that its various offerings in key thematic areas enforce and build on each other for better impact;
- Avoid duplication of efforts internally, thus potentially decreasing operational efficiency;
- Optimally focus its programming on areas most in demand or areas of comparative advantage, as each product unit/group strive to maximize their delivery and because resources are not interchangeable - thus risking to become overstretched by the number and diversity of activities; and
- Flexibly and proactively adapt its operations and offerings in response to changes in the external business environment due to the fact that each unit/group is "invested" in a specialized product.

152. The second drawback of the current structure is *lack of quality assurance of the substantive content of activities*. For example, many different types of training courses and events, such as conferences, workshops and professional meetings, may aim to advance better governance, but there is no formal mechanism or technical leadership, in the form of subject matter expertise available to the whole organization, to ensure high content quality and that these offerings are aligned and reinforce each other, thus resulting in more impact. (See also the Training section in Ch.III.)

153. The third drawback is of strategic importance to the organization's long-term health. The organizational structure is excessively flat, This puts a considerable burden on higher management. While this has the advantage of flexibility, it *hampers the delegation of responsibility and accountability* by bringing most decisions, however trivial, to top management attention. This slows down the decision making process and risks diverting top management's time and attention away from the critical functions of intellectual leadership, strategic direction, planning, programming, and financing. A stronger management structure does not need to produce a classic inefficient bureaucratic model, with duplicative layers of decision-making and dilution of accountability. When complemented with *clear definition of individual responsibilities*, *inbuilt collaboration mechanisms*, the right *incentives* for managers and staff and an open, inclusive *management style* -- the benefits of an agile, fairly

informal organization can be preserved, even enhanced, when stronger management structures and delegation of responsibility are introduced.

Organizational Culture

154. Certain features in ARADO's organizational culture have been observed through interviews and interaction with managers and staff and, to an extent, have been confirmed by the results of the Employee Survey (see Annex 4.).

155. ARADO's organizational culture, at working level, is characterized by a short-term perspective, in part fostered by the necessity to bring in revenue. This has been noted by several interviewees and, indirectly, through the responses to the employee survey. It underpins some of the problems described in the Training assessment, is particularly evident in the inadequate budgeting process (as explained in the next section), and has hampered the formulation of a coherent medium to long-term strategy.

156. The financing modality and the organizational structure of many small product units have also created a culture of competition between units. There is no doubt that this competition has contributed to the growth of ARADO's activities and revenue, but it has also been a factor in a less than optimal focus on client needs and in the overall stretching of ARADO's capacity. To a degree, such competition can be healthy and helpful in providing added incentives for units. However, if left unchecked by countervailing mechanisms for cooperation, it tends to accentuate the drawbacks of the organizational structure discussed earlier. Unless balanced by strong incentives for cooperation, internal competition also tends to result in "locking" resources in individual units, less sharing of information and data, unwillingness to work in teams and collaborate across units – thus reinforcing the "silo" mentality and reducing the effectiveness of the organization as a whole. (All of these issues were also highlighted by the Employee Survey.)

157. On the positive side, the Employee Survey results show that most employees are proud to work in ARADO, are eager to listen to top management on strategy and objectives, and are willing to give more to the organization. These very positive features of the organizational culture provide a strong indication that the less desirable cultural aspects can be changed through a conscious effort to *engage managers and staff* in creating a culture of "One ARADO". Such a cohesive culture will hold collaboration, coordination, team work and sharing of information and resources at a premium. "One ARADO" signifies an open, non-bureaucratic culture, where every employee has a voice and shares the common goals of the organization, and works in unison with others to achieve them. The most effective way to encourage such cultural change is to engage staff in defining a strong brand identity for ARADO, while putting in place specific mechanisms to reward collaboration and penalize hoarding of information.

Recommendations: “One ARADO”

158. The general conclusion of the evaluation is that ARADO’s organizational structure will need to be adjusted to address the issues discussed above and to enable scaling up towards more impact on the ground. Structural changes will need to be supported by major changes in other areas, primarily those flagged in the ICT section. The following key recommendations for adjustments emerge from the analysis and the findings.

- ***Establishment of a Management Team.*** It is necessary for ARADO, as for any well-managed organization, to engage its senior staff in *collaboratively managing* the organization under the leadership of the Director General, assisted by the Deputy Director General. An effective management team is the best vehicle for strategy formulation and adjustment, forward planning, coordination, communication and cohesive overall management of the organization. The membership would include the Heads of Departments/Units and the Executive Office. Specialized resources could be called in depending on the topics on the agenda, as needed. Sub-groups of the management team, chaired by the newly appointed Deputy DG, can be charged with specific tasks needing increased management attention at specific times.
- ***Management communications.*** Research suggests that downward communication is most effective if top managers communicate directly with immediate supervisors and immediate supervisors communicate with their staff.³⁰ A wealth of evidence shows that increasing the power of immediate supervisors by including them in regular communications with top management within a “leadership team” increases the engagement, satisfaction and performance of employees.³¹ It is therefore proposed that ARADO build on and enhance the current practice of meetings with the Heads of Unit. The broader meetings with all management staff would not be “decision meetings”, but have the objective of regular, informal and open exchange of management information with the view of disseminating such information, in turn, to staff in each unit in the regularly held staff meetings. This larger group would also hold the Management Review Meeting to calibrate staff performance in connection with the annual performance evaluation (discussed in the HR chapter – see also Annex 8 on a performance management framework). It would be expected that the managers participating in the “leadership team” inform their staff openly in regular staff meetings about topics

³⁰ Larkin, T.J., and S. Larkin 1994. *Communicating Change – How to Win Employee Support for New Business Directions*. New York: McGraw-Hill

³¹ Pelz, Donald C. 1952, *Influence: A Key to Effective Leadership in the First-Line Supervisor*, University of Texas. Roberts, Karlene H., and Charles A. O’Reilly III. 1974. “Failures in Upward Communication in Organizations: Three Possible Culprits”, *Academy of Management Journal* 17(2):205-225; and Jablin, Fredric M. 1980. *Superior’s Upward Influence, Satisfaction, and Openness in Superior-Subordinate Communication: A Re-examination of the Pelz Effect*. University of Richmond, Human Communication Research 6(3):210-20.

discussed, apart from issues that are confidential in nature, and that on issues of importance, top management follow-up by communicating with employees directly. Such open information-sharing will go a long way toward modeling a culture of “one ARADO”.

- **Country coordination.** The feedback received from client countries and institutions suggests strongly that more attention should be paid to systematically understanding the needs of the clients and the subsequent programming of country activities. This can be accomplished, as has been demonstrated in numerous successful companies and organizations – including the international financial institutions and their training arm -- by creating the role of “Country Coordinator”, and designating existing staff to fill it. The Country Coordinator would provide the single focal point *for the country* in ARADO that clients are asking for. S/he would handle the entire range of relationships with the client, help assess government needs, coordinate the programming for the country with the units designing and delivering the services, and manage the follow-up of ARADO’s activities by gathering feedback from participants and their institutions. This role would not at all preclude or hamper technical discussions between the various ARADO units and their client counterparts – on the contrary, it would facilitate and support such discussions by providing the framework within which they would be more productive. Large member countries would be served by one Country Coordinator, while countries where the volume of ARADO activities is small could be grouped together and served by a common Coordinator.
- **Country teams.** The effectiveness of the arrangement would be enhanced by creating an informal grouping for country coordination. “Country teams”, facilitated and led by the appropriate Country Coordinator, would be formed flexibly of staff from various product units working on training or other programmed events for a certain country. The country teams would meet periodically to discuss country needs, resolve emerging issues, exchange relevant information, etc. (The interesting suggestion has been made to associate to the country teams representatives from the government bodies responsible for public administrations issues. While a formal association would blur the line between internal operational autonomy and external concerns, interaction between the government bodies and the country teams, through the country coordinator, should be frequent and collegial. This would include, for example, regularly informing by email government counterparts of pending issues of concern to them and/or major conclusions of country team meetings, and requesting their informal comments and input.)
- **Thematic Content Quality.** One of the findings of the training assessment is that the quality assurance arrangements for participant satisfaction, logistics etc., are strong but quality assurance for the substantive content of ARADO activities needs to be strengthened. Substantial high-level expertise is already being provided by the current technical advisors, but complementary support and independent quality assurance are

required. It is recommended that ARADO obtain additional expertise in its key program areas. This expertise may be obtained by recruiting persons for fixed periods, or by identifying a pool of experts in the various sectors to provide systematic quality feedback, or by secondment from other institutions, or in other ways. These experts would provide robust and independent review in real time of the substantive content of ARADO activities, and would also contribute to the deepening and updating of ARADO's knowledge base. For this, they would work closely with the established Quality Assurance function, with the new country coordinators and with the training units. They would **also** contribute to augmenting the substantive internal capacity for the consultancy practice (as recommended earlier). Their role would need to be defined further, in consultation with the senior managers and advisors. (In any event, creating a separate R&D unit is not recommended.)

- ***Branding and Marketing.*** It is recommended that ARADO consolidate its external affairs, public relations, marketing, and communications expertise into one strong Unit. This Unit would work closely with the DG/DDG and departments/units in being the external voice of ARADO, ensuring a unified messaging around ARADO's strategy, programming and delivery plan, and being proactive in dissemination. This Unit would also lead the process of identity development and branding with staff and be responsible for internal communications.
- ***Human Resources Expertise.*** As explained in the later section on human resources and personnel management a focal point needs to be created to provide the specialized human resource management expertise currently lacking in ARADO
- ***ICT Coordinator.*** As explained in the later section on ICT, there is a need to designate a focal point in ARADO to coordinate and synchronize the generation and use of information.
- ***On Line Training Advisory Team.*** Again as explained in the ICT section, there is a need to create a small team specialized in supporting online training development
- ***Procurement Unit.*** Finally, as explained in the budget execution section, to improve the handling of procurement a separate Procurement Unit should be created in the Administration Department

Three Organizational Options

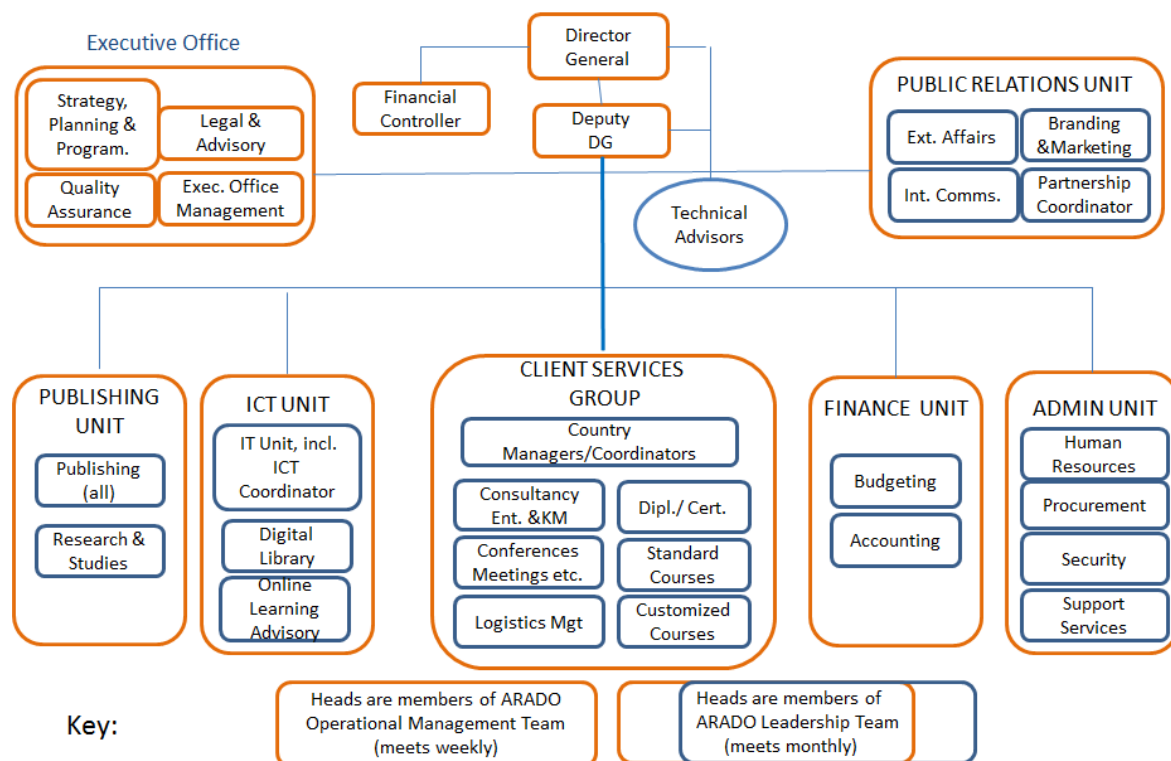
159. The team has developed three options for organizational renewal, for consideration by ARADO. The team believes that Option 1 is preferable, as it entails less change and has a lighter management footprint, but all three options respond to the issues identified with the

current operational arrangements and to the key recommendations – particularly the need for client focus, stronger coordination, and enhanced technical excellence.

160. It is important to emphasize that, while the DDG has a variety of managerial and supervisory responsibilities, it exercises them subject to the authority and responsible to the Director General.

Figure 2a: Options for Organizational Renewal

Proposed Organizational Structure: Option 1



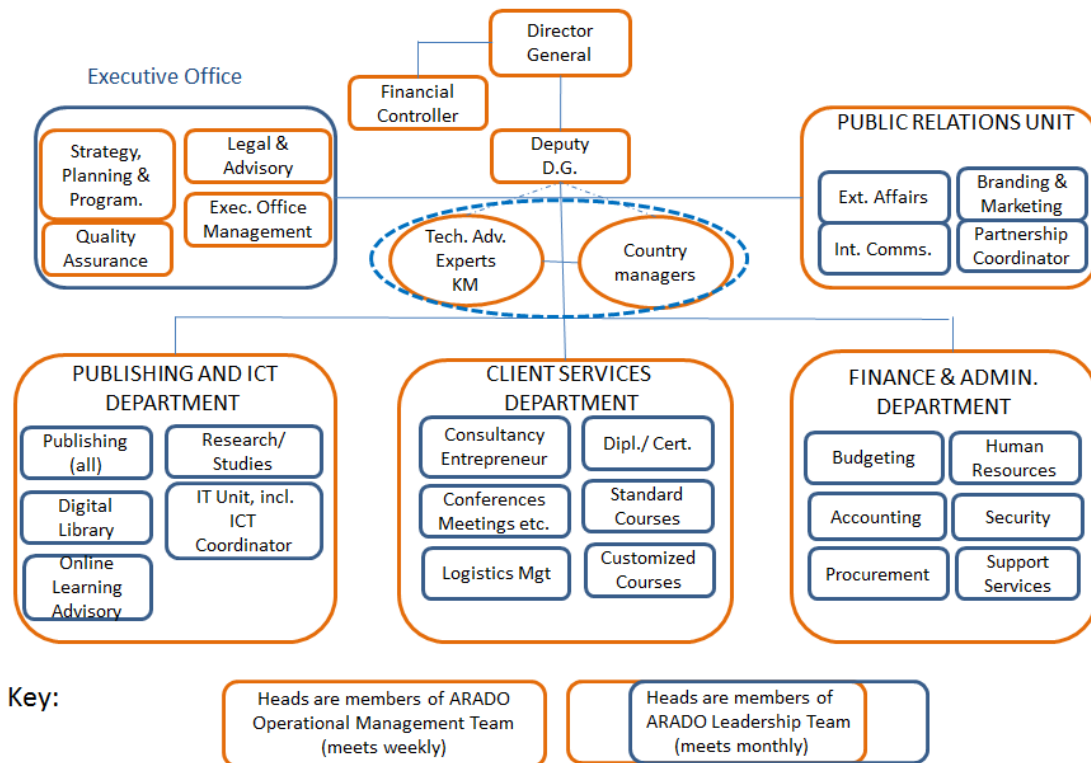
161. This option:

- Establishes a clear line management structure
 - Enables creation of an Operational Management Team
 - Enables creation of a Leadership Team for ARADO
- Provides for a strong client service focus by creating a Client Services Group under direct management of the Deputy Director General
 - Enables country programming, coordination and formation of Country Teams
 - Enables thematic coordination across all types of training and events in one Group, also provides for a separate logistics management function
 - Integrates consultancies and knowledge management – this unit can also house additional subject matter expertise for ARADO as a whole, as may be needed
 - Increases flexibility and effectiveness in resource use

- Ensures regular high-level attention to strategy, planning and programming and adequate support to the DG, the Deputy DG, as well as the Management Team through establishment of a small “strategy team” in the Executive Office
- Consolidates external relations, marketing, branding, communications and partnership functions into one Unit ensuring one voice and strong branding for ARADO externally, and improved internal communications
- Establishes a separate professional HR function
- Establishes an ICT Coordinator role and an Online Learning Team in the ICT Unit , and
- Establishes a separate Procurement function.

Figure 2b: Options for Organizational Renewal

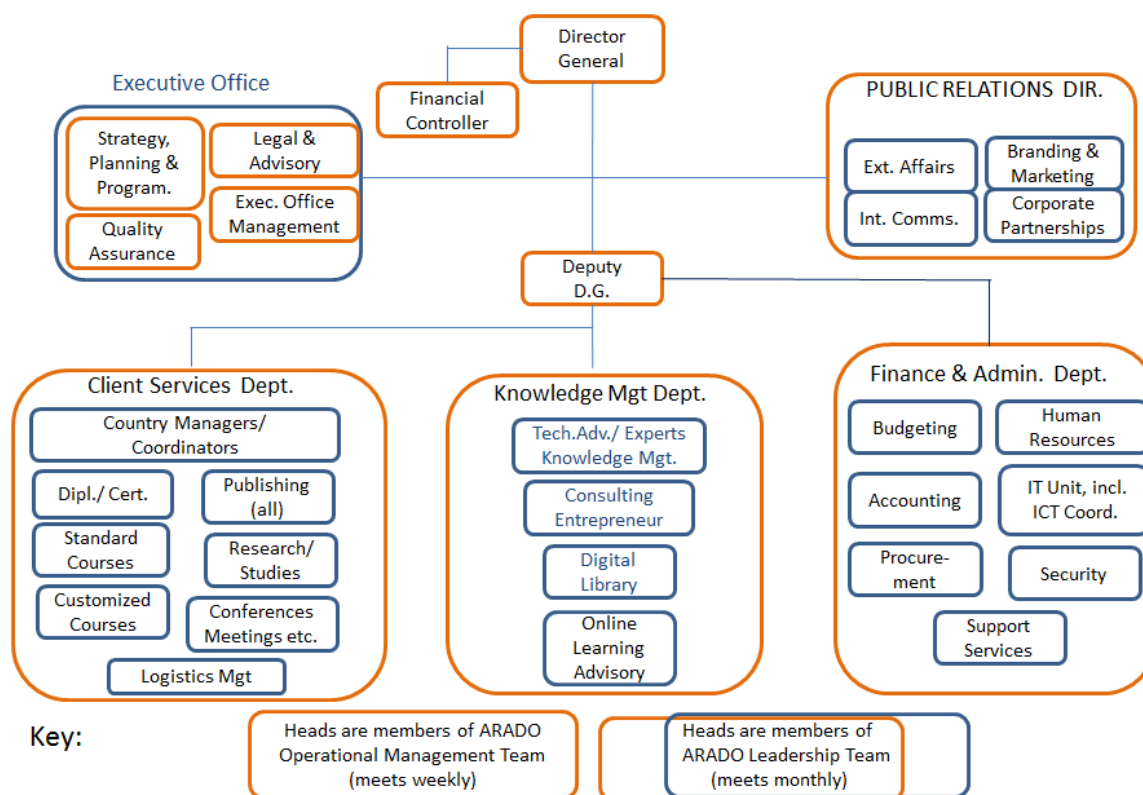
Proposed Organizational Structure: Option 2



162. Compared to Option 1, this option:
- Brings more change while it increases flexibility in resource use by consolidating line management into three departments
 - Further strengthens technical excellence, thematic quality and coordination as well as country coordination by establishing teams of Technical Advisors/Experts/seconded Fellows and Country Coordinators, both with a direct reporting line to the Deputy D.G., effectively forming a “strategic programming group” for ARADO.

Figure 2c: Options for Organizational Renewal

Proposed Organizational Structure: Option 3



163. Compared to Options 1 and 2, this option:

- Establishes a separate Knowledge Management Department to strengthen technical excellence and thematic quality assurance/coordination:
 - Houses Technical Advisors to advise Sr. Management and subject matter experts to work closely with Country Coordinators and the “product” units in the Training and Publishing Department
 - Strengthens thematic quality assurance and appropriate coordination of content
 - Enables knowledge management to build ARADO’s knowledge base, and
- Provides for stronger finance and administration under direct management of the DDG.

Implementation Planning

164. Regardless of which option is selected, careful implementation planning will be the key to a successful renewal of the organization. Such planning will need to incorporate a sequenced implementation plan, a road map that describes the milestones, the steps, their timing, the responsibilities assigned, with a particular emphasis on human resources processes supporting the implementation.

165. Implementation planning will also need to incorporate the softer aspects: a change management plan to engage managers and staff as well as concurrent activities for culture building, branding and leadership training in order to develop a management style that will make the change sustainable.

Programming, Budgeting and Financial Management

166. There are two milestones in this area. At the turn of the century, ARADO requested and received approval from the Arab League to charge for services and retain the associated revenue. This “self-financing” was supposedly limited to 80% of total revenue, with the remaining 20% provided by country contributions through the Arab League. Second, in early 2009, the Economic and Social Council created a committee with representatives of its affiliated organizations to put in place a Unified System (personnel, financial, and procurement) for all Arab League organizations except the two that are fully self-financed and have their own procedures.³² Although by then ARADO was de facto self-financing -- receiving only about 4% of its revenue from Arab League contributions – it complied and started applying the new Unified System on April 1, 2009 -- while maintaining its own procedures in the areas not covered by the new system. (The Arab League Financial Regulations are at Annex 7.)

Revenue and Expenditure Programming and Budget Preparation ³³

The Overall Picture

167. Table 6 shows in detail “planned” and actual revenue, and “planned” and actual expenditure during 2008-2012.³⁴ On the revenue side, it distinguishes the main categories of operational revenue from revenue not directly linked to ARADO activities. On the expenditure side, it is an adaptation of the standard economic classification of expenditure in a cash-based, line-item budgeting system. Data are from ARADO and in some cases estimated specifically for the purposes of this evaluation. Some adjustments and reconciliation proved necessary.)

³² The Arab States Broadcasting Union, headquartered in Tunis, and the Institute of Science and Technology at Alexandria.

³³ All data for this section are from ARADO. In several cases, they were assembled ad hoc following a specific request by the team. In some cases, the team made certain adjustments for consistency and readability. The format of the tables is the team’s own.

³⁴ The classification of revenue and expenditure was developed by the evaluation team. ARADO might wish to consider it for its future budgeting and reporting.

Table 6: ARADO: Revenue and Expenditure, 2008-2012

(Cash basis; in thousands of US\$) *

YEAR	2008		2009		2010		2011		2012		2008-2012		
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	% of Plan
REVENUE	2,000	5,762	2,400	6,565	2,400	6,996	3,800	6,111	3,800	6,918	14,400	32,351	224
“Own” revenue	1,650	5,591	2,000	6,456	2,000	6,765	3,400	5,853	3,400	6,632	12,450	31,296	251
Training		3,856		4,034		4,317		4,030		4,397		20,634	
Standard courses		1,968		2,050		2,145		1,479		1,600		9,242	
Custom courses		54		105		260		782		538		1,739	
Conferences/workshops/seminars		1,104		902		951		723		839		4,519	
Certificates/diplomas		730		977		962		1,046		1,420		5,135	
Consultancies **		68		32		38		48		299		485	
Publications/research/Book fairs		656		765		921		322		447		3,111	
IT & Digital Library		368		454		434		474		654		2,384	
Other revenue		643		1,170		1,055		979		835		4,682	
Rents received		1		707		759		698		555		2,720	
Interest received		0		14		7		26		121		168	
Capital revenue & miscellaneous		642		449		289		255		159		1,794	
Country contributions	350	171	400	109	400	231	400	258	400	286	1,950	1,055	54
EXPENDITURE	2,000	5,500	2,400	6,259	2,400	6,128	3,800	5,885	3,800	6,809	14,400	30,580	212
Salaries	727	719	916	2,377	926	2,249	999	2,179	1,182	2,670	4,743	10,164	214
Permanent staff ***	247	246	265	233	271	237	278	257	336	366	1,397	1,309	94
Fixed-term staff				1,570		1,424		1,281		1,482		5,757	
Other personnel costs	480	473	651	574	645	588	721	641	846	822	3,340	3,098	93
Operations				1,432		1,528		1,588		2,192		6,739	
Trainers/Experts fees				706		717		689		1,281		3,393	
Hotel facilities				422		438		575		455		1,890	
Travel costs				217		252		227		258		954	
Other operating costs				87		121		97		198		502	
Allocated expenditures ****	843	4,377	853	1,862	812	1,730	1,910	1,452	1,727	1,317	6,145	10,738	174
Administration and overhead	207	189	248	223	158	216	361	305	360	315	1,424	1,248	88
Rents	9	9	15	11	15	10	20	16	20	17	79	63	80
Travel costs	25	25	30	29	30	29	40	39	40	39	165	161	98
Communication	35	35	46	45	45	44	72	71	72	70	270	265	98

YEAR	2008		2009		2010		2011		2012		2008-2012		
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	% of Plan
Insurance and professional services	23	14	23	15	24	18	33	21	32	27	135	95	70
Utilities	23	20	31	30	31	28	50	44	50	39	185	161	87
Marketing and promotion	7	6	8	6	8	7	16	13	16	14	55	46	84
Supplies and maintenance	85	80	95	87	5	80	130	101	130	109	535	457	85
Fixed Assets	130	127	260	251	299	290	400	243	395	217	1,484	1,128	76
Other expenditures, n.e.c.	93	88	123	114	125	114	130	118	136	128	607	562	93
BALANCE	0	262	0	306	0	867	0	226	0	109	0	1,771	
Memoranda:													
Country contributions/Total revenue		0.030		0.017		0.033		0.042		0.043		0.033	
Salaries+operational+allocated Expenditure/Operational revenue		0.91		0.87		0.81		0.89		0.93		0.88	
Admin. and overhead expenditure/ Operational revenue		0.034		0.034		0.032		0.052		0.047		0.040	
Reserves (US\$ thousands; end of year)		2,041		2,434		3,388		3,693		3,880		3,880	

Source: Adapted and reclassified by DPMG Team from data provided by ARADO.

* ARADO's system is a variant of modified cash accounting. The data have been adjusted to reflect actual cash receipts and expenditures.

** Includes "Best Practice"/Business Leadership" (Entrepreneurship Services).

*** Base salaries only; other compensation included under "Other Personnel Cost".

**** These are reallocations to Ch.7 (Activities) of amounts over-budgeted in other budget chapters, and thus part of expenditure on Activities.

The Revenue Side

Overall developments since 2000

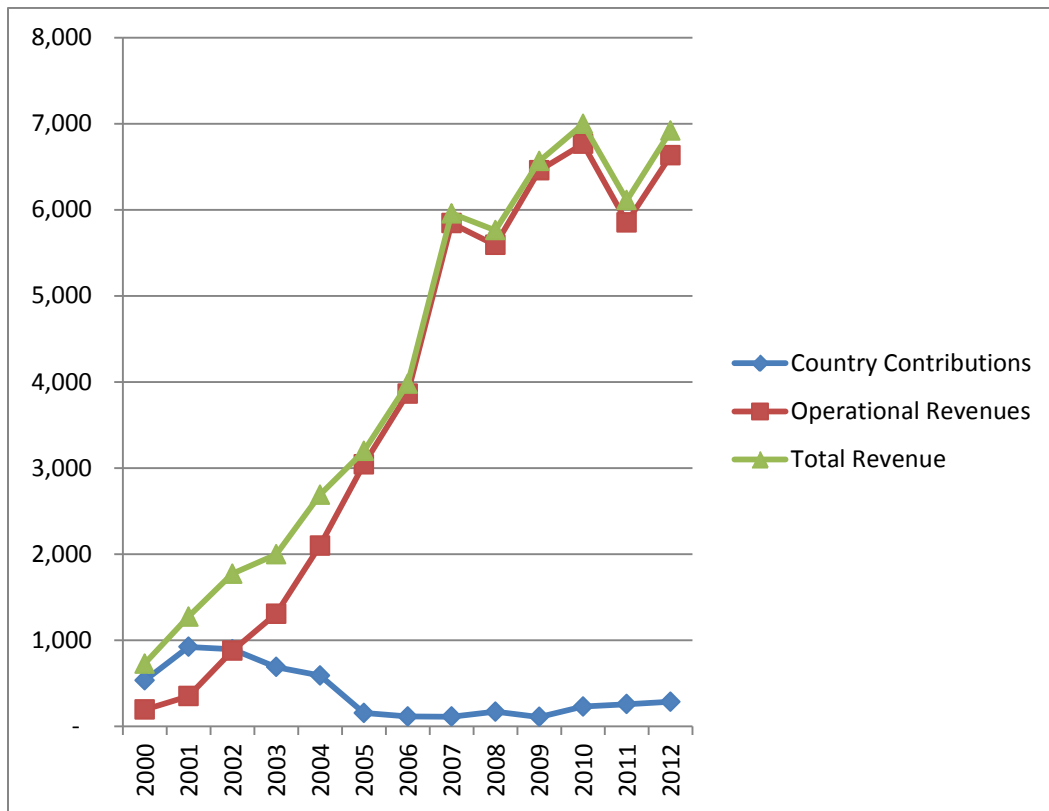
168. Table 7 and Figure 3 show the evolution of ARADO's annual revenue during 2000-2012. The team had received the impression from some interviews that the move to self-financing in 2000 was forced by a fall-off in country contributions through the Arab League so sharp as to imperil the very survival of ARADO. The data show, however, that until 2004 annual country contributions remained at a significant level -- indeed, they were higher during 2001-2004 than they had been in the year 2000). These contributions would have permitted ARADO to continue operating, albeit at a very modest level. Self-financing was very successful from the start, rising from under \$200,000 in 2000 to over \$2 million in 2004. Consequently, as a proportion of total revenue, country contributions declined steadily from the 73% of 2000 to 22% in 2004. In 2005, country contributions suddenly dwindled to barely one fourth their 2004 level and this, combined with the continuing successful mobilization of own revenue, brought them down to an average of just over 3% of total revenue during the subsequent years.

Table 7: Annual Revenue, 2000–2012

YEAR	COUNTRY CONTRIBUTIONS (\$ thousand)	PERCENT OF TOTAL REVENUE	OTHER REVENUES (\$ thousand)	PERCENT OF TOTAL REVENUE	TOTAL (\$ thousand)
2000	533	73.2	195	26.8	728
2001	923	72.4	351	27.6	1,274
2002	895	50.5	878	49.5	1,773
2003	690	34.5	1,308	65.5	1,998
2004	590	21.9	2,100	78.1	2,690
2005	155	4.8	3,043	95.2	3,198
2006	115	2.9	3,864	97.1	3,979
2007	113	1.9	5,844	98.1	5,957
2008	171	3	5,591	97.0	5,762
2009	109	1.7	6,456	98.3	6,565
2010	231	3.3	6,765	96.7	6,996
2011	258	4.2	5,853	95.8	6,111
2012	286	4.1	6,632	95.9	6,918

Source: ARADO Annual Reports.

Figure 3: Annual Revenue, 2000-2012
(In thousands US\$, cash basis)



Source: ARADO Annual Reports.

169. It is not clear from the record or the interviews whether the countries stopped contributing directly after 2004 because they were increasing their indirect contribution through the training fees charged to their participants, or that the decline in country contributions forced ARADO to seek additional participants and higher fees. (Course fees were raised in 2005 and were kept at that higher level thereafter.) The data do not show any lead-and-lag pattern in either direction. But it is clear that *ARADO has virtually completed the transition to self-financing that began at the turn of the century and is today almost entirely self-financed.*

The country arrears

170. The country distribution of arrears in contributions pledged to ARADO but not paid is shown in Table 8. (There is no country breakdown of the about \$1.3 million in contributions arrears prior to 1990.) It is noteworthy that of the about \$7.5 million in new arrears accumulated between 1990 and 2012, almost half is due from two countries -- Libya and Algeria -- and that only a handful of the member countries of the Arab League are fully current on their contributions.

Table 8: Arrears on Country Contributions to ARADO
(In thousands of US\$)

Country	Before 1990	1990-2012	At end-2012
Libya	...	1,934	...
Algeria	...	1,699	...
Kuwait	...	815	...
Iraq	...	750	...
Morocco	...	350	...
Egypt	...	336	...
Sudan	...	317	...
Lebanon	...	314	...
Somalia	...	245	...
Mauritania	...	216	...
Syria	...	137	...
Jordan	...	131	...
Tunisia	...	117	...
Yemen	...	103	...
Qatar	...	76	...
Moon Islands	...	4	...
Totals	1,276	7,545	8,821

Source: ARADO Annual Reports

Composition of total revenue, 2008-2012

171. Table 9 and Figure 4 show the composition of revenue and expenditure in percentage terms during the evaluation period. About two-thirds of revenue came from ARADO's bread-and-butter training activities -- courses, conferences and certificates/diplomas.

Table 9: Composition of Revenue and Expenditure, 2008-2012
(In percent)

YEAR	2008	2009	2010	2011	2012	TOTAL 2008-12
REVENUE	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Revenue from operations	97	98.3	96.7	95.8	95.9	96.7
Training	66.9	61.5	61.7	66	63.6	63.8
Standard courses	34.2	31.2	30.7	24.2	23.1	28.6
Custom courses	0.9	1.6	3.7	12.8	7.8	5.4
Conferences/workshops/seminars	19.2	13.7	13.6	11.8	12.1	14
Certificates/diplomas	12.7	14.9	13.8	17.1	20.5	15.9
Consultancies *	1.2	0.5	0.5	0.8	4.3	1.5
Publications/research/Book fairs	11.4	11.6	13.2	5.3	6.5	9.6
IT & Digital Library	6.4	6.9	6.2	7.8	9.5	7.4
Other revenue	11.2	17.8	15.1	16	12.1	14.5
Rents received	0	10.8	10.8	11.4	8	8.4
Interest received	0	0.2	0.1	0.4	1.7	0.5
Capital revenue & miscellaneous	11.1	6.8	4.1	4.2	2.3	5.5
Country contributions	3.0	1.7	3.3	4.2	4.1	3.3
EXPENDITURE	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Salaries	13.1	38	36.7	37	38.8	33.2
Permanent staff **	4.5	3.7	3.9	4.4	4.9	4.3
Fixed-term staff		25.1	23.2	21.8	21.8	18.8
Other personnel costs	8.6	9.2	9.8	10.9	12.1	10.1
Operations		22.9	24.9	27	32.2	22
Trainers/Experts fees		11.3	11.7	11.7	18.8	11.1
Hotel facilities		6.7	7.1	9.8	6.7	6.2
Travel costs		3.5	4.1	3.9	3.8	3.1
Other operating costs		1.4	2	1.6	2.9	1.6
Allocated expenditures ***	79.6	29.7	28.2	24.7	19.3	35.1
Administration and overhead	3.5	3.6	3.5	5.2	4.6	4.1
Rents	0.2	0.2	0.2	0.3	0.2	0.2
Travel costs	0.4	0.5	0.5	0.7	0.6	0.5
Communication	0.6	0.7	0.7	1.2	1.0	0.9
Insurance and professional services	0.3	0.2	0.3	0.4	0.4	0.3
Utilities	0.4	0.5	0.5	0.8	0.6	0.5
Marketing and promotion	0.1	0.1	0.1	0.2	0.2	0.2
Supplies and maintenance	1.5	1.4	1.3	1.7	1.6	2.5
Fixed Assets	2.3	4	4.7	4.1	3.2	3.7
Other expenditures, n.e.c.	1.6	1.8	1.9	2	1.9	1.8
BALANCE	262	306	867	226	109	1,771

Source: Adapted by DPMG Team from data provided by ARADO.

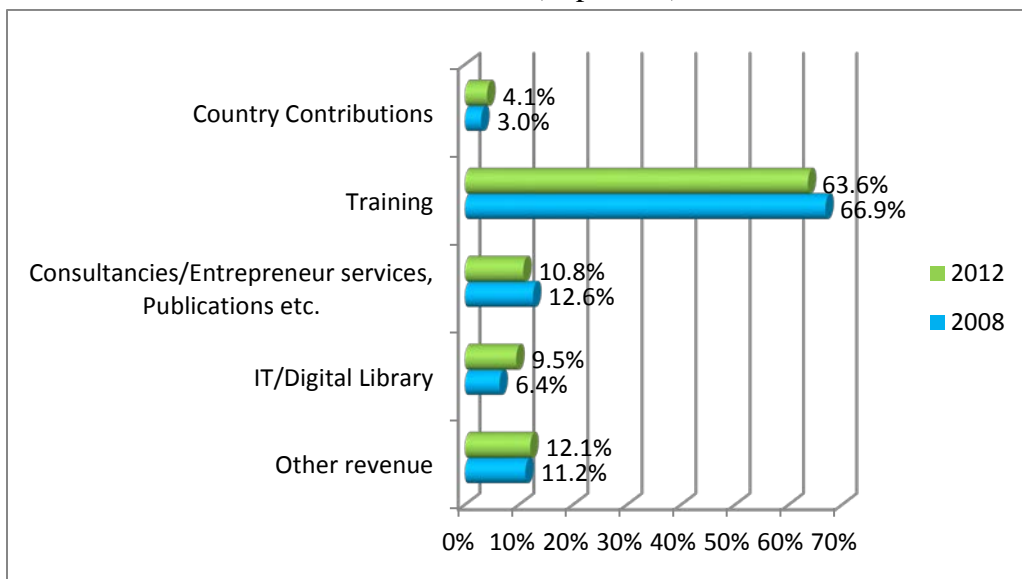
*Includes "Best Practice"/Business Leadership" (Entrepreneur Services).

**Base salaries; other compensation included under "Other Personnel Cost".

*** Allocated expenses are charged to the Activities chapter from amounts over budgeted in other budget chapters

Figure 4: Composition of Revenue 2008-2012

(in percent)



172. Of non-training revenue, publications accounted for a small and diminishing proportion, and were surpassed in 2012 by the growing receipts from IT and digital library subscriptions, amounting to 15% of total operational revenue. Consultancies – potentially a major and very important line of activity for ARADO – made a minor contribution to revenue (except for a sizeable one-off contract in 2012).

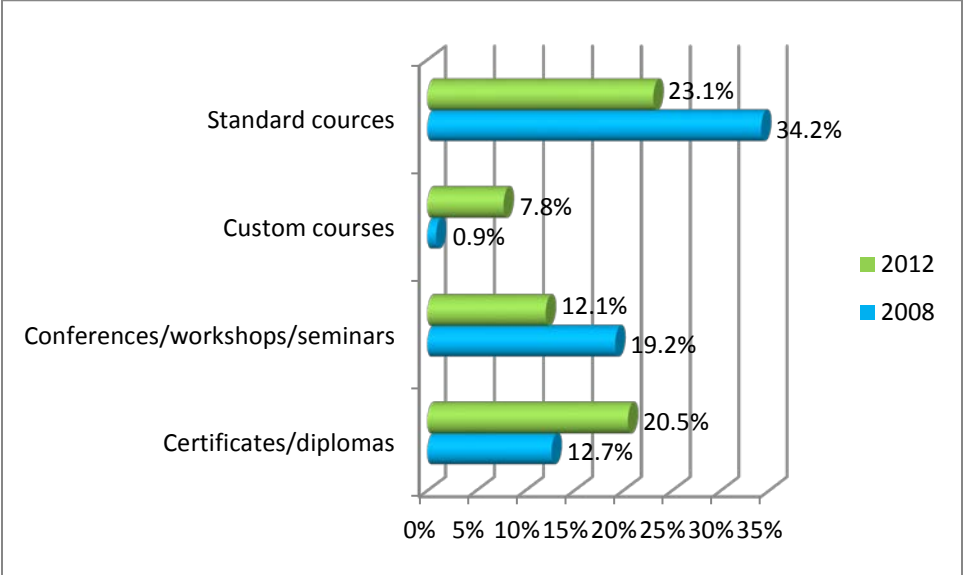
173. With the construction of ARADO’s new headquarters, half of which is leased, annual capital and miscellaneous revenue declined, from \$642,000 in 2008 to \$159,000 in 2012, but the decline was more than offset by the rental income accruing beginning in 2009. Including interest received, annual non-operational revenue rose to an average of over one million dollars in 2009-2012, or about 15% of total revenue. (As noted later, this provided the difference between an overall deficit and a surplus.)

Composition of training revenue

174. Although training revenue remained roughly constant at two-thirds of total revenue during the evaluation period, as shown Figure 5 a significant internal shift took place -- away from standard courses (one-third of training revenue in 2012 compared to one-half in 2008), and toward (i) customized courses (which grew from less than one percent in 2008 to 16% of training revenue in 2012) as well as (ii) certificates/diplomas (the revenue from which fully doubled during the period and was in 2012 almost equal to that from standard courses.) The revenue from conferences/ workshops/seminars also declined, from 19% to 12%. However, as argued

elsewhere, activities in this category are not intended primarily as revenue-producers but as impact-makers and thus cannot be assessed on the basis of their revenue trends.

Figure 5: Composition of Training Revenue 2008, 2012
(Percent of total revenue)



Geographic origin of participants

175. As shown in Table 10 and Figure 6, by far the single largest group of participants to ARADO training of all types is still from Saudi Arabia -- but the 26% of 2012 contrasts conspicuously with the 38% of five years ago. It would be tempting to attribute this decline to the unsettled situation in Egypt from January 2011, since a majority of ARADO training events take place in that country. In fact, the number of Saudi participants did drop in 2011, but the decline had already begun two years earlier.

176. At the other extreme, the extremely low participation of the Maghreb is evident. Taken together, during 2008-2012 the francophone countries of the sub region (including Mauritania) accounted for just 2.4% of total participants. Whether the reason is insufficient attention by ARADO, or lack of interest on the part of the countries, or language differences, or a combination -- this imbalance vis-à-vis the administrative development needs of 90 million Arabs is difficult to justify. A deliberate effort is needed to ascertain the reasons and, to the extent possible, remedy the imbalance in the years to come, at least in part.

177. Involvement with the less developed countries has been significantly more encouraging -- with participants averaging almost one-quarter of the total -- and participation has slightly

increased during the period although it remains low. Following the Executive Council guidance, training activities of all appropriate sorts should increase further for and in the less developed countries.

Table 10: Participants by Country, 2008-2012

Countries	2008	2009	2010	2011	2012	2008-2012	Percent
KSA	2,691	2,311	2,221	1,816	1,825	10,864	31.6
Sudan	647	1,217	1,309	882	951	5,006	14.6
Egypt	683	841	911	538	494	3,467	10.1
Iraq	323	189	515	766	1,571	3,364	9.8
Jordan	740	696	425	776	292	2,929	8.5
UAE	179	204	297	485	258	1,423	4.1
Oman	196	245	276	273	408	1,398	4.0
Kuwait	280	262	268	103	144	1,057	3.1
Libya	234	116	165	7	425	947	2.8
Qatar	208	50	119	160	93	630	1.8
Syria	292	78	181	18	0	569	1.7
Bahrain	167	123	193	42	43	568	1.7
Yemen	126	220	38	23	105	512	1.5
Lebanon	11	122	145	101	55	434	1.0
Mauritania	110	146	61	2	6	325	0.9
Tunisia	21	79	124	16	59	299	0.9
Palestine	37	31	57	34	53	212	0.6
Morocco	15	15	68	17	53	168	0.5
Algeria	37	6	9	6	13	71	0.2
Other	0	8	26	59	31	124	0.6
Total	6,997	6,959	7,408	6,124	6,879	34,367	100
Percent	20.4	20.2	21.6	17.8	20.0	100	

Source: ARADO, various documents.

Figure 6a: Training Participants by Country in 2008 (%)

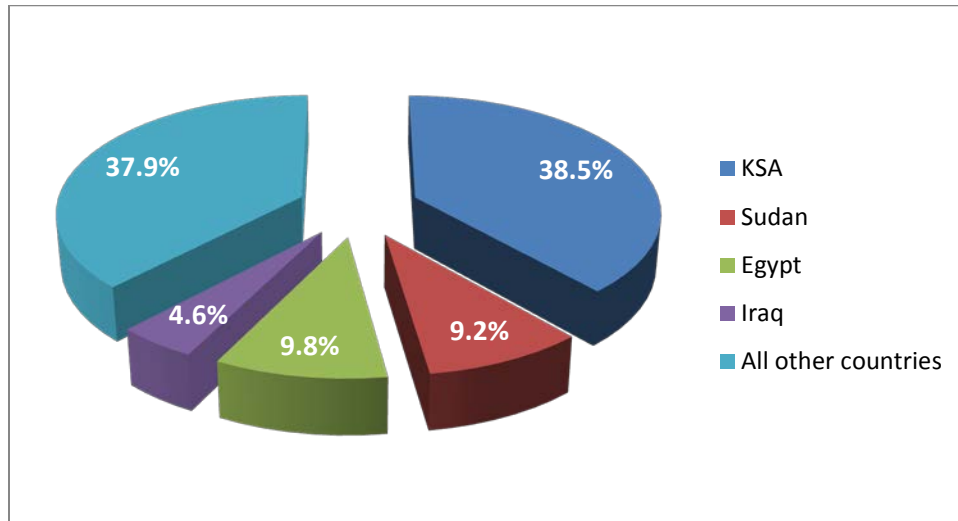
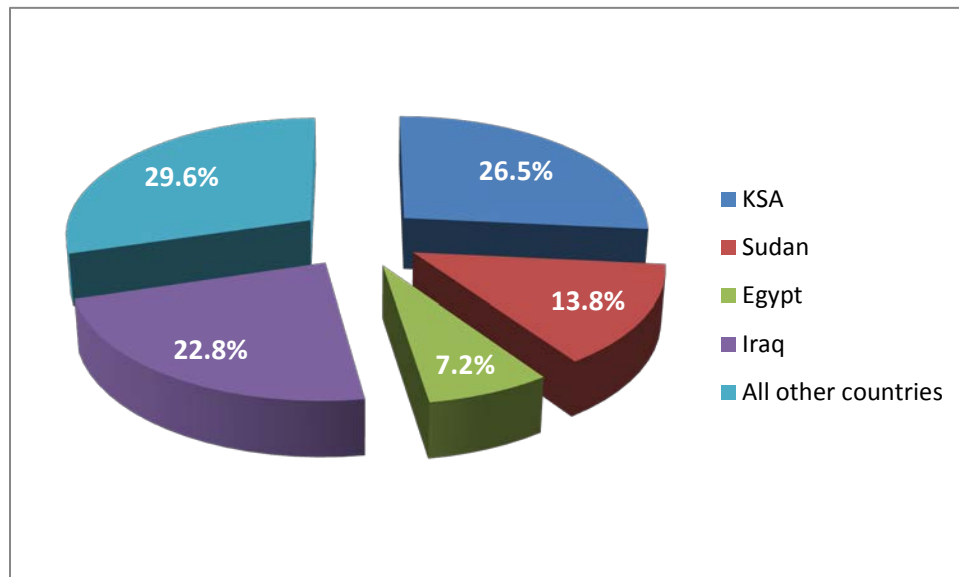


Figure 6b: Training Participants by Country in 2012 (%)



178. Despite the decline in Saudi participation, the total number of participants was maintained at about the same 7,000 per year only because of the very rapid eight-fold increase in Iraqi participants after 2009. It is quite possible that Iraq will become the largest single source of participants to ARADO training in the future. Also, if and as the political situation in Libya settles further, the number of Libyan participants is likely to keep rising following the increase registered in the first year after the 2011 revolution in that country.

179. The implications of these changes are unclear, but are certain to be significant in terms of the future revenue and profile of ARADO activities – in part because neither Iraq nor Libya will have for many years a national administration training institution of the size, resources and experience of the Saudi Institute of Public Administration and other more developed country entities. The security and political situation in Egypt is likely to be the dominant influence on participation to ARADO training for at least the foreseeable future, unless much greater efforts are made to diversify the location of training events. ARADO has already reacted to the situation. In 2011 a total of 667 training events have been held in the Sharjah branch, compared to 528 in 2010. In any case, just as early in the century the falloff in country contributions was wisely foreseen four years before it happened, and measures taken to address it, *ARADO should do an urgent analysis of future geographic prospects grounded on in-depth consultations with the major actual and potential client countries.*

Participants by activity

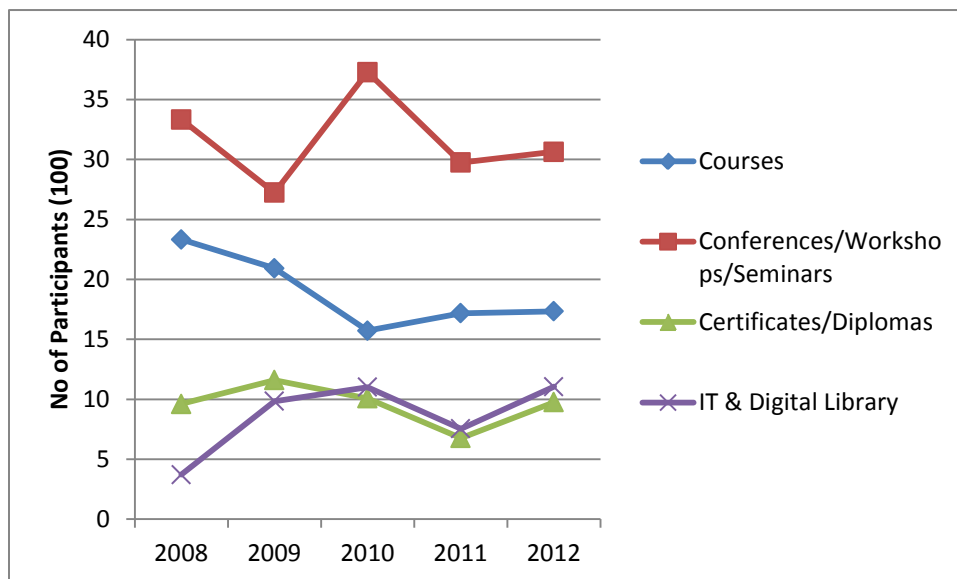
180. Because different types of training activity carry different expenditure and fee profiles, the trends in number of participants are quite different from those of revenue. As Table 11 and Figure 7 show, out of the total of 34,367 participants to ARADO training activities of all types during 2008-2012, close to a majority attended conferences/workshops/seminars, with the number of participants to both standard and custom courses accounting for just over one quarter of the total. Perhaps most striking is the constant number of participants to certificates/diploma programs, compared with the doubling of revenue from those programs -- implying a rapid increase in average revenue per participant, a subject to which we turn next.

Table 11: Participants by Major Activity, 2008-2012

ACTIVITIES	2008	2009	2010	2011	2012	2008-2012	PERCENT
Courses	2,332	2,093	1,572	1,718	1,734	9,449	27.5
Conferences/Workshops/Seminars	3,333	2,723	3,728	2,975	3,064	15,823	46
Certificates/diplomas	961	1,160	1,007	677	976	4,781	13.9
IT & Digital Library	371	983	1,101	754	1,105	4,314	12.6
Total	6,997	6,959	7,408	6,124	6,879	34,367	100
Percent	20.4	20.2	21.6	17.8	20	100	

Source: ARADO, special compilation based on team request.

Figure 7: Training Participants by Major Activity
(in hundreds of participants)



Revenue per participant

181. Table 12 and Figure 8 show the average revenue per participant in the major activities.³⁵ The peak average revenue, over \$1,500, was in 2010 for course participants. Since then, average revenue per certificate/diploma participant rose to surpass the course participant revenue in 2012. Comparisons are complicated by the different duration of the corresponding events, and many other factors, but the doubling of revenue per participant in the certificate/diplomas programs from 2008-2012 is certainly indicative of important developments in this activity, which deserve in-depth analysis and debate within ARADO, and supports the recommendation to expand this activity as the main income-producing line of business for ARADO. The low revenue per participant to Conferences/workshops/seminars is an obvious corollary of the low total revenue combined with the high number of participants (and the policy of free or discounted participation for less developed countries. It is of some significance that revenue per conference participant

³⁵ Available data are not sufficient to permit separate estimates of revenue per participant in standard versus custom courses

declined between 2008 and 2012 by 18%, more than in proportion to the 8% decline in number of participants. This may perhaps be explained by the somewhat greater attendance by persons from less developed countries and thus the larger incidence of fee discounts. In any case, the assessment of this activity cannot rest mainly on financial considerations.

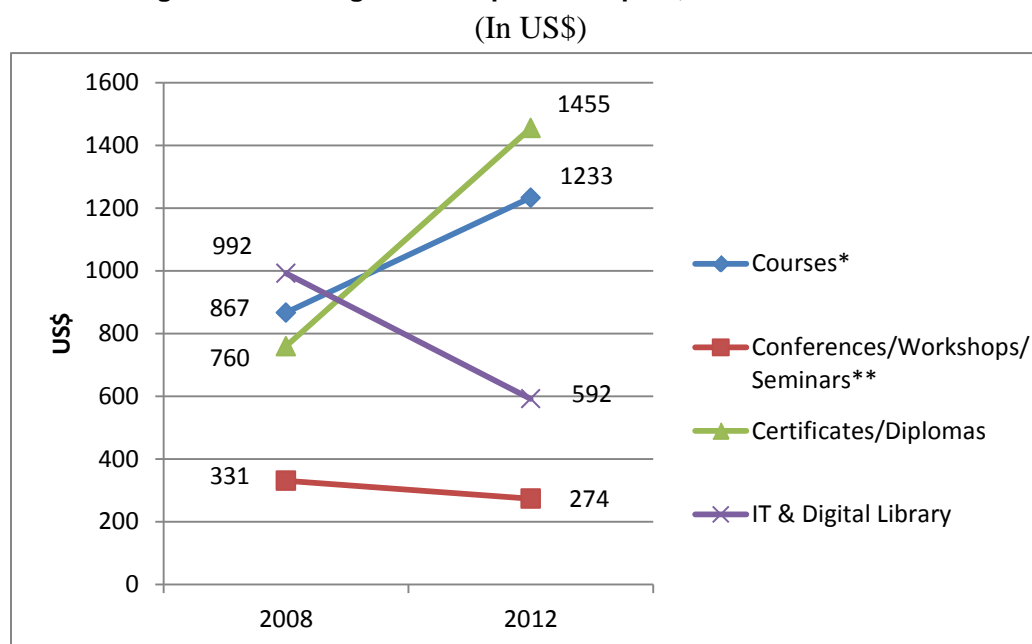
Table 12: Average Revenue per Participant in major activities, 2008-2012

(In US\$)

ACTIVITIES	2008	2009	2010	2011	2012	2008-2012
Courses	867	1,030	1,530	1,316	1,233	1,162
Conferences/Workshops/ Seminars	331	331	255	243	274	286
Certificates/diplomas	760	842	955	1,545	1,455	1,074
IT & Digital Library	992	462	394	629	592	544

Source: Tables 9 and 11

Figure 8: Training Revenue per Participant, 2008 and 2012



The Expenditure Side

Overall developments, 2008-2012

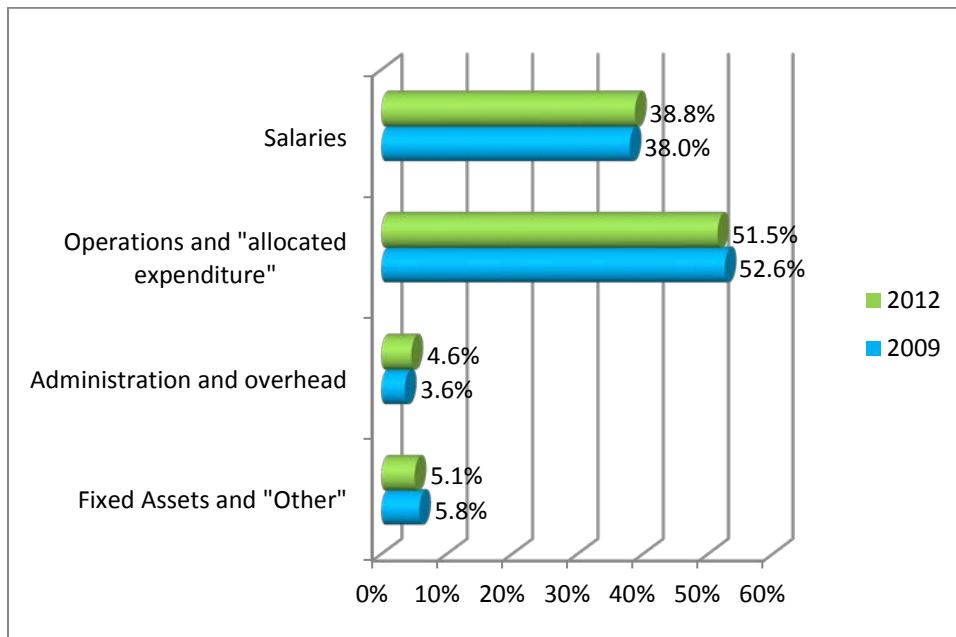
182. Expenditure grew faster than overall revenue, but only slightly so. It remained below revenue throughout the period, although the margin was reduced after the 2011 Revolution -- as certain categories of spending necessarily remained fixed while the pace of operational activity was shrinking.

The composition of expenditure

183. In contrast with revenue, the composition of expenditure was relatively constant throughout the period, with salaries accounting for virtually the same 38% of total spending, and operational expenditure (including “allocated expenditures”) totaling 52-53% each year. Within the wage bill, reflecting the staffing distribution (see the chapter on human resources), the expenditure on fixed-term staff was almost twice that on permanent staff (including salaries and other personnel costs related primarily to permanent staff). Within operational expenditure, the fees for Trainers/Experts jumped in 2012 to 19% from the 11.7% average of the previous years. This increase may be only apparent, however, and a result of reclassification during the budget year, since at the same time the “allocated expenditures” declined by almost the same percentage. The most striking feature of the composition of expenditure is the unusually low proportion of spending on administration and overhead, averaging 4.1% during the period. The main reasons are suggested in the section on the budget preparation process, below. These developments were shown in Table 8 and are summarized in Figure 9 below.

184. Particularly with its lean wage bill of less than 40% of total expenditure, ARADO’s expenditure profile compares favorably in terms of short-term efficiency with the typical service-oriented public organization, including ARADO’s sister organizations in the Arab League. The expenditure composition, however, is not very conducive to medium- and long-term efficiency – as a result of Economic and Social Council restrictions. First, as the human resources section explains next, salaries for contracted staff do not appear to be sufficiently competitive to attract and retain the most-qualified. Second, the low expenditure on administration and overhead, and particularly on maintenance, is highly risky for financial and economic sustainability in the long term. Third, the extremely low allocation for marketing is not compatible with retaining ARADO’s image and reputation, let alone to finance the outreach that would be essential to scale-up the organization’s effectiveness and impact on administrative development.

Figure 9: Expenditure Composition in 2009 and 2012 (%)



The Balance

Overall developments

185. Notwithstanding the vast discrepancies between the "planned" and the actual revenues and expenditures, at the end of the year the actual financial statements of ARADO are routinely approved by the Social and Economic Council. Also, as shown earlier, despite the nominal requirement of a balanced budget, ARADO's operations have generated a cash surplus every year since 2008 (and earlier), averaging about \$350,000. As a result, at end-2012 ARADO had accumulated reserves of almost \$4 million. By rule, however, the surplus may not be used except with the permission of the Technical Committee of the Arab League.

Financial results by major activity

186. ARADO's overall surplus stems from its non-operational revenues. Table 13 shows the revenue and **direct** expenditure attributable to the main activities in 2009-2012.³⁶ It must be strongly emphasized that the difference is **not** profit, since ARADO does not estimate the total cost of each activity, and the expenditures shown in the table do not include any allocation of salaries or administrative and overhead expenses. The difference between revenue and direct

³⁶ Expenditure data are not available by activity before 2009.

expenditure is termed here “surplus” purely for convenience and is not an indication of the financial worth of the activity. (As recommended later, ARADO should introduce a full costing methodology for all of its main business lines.) In any case, as often emphasized, ARADO activities must not be assessed only in financial terms, but also for their likely impact on administrative development in the member countries. What is critical to note is that, excluding non-operational revenues, ARADO’s operational activities *taken as a whole* show a deficit of over one million a year (albeit diminishing somewhat from its peak in 2009). This can be interpreted as validating the earlier decision to build a larger headquarters than necessary for ARADO itself, since that decision is producing the rent cushion that has put ARADO’s finances in the black. That cushion will diminish, however, with the depreciation of the building and facilities (not currently budgeted, as the budgeting system is on a cash basis), and mounting maintenance costs combined with the under budgeting of maintenance. More importantly, the fact that operational activities are not financially self-sustaining is in itself a matter for strategic *attention* (not necessarily for worry) because it has major implications for the modalities, amount, and predictability of the future financing of the organization – as discussed in the concluding chapter.

Table 13: Operational Activities: Revenue and Expenditure, 2009-2012

(Cash basis; in thousands of USD) *

ACTIVITIES**	2009			2010			2011			2012			2009-2012****		
	Revenues	Expenditures	Surplus (Deficit)	Revenues	Expenditures	Surplus (Deficit)	Revenues	Expenditures	Surplus (Deficit)	Revenues	Expenditures	Surplus (Deficit)	Total Revenues	Total Expenditures	Surplus (Deficit)
Operational activities															
Training	4,034	2,395	1,639	4,318	2,073	2,245	4,030	2,076	1,954	4,397	2,376	2,021	16,779	8,919	7,859
Standard / Custom Courses	2,155	1,060	1,095	2,405	766	1,639	2,261	1,034	1,227	2,138	848	1,290	8,959	3,708	5,251
Conferences/Workshop902 Seminars		740	162	951	776	175	723	578	145	839	746	93	3,415	2,840	575
Certificates/diplomas	977	595	382	962	531	431	1,046	464	582	1,420	782	638	4,405	2,372	2,033
Consultancies ***	32	99	67)	38	90	(52)	48	79	(31)	299	121	178	417	389	28
Publications/research/765 Book fairs	792	792	(27)	921	791	130	322	298	24	447	665	(218)	2,455	2,546	(91)
IT & Digital	454	363	91	434	441	(7)	474	292	182	654	338	316	2,016	1,434	582
Salaries and overhead		3,400			3,365			3,167			3,315			13,247	
TOTAL	5,285	7,049	(1,754)	5,711	6,759	(1,048)	4,874	5,912	(1,038)	5,797	6,815	(1,018)	21,667	26,535	(4,868)

Source: Adapted and adjusted by DPMG Team from detailed financial data provided by ARADO.

*The data in the table are **before** the offsetting of expenses that is done with activities revenue in Chapter 7 of the budget. Because the table is intended to reflect actual cash receipts and direct expenditures, the data do not reflect any adjustment that is made for the Financial Statements. Data by activity are not available prior to 2008.

** Expenditures in each operational activity are understated as no allocation of overhead expenditures to the different activities was attempted.

*** Includes "Best Practice"/Business Leadership" (Entrepreneur Services).

The Budget Preparation “Process”

187. As noted earlier, actual country contributions under the Arab League, nominally pegged at 20% of total ARADO revenue under an earlier Arab League decision, were just over half of the (small) pledged amount of \$400,000. Also, ARADO’s own operational revenue – nominally capped at 80% of total – was in actuality two-and-a-half times larger than the “planned” amount. As a result, instead of the theoretical 20% of revenue, country contributions accounted for only about 4% of revenue. Although the 20-80 fiction was abandoned de facto after 2010 (without an official decision to that effect), the “plan revenue” picture has remained entirely fictional.

188. *Without a realistic ex ante estimate of revenue, it is not possible to have a realistic expenditure program.* The fictional nature of revenue “planning” has been mirrored on the expenditure side (although certain components of projected expenditure do match reality). Owing to the equally inoperative Arab League requirement of a balanced budget, aggregate expenditure is necessarily also “planned” to be capped at the fictional “planned” revenue, and is thus equally disconnected from reality.

189. Some components of expenditure are estimated correctly. In particular, actual expenditure on salaries of permanent staff and the associated personnel costs has been very close to the budgeted amounts. (By contrast, “planned expenditure” for fixed-term staff salaries is zero, although they account for more than half of the salary bill.) Also close to the budgeted amounts were the various actual expenses for administration and overhead. However, because these expenses are estimated in part as a “norm” percentage of the “planned” expenditure, which is itself artificially low, they are systematically and severely under-budgeted. Unlike the much larger expenditures on fixed-term staff salaries and on operations (which are not monitored externally at all), these expenditures are carefully monitored and constrained by the Technical Committee of the Arab League and its regulations. This systematic under budgeting has resulted in unduly compressed spending in important categories of expenditure: At a total of just 4% of expenditure, administrative and overhead expenditure is much lower than international norms. Expenditure for supplies and maintenance, in particular, is an unsustainably low 1.5% of total expenditure, a very troublesome consideration for the future financial health of the organization. And the portion dedicated to marketing and promotion (less than \$10,000 a year) is quite trivial.

190. The budget approval procedures are also questionable. The team understands – subject to confirmation -- that ARADO prepares a budget proposal every two years, covering two separate budgets for each year in the proposal, and the General Assembly approves both budgets at its biennial meeting. However, Section 1, Art.1 of the Arab League financial regulations (see Annex 7) defines the “financial year” as the calendar year and the budget is therefore annual, and Art. 10 prescribes that the budget must be approved by the Assembly.

Whether or not this inconsistency causes substantive problems, the centrality of the budget as a legal instrument makes it important to resolve it – preferably by having a special “off year” Assembly meeting for the sole and specific purpose of approving the budget for the subsequent financial year. (Such special meeting could be conducted on a virtual basis, but the approval of the budget would need to be formal, explicit, written and public.)

Conclusions

191. *The current budget system and processes do not meet any of the basic standards of revenue and expenditure programming and of budget preparation.* There is no real planning, no budgeting and no external monitoring of revenue or of the major expenditure items -- while there is over-tight budgeting of the smaller items, which total at most 20% of expenditure. *The combination of excessive control over minor items and lack of effective control over the bulk of expenditure is the worst of both worlds:* it produces significant and unnecessary transaction costs on both ARADO and the Technical Committee, without giving the Technical Committee any genuine influence over aggregate expenditure or the direction of the organization – the minimum of effective control at the maximum of cost.

192. At the root of the problem is the disconnect between Arab League regulations designed for public entities financed with public moneys and the reality that ARADO’s operations are almost entirely self-financed. This disconnect also dilutes ARADO’s own incentive to improve the budgeting process in the various ways that are under its control. However, while *the budgeting process could and should be substantially improved by ARADO itself even under the present circumstances, it cannot become a fully effective tool to support strategic decisions and longer-term planning within the current Arab League regulations.*

193. It is encouraging that ARADO has managed to generate a small surplus under the unsettled circumstances of the past three years, particularly considering that the majority of their courses are in Cairo. The organization has managed to navigate – at a cost -- within an inappropriate budgeting and regulatory system. However, this is true only in the financial sense, because there is evidence that the quality of ARADO activities could be improved and its impact on public administration development has fallen short of its potential – as concluded in Ch.III. To improve quality and impact, ARADO should among other things improve its own internal financial programming and budgeting procedures. In addition to the direct benefits, doing so would also strengthen the argument for requesting more flexibility and less micromanagement from the Technical Committee of the Arab League.

Recommendations

194. The most obvious recommendation to remedy the current disconnect between the rules and the nature of the organization would be to allow ARADO to finance 100% of its activities; adopt its own programming and budgeting procedures (subject to approval by the

Arab League); have the annual budget approved by ARADO's own General Assembly upon the advice of the Executive Council; and submit the execution of the budget to the general oversight of the Executive Council. Under this scenario, the Technical Committee of the Social and Economic Council would relinquish its micromanagement and control over minor expenditure items, but the Council itself would acquire a greater role in the determination of the broad policies and nature of activities of ARADO. Such a recommendation would be fully in line with best practice in corporate governance.

195. However, we believe that it would be premature to advocate for such scenario unless: (i) a consensus is achieved on a coherent strategy that refocuses ARADO on its basic mission to support public administration development; and (ii) ARADO itself initiates all internal budgeting improvements that are possible within the current Arab League regulations. Elements of a new coherent strategy are suggested in the concluding chapter of this report.

196. Pending a relaxation of the external regulatory constraints on the budgeting process, ARADO can on its own introduce a number of important changes (in conjunction with the improvements suggested for training, organizational arrangements, and ICT). These include mainly the following:

- Formulation and implementation of a simple methodology for estimates, based on actual experience, of the revenue expected under each major type of activity, and use of those estimates as the starting point for the annual budget preparation;
- Similarly, formulation of a practical methodology of estimation of expenditure for each major type of activity, thus permitting a realistic expenditure budget as well as a systematic assessment of the cost-effectiveness of the major types of activity;
- Introduction of a detailed budget timetable, specifying (and enforcing) the key milestones and dates in the preparation of the annual budget;
- Formulation of a three- or four-year revenue and expenditure estimates, updated annually prior to the preparation of the annual budget. (The medium-term estimate would be presented to the General Assembly for information alongside the annual budget, which would be submitted for approval.) Note that *only a simple medium-term estimate of revenues and expenditure is recommended here*. The kind of complex "medium-term budget framework" that is fashionable in technical assistance programs would be quite unrealistic and unnecessary in ARADO's circumstances. ³⁷

³⁷ Any notion of changing the basis of the budget from line-item (object) to program (sometimes called outcome-based or result-based budgeting) would be in direct conflict with the Arab League regulations. Moreover, until and unless the budget process is placed on a minimally acceptable basis, any attempt to move to complex and different budget systems would produce large transaction costs and reduce financial transparency without producing any benefit in terms of expenditure programming or service delivery.

- Design a procedure to assure that intra-year budget changes are justified by reference to changes in the original assumptions and projections underlying the budget
- Assure consistency between ARADO’s annual program of activities and the proposed budget that is intended to support them – including the completion of the training program at an early stage of the preparation of the budget.

197. ARADO can introduce these improvements while still remaining subject to the Arab League Unified System. However, it is essential to emphasize that ARADO simply cannot prepare a realistic budget and present it for debate and approval unless the Technical Committee abandons (preferably formally but de facto if necessary), the fictional aspects of the current system, including especially the inoperative and imaginary self-financing “proportions”, and the revenue and expenditure “limits”.

Budget Execution, Financial Control and Audit

198. In general, the regulations include a number of control provisions that are designed to safeguard assets and manage resources to minimize errors in the accounting records and protect the organization against theft and abuse of financial resources during the execution of the budget. These controls include, among others, the segregation of duties including a multiple authorization process (although ultimate approval authority rests with the DG), retention of records, physical safeguards over assets including cash, fixed assets and inventories, and the ex-ante audit by the financial control unit that enforces the implementation of these provisions. Nor has any evidence of theft and abuse been reported by the ex post external auditors or by the financial control committee. However, this only address the protection against the narrow fiduciary risk of theft or abuse, and does not in itself imply that the regulations themselves are appropriate for other purposes, nor that the financial information available for monitoring and decision-making is adequate – let alone that the resources have been used efficiently. The following sections address some of these issues.

Procurement

Arab League procurement procedures have been revised twice in the last few years with the aim of becoming more transparent and efficient. However, although there have been some improvements, the end result did not allow enough operating flexibility in the procurement process. The major problems for ARADO from the current procurement system are as follows.

199. *First*, no direct procurement (sole source) is allowed for even the smallest purchases. Buying anything of any value – a pen, a ream of paper -- needs at least three price quotations.³⁸ *Second*, except for a possible down payment of up to 20%, all payments for goods and services can only be made after the goods or services are delivered in full. In general, this is not a practical provision, and in the specific case of ARADO it makes it extremely difficult to manage activities where the suppliers (e.g., hotels) routinely require a sizeable down-payment, higher than the 20% maximum set in the Unified Procurement System. *Third*, the Unified Procurement System does not take into account the specific nature of ARADO as a service provider, and does include procedures specifically oriented to procurement of services (e.g., the use of quality as the primary criterion, with price being considered only for offers meeting the quality specifications).

200. Accordingly, it is **recommended** that:

- ARADO approach the Economic and Social Council through the appropriate channels to request that (i) direct procurement be allowed for purchases of up to \$5,000; (ii) down-payments according to a specified schedule tied to agreed-upon delivery milestones be allowed, without the required letters of guarantee and beyond the 20% down payment ceiling set in the Unified Procurement System; and (iii) a dialogue take place on the effectiveness of the current procurement provisions in the case of services, with possible revisions or waivers to be granted given the particular nature of ARADO's operations.
- Generally, ARADO should take fuller advantage of the discussion meetings that are held by the Economic and Social Council before a regulation is issued or revised, since an ARADO representative from ARADO usually attends those meetings. A more proactive stance, working closely with the Economic and Social Council in a cooperative manner, could lead to regulatory changes, or waivers, that fully observe the spirit and objectives of the procurement regulations while allowing practical modification suited to the particular nature of ARADO's activities.

Cash Management

201. A first issue is the general challenge resulting from the Unified Financial and Accounting System provision that all cash surplus must be transferred to the general reserve at the Arab Monetary Fund. This provision has hampered the planning for the allocation of financial resources pending the receipt of funds raised through specific programs or activities.

³⁸ During an interview with the Technical Committee, the team was told that this is a misunderstanding, and that purchases up to \$5,000 may be made on a sole source basis. However, the letter of the regulations is very clear, and ARADO has (correctly) followed the regulations as written. If in fact sole source procurement for purchases up to \$5,000 is permitted, the Economic and Social Council must issue a revised version of the regulations that makes this clear.

202. A second issue, which affects day-to-day operations, is the excessive use of cash. ARADO's system includes a number of controls to safeguard cash against theft and misuse - including cash and bank reconciliations, petty cash and cash advances system to include custodian bonding and surprise cash counts, and segregation of duties for approval, review and custody of cash. However, owing to the Arab League limit on down-payments, mentioned earlier, the organization is forced to depend heavily on cash advances to "executive secretaries" (training coordinators) to cover the cost of running its main activities, including the costs of hiring experts/trainers, hotels, travel, and other direct costs. This is an inefficient and high-risk practice, but is imposed on the organization by the external regulations.

203. The excessive use of cash has been identified as a risk by the financial controller and was flagged in the annual financial controller's annual reports in every one of the past three years. This issue has not been resolved yet, but as an alternative the financial controller designed an advances system with tighter controls. In our opinion, this remains a high-risk area that needs specific attention from Management.

204. The problem could be alleviated by introducing ARADO corporate credit cards, with suitable controls. This would not be a full solution, however. If the credit card limit is low, the card could only serve for small expenditures. If the card limit is sufficiently high to cover expenditures for major events there would remain opportunities for abuse or misuse, and the risk that errors will be undetected on a timely manner. The solution is to pay for activities' disbursements through the accounting system, and therefore by check. This will require changes or waivers from the Arab League financial regulations.

Financial Reporting

205. Effective reporting provides management with the timely and accurate information it needs for decision-making. The current system within ARADO produces the standard formal reports required by the Unified Financial and Accounting System, and the internal monitoring reports for cash/bank balances, advances, and collections -- but is inadequate to produce the relevant and reliable financial management and costing information needed for timely management decisions. It is **recommended** that ARADO create a simple and transparent system of internal reporting that (i) identifies the key financial information needed by management at all levels; (ii) includes both financial and non-financial reports; (iii) allows for feedback and corrective actions; and (iv) assures that the key reports are prepared periodically and systematically.

206. For such a system, pertinent information must be identified, captured, and communicated in suitable form and time frame. The current state of affairs is not adequate. During the evaluation, gathering financial data and information was difficult – despite the

highest degree of cooperation from ARADO staff – and once the information was obtained it often did not reflect ARADO’s diverse activities, or did not exactly match other sources of financial information. A major illustration of this problem was the time-consuming nature of collecting the information on the revenue from standard vs. customized courses -- but the problem of lack of systems to regularly collect relevant information and collate it with a couple of clicks is a general one.

207. It is **recommended** that ARADO review its current financial reporting systems and policies, with a view to strengthening capacity at all levels of management, providing reliable and timely financial information to senior management, and adequately share financial information and knowledge with concerned stakeholders.

Accounting System

208. The accounting system is based on the government accounting system, and uses the same structure, chart of accounts, and accounting procedures. While this is adequate for governmental organizations, it is not best practice for an organization that generates most of its revenue on a quasi-commercial basis. It is well noted that this is imposed on ARADO by the Unified System. However, without changing the formal accounting system, ARADO itself can make certain internal improvements, and use them alongside the official accounting system. For this, although the Financial and Financial Control units currently have qualified staff, it is **recommended** that their staff be supplemented by (i) a Certified Management Accountant (CMA) and (ii) a Certified Internal Auditor (CIA) -- either by developing potential candidates from within ARADO or by external recruitment if needed.

209. The evaluation identified the following deficiencies in the accounting system:

- The accounting system is a product of the many changes required by the Unified System, the recommendations by the auditors (internal and external) and the fact that the system, on a modified cash basis, does not allow for adequate matching between expenditures and revenues -- since expenditures are recognized on accrual while revenues are recognized on a cash basis;
- the cost structure does not match either the revenue classification or the operational structure at ARADO, which precludes the provision of information relevant for planning, decision-making, monitoring and analysis;
- the system does not allow compiling the information necessary to calculate the cost per activity, and thus set a pricing policy for the different activities.
- the accounting system does not allow for identifying, recording and allocating indirect costs to the main categories of activity.

210. It is **recommended** that the Financial Unit, in consultation with the operational units, review and revise the accounting practices to allow for: (i) Adequate matching between

expenditures and revenues; (ii) introduce a consistent classification of expenditures and revenues along ARADO's classification of its main activities (the format of Table 6 in this report may be a useful starting point); (iii) systematically compiling cost information on the various activities, in cooperation with ARADO's operational unit managers; and (iv) developing and implementing a practical methodology and criteria for allocating salaries and overhead costs to the various categories of activity. It is **recommended** to obtain external expertise for a brief period of time to advise and support this review.

211. Also **recommended** are improvements in communications between the financial unit and the operational units, by regular reconciliation meetings between those who authorize the expenditures and those who make the payments, with a view to resolving on a timely basis any obstacles to the efficient delivery of services. (The organizational recommendations advanced in the previous section should help strengthen such coordination.)

Internal Control and Risk Management

212. The control environment consists of a set of factors that set the tone of an organization and influences the consciousness of its people. These include integrity and ethical values, commitment to competence, management philosophy and operating style, governing bodies' participation, organizational structures and assignment of authority and human resources. ARADO management is quite conscious of the importance of the appropriate control environment and has made efforts to set the right "tone at the top".

213. Risk assessment is a crucial factor of successful management of any organization, to enable the organization to mitigate the risks facing its operations and build upon opportunities created by managing such risks. Systematic assessment of risks has not been conducted at ARADO. Elsewhere in this report, various risk factors have been identified, and particularly changes in the environment; competition with other public and private training providers; the fragile financial sustainability of operations (net of non-operational revenue); the current political and economic situation in many Arab countries; and others. It is **recommended** that periodic risk assessments become part of ARADO's procedures, led jointly by the recommended Strategy, Planning and Programming Unit and the Financial Controller, and with participation by the main concerned managers.

The Overarching Recommendation

214. Based in part on the above assessment and recommendations, as well as the valuable internal memoranda by the previous Financial Controller, it is *recommended that ARADO develop a comprehensive operational manual of internal procedures*, covering both procurement and financial management, with expert external advice if required.³⁹ The draft

³⁹ The Unified systems and the current internal memoranda would be taken into consideration in the preparation of such a manual, but are only a part of what is required.

operational manual would be submitted to the Technical Committee for comments, but approved by the DG and put in place by the end of 2014.

Audit

215. The review concludes that the audit arrangements at ARADO are adequate. The main ARADO audit arrangements are external audit, internal ex-ante audit and the Financial Control Committee audit. In general, it is not appropriate to exercise both ex-ante audit and financial control committee audit. They might perhaps both be considered necessary in light of the current inadequate budgeting process, but the situation should be reviewed once the budgeting process is improved sufficiently. In any case, the application of these three different audit arrangements is required to comply with the Unified Financial and Accounting System and the Unified Internal Audit system issued by the Social and Economic Council for the organizations affiliated to the Arab League.

216. ARADO appears to have put more focus on addressing audit recommendations pertaining to inadequate supporting documentation rather than those relating to enhancing institutional mechanisms, strengthening quality assurance and setting in place proper checks and balances. The team believes that focusing more attention on the institutional mechanisms would enhance the efficiency and effectiveness of the organization – as recommended throughout this report.

Human Resources: Policy and Management

217. ARADO's staffing trends for the evaluation period, functional deployment of staff, staff turnover, competitiveness and the most significant areas of Human Resources policies and practices have been studied through extensive documentation, interviews and a short Employee Survey, and assessed based on international best practices for their ability to support ARADO in achieving its strategic goals.

Staffing Trends

218. At the end of the evaluation period (December 2012), ARADO's workforce comprised:

- 20 permanent staff (11% of total staff), of whom 16 were Egyptian nationals
- 131 staff on fixed-term contracts (72%), very largely Egyptian nationals
- 5 consultants (3%), and
- 25 temporary staff (14%).

219. Of the 181 total staff, 20 were on part-time contracts, and 161 full-time.

220. Over the evaluation period, ARADO’s total workforce increased by about 15 %, most of the increase occurring in 2008-2010, as shown in Figure 10⁴⁰. The workforce increase was based on a recommendation from the Economic and Social Council to match the expansion in ARADO’s activities and bring on board new talent. Hiring has followed Arab League regulations.

Contracting Modalities

221. A large majority of ARADO staff, 72%, are employed on a renewable one-year contract. Permanent staff accounts for only about 11% of the workforce, while temporary staff accounts for 14% and consultants for 3%. This distribution has provided ARADO with staffing flexibility that is unparalleled among Arab League organizations, but also has problematic implications for the human resource dynamics in the organization because of the perceived large differences in job security, salaries for comparable jobs and other employment conditions.

Figure 10: ARADO Staffing Trends 2008-2012
(number of staff, excluding temporary staff)



222. It should be noted that in recent years, most public organizations and private companies alike have abandoned the concept of “permanent” or “life-long” employment and instead adopted three types of employment contracts in order to balance continuity and flexibility:

⁴⁰ Data on temporary staff was provided only for 2012. This group of staff is therefore excluded from the trend analysis.

- “Open-ended” contracts, which have no end date. However, the contract language makes clear that it is not expected to be “permanent” or “life-long”, but run until the time when the employee’s skills are no longer required by the organization’s business, or the employee is no longer performing his/her duties up to the established standards. These are typically adopted for a small share of the workforce, particularly for management roles and other key roles that are considered “core” for the organization’s mission;
- “Fixed-term” contracts, that typically run from 1 to 5 years and are often renewable by mutual agreement, but not automatically. These contracts are typically applied to most job roles, technical as well as non-technical; and
- “Temporary” contracts, for staff hired for a specific purpose on hourly, daily or monthly compensation. These types of contracts are normally applied to work that is not a regular part of the organization, such as consultancies, specific expertise required for a short period or to cover exceptional peak workloads.

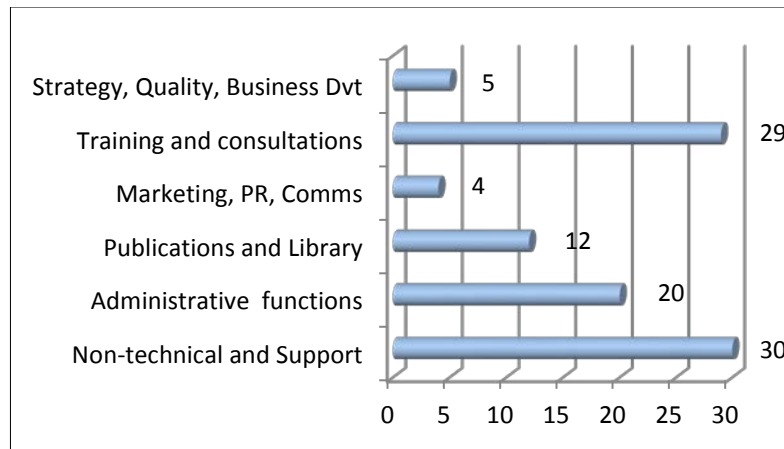
223. This kind of contract composition enables the organization or company to adapt its workforce to the changing needs of its business, while providing fairly similar employment conditions to a large majority of staff. Typically the salary structures for the “open-ended” and “fixed-term” contracts are identical, while the benefit packages may differ. The trend in the public sector and international organizations has been towards minimizing the differences in benefit packages as much as possible, while wider variations can be found in the private sector. Remuneration for “temporary” contracts is calculated differently considering the short-term nature and lack of benefits for these contracts.

224. While reforms in this area would be beneficial for ARADO, the current regulations of the Arab League will not entertain such options. It is therefore *recommended* that ARADO explore with the Economic and Social Council the possibility of reforms in contracting modalities -- such as receiving more flexibility in the length of the fixed-term contract, possibly also “open-ended” contracts for key positions where it would otherwise hire permanent staff, and harmonizing employment conditions (further discussed later). The special nature of ARADO activities and business model would justify such special flexibility.

Deployment

225. ARADO’s human resources have been deployed in 25 units, grouped *functionally* as shown in Figure 11. It should be noted that less than half of the staff (41%) are deployed in the core client service functions of training/consultations (29%) and publications/library (12%).

Figure 11: ARADO Staff by Functional Cluster
(percent of total staff)



226. Normally, in similar organizations, it would be expected that 60% or more of the total staff would be deployed in core functions. However, there is one significant difference between most of these organizations and ARADO: ARADO hires most of its trainers/experts from outside its own staff, while other comparable organizations have some degree of specialized thematic expertise onboard.

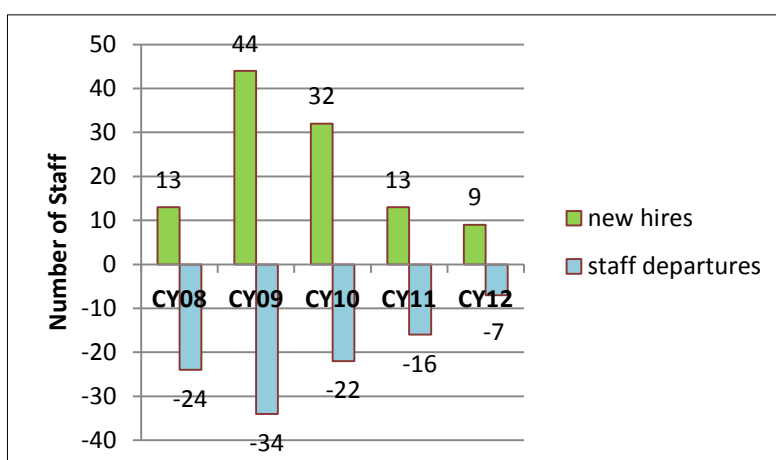
227. It is **recommended** that ARADO complements the technical expertise already onboard (Technical Advisors and Heads of specialized Training Units) by bringing in a *few* thematic subject matter experts in its main focus areas. These experts would ensure thematic coordination across programs and build up ARADO's knowledge base.

228. It is also **recommended** that ARADO increase the diversity of its trainers to broaden the regional representation and to achieve a better mix of academics and senior practitioners in its pool of lecturers.

Turnover

229. ARADO's staff turnover rate was at its highest level at 24% in 2009, and hit its lowest levels in 2011 (10%) and 2012 (4.5%) – in comparison with a “norm” of 10-15% annual turnover in most organizations. Figure 12 shows the new hires and staff departures during the period.

Figure 12: ARADO New Hires and Staff Departures, 2008-2012



Length of Service

230. ARADO’s length-of-service profile shows that 19% of its staff have been onboard less than 2 years, 35% between 2 and 6 years, 26% between 6 and 10 years and 20% more than 10 years. This staffing profile indicates that about half of the workforce has served in ARADO less than 5 years. It is fair to assume, based on available data that the substantive recent hiring has improved ARADO’s skills base and increased its academic standards, but it also indicates a great need for professional development and careful induction to the organization through training and mentoring.

Skills Mix

231. It has not been possible within this review to properly assess ARADO’s skills mix and its adequacy to fully achieve the business goals. An in-depth skills analysis can only be conducted when the organization has developed distinct job streams (such as “Finance”, “Administration” or “Training”) with complete job profiles that are based on a defined *competency framework*, against which the employees’ skills can be assessed.⁴¹

232. It is **recommended** that ARADO develop a simple structure of job streams, with a progressive internal titling structure and corresponding competencies, with the assistance of a small consultancy. This will enable ARADO to better assess its skills gaps and surpluses and take action to adjust its skills mix as may be needed in the future. It will also provide staff with titles that correspond to their specialization and progressive seniority in the organization, based on merit.

⁴¹ Examples from other organizations would not be useful as their job descriptions are much more elaborate than ARADO’s current ones – a targeted small consultancy is needed to develop a simple framework suitable to ARADO, as recommended below.

Performance Management

233. Managing staff performance is imperative to meet the organization's goals, and should not be seen or treated merely as a "required HR process" to decide on whether or not a staff member will receive an annual increase or whether or not his/her contract will be renewed..

234. The key steps of an integrated successful performance management process include (a) setting clear performance objectives for staff, which should be tied into the unit's objectives and ultimately the objectives of ARADO, (b) providing regular feedback on progress during the year, (c) assessing achievements (what has been achieved in relation to the objectives, and how) at the end of the year; (d) including feedback from subordinates (if applicable) and peers across units in this assessment prepared by the line manager; (e) identifying professional development needs (f) discussing staff performance relative to one another at a management team review meeting and calibrating the performance ratings/grades across the organization, and (g) making appropriate HR decisions, including on rewards, promotions, dismissals of poor performers, as well as setting professional development goals for the following year.

235. The current process of preparing the annual Competency Report and determining the performance rating for each employee at ARADO provides a good start, but falls short in terms of setting objectives at the beginning of the year, gathering and providing feedback, identifying professional development needs and calibrating the performance ratings across the organization.

236. It is *recommended* that ARADO adjusts the current process of preparing Competency Reports into a more comprehensive and impactful performance management process that integrates all the key steps discussed above. (An illustration of Best Practice is provided in Annex 8.)

Competitiveness

ARADO staff

237. During the evaluation period, 2008-2012, the Arab League salary regulations applied only to permanent staff ⁴², while salaries for contracted staff were within the discretion of ARADO management. This changed in the beginning of 2013, when contracted staff and experts in ARADO also became subject to salary and other regulations of the Arab League. (Fees for training experts or other experts to deliver services, however, remain at the discretion of ARADO and market-related.

⁴² League of Arab States, *Salary Scale: Salaries, Raises and Allowances for Arab Organizations*, 2007

238. In order to assess ARADO's ability to attract and retain the right talent, it would be necessary to benchmark its total compensation for all types of staff. However, a comprehensive benchmarking of total compensation is not possible because an established Arab League salary scale only exists for permanent staff, and thus applies to only about 11% of ARADO staff. The contracted staff fall under two recent regulations depending on the level and type of work their position entails: Executive Memorandum for Contracted Staff in Head Office Country or Executive Memorandum for Use of Experts at the Arab Organizations. These regulations do not provide salary scales that could be benchmarked grade by grade to the comparator market in Cairo.

239. For benchmarking of the existing Salary Scale for *Permanent Staff*, eight ARADO jobs ranging from grade category 2 to grade category 5⁴³ were matched to and compared with jobs represented in the comprehensive market data⁴⁴ at Market Reference Points (MRP) for the 25th, 50th and 75th percentile.⁴⁵

240. Overall, ARADO's pay for permanent staff was found to be competitive, as the pay line generally lies between the 50th and 75th percentile of the comparator market. However, ARADO's pay line is slightly "tilted" compared to the market. ARADO pays well, around the 75th percentile, for positions classified in grade categories 4 and 5, but is less competitive, around the 50th percentile, for grade categories 2 and 3, which include key jobs for supervision, coordination and implementation. This may affect the organization's ability to recruit top talent to some of the core positions.

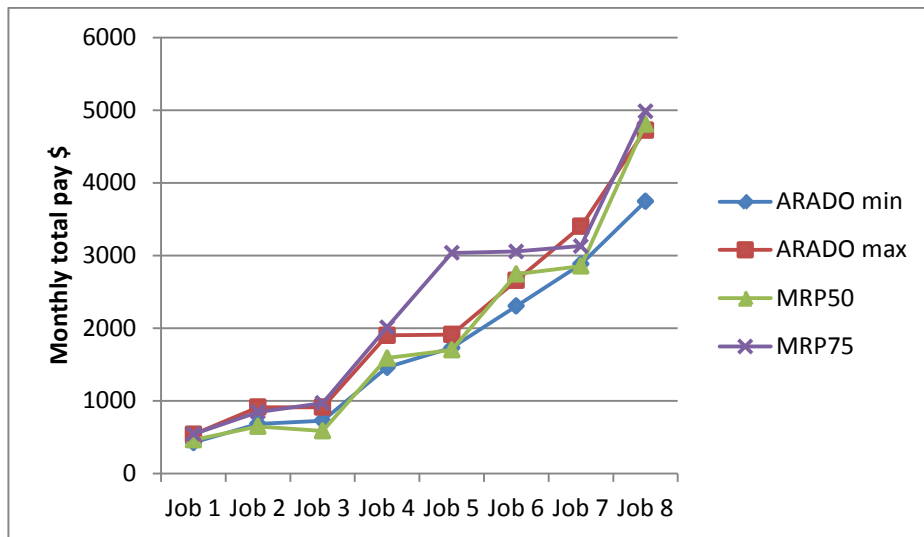
241. It should also be noted that the salary span for each of the grade categories in the salary scale is wide, with no overlap between levels. Progression within each grade category is only based on *seniority* in terms of years of experience, rather than the *type of job* a staff member is doing and the *level of performance* demonstrated. The pay line further stipulates the yearly increases instead of allowing for performance enhancing merit-based salary increases in each salary band. This is a symptom of the lack of specific progressive job streams and the fact that pay is not based on merit.

⁴³ As defined in Chapter 3, Article 8, of the *Grades of Unified Statutes for Arab Organizations Staff (January 2009)*

⁴⁴ The comparator data for Cairo market was based on salary surveys conducted by Birches Group in the last quarter of 2012 for 44 different benchmark jobs in 11 regional and international organizations in various sectors with offices in Cairo. These organizations recruit talent similar to ARADO's.

⁴⁵ MRP is the average of the actual incumbent data (total salary per month in USD) for the benchmarked position.

Figure 13: ARADO Pay Line Compared to Cairo market at 50th and 75th percentile



242. The Executive Memorandum for Contracted Staff applies to all contracted staff with exclusion of present staff in levels 1 and 2, and defines these positions according to a three level schedule related to duties and education level. The salary span (min to max) in each level is wide, for example at level 1 from \$400 to \$1,600, the annual raises are predetermined ranging from \$40 at level 1 to \$20 at level 3, and similarly the Cost of Living Allowance (COLA) is stipulated for each level and ranges from \$350 at level 1 to \$175 at level 3.

243. It is very difficult to reach firm conclusions about the competitiveness of this schedule for ARADO's contracted staff because the job classification and placement in the level is done on a case by case basis at recruitment. Some general conclusions can however be made based on the competitiveness analysis for permanent staff:

- As this regulation does exclude contracted staff in levels 1 and 2, the schedule applies to jobs with implementation responsibilities, administrative jobs, technicians and jobs in various support functions.
- Starting salaries for new hires (Min) at all three levels fall *clearly below* the 25th percentile of Cairo market, even when augmented by adding the allowed 2 raises for candidates with prior experience. These remuneration levels are not competitive for talent with multiple employment options in the market.
- The salary ranges (*if* candidates were to be placed higher in the level, up to Max) in this schedule would be competitive, around 50th percentile, for jobs in support functions and for jobs with administrative responsibilities. However, for technical/professional jobs with implementation responsibilities, the *maximum compensation* at level 1 would only match the market at around 25th-30th percentile.
- Compared to the total remuneration for permanent staff, the new schedule for contracted staff will result in large differences in pay for employees with comparable qualifications in comparable jobs.

244. The Executive memorandum for Contracted Staff also includes a provision for “End of Contract Severance”, which in itself is a step in the right direction, but further reduces the take-home-pay because 7% of the employee’s Cost of Living Allowance (COLA) will be deducted for this purpose.

245. Considering the lack of competitiveness of the contracted staff pay schedule, it is anticipated that some of the higher level jobs (corresponding to job classifications into grade categories 2 and 3) may be classified as “experts” in the future. Such a practice would provide a short-term solution, but in the longer term it is likely to accentuate the perceptions of “arbitrariness” of compensation for comparable jobs.

246. The Arab League has also instituted a policy for use of *experts* hired as staff. This policy does not include a salary schedule, but sets some parameters and restrictions for such contracts, and includes caps for monthly compensation: \$ 4,000 for full-time experts and \$ 1,500 for part-time experts, without additional allowances. (There is a cap on the duration for this type of contract - up to 5 years - after which the expert cannot be employed in ARADO or any other Arab League Institution. This limitation can be managed through judicious personnel planning, however, one of many reasons for the recommendation to create a specialized HR focal point.) While this policy allows for a high level of managerial discretion in remuneration, the ceiling will restrict the hiring of regional and international experts. The \$ 4,000 maximum monthly salary may be competitive for Egyptian experts or other nationals living in Cairo (except those who have opportunities with international organizations, public or private). It is very unlikely that the package could attract to ARADO experts not living in Cairo – with benefits limited to a plane ticket at the start and end of a contract and no provision for additional allowances for travel expenses, accommodation or health insurance. With the right affirmative search, however, it may be possible to identify and recruit, on a rotational basis, younger persons with genuine expertise and educational qualifications in their field – underlying once again the need for a strong focal point in HR policy and management.

247. The issues of compensation, competitiveness and contract modalities combined are likely to affect ARADO’s ability to attract and retain the best talent and to lower its staff morale and engagement. There is evidence in the results of the Employee Survey (fully reported in Annex 2) that these policies are contributing to disunity among staff, and only 27% of employees consider that the rewards fairly reflect the contributions they make to the organization. Moreover, several of the recommendations advanced in this report imply new recruitment of highly-experienced experts – albeit limited to a few targeted areas and posts. This may be difficult under the current salary cap.

Trainers and Other Providers of ARADO's Services

248. Experts and consultants contracted to deliver training courses, participate in conferences, or contribute to delivering other ARADO services are not considered ARADO staff. They are therefore not subject to the Arab League unified personnel compensation policies, and their fees and other terms are decided by ARADO itself.

249. The travel policy is sound and generally in line with good practice -- with economy class travel (exceptions possible with DG approval), and accommodations provided by ARADO or with a reasonable allowance. Two provisions may, however, hamper competitiveness in certain cases: (i) The provision that the experts should be from the country where the event is held is sensible from a travel cost perspective, but may unduly limit the choice of suitable persons; (ii) limiting the hiring of the same expert to three assignments per year – while understandable in light of the objective of diversification and inclusion of experts/trainers from all Arab countries – is an unnecessary constraint.

250. The fee is decided on the basis of the individual's: (i) title, education and experience; (ii) career position and reputation; (iii) time and level of effort of the assignment; and (iv) sector of specialization. The criteria are consistent with good practice in consultants compensation. The current fee structure, adopted in October 2007, is shown in Table 14 below.

Table 14: ARADO Fee Structure for Non-Staff Experts/Trainers
(In Egyptian pounds and US dollars)

Unit	Activities held in:					
	Cairo (EGP)		Other Egypt (EGP)		Outside Egypt (\$)	
	Min	Max	Min	Max	Min	Max
One hour	100	200	150	300	70	150
Work session	400	500	500	750	100	250
Work day	700	1000	750	1200	300	500

251. From limited market information (including the fee schedules for experts in international organizations active in the region) and personal knowledge, these fees are fairly competitive for trainers and mid-level expertise, but are much too low for high-level experts expected to contribute to major conferences and seminars. While the fees for experts/trainers in Egypt are fairly low for mid-level expertise, the opportunity cost for these persons is also low – since many are modestly-paid government employees and university professors. As found through the interviews, however, this is seen as part of the problem of excessively “theoretical” training. International experts or Arab experts with an international profile are

highly unlikely to accept these rates – whether Egyptians or other nationalities.⁴⁶ Moreover, this fee structure dates back to 2007 and even if it was appropriate then it is no longer competitive now.

252. It is **recommended**, in light of the concern with raising the substantive content and quality of training activities (especially for conferences and high-level fora), that the six-year old fee structure be reviewed, updated and revised in light of today’s regional and international market for high-level expertise. The best way to achieve this would be to raise substantially the maximum for each range (provided that the relevant criteria are followed, and that the time input is closely monitored.) Because compensation policies for experts not on ARADO staff are not subject to Arab League regulations, there is no constraint on ARADO to adopt a more realistic fee structure.⁴⁷

253. It is also **recommended** that the provisions in the travel policy for use of local experts/trainers and limits on hiring the same expert should be explicitly restated as general preferences only, subject and secondary to the central objective to hire the most qualified person available for the assignment in question.

Bonuses and Non-monetary Rewards

254. In addition to the standard compensation package, ARADO provides bonuses to some staff on a quarterly basis. From the interviews as well as from the Employee Survey results it is evident that this practice has caused some friction among staff. The bonuses are seen by some staff as too dependent on the discretion of their immediate manager. Some staff also question whether bonuses are awarded based on staff performance as a whole in an objective and fair manner across the organization.⁴⁸

255. It is **recommended** that these bonuses be awarded at the end of the performance year based on demonstrated strong performance against the overall performance goals set at the beginning of the year, and that a clear set of criteria be established and communicated to staff.

⁴⁶ In Jordan, for example, market compensation ranges between \$300-\$600 for mid-level expertise, and between \$800-\$1,200 for high-level expertise.

⁴⁷ ARADO is not alone in this respect. A few national aid organizations face the same problem. The US Agency for International Development, for example, is severely limited in what it can pay for genuine specialized expertise (from Congressional restrictions, and mainly for political reasons). The result has been predictable: Many “experts” are hired from the modestly-paid academic world, and when high-level experience and expertise is essential “games” have to be played, by inflating the time requirement in order to be able to offer adequate compensation – a practice which is inimical to fiscal and procurement transparency and carries administrative costs and possible risks to the contracting personnel.

⁴⁸ Note, however, that a bonus system tends to give rise to suspicion even if it is fairly and efficiently administered.

256. It is also *recommended* that ARADO consider introducing non-monetary rewards -- such as assigning visible leadership tasks, face-time with senior leadership, celebrations and awards for individuals and teams that exemplify best collaboration within units and across unit boundaries, and other non-monetary recognition and rewards.

257. As and when the pay structure becomes adequate and the compensation of permanent and contracted staff is harmonized, monetary bonuses should be discontinued altogether.⁴⁹

Recruitment

258. ARADO's recruitment of permanent staff is regulated by the Arab League, and is a long, elaborate process. However, it is obvious that only a few positions will be filled by permanent staff. For recruitment of contracted staff ARADO is able to apply its own recruitment process. ARADO already advertises for most such positions, but also sometimes relies on recommendations and spontaneous applications. The latter is likely to result in less than optimal candidate pools for vacant positions. ARADO already uses committees to do short-listing; then the short-listed candidates are interviewed by the DG and relevant Head of Unit. This is an excellent practice.

259. It is *recommended* that ARADO develops and implements a more systematic recruitment process managed by a professional HR specialist. This process should be connected to the development of a simple competency framework and include proper candidate sourcing on as large a geographic basis as possible as well as review of the candidate pool before hiring decisions are made. Other ways to add substantive expertise to the staff should also be explored, for example through secondments to ARADO of staff from national or regional organizations.

Career and Professional Development

260. It is clear from the interviews with ARADO managers and staff, as well as from the Employee Survey, that career and professional development issues need to be addressed. It is natural that upward career progression options are very limited in a small organization like ARADO. This can be countered, to a degree, by implementing the recommendations discussed under Competitiveness, including merit-based promotions within grades. In addition, good performers will need to be given opportunities to continuously keep their professional skills up-to-date.

⁴⁹ The experience with monetary bonuses in public and semipublic organizations has been negative, particularly in plural societies where ascriptive criteria and particularistic allegiances tend to predominate, and in situations of weak governance where the distribution of bonuses – even if entirely fair and merit-based – gives rise to suspicion. The resulting erosion of the social capital of the organization can be severely negative. (See Robert Putnam, ed., *Democracies in Flux: The Evolution of Social Capital in Contemporary Society* (Oxford University Press, 2002); and S. Schiavo-Campo and H. McFerson, *Public Management in Global Perspective* (M.E. Sharpe, 2008.)

261. It is *recommended* that professional development options offered by ARADO and applied as appropriate, should include the following: participation in professional training courses, some sponsorship for obtaining higher academic credentials while working, short secondments to other suitable organizations, stretch assignments – such as leading a project or a Task Force, bringing in “visiting” expertise to work alongside staff for short periods of time, using external coaches and providing internal mentors.

The Employee Survey

262. The full analysis of the results of the Employee Survey conducted during the first half of May, 2013 with a response rate over 70%, are provided in Annex 2. The analysis reveals some key issues for management attention, both in the area of human resources management at ARADO and in the area of organizational culture. The key overall results can be summarized as follows:

- Staff generally feel proud of working at ARADO (favorable response by 69.7% of respondents)
- Staff are fairly clear about management’s communications on strategic directions, goals and work programs of ARADO (favorable response by 66.1% of respondents);
- A large majority (82%) of employees are clear about what is expected of them in their job ;
- Fewer than half the staff say they receive regular feedback from their manager on their performance;
- Fewer than half the staff feel that their skills are fully utilized in their current job, and that they could contribute more to the organization Fewer than one third of staff believe that they have the opportunity to develop professionally at ARADO
- More than half the staff say they do not have easy access to information they need to perform their job; Three out of four staff do not feel that team work is encouraged and rewarded at ARADO , and
- Four out of five staff do not feel that strong individual performance is fairly rewarded.

263. These results indicate that special attention needs to be given to developing a performance management process that works in terms of providing feedback and ensures fair rewards based on performance; harmonizing employment conditions to the extent possible; and providing professional development opportunities. The recommendations provided earlier in this chapter, if implemented, will go a long way in addressing the concerns expressed by staff in these areas.

264. Looking at the demographic data from the survey, two categories of staff emerge as needing special attention in order to engage them to their fullest potential: newly recruited staff and Executive Secretaries. Newly recruited staff will need to be provided a proper

induction to the organization, as discussed earlier. Executive Secretaries will need to be involved more in substantive discussions. This is a key category of staff, where newly recruited staff come with fresh knowledge, good ideas and potential to grow professionally. These staff should be stretched, based on their individual capacity, in terms of their engagement in the organization's affairs. Such engagement is likely to unleash more potential and result in even better contributions by this category of staff.

265. The survey results also indicate the need for behavior change, particularly in terms of the ability to collaborate effectively in teams within units and across unit boundaries. Only 26% of staff believe that teamwork is currently encouraged and rewarded by the organization. (Recommendations in this area were included in the earlier section on organizational arrangements.)

266. Other findings pertain to the access to information and are discussed in the ICT section.

267. It is **recommended** that management discuss the survey results with staff and link any reforms it undertakes in the HR domain to the opinions expressed by staff in the survey, thus demonstrating that management has listened and is taking action to address their valid concerns. It is further **recommended** that an employee survey be conducted every few years.

Information and Communication Technology (ICT)

268. ARADO deals principally with knowledge development, dissemination, and sharing. It is the main center for exchange of know-how in administrative development in the Arab World. Its main product line includes publications, training materials, digital contents and links, etc. These products are information heavy.

269. As such, ARADO faces numerous challenges in organizing its services and communication methods to adapt to the rapidly changing landscape of the public administration in the Arab countries and to develop and communicate timely and appropriate information and knowledge needed for capacity building in these administrations. To this effect, ARADO relies heavily on the use of information and communication technology (ICT), invests relatively heavily in information processing, and has set up several (ICT) service units to do so - both for internal administrative support and external ICT training and capacity building.

ICT Structures, Systems and Tools

The ICT Department

270. The ICT Department consists of five units with 11 staff, and includes: Information Security, System Analysis, Network & Help Desk, Graphic Design, and the External ICT Training (See Chart below). All, except the External Training Unit, provide support to the development and maintenance of internal administrative applications/management Information systems, as well as ARADO Web Portal, the on-line knowledge database, Surveys, training courses, Financial and other management systems. In addition, these units maintain and support Inter and intra networks (.Net Framework) and related services and computer hardware and database servers (c#, JavaScript, and SQL), as well as about 150 end-users PCs and workstations. The External (ICT) Training Unit concentrates its efforts on preparing, marketing, and sometimes delivering ICT training to other member countries administrations.

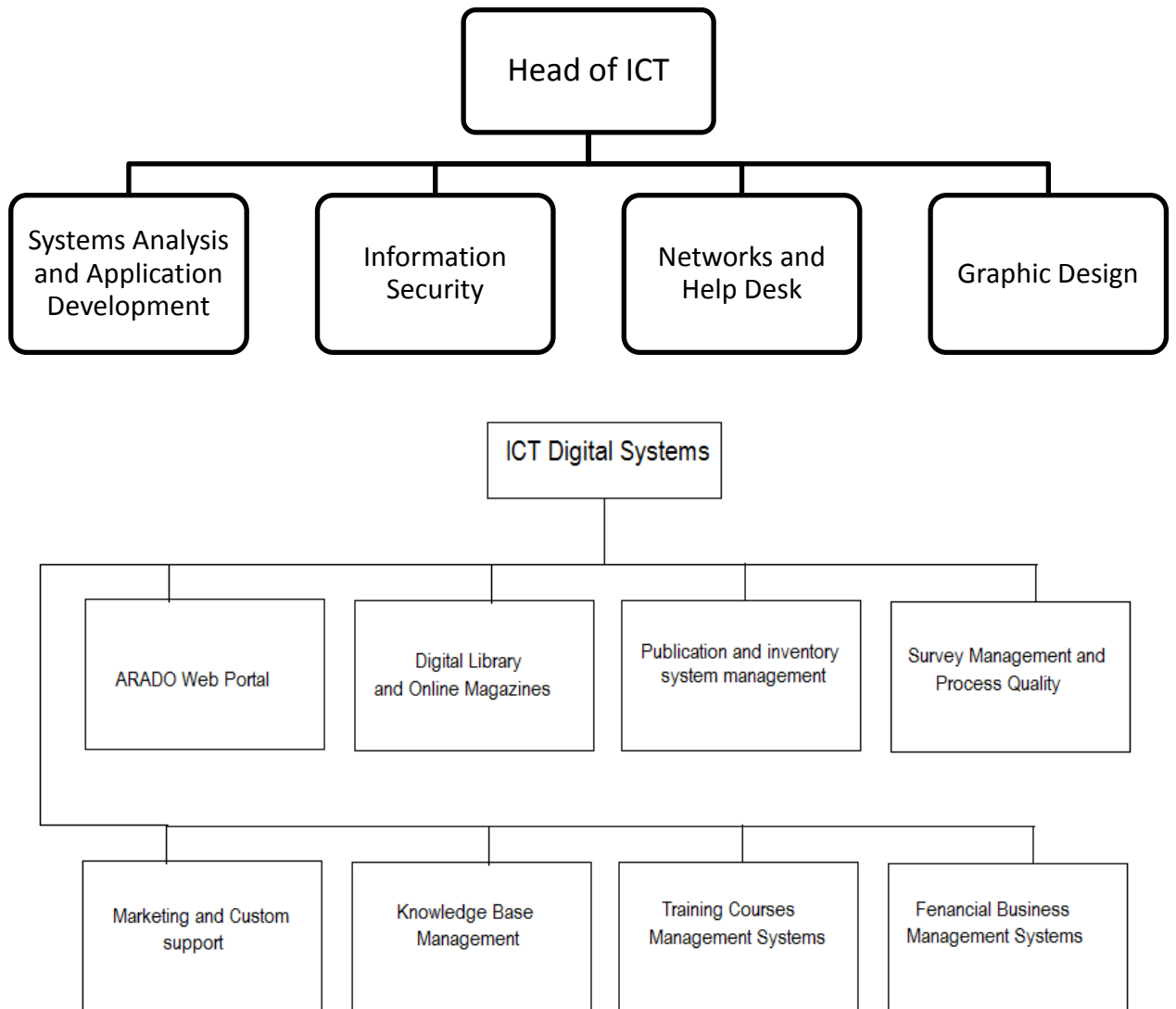
Other ICT Specialized Units

271. In addition to the five ICT units making up the ICT Department above, ARADO has three specialized ICT units, with main focus on providing training materials & content for external use. They are as follows:

- The *Digital Library Group* (5 staff) unit. It develops and manages the content of the Digital Library and maintains related services, including subscriber's services.
- The *Marketing Database* Unit (5 staff). This unit depends administratively of the Digital Library Unit. It maintains marketing related data, including contact info, fax traffic, etc...and works independently of the Marketing Unit.
- *ICTAG* Unit (3 staff), develops and markets contents for ICT external training (e-Gov., e-commerce, internet security, etc.), and deals only with ICT events/training and related marketing activities.

272. The ICT Department and specialized ICT Units develop and maintain computerized management information systems and customer-specific applications. Figure 14 shows ARADO ICT Organizational Chart and major digital systems.

Figure 14: ICT Department Organizational Chart



Intranet

273. ARADO uses both inter and intra networking systems, as well as a web designed portal Internal Web Application have been built over .NET Framework, c#, JavaScript and SQL Server 2008It is a single user interface to gather most of ICT Applications and Databases.

Databases

274. ARADO has several databases, containing the information records for the bulk of ARADO’s business and administrative units. These different units use the Intranet interfaces, as well as own custom applications, to populate, access, and query them. See Annex 7 for details.

External e-links

275. ARADO ICT services maintain electronic links with, and facilitate access to, many regional and international organizations, including digital libraries, UN specialized agencies, and especially the United Nations' Public Administration Networks (UNPAN), as well as many regional and national public administration institutes and some e-government content centers.

General Findings

276. The staff of the ICT units generally has *good ICT skills*. They use appropriate ICT tools (software, hardware and telecommunication) and maintain a large number of management Information systems and databases, as well as inter and intra networks. They also provide support for ad-hoc one-time requests from individual units and maintain user's workstations.

277. This report discusses the major features/issues of these systems and databases and related communication networks. Two areas, the ARADO training databases and the Digital Library, are discussed in more detail.

278. The internal management information systems and applications support the internal and quasi-independent working practices of the different organizational units. As these systems may change with a probable ARADO reorganization, so must they to become more effective. *A new ICT master plan*, based on the business units' knowledge requirements and information needs of such reorganization, is required.

279. *The major ARADO databases have serious problems. They need to be cleaned up and then redesigned*, based on organization-wide information infrastructure model. While extracting contacts information for the different surveys related to the ARADO assessment, the RAND team found many inconsistencies and duplications in major ARADO databases (including Marketing and Digital Library – discussed in more details in the paragraphs below), rendering them unreliable in some aspects. The problems with ARADO databases are directly related to the *lack of coordination between the different ARADO units* with regards to supplying, using, and updating data and information systems. Each unit generates its own data and preserves its information to itself due to fear of loss of clients. This has produced fragmentation and duplication of information, which in turns *compromise the effectiveness of ARADO across the board*, as also discussed in the organizational section.

280. The Digital Library (DL) is ARADO major repository of Arab and international intellectual contributions to public administration management and related fields and, as such, is part of the overall scholarly and dissemination function of ARADO. Since its establishment, it has made a significant and increasing contribution to the organization's revenue, up to

\$650,000 in 2012. The DL and the application of e-Government linkages and on-line training, have real potentials of being primary vehicles for sharing experiences and enhancing coordination among Arab administrations, as discussed at some length in the Information and Communications Technology section of Ch. IV. ARADO needs to increase and improve its efforts in these areas for these potentials to be realized. One area in particular merits consideration: the establishment of a *digital forum* where innovative ideas and practical measures in administration can be exchanged and discussed publicly, through the existing ARADO web-page or similar electronic means.

281. Lots of time and effort (over 50 % in some units) is spent by at least four units of the ICT services (ICT External Training – ICT Department, Digital Library, ICTAG, and the Marketing Database unit), on marketing their own services and products for external clients and on generating revenues for ARADO. Discussions with managers and staff of these units revealed that they spend a lot of time marketing and scouting for prospective training participants and revenue generating opportunities, taking attention away from addressing the opportunities and correcting the shortcomings of the existing ARADO internal data bases and applications systems.

282. ARADO's ICT staff, like other staff in the rest of the organization, voiced dissatisfaction with the current practice of bonuses and expressed a desire to be able to avail themselves of training opportunities to keep their skills up-to-date.

Specific Findings

The "I" for Information in ICT

283. There are no documented and regularly applied procedures on how commonly shared information is to be generated, channeled and integrated, which creates duplicate information, clogs databases with unnecessary data, and makes it difficult to get timely and reliable information. Given the important role that information processing plays in service delivery, there is a great need for:

- *Streamlining, synchronizing, standardizing, and validating* the large amount of data generated by ARADO different units, including data on marketing, hotel reservation, faxes, training materials, events & participation, etc.
- *Redefining information infrastructures models* to reflect the future organizational set up and knowledge requirements, as part of a new ICT master plan.
- *Enhancing information sharing* between the different ARADO units, and for revisiting the rules for access, update and use, without jeopardizing the integrity and security of information.

- *Re-thinking ICT strategy* and tools in order to enhance ARADO effectiveness and impact and future and expanded role, including an increased focus on the provision of on-line delivery of administrative development content and training materials.⁵⁰

284. During the course of this assessment, key ARADO stakeholders indicated that some Arab national administrations are keen on increasing their provision of on line services to the public – for example, success stories at e-government and e-elections. As citizenry in the Arab World get more connected and government services are gradually providing more and more on-line training and electronic public services, ARADO is uniquely placed to be the repository of an electronic idea-exchange market in the Arab World, as part of its central role in facilitating the exchange of know-how and best practices in this area.

285. This could be elaborated in *close coordination with national administrative development institutions*. ARADO could facilitate the production of digital course contents dealing with strategic/regional administrative issues, while the national institutions could provide access and local facilities (video facilities, conference rooms for video-relay, in situ moderators, etc...) This would spread out the costs of developing and conducting the training courses, enabling ARADO to reduce training fee for the less developed Arab countries and support the ARADO reach to these countries, an issue that is highlighted elsewhere in this report.

286. ARADO can *leverage this approach by establishing links and ~~by~~ bi-lateral agreements with on-line universities and centers of learning* which provide “massive on-line open courses, or “MOOCS”. The current MOOCs are based on providing education primarily oriented towards college students. However, variation on these models can be considered for adaptation by ARADO, to accommodate the more concentrated course contents and the shorter time span for the public sector (and private sector) employees. Public administrations partaking in such training, can tie training results (examination) to promotional opportunities thus providing, additional performance incentive at a lower overall cost.

287. MOOCs (Massive On-line Open Courses) are more than good university lectures available online. The real innovation comes from integrating academics talking with interactive coursework, such as automated tests, quizzes and even games. Real-life lectures have no pause, rewind (or fast-forward) buttons; MOOCs let students learn at their own pace, typically with short, engaging videos, modeled on the hugely successful online lectures pioneered by TED, a non-profit organizer of up market mind fests. (However, on line

⁵⁰ The World Bank Institute has accumulated substantial experience in this field and would certainly welcome sharing it with other public-interest training institutions. (<http://einstitute.worldbank.org/ei>.)

training also carries risks if not approached cautiously and in the appropriate way, as explained in the training assessment in Ch.III.)⁵¹

288. To make this possible, ARADO needs to incorporate into the “new” ICT Department (see recommendations on reorganization) a *service unit dedicated to advising on electronic training courses*, either by expending the role and capacity of the current ICTAG, or by creating a new on-line training unit. ARADO has already some experience in partnering with international institutions. This can be built upon and expanded, not only to access and use third parties distant learning materials, but to use locally available expertise to leverage and complement the delivery on-line training for local participants.

289. Looking ahead, ARADO will be likely seen in the future more as a “channel” of information than a generator or developer of content. There is a need to develop internal processes that are appropriate to the *information “clearinghouse” model*, including an increase in on-line delivery of information and open forums.

290. Related to the above is the possibility of identifying and mobilizing an informal network of volunteer “correspondents” in Arab and other governments, who are capable and willing to contribute experiences and illustrations on effective practices in delivering public services or other administrative functions in their respective countries.⁵² The information received could then be linked to the ARADO Newsletter (which, as noted earlier, may be underutilized) as well as the Edara magazine -- for screening, synthesis and publication of the most relevant items (with due credit given to each “correspondent”). Such a network would also raise the image of ARADO throughout the region. Exploring this possibility would be contingent, however, on the streamlining and integration of the disparate parts of the ARADO ICT systems, including a focal point for ICT, recommended in this section for a variety of reasons.

The “C” for Communication in ICT

291. Generally, ARADO’s units work independently of each other. *Communication and coordination between operational and computerized processes applied by ARADO are mostly*

⁵¹ Though marginal costs are low, designing enticing online material is costly. Non-profit ventures such as edX want to break even. Others have investors to satisfy. The first way of generating revenue is a “freemium” model, in which the course is free but the graduation certificate is paid-for. Udacity, for example, charges \$89 for an exam invigilated by Pearson VUE, an electronic-testing firm; its parent company is a part-owner of the Financial Times, as well as owner of Edexcel, one of the UK’s three major qualification awarding bodies.

A second model is to charge potential employers a fee for spotting suitable recruits among the students. “Coursera”, an educational organization, charges for referrals to its best students. A third option is to license online courses to universities to help them improve their offerings to students. One can foresee a blended approach, in which universities mix MOOCs and in-house provision to expand the range of degrees they offer.

⁵² We are indebted for this idea to David Forrester

lacking. When prodded about how and when coordination takes place, most ICT coordinators indicated that there is a little cross-units coordination when requesting ICT services or support. To illustrate, one ICT training coordinator said “this problem of coordination between the ARADO units and the databases problems cannot be solved without solving first the conflict between the units.” We completely agree with such statement.

292. *There is a great need for coordination and communication* especially related to applying ICT tools in support of decision making at ARADO. This can be addressed by designating a focal point for coordinating the processes related to defining and developing common applications & technology standards, and communicating integration rules and practices. The recommended new ICT Department is the natural place for such focal point.

293. With the increased emphasis throughout the Arab world on e-government, ARADO should plan for *an increased communication of its products through electronic means*. The movement from “e-government” to “intelligent Government”, adopted by the Arab Emirates and other GCC countries, necessitate the creation of a robust capacity in this area, for all the Arab countries. It is likely that ARADO will need to disseminate related best practices in this area in order to remain current and to respond to the requirements of building such capacity in the Arab administrations.

The “T” for technology in ICT: The ARADO hardware and software

294. ARADO uses an appropriate set of software tools (development software, DBMS, network protocols) for its MIS applications, databases, and telecommunication systems both for inter and intra-net requirements. These tools have been built using c# and SQL relational database management standards and servers, and .NET Framework.

295. Other client applications and databases, like Excel, are also used and supported by the different units. There are approximately 150 PCs and user workstations in use by the different units in ARADO. There are at least 10 databases (See attachment...) used or accessed by intra-net interfaces, in addition to ARADO Portal and web site. As mentioned above, ARADO has 10 Databases used by ARADO different operational units. Annex 9 contains a full list of these databases with a brief description of each, and a diagram of the relationship of these databases to each other and an explanation of the “cleaning” procedure.

The ARADO Databases

296. As noted earlier, several databases suffer from serious problems – beginning with the provision of user interfaces through an Intranet, which *allows the creation of duplicate records, not clones of the original records*.

297. *A special problem exists with the marketing database*. In fact, there are two marketing-related databases: (i) the “Marketing Database” itself, which includes information

on training managers and other contacts, is used to market the training program and has restricted and controlled data entry access; and (ii) a “Participant Registration Database”, with uncontrolled data entry access. The latter database is designed around a course-participation concept. For example, when a person uses the ARADO website to register, s/he can register for one or for many courses. However, each time a registration (one participant, one course) is entered a separate record is generated in the database. Consequently, the system contains many records with multiplicate information – none of which is a clone of the original one. Adding to this problem is the fact that different ARADO units can also enter data in the records, creating further duplication, confusion and complication. The participants data are supposed to be validated by the training coordinators when they return from training events, but they seldom do so.⁵³

The ARADO website

298. *The ARADO website suffers from several inadequacies.* Feedback received by the team gravitates mostly around the difficulty of accessing/navigating and the insufficient information content it provides, especially in relation to ARADO events and offerings – as discussed in the Training section.

The Digital Library

299. The Digital Library (DL) is ARADO major repository of Arab and international intellectual contributions to public administration management and related fields. It uses second generation Library 2.0, and UNPANS (United Nation Public Administration Networks), to collect, store, and diffuse contents related to enhancing public service delivery.

300. The country visits and meetings/interviews with stakeholders revealed a *wide appreciation of the DL and the learning opportunities it offers.*

301. The subscribers’ survey. In order to gauge the interest in and use of the DL, the team designed and emailed a questionnaire to the DL subscribers to the addresses extracted from the DL subscribers’ database. The survey was sent the survey to 50% of subscribers, selected randomly from the full list of about 300 subscribers with email addresses. About 20% were returned undelivered (invalid email addresses), and just two valid responses were received. We therefore decided to send the same survey to the remaining 50% of the emails in the database. Again, over 20% of emails were undeliverable, and only another two valid responses were received. In a last attempt at obtaining minimally useful evidence, the process was repeated for the third time, with an new closing date and using the entire subscribers’ list, newly updated and corrected by ARADO. As a result, only three emails were undeliverable. But, again, we received only two additional valid responses – for an

⁵³ Recall the large number of undeliverable emails in the participants’ survey, as well as the significant number of responses from persons who had never taken an ARADO course.

extraordinarily low total of six. The results can only be considered as illustrative, at best. (For details, see Annex 4.)

302. The subscribers' surveys indicate the existence of obsolete or incorrect subscriber information in the DL database, which requires a diligent effort to continually update and keep current.

303. Use of the Digital Library. In contrast with the minimal interest shown by DL subscribers in responding to the opinion survey, the use of the DL is substantial. The ARADO's Digital Library web-site got about 800,000 hits (visits) from web surfers between June 2009 and January 2013 – almost 1,000 per day. While this is not very high compared to the hits on commercial websites, it is nevertheless a relatively high number, indicating wide interest.

304. Digital Library surfers come from almost all over the world and from all continents. The great majority comes from the Arab countries, Asia, and Africa. Web visits to the DL come mainly from 17 member countries, with the number of hits highest from Egypt, Saudi Arabia, Algeria, Jordan, Sudan, UAE, Libya, and Iraq. To date, there have been almost 200,000 visits from each Egypt and Saudi Arabia alone. This is not surprising, as these are two of the top three countries from which participants to ARADO training originate. However, the high volume of contacts from Algeria is both surprising and very interesting, in light of the very small number of Algerian training participants to ARADO training, and may be taken not only as a positive sign of the utility of the DL but also as an indication of the potential for expanding ARADO's activities in the Maghreb.

305. The five main subjects of DL search queries were, in order: ARADO Consulting (general); Training (general); Administrative Development (general); Strategic Planning; and International Accounting Standards. The interest in consulting confirms the potential for this line of ARADO activity, and adds to the need to bolster the organization's capacity to provide high-quality consulting services, as recommended earlier.

306. Our general assessment is mixed. While the views of the Library are positive, ARADO needs to increase its efforts for its full potential to be realized, including making the DL database more reliable and its contents current, more attractive, and more adaptable to the changing landscape. Also, to capitalize on the interest of the opportunities/offerings made possible by the DL, ARADO needs not only *to keep the interest of the current subscribers, but also to attract the wider audience* of government employees, researchers, college students, etc. The data on use of the DL and main queries indicate that there is a potential for expanding the subscribers base, in part indirectly as and when sufficient consulting capacity is built.

Recommendations

307. The most important organizational recommendation is to designate a *focal point in ARADO with the responsibility and ability to coordinate and synchronize* the generation and use of information, and the development of related information systems and databases - within the framework of a new IT master plan.⁵⁴ Other recommendations are listed below.

Immediate steps

308. Recommended immediate steps are as follows:

- *Clean up the current ARADO databases*, especially the “Marketing” database – applying “similarity” function, or similar techniques, to weed out duplications – and validate and update retained data records. Data cleaning is the process of clearing up databases by detecting and removing errors and inconsistencies from data of different multiple representations of the same entity. It focuses on eliminating variations in data contents and reducing data redundancy aimed at improving the overall data consistency. (See Annex 8 for a sample data cleaning model.)
- *Develop a front-end filter application to prevent units from entering multiple records* for same event, in the databases;
- *Develop a migration plan* for the **cleaned** data in the “Marketing” database, while preserving historical information.
- Apply similar mechanisms to *clean up and update the Digital Library* (especially subscribers contact information); and,
- *Review and optimize the ARADO website*, making it easier to navigate and more user friendly, and enhance its content with information/feedback gathered from subscribers and/or navigators profiles. Concerning in particular the training activities, the website should: provide sufficient and up-to-date information about each upcoming course and conference event; and specify in greater detail the desired profile and qualifications of intended participants for each event. The website should provide a link for training managers and prospective participants to which to send inquiries, and designated ARADO staff should be made responsible for answering inquiries within a day. The website should be continuously updated with cancellations and additions to the program, which should also be communicated by e-mail. As mentioned earlier, as

⁵⁴ This role, which is currently not exercised at ARADO, is different from the management of the maintenance of hardware or from software support and/or development.

in most institutions, the printed catalog should be phased out and replaced with a web-based catalog, because a print version cannot be updated easily.⁵⁵

- *Place a “comments” link on the DL website to improve users’ opportunities for feedback.*

Medium- to long-term measures

309. Beyond the immediate future, the following measures are recommended:

- *Take the actions necessary to establish in the ICT Department: (i) an ICT focal point; (2) an on-line training advisory service unit, as described earlier.*
- *Concerning the Digital Library, as indicated above, ARADO should take the following steps: (1) consider reducing the DL subscription fees, and possibly, provide free subscriptions for basic services; (2) dedicate a responsible person or unit for the continuous updating of subscribers information; (3) establish a hotline for subscribers inquiries at all time, capable of responding to inquiries - say within 24 hours; (4) make sure, to the extent possible, that the links indicated in the contents of the DL lead to more content, per example: description of content and its purpose - not just its title (of a book for example) and/or where it can be obtained; (5) establish and maintain proper coordination and working mechanisms of mutual support between the DL and the on-line training service/unit referred to earlier.*
- *Develop and/or migrate to an integrated database management system (DBMS) for the “Marketing” database - based on a unique & common identifier. (The databases have to be redesigned, based on the new ARADO organization, and then reconstituted carefully with validated data, both historical and new, with prescribed protocols and systems for continuous updating and maintenance). Consideration should be made for requirements for performance, portability, scalability and recovery.*
- *Redesign and simplify the Records Management System, its administration, information standards and sharing, access, security and backup. Develop and publish a related guide for the creation, management, and use of organizational records; simplify and identify priority for a new “lean and mean” record keeping system.*
- *Establish a “redundant” site for ARADO hardware and information systems to insure security and back up, away from the current location of ARADO main offices.*

⁵⁵ This will have to be implemented in consultation with the clients, as training managers in some countries are not yet accustomed to regularly using e-mail or website applications. On the other hand, putting the catalog online would give them an added incentive to do so, which would be to their advantage in the future.

- When ARADO's organizational structures and scope of activities are revised, undertake a parallel effort to draw up accompanying and *detailed requirements for an ICT Master Plan* – taking the above recommendations into consideration.
- While drawing the above plan, take into consideration the tendencies and future trends in *providing public services through electronic means*, including the movement from “e-Government” to “intelligent Government”. The latter has been already introduced in some of the GCC countries and it is considered as one of the main engines behind the concept of participatory democracy and citizen empowerment, as well as the main propeller of the efficient delivery of public services in the not so distant future. ARADO should be well placed to help promote and build related public administration capacities in this area.

The new ARADO ICT Environment: Major Requirements and Considerations

Enhancing internal processes through ICT

310. Meeting ARADO's vision for the future is expected to be enabled by a more efficient, up-to-date and enterprise-wide ICT environment. There will be changes, internal and external, administrative and operational, both enabled and supported by ICT. The impact of these changes and major related requirements and considerations are discussed below.

311. The most important internal change is the establishment of a focal point or unit to coordinate the definition of information & technology standards, as well as the development of administrative, financial and management decision support systems and databases, as previously recommended.

312. The ICT master plan (the main features of which are described below) is intended to lead to the development and implementation of ARADO ICT systems that interface and integrate with each others, in a manner similar to the Enterprise Resource Management (ERP) concept. While the ERP concept may not apply fully to an organization like ARADO (soft product line - mostly intangible, little material to manage, relatively small staff, procurement and creative finance methods, external regulations, etc...), ARADO can benefit from the approach embodied by the ERP concept, when feasible. Application systems such as automated billing, payment processing, email marketing, content management, customer relation, etc...are available from some enterprise application service providers (ASP). ARADO may avail themselves of these resources – in conformity with the ICT master plan requirements when they become known. ARADO should be aware that most of the ASPs use cloud computing and will need to pay additional attention to its own requirements related to proprietary content and security considerations when considering cloud computing.

313. All ARADO units need to adhere to new synchronized and simplified processes for data generation and sharing (relying even more heavily than now) on standards intra-net interfaces. While units may have some specific needs now and then (as indeed is the case now), business-wide data must be uniformly defined, understood, used and reported – to reinforce the concept of “One ARADO”. Specific requirements to be identified by the ICT master plan based on the new ARADO organizational model adopted, as described somewhere else in the report.

314. Developing a new integrated relational database management system (RDBMS) for training and associated marketing activities entails among things the definition and use of a unique identifier relating to a particular participant and/or event, enabling consistent and timely follow-up and management of feedback. The existing data are to be migrated from the current databases to the new RDMS *after assuring cleanup and elimination of duplicate or incorrect data/records*. The current relational SQL Database servers will be able to support such a RDBMS and, while the current ICT staff has appropriate skills, they may have to be complemented with a dedicated and well experienced DBMS Administrator/manager, with direct link to the ICT focal point described above.

Developing innovative “knowledge-based” products, supported by online training

315. The recommended introduction of OLT, e-Government, e-focus groups and e-information market has internal and external implications. The internal implication for ARADO business processes is that ARADO products (training materials, marketing systems, content management, feedback and follow-up, etc...) will have to be produced with “on-line” suitable processes and digitization requirements. The external implication is that international technology standards (See UNPAD under the Digital Library) need to be applied and e-systems based content management, examination and feedback have to be developed/acquired and deployed, with dedicated technical support.

316. The options for, as well as the organizational, operational and integration requirements for developing new IT-based administrative systems -- including for human resource management financial management information, simplified and efficient record management, procurement system, etc -- are spelled out in detail elsewhere in this report.

The ICT Master Plan

317. A new organizational structure is likely to emerge as a result of pursuing the business objectives of a new “One ARADO”. The current ICT structures, tools, and information systems will therefore have to be revised or changed and an ICT master plan needs to be developed to reflect the knowledge requirements and business needs of this new ARADO, taking the following areas into consideration:

- Aligning technology with business goals of the new organizational structure
- Developing information management framework strategy, including information infrastructures models that enable ARADO to deliver its traditional line of products, while facilitating and enabling its possible transition to playing the role of “information “clearing house”, and the provision of on-line training services;
- Enabling ARADO information systems and databases to be integrated across the different ARADO units, allowing organizational-wide management of the IT-Environment. As stated above, special consideration should be paid to the development of an integrated database management system that adheres to organization-wide rules of data definition, update, retrieval, security and integrity of data;
- Developing structured and disciplined processes to gather, analyze, classify and interpret requirements for management of ARADO records during their lifecycle;
- Providing web-based online environment for the creation of e-focus groups and information exchange markets or regional forum, in matters related to issues and best practices of Arab administrative development;
- Enhancing the content and reach of the ARADO Digital Library; and
- Acquiring/developing software systems (including DBMSs, LMS, LMCS, etc...) and deploying computing hardware and networking tools meeting the requirements of a more “connected” ARADO, emphasizing the portability, scalability, electronic security, and economy of scale.

A voyage towards becoming an “e-Institute.”

318. ARADO can become the regional connector of knowledge, learning and innovation for public administrative development, and the main regional interface with global knowledge. One important step is the recommended establishment of an online advisory/support service unit, to enhance the ability of the organization to connect practitioners and institutions in the Arab administrations, and to help them find suitable solutions to their development challenges.

319. A natural evolution of such a service is to position the organization to become more and more of an “e-Institute” for learning and disseminating good practices in administrative development. In due course, it can scale up from providing online content to enabling the just-in-time sharing of information and experiences through web-based debates on administrative improvements, or dialogues among development stakeholders to build consensus and coalitions for reform. The e-institute of the World Bank Institute (wbi.worldbank.org) offers a successful example of using ICT to achieve these goals. (However, by comparison with WBI, ARADO should tailor its own e-initiatives in a more focused way than the World Bank and with greater economy.) To achieve this outcome, the organization needs first to acquire the skills and have in place technical logistics necessary to

commence this promising voyage – focusing first on providing online training content, as elaborated below.

On line training: The first stage

320. In addition to acquiring additional capacity in digital content expertise, a prospective ARADO OLT service will involve design of video lectures, virtual laboratories, e-tutoring, e-examination, etc.. For this, ARADO can use established and market-tested applications such as Skype, blogs, wikis, in addition to e-discussion boards. Technology tools may include a combination of audio, video, computers, tablets and mobile devices, blogging, webcams, whiteboards, screen casting, as is most practical and cost-effective.

321. ARADO may use either synchronous learning, with all participants interacting at the same time, or asynchronous learning, with self-paced participants. In any case, ARADO is most likely need to acquire a learning management system (LMS), software for author content and learning management. It can choose to have a dedicated service for producing and publishing content that is hosted on an LMS, or host the LMS itself. If it chooses to host the LMS itself, ARADO would need to acquire computer-aided assessment, Electronic Performance Support System (EPSS) and establish pedagogical approaches and learning standards, which may only be practical in the long-term, if at all.

322. We recommend as a more practical approach in the short and medium term for ARADO is to team up with national institutes or private sector concerns already active in the OLT area that can provide logistical support, while ARADO produces or make available specific content materials of interest to the current Arab administrations.

323. Even under this practical approach, it is worth again to emphasize that the introduction of OLT will be risky, as abundant international experience demonstrates. Also for cost reasons, it is therefore recommended to begin slowly, and expand gradually learning from actual experience and as cost and revenue considerations permit.

V. A Strategy for the Future

ARADO's performance in comparative perspective

How does ARADO compare with other organizations?

324. To move toward a new strategy and a scaled-up ARADO, its performance should be viewed in realistic perspective, against other organizations as well as good international practices. As noted at the outset, benchmarking in the technical sense is not possible, owing to the unique characteristics of ARADO as a (i) public organization; (ii) affiliated with a major international grouping of states and subject to its regulations; yet (iii) almost entirely self-financing. Moreover, ARADO is responsible to governments of countries with widely different needs, priorities and levels of development, and operates in a diverse region with unique complexities which, in addition, has experienced and is experiencing severe political and social turmoil. Any attempt to benchmark ARADO's performance against the practices and norms of private training firms, or to public entities that do not have an international clientele or responsibilities would only be misleading.

325. However, even taking into account the special nature of ARADO and the uniquely complex circumstances, appropriate comparisons with other organizations can and have been made. As shown below, these lead to concluding that ARADO's performance has been broadly satisfactory, with certain aspects moderately unsatisfactory and other aspects satisfactory.

326. Relevant comparisons between ARADO and other organizations, public and private, have been made explicitly throughout the report. To recapitulate here for convenience, those explicit comparisons included the following:

- The participants' survey included a specific question on "*Quality of ARADO's training compared to training provided by other organizations...*", although it would not have been appropriate or practical to include in the survey a mention of other organizations.
- All the other five surveys of opinion on ARADO activities were explicitly designed to include comparative performance questions.
- A central part of the interview protocols (and every one of the country interviews themselves), was a set of questions to elicit views on how ARADO's training and other performance compare to other regional and external organizations.

- ARADO's training fees were compared to those of eight other Arab training organizations and its *effective* fees were concluded to be, on average, comparable to or lower than other training organizations.⁵⁶ Similarly, the leaders of other training organizations were asked about their quality assurance procedures, which were compared to ARADO's own and found similar. And, concerning the professional certificates, the success rate of ARADO in terms of percentage of course participants passing the exam was compared to and found to be significantly higher than the averages for Egypt and for the region.
- ARADO salaries and fees for the different personnel grades were benchmarked against surveys of salaries of 11 regional and international organizations with offices in Cairo, which recruit talent similar to ARADO's.
- The employee survey findings were evaluated against the results of surveys of over 300,000 employees of private companies, and of surveys from a cross-section of ten international organizations representing over 10,000 employees.

327. Moreover, the report conclusions on ARADO's performance have been reached partly on the basis of the direct personal knowledge of team members with the performance of the training arms of the major international public organizations – the World Bank Institute, the African Development Institute, and the Asian Development Institute (in the respective multilateral development banks). Indeed, all major aspects of the report are in comparative perspective – assessing ARADO's activities and internal performance either in implicit comparison with other organizations or in relation to international norms and standards. For clarity, this section makes these comparisons explicit and also adds comparisons with a few additional organizations – the Joint Africa Institute and, among private training organizations, the American Management Association, and Motorola University.⁵⁷

ARADO and private training institutes

328. Aside from the special nature of ARADO as a hybrid entity operating in a unique multicountry environment, a major reason why comparisons cannot be made between its performance and that of successful private training organizations is the existence of a clear and unequivocal bottom line for the performance of private organizations: profit. This reality requires and permits management tools that are not available to ARADO owing to its obligations to comply

⁵⁶ The organizations may not be named because RAND obtained the fee information on the explicit understanding that it was not for attribution.

⁵⁷ The American Management Association (AMA) is a major provider of professional training to private corporations, including Fortune 500 companies, and also produces newsletters, journals, and books. The Motorola University (MU) is the education and training arm of Motorola Inc., the US telecom company. It was created in 1981 to serve the in-house training needs of the corporation, in the aim to build a company-wide quality culture to promote high internal standards and develop employee skills, translating into increased profitability. These two are only illustrations, as there is a very large number of private organizations delivering training to corporate employees and other individuals – although any well-run private firm follows essentially the same managerial, HR and financial management practices.

with the Arab League regulatory framework, which is designed for purely public organizations. In this respect, ARADO's business practices are inferior to those of a private firm.

329. Regarding *efficiency* of operations, it is not possible to compare ARADO to private training firms. In ARADO, as in most training entities in the public sector, financial data are not inclusive of all cost items and the output mix includes public goods, and it is difficult to measure the full unit cost of different types of services. This is understandable, because public training entities receive external funding or cost sharing from the public organizations supporting them. ARADO's operations, however, have a major commercial component in addition to the public service function.

330. Consequently, there are good private practices which ARADO should consider introducing. A major example is accrual accounting which, for commercial activities, is superior to cash accounting. For internal purposes, ARADO should adopt a variant of the full costing and accounting practices followed by private training firms – while at the same time continuing to comply with the Arab League financial regulatory framework designed for purely public organizations. This would be especially important for planning the recommended expansion of the professional certificates and diploma program.

331. Regarding the *impact* of training on organizational performance, ARADO cannot be compared to the private training companies, which do not have to assess the long-term impact on the client -- since the client itself will judge -- and only need to have in place a robust system to respond to the client wishes and preferences and then monitor and report on the participants' performance. ARADO does not compare unfavorably with public international organizations. Among the respondents to the participants' survey, 71% said they could apply their ARADO learning in the workplace 'a great deal' or 'somewhat,' and that the training helped them improve their work performance 'a great deal' or 'somewhat'. These ratings are not much lower than the findings from a World Bank IEG study of training in six countries, where 80% of respondents said their training resulted in 'substantial' or small improvements to their work functions.⁵⁸ (The country interviewees, however, had much less favorable opinions.)

332. Nevertheless, there are two good practices of private companies which ARADO could consider adopting, in suitably modified form. The first is the AMA Market Performance Index (MPI). While the AMA focuses on the training of corporate leaders, it also examines the links between its training and the overall market performance of the client organization, through the MPI, which combines responses to questions related to four key areas of business success: revenue growth, market share, profitability, and customer focus.⁵⁹ ARADO could

⁵⁸ IEG study Appendix C, 'Summary of Client Surveys in Six Countries' p. 70

⁵⁹ American Management Association, *Global Leadership: Everybody's Game – The Fourth Annual Study of Challenges and Opportunities*. Temple Hills, Md., 2013

devise its own index, but based on the very different questions relevant to the major aspects of public administration effectiveness.

333. Another good private practice on the impact of training is that of Motorola University. MU asks training participants to rate the following statements, which have been found to be stronger predictors of course success than the standard questions on course content, quality, and self-assessment of learning:

- My supervisor knows what I am learning in this training;
- The training was built to match the way I need to do my job;
- Job aids are available to support what I learnt in this training;
- The procedures taught in this training are the ones I can use on the job;
- I feel my coworkers will help me if I have problems using this training on the job.

334. ARADO's Quality Assurance unit could consider including suitable formulations of these questions in its own participants' satisfaction questionnaires. However, in itself this would not be sufficient, and follow-up with the participants' supervisors themselves would be needed. ARADO could consider eliciting regular feedback from supervisors, based on the above questions, and on a sample basis. (The Country Coordinator could serve to facilitate and encourage the provision of such feedback.)

ARADO and public training organizations

335. A first relevant comparison can be made between ARADO's training activities and those of the Joint Africa Institute (JAI), with a similar mandate. The JAI was created in 1999 as a joint entity between the AfDB, the International Monetary Fund (IMF) and the World Bank to provide policy-related training to selected government officials and other participants from African countries. An evaluation of the JAI reached some negative conclusions regarding the design and delivery of training,⁶⁰ several of which are comparable to issues raised in this report.

336. One reason for the negative conclusion of the evaluation was the dilution of the focus of JAI training, from the initial objective of training in policy formulation and macroeconomic management for senior officials in African governments to a wide range of dispersed topics and including participants from the private sector. There is here an evident similarity with our own assessment of the need for ARADO to reduce the diversity of its activities and refocus on a few major themes of importance for government administrators.

⁶⁰ African Development Bank. *Evaluation of the Joint Africa Institute*. Operations Evaluation Department. Tunis, September 2008. (www.afdb.org). Partly as a result, the World Bank reduced its support, and the African Development Bank had to step up to fill the resource gap.

337. Another relevant comparison is that most of the Joint Africa Institute training has been provided at its headquarters, with very few courses organized and delivered in the member countries. This is in contrast with the African Development Institute itself – the training arm of the African Development Bank -- which conducts the large majority of its workshops and other short-duration training events in the member countries, either for individual country participants or for participants from various countries in the subregion. ARADO has delivered an increasing percentage of its training outside its Cairo headquarters (especially in response to the security and stability problems after January 2011) although primarily in its Sharjah branch office, but still conducts the majority of training in its headquarters country of Egypt. As recommended earlier, ARADO should move closer to the practice of the African Development Institute than to that of the Joint Africa Institute.

338. In terms of *efficiency*, although a full comparison cannot be done owing to the different expenditure classifications, based on the assessment of training operations in Ch. III and the extensive financial and budgetary analysis in Ch. IV we consider that ARADO compares well with other public training organizations. ARADO's wage bill of 39% of total expenditure is comparatively modest. Indeed, the finding of the analysis of human resources in Ch. IV that the staffing level is appropriate but that salaries of fixed-term staff and experts are insufficiently competitive implies a need to improve compensation -- which in turn suggests that the wage bill may be inadequate to consistently produce the highest-quality events. Also, ARADO's administration and overhead costs of less than 5% of total expenditure are extremely low compared to other organizations – whether private or public, for profit or not-for-profit. (In the Joint Africa Institute, for example, such expenditure has averaged around 15%.)⁶¹ While very low overhead expenditure indicates short-term efficiency, it also raises a danger flag on long-term productivity and financial sustainability.

339. In terms of *quality of training*, ARADO's training compares favorably with that of the Joint Africa Institute, and -- *as far as participants' satisfaction is concerned* -- it is comparable to the courses and workshops of the Asian Development Institute and World Bank Institute. The participants survey found that 70% of respondents considered ARADO courses to be at least "somewhat" of better quality than other institutions from which they had taken courses. Some interviewees, however, believed that the ARADO course quality is not as good as in private entities such as Crown Agents, or public ones such as the ILO Training Center, and the consensus of the mixed focus groups was that quality needed significant improvement.

340. In terms of *impact of training*, too, ARADO does not do any worse than the comparable public organizations. The 72% of former participants who stated that the training at least somewhat improved their work performance and was applicable to their workplace is only slightly lower than the corresponding findings of the WBI evaluation, and – judging

⁶¹ JAI evaluation, op.cit.; Table 5.2.

from the text of the respective evaluations – is comparable to the ADI and possibly higher than the JAI. Moreover, although ARADO has only conducted one survey of training managers to elicit their feedback on the outcome and impact of training, this is better than WBI or ADI, which do not gather such feedback at all.⁶² (We recommended earlier that ARADO should conduct similar surveys periodically.)

341. In terms of *focus and relevance*, the comparison with WBI and AfDI is much less favorable to ARADO. The African Development Institute pursues consistently a few specific themes of high relevance to government administration – e.g., public finance, project management, and procurement. WBI training and workshops cover a far larger variety of topics, but WBI achieves substantial integration of its training with the financial and technical assistance programs of the World Bank itself. The training and workshops are in part designed to address the main problems addressed by the Bank, globally and regionally as well as in the individual countries. In large measure, this is operationalized by designating WBI staff as regular members of the World Bank “country teams” that analyze issues and recommend policies, reforms, and assistance -- to assure that courses, workshops, conferences and other activities are guided by the organization’s overall priorities.⁶³

342. In this respect, ARADO’s performance is unfortunately more comparable to the disappointing performance of the Asian Development Institute than to that of the other organizations. The evaluation of the ADI⁶⁴ found a lack of a long-term, strategic approach to selecting main training themes, which reduced the contribution to institutional capacity in ADB member countries – echoing one of the main arguments of this report. A second point of comparison to ARADO is that the relevance of the ADI knowledge products was hampered by lack of cooperation with the knowledge and regional departments of the Asian Development Bank itself. This weakness is in part explained by the fact that the ADI is located in Tokyo (and has greater autonomy than the training institutes in the other multilateral development banks) whereas ADB headquarters are in Manila. ARADO faces no such problem.

343. The good practice of WBI to integrate training with the other activities of the Bank is in sharp contrast with ARADO’s weak linkage between its training program, on the one hand, and the consultancy, publications and dissemination activities, on the other. Building systematic connections among ARADO’s activities is one of the main themes of this report,

⁶² IEG and ADI evaluations, ops.cit..

⁶³ Major misunderstandings and problems were caused in the past when WBI training was not complementary and sometimes even at odds with the World Bank’s policy on important issues.

⁶⁴ Asian Development Bank, *Performance of the Asian Development Bank Institute: Research, Capacity Building and Training, and Outreach and Knowledge Management*. Independent Evaluation Department, Manila, July 2011.

and the formation of “country teams” facilitated by a “country coordinator” is one of the key recommendations to move in that direction.

344. In *publications*, ARADO cannot hope to compete with larger organizations in terms of volume. For example, the AMA has over 300 books and manuals in print; the Asian Development Institute has published several hundred and WBI well over one thousand. This makes all the more important to have a clear theme for the books and articles that ARADO publishes, and direct relevance to *selected* current issues of public administration in the Arab world.

345. On *dissemination* of its publications and generally of knowledge of common concern to Arab administrations, ARADO has not been effective in comparison with WBI and the ADI, but has done no worse than the highly inadequate performance of the African Development Institute in this area. (As noted, the book fairs have been hampered by the political and social turmoil since January 2011.) Looking to the future, with the improvements to the Digital Library and the other web-based knowledge exchange initiatives recommended earlier, ARADO may be able in short order to come close to the dissemination levels of WBI and ADI. In the longer term, there is a potential for developing the functional equivalent of an e-institute (as discussed in Ch. IV) -- much smaller, more targeted and less impactful than the very large WBI e-Institute, but possibly more cost-effective as well.

346. Other conclusions of the evaluations of the JAI, WBI and the ADB Institute are also applicable to ARADO, and show that the issues identified in this report are comparable to those found in other organizations with a similar mandate. Among these conclusions are the following:

- training may increase individual capacities but not necessarily institutional capacity, and a clear policy on capacity building is needed -- including training as only one component along with technical assistance, mentoring and coaching;
- systematic needs assessments are essential before an effective training program can be designed, whether by private or by public organizations;
- capacity building should have a country focus with a strong accent on country ownership of the process;
- to the extent possible, delivery of courses should be in cooperation with regional and national training institutes and be combined with support to increase their own capacity;
- one important good practice is for the training to include sharing of experiences among the participants (which ARADO is already doing, and to a comparable extent as the WBI or ADI, but not up to the level of the AfDI workshops, in which participants interaction is a central component);
- customization of training to the local context is necessary, and any temptation to import “best practices”, irrespective of country context, should be resisted;

- training can be substantially improved by design guidance and making available to training coordinators resource persons with expertise; and
- an “enabling environment” should be created to support the participants to apply in their work the knowledge they acquired during training.

Indicators of ARADO’s future performance

347. Relevant performance indicators are not limited to results (i.e., outputs and outcome). First, input indicators must continue to be monitored (as they currently are, in ARADO practice) to assure that the inputs are protected and to prevent their misappropriation -- and thus provide for good *economy*, i.e. performance in terms of good acquisition and use of inputs. In a public institution where sustainability is important, it is also essential to consider suitable *process indicators*. An arbitrary or erratic process may produce short-lived results but will not be sustainable in the long term.

348. For the near future, because the changes recommended for ARADO are mainly of an institutional and organizational nature, the correct indicators to assess the organization’s performance in implementing the recommendations are mainly *process indicators*. These are embedded in each of the major recommendations of the report. From among them, the *key performance indicators* can be singled out as follows: ⁶⁵

- Cap the offerings of standard courses where they are widely available from other providers, and expand customized courses in those countries;
- Formulate an accurate and complete training program, after more systematic consultations with host governments, and publish by September;
- Recruit panel of experts for a one-time evaluation of courses quality and methods;
- Hire two high-level experts, in HR/organizational issues and public service provision -- to advise both the training and the consultancy practice;
- Expand certificates/diplomas activity, on a competitive market basis;
- Phase out entrepreneurship services;
- For major conferences, contract an external expert to advise on topics and quality;
- Re-center the AJA on public administration topics, and synthesis articles;
- Establish a Management Team for ARADO, to improve cooperation and accountability;
- Designate Country Coordinators as single contact point for each country (or group of small countries). and form and support informal country teams;
- Consolidate external affairs, public relations, marketing, and communications
- Establish a small professional HR Unit/Team

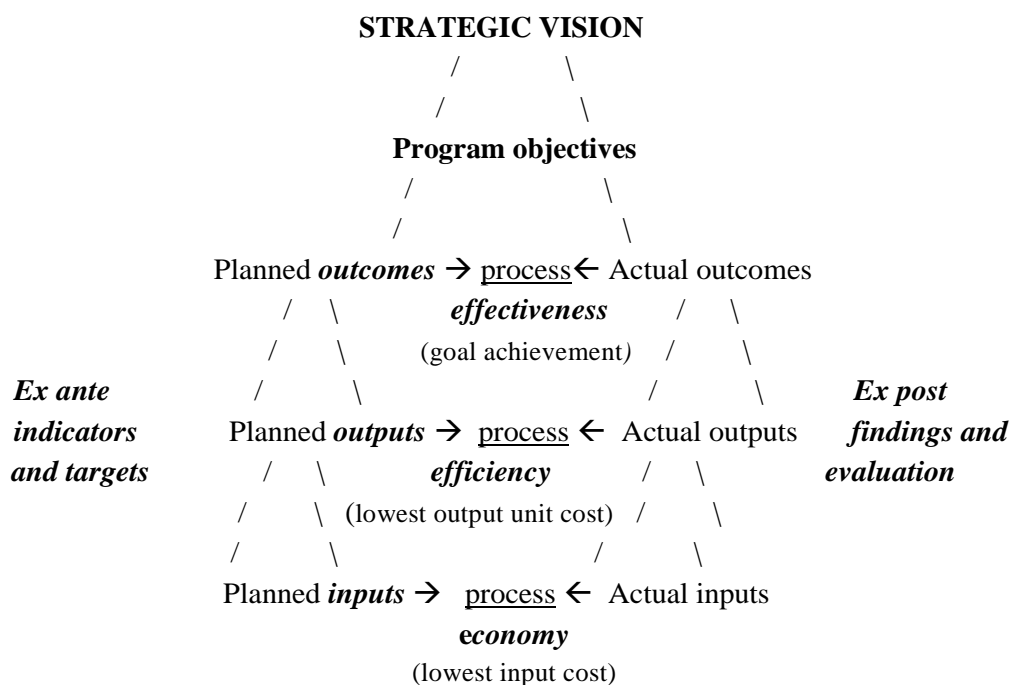
⁶⁵ For indicators which do not correspond to a binary event (e.g., the role of country coordinator, which is either established or not), actual targets will need to be specified after further internal discussion – e.g., the pace and modalities of the recommended expansion of the professional certificates program.

- Consider options to strengthen the organizational structure and implement option chosen
- Formulate methods to estimate revenue and direct expenditure for each major activity
- Enforce detailed budget preparation timetable, to complete proposed budget by October
- Elaborate a classification of revenue and expenditure consistent with activities
- Request the Economic and Social Council to amend procedures to (i) allow direct procurement of small transactions; (ii) permit realistic down-payments
- Introduce more systematic personnel performance management, that includes feedback from peers and subordinates, and review performance collectively
- Request the EcoSoc Council to allow (i) merit-based salary increases, (ii) new contracting modalities; and (ii) pay market rates for contracted staff, experts, and trainers/speakers;
- Clean up the databases, and migrate to integrated database management system;
- Develop ICT Master Plan, with specified features;
- Create an on-line training advisory unit and hire two specialized staff for the unit.
- Develop two pilot online training courses, along specified modalities;
- Request the EcoSoc Council to allow a one-time use of reserve to pay for the start-up cost of the internal reforms;
- Prepare draft proposal for an endowed Special Fund for the Less Developed Countries, and explore actively all possibilities for funding the endowment.

349. Attempting to also specify *results indicators* at this time -- when a major change is to be implemented in ARADO's output-mix, organizational arrangements, institutional norms, the management of financial and human resources and the informatics systems -- would be premature and only produce indicators that are obsolete or even misdirected. Of course, the recommended change is not intended as an end in itself, but as a means to produce better, deeper and wider *results* of ARADO's activities. Therefore, at the appropriate time, it is critical to define those results -- whether output, outcome or impact indicators -- in a manner suitable to guiding organizational behavior and assessing performance in the different areas of activity under the strengthened organizational and institutional context.

350. Accordingly, it is recommended that -- as soon as possible after ARADO decides on the particular modalities and timing of implementation of the main recommendations, the quality standards to be applied and the specific targets to be sought -- a small internal task force be formed to define the few key result indicators relevant to each major activity and the corresponding high-quality specifications and targets, with specialized M&E expert support and in consultation with the country clients. This task may be guided by the scheme in Figure 15.

Figure 15. Hierarchy of Strategy, Objectives, and Performance Indicators and Criteria ⁶⁶



The Strategic Vision and the Implementation Challenge

The Vision

351. A long-term vision for the sustainable fulfillment of ARADO’s central role as the only pan-Arab administrative development organization rests on the following *seven pillars*:

- Remain a hybrid organization, affiliated with the Arab League and with a mix of public interest activities and revenue-producing activities ⁶⁷

⁶⁶ Adapted from S. Schiavo-Campo, *Public Financial Governance for Inclusive Development in Africa*, 2013. Tunis: African Development Bank.

⁶⁷ An alternative vision is for ARADO to reengineer its processes and its markets along the “best practices” of private companies, in the aim of becoming an efficient and profitable quasi-private organization, not dependent on any public funding. This is an attractive vision, but one that we do not share: the public interest function of ARADO would inevitably wither away, and we do not see a realistic scenario under which ARADO can prosper in a market crowded with far larger and better equipped competitors -- particularly if it remains affiliated with the Arab League and thus legitimately subject to its regulatory framework and restrictions.

- Focal point on the key issues of public administration common to most member countries, focusing primarily on effective provision of basic public services to the people.
- Facilitator of dialogue and convener of searches for solutions to the administrative problems associated with the political and social transition triggered by the Arab Spring.
- Main partner of national training institutions in the less developed countries, and particularly the low-income countries, for the provision of free or low-cost basic skills and for induction training of government employees.
- Regional leader in providing capacity-building technical assistance to the public training institutions in the less developed countries, and particularly the low-income countries, either directly or in cooperation with other institutions.
- Knowledge broker among Arab administrations and between them and the rest of the world, including an e-institute to facilitate the transmission and dissemination of information and good practices in administration.
- “Go-to” regional partner for major international consulting firms and international organizations in implementing activities to strengthen administration in the Arab world.

352. *Virtually every major recommendation advanced in this report is linked to this vision, as clearly indicated by the formulation of the sub-objectives in Annex 1 and associated actions.*

353. An actionable strategy to move toward this long-term vision entails, in order, the definition of a clear strategic objective; the identification of the key guiding principles; the main implementation requirements; the formulation of the major actions; the responsibilities of the main parties; and a business plan estimating probable timing, costs and risks. These are discussed, in order, below.

Strategic objective and guidelines

354. The long-term vision outlined above can be encapsulated in the following strategic objective for ARADO: *to fulfill the central mandate to help public administration development in the Arab world – particularly in the less developed countries -- while improving its efficiency, strengthening autonomy and achieving full long-term financial sustainability.*

355. In pursuit of that objective, we see five main guidelines for the formulation of a new strategy for ARADO:

- “scaling up” should be understood as scaling up of role and impact, not necessarily scaling up of the volume of all activities; on the contrary,
- some activities ought to be substantially strengthened while others should be gradually phased out (as recommended in various sections of the report). In the process of changing its output-mix, the organization should
- give priority to activities directly relevant to public administration,
- focus more on high-quality “upstream” rather than “retail” activities, and
- orient its services more and more toward the needs of the less developed countries in the Arab world, and particularly the low-income countries.

356. In pursuit of the strategic objective, ARADO has a unique comparative advantage, stemming from: (i) its nature as the only pan-Arab administrative development organization; (ii) its stature and image, stemming in part from the affiliation with the premier association of Arab States; and (iii) its record of resilience, flexibility and integrity. It cannot *implement* a new strategy, however, without *both* substantial internal improvements and an enabling external environment. Having defined the “what”, the key questions become “how”, “by whom”, “when”, and “with what resources”.

Implementation: The two basic requirements

357. Achievement of the strategic objective is contingent on two fundamental conditions: (i) robust implementation of the large adjustment that is necessary; and (ii) commensurate external support, in terms of both regulatory flexibility and financing of the large adjustment. These two conditions are listed in logical order, but they are not chronological, as they need to be fulfilled concurrently in order to justify and reinforce each other. If the internal improvements are not implemented by ARADO, there is no argument or justification for the additional support. However, as and when these improvements are made, if either the regulatory constraints are not relieved or the financing of the adjustment is not forthcoming, ARADO’s efficiency and effectiveness can still be raised but the strategic vision outlined earlier cannot be realized.

Internal reforms: A necessity and a prerequisite

358. As discussed at length in previous chapters, ARADO should take a variety of internal measures intended mainly to (i) move away from its current short-term approach to a medium term program and financial outlook, in simple and practical ways rather than through complex models; (ii) strengthen internal organization, management of financial resources, personnel policies and performance management, for a better linkage between objectives,

activities and incentives; and (iii) streamline and modernize the information and communication systems and procedures. The subobjectives and associated recommendations and actions in these directions are listed in summary form in the Matrix at Annex 1. It is important to recall that many of these recommendations are intended to consolidate and make systematic what is already current or emerging good practice within ARADO.

359. As noted, in addition to raising the efficiency and effectiveness of ARADO, and thus worth taking in themselves, these measures would provide ARADO with a strong and credible argument for greater operational autonomy and funding predictability.

The external requirements

360. Even with the best and most successful efforts by ARADO itself, the organization cannot implement the guidance which the Executive Council gave in 2012 – let alone achieve a paradigm shift of the magnitude necessary to achieve its strategic objective -- without greater operational autonomy and more predictable funding.

361. As we have seen, the curtailment of member countries' financing through the Arab League forced ARADO from 1999-2000 to move to self-financing. ARADO has done so remarkably well. In time, however, the self-financing incentive has become stronger and stronger and the organizational culture associated with it has become dominant, to the detriment of the public service ethos. At the same time, the unpredictability of revenue and the Arab League regulatory restrictions have hampered the programming of activities and an orderly budgeting and human resource management process.

362. It is a fundamental rule of political economy that *all adjustment requires financing*, and it is a fundamental principle of economic management that *the exercise of public functions requires at least in part public financing*. So far, ARADO's financing of its public functions has come indirectly, through the fees received for its retail training, but supporting a public role through such cross-subsidization is inefficient, generates misunderstandings and has severe limits. Moreover, this round-about financing modality has *itself* been responsible for what we consider as an excessive focus on short-term revenue-producing activities. If ARADO's revenue from these activities is to be curtailed and other activities expanded, other revenue must be forthcoming to provide adequate support for that expansion as well as for enhancing services to the less developed countries. We emphasize in the strongest terms that *the recommendation for additional financing is not to secure enough money for ARADO to survive, but to finance the costs of the major adjustments that are necessary to realize the vision of a new ARADO*. In the long term, we believe that doing so would not only lead to a major increase in ARADO's effectiveness, in the interest of administrative development in the region, but also raise its efficiency substantially and lead to a lower *net* resource contribution from the member countries.

The Central Issue: What Kind of ARADO Is Desired?

363. ARADO is today at a crossroads, as in 1999. Then, its survival was at stake; today, its relevance is at stake. It can make internal improvements, streamline its offerings, raise the quality of its most important activities -- and probably continue to do well as a relatively minor player in the region for many years. *Or*, it can engineer a genuine paradigm shift to assume a higher profile and more important role, and in time become the premier central entity and preferred regional partner for public administrations in the Arab world.

364. We submit that the key issue subtending the choice of the road to be taken is the following:

“Do the Arab League and the member countries want an effective regional institution that can play a major role in assisting public administration development in the Arab world?”

365. This central issue is articulated in three fundamental questions to be confronted, respectively, by ARADO itself, the Economic and Social Council of the Arab League, and the individual member countries.

1. For ARADO, the question is: *“Is ARADO capable and willing to refocus its strategy and to undertake the internal organizational, human resource, programming, and budgeting changes required to scale up to a major role?”*

2. For the Arab League, the question is: *“If ARADO demonstrates its capacity and willingness to implement these changes, is the Arab League willing to allow the regulatory and financial flexibility essential to make the changes effective?”*

3. For the member countries, the question is: *“Are the individual member countries willing to support these changes and help provide the adequate and predictable funding base that is a prerequisite for ARADO’s expanded role?”*

366. If the reply to either the second or third question is negative, ARADO will perforce be limited to making only the internal reforms.

What should ARADO do? Partnership and Affirmative Outreach

367. The actions and improvements which ARADO can enact, within the external legal, regulatory and financial constraints have been proposed elsewhere in this report. *In addition* to implementing those internal improvements, ARADO should mount an organized effort to mobilize all possible partnership opportunities, with Arab and non-Arab institutions.

Partnership with national training institutions

368. The general aim of efforts in this area would be to turn the relationship with several national training institutions from currently competitive to complementary. Partnership is critical: the stronger national institutions would gain by ARADO complementing their regular offerings with special customized courses and putting at their disposal its pan-Arab nature, its “convening power”, and international contacts; and the less strong national institutions would gain by ARADO’s help to build their own capacity. Among other things, ARADO should build on the MOUs it has signed over the past years with national training institutions in the region and abroad.

369. To build this new partnership network, it is **recommended** to launch an “affirmative outreach” program based on: (i) deliberate “rebranding” of ARADO (marketing will be critical in this respect); (ii) identification of the key potential bilateral partnerships; (iii) regular assessments of capacity-building needs in countries’ public administrations (or cooperation in such assessments); and (iv) more systematic efforts to strengthen the linkages among the national organizations themselves, through the various ways recommended earlier -- periodic regional events to disseminate international and regional lessons of experience and new practices, forums of leaders to exchange experiences, facilitation of secondment of staff, etc.

Partnerships with international organizations

370. Partnerships with relevant international organizations will be very important to implement the new emphasis on ARADO’s regional and “upstream” functions recommended in this report. Certain efforts have already been made in this direction. Partnerships have been used for the international activities of the Professional Certificates and Diplomas program, and several conferences have been organized in cooperation with other organizations. In addition, in 2012, ARADO has entered into Memoranda of Understanding (MOUs) with the European Group for Public Administration (EGPA -- a regional grouping of the International Institute of Administrative Sciences), the International Public Relations Association (IPRA), and the French Ecole Nationale d’Administration (ENA). The objectives -- increase knowledge, expertise and access to relevant documents; inform governments on more efficient practices; and educate relevant groups -- are appropriate. The MOUs -- which are highly generic and virtually identical -- are a first step in enabling future cooperation, but

do not contain any provision for concrete cooperation in specific activities.⁶⁸ If such concrete cooperation does not materialize in the very near future, they will remain an empty public relations gesture. However, they can be useful if they are used as a platform for concrete cooperation initiatives. The obvious division of labor and basis for cooperation with other training institutions (which would otherwise be ARADO competitors) would be to allow them to participate actively in and receive credit for training or other activities in the Middle East, in exchange for reciprocal treatment for ARADO in training or other activities in the Maghreb or – possibly – Europe.

371. Other relevant potential partners exist – primarily, the World Bank Institute, the Public Management Directorate of the OECD, the African Development Bank Institute and the Islamic Development Bank. All of these are active in the region, and have a public mandate that parallels the primary mission of ARADO, as well as the financial, human and knowledge resources necessary for meaningful partnerships. In light of ARADO’s unique status as the only pan-Arab organization to support administrative development, these institutions would be receptive to enhanced partnership arrangements -- provided that the activities are well designed to implement concrete objectives defined in consultation with the member countries.

372. We would **recommend** to:

- Operationalize the generic MOUs with EGPA, IPRA and ENA by pursuing agreements on concrete initiatives to take place beginning in 2014 -- based on joint organization and joint funding, and on the principle of reciprocity;
- Carry out a systematic new effort to identify fresh partnership and cooperation opportunities with the OECD and the multilateral development institutions active in the region -- particularly for region-wide activities and on issues demonstrably relevant to the improvement of public services and the advancement of good governance during these unsettled times in the region.
- Canvass and summarize the previous partnership experiences, as a basis for more aggressive marketing and outreach efforts in that direction – including personal visits to the headquarters of the concerned organizations.

⁶⁸ In this light, the provision in the MOUs for amicable settlement of disputes rings hollow, since the document’s provisions ruling out any commitment on funding, or even reciprocal granting of preferred treatment, “in any matter” make it difficult to imagine that any dispute can arise from the MOU.

What should the Economic and Social Council of the Arab League allow?

373. The affiliation with the Arab League is a priceless asset for ARADO, and the effective functioning of ARADO in turn reflects well on the Arab League. The temptation expressed by some to “cut the cord” may be understandable but is wholly impractical and would be very ill-advised. However, *the inconsistency between the Economic and Social Council regulatory system and the nature of ARADO has not served well either the Arab League or ARADO.*

374. The key inappropriate regulatory constraints have been identified earlier – in procurement, budgeting, and human resource management -- and it is not necessary to repeat them here. The overarching need is for a fresh dialogue between ARADO management and the Technical Committee of the Economic and Social Council, open and collegial, to identify all concrete ways to *give ARADO the additional flexibility it needs to maximize its effectiveness, while retaining its compliance with the letter of most of the regulations and preserving the spirit of the regulatory system as a whole.*

What should the member countries do?

375. Because the Arab League is a member-driven entity, a first critical contribution by the member countries would be to support the above-mentioned dialogue aiming at waivers or modifications of Arab League regulations that unduly restrict ARADO’s capacity to function efficiently and plan appropriately.

376. Beyond this, individual member countries could endorse and/or support the move to prudent and efficient mechanisms to assure predictable financing at a level commensurate to what is required to meet the member countries’ own expectations of ARADO.

Where Can the Money Come From?

377. Many of the internal improvements recommended in this report can be implemented at trivial or no monetary cost by judicious reallocation and use of ARADO’s own staff resources, current facilities and equipment. Others cannot. Also, implementing the EC guidance – and especially the call for increasing support for the less developed countries – will require additional financial resources on a recurrent annual basis. Accordingly, there is a double need for: (i) a one-time upfront investment to finance some of the internal changes; and (ii) additional regular revenue to finance services to the less developed countries.

Financing the Internal Reforms

378. When internal reforms carry an additional direct cost, the obvious potential source of financing their implementation is the current balance in the ARADO reserve accounts.

Utilization of the accumulated surplus requires approval by the Economic and Social Council. If the Economic and Social Council agrees with the need for the internal reforms, it follows that it should be expected to consider favorably a request by ARADO to finance the cost of the reforms through use of part of the reserve. (As shown in Table 15, the estimate of the upfront start-up investment required to implement these reforms adds up to much less than 50% of the current \$3.7 million balance.)

Financing the Support for Less Developed Countries

379. Albeit in an ad hoc manner, ARADO currently makes substantial contributions to administrative development in the less developed countries -- in the form of fee discounts or fee waivers for individual participants from those countries and by delivering the occasional training event. These contributions, totaling in 2012 about one quarter of ARADO's training revenue, are in effect financed by the relatively high training fees paid by participants to ARADO programs from the other countries. This roundabout financing mechanism is necessary under the circumstances, but it is neither efficient nor predictable. Moreover, any expansion of services to less developed countries is inherently limited: as noted earlier, scaling up of courses and the holding of more "upstream" high-quality events could not be financed from raising the already high training fees paid by participants from the other countries.⁶⁹

380. If ARADO's services to the less developed countries could somehow be financed separately from its other activities, the organization would be enabled to deliver such services at a level commensurate with the needs of those countries, and use its own revenue to finance the restructuring of its other activities and scaling up of their quality and impact. A possible financing mechanism is proposed below.

A Special Fund for the Less Developed Countries

381. The **final recommendation** of this report is to explore the possibility of creating an endowed Special Fund to finance ARADO's activities in support of administrative development of the less developed member countries. The basic elements of such a proposal are outlined below, following successful precedents in international practice.

Purpose and scope

382. ARADO has been unable to plan for the medium and long term in part because of it lacks reasonable assurance of adequate and predictable resources. Concerning the financing of its services to less developed countries, such assurance can come from establishing an endowed Special Fund, with annual returns earmarked for the support of such services. The initial one-time endowment should be sufficiently large to yield annual returns commensurate

⁶⁹ A suggestion has been made to seek aid donor funding for ARADO's activities in the less developed countries of the region. However, one cannot possibly expect aid donors to contribute scarce development moneys to a regional organization whose members include some of the wealthiest countries in the world.

with the level of those services – as such level may be determined in agreement among ARADO, the Economic and Social Council, and the contributing entities.

383. The returns from the Special Fund would *not* be budget support for ARADO, nor cover a predetermined percentage of ARADO’s overall activities, but would only be used to finance the activities with *direct* relevance to the development of public administration in the less developed countries (and particularly the lower-income countries where the need for support is greatest). All other ARADO activities would continue on the current “self-financing” basis. In this scenario, the total financing of ARADO would be composed of two components: (i) a predictable and steady component provided by the return on the endowment and (ii) a variable component derived from the commercial revenue – befitting its hybrid nature as a public organization with both public purpose and commercial activities.

Governance, management and safeguards

384. The Special Fund would: (i) have a transparent and representative governance structure, headed by a governing body with membership from contributing entities and the Economic and Social Council; (ii) operate under agreements and specific conditions concerning the purpose, the allocation and the efficient use of the moneys; (iii) meet strict reporting and fiduciary requirements; and (iv) the financial management of the endowment itself would be entrusted to a separate entity contracted for that purpose. ARADO would propose to the governing body the budget consistent with the annual revenue expected from the endowment; if approved, manage the programs and activities financed under that budget; and be accountable for the use of the moneys and quality of the programs.

385. Because money is fungible, agreements would be made with the contributors on the scope, amount and nature of the commercial activities. Therefore, by implication, the governing body of the Special Fund should need to be consulted on ARADO’s medium-term program of **all** its expenditures. (There are many precedents and substantial experience with the establishment and operation of similar “extra budgetary” funding mechanisms.)

386. The creation of the Special Fund would give ARADO the predictability needed to place its planning, budgeting and financial processes on an orderly medium-term basis, and give the contributors assurances that the funds will be allocated to the agreed activities and managed efficiently. Arab League approval would be required, but if the member countries endorse the mechanism and sufficient funds are mobilized such approval should not be problematic. Moreover, if the Special Fund functions effectively, it would contribute indirectly but very positively to the image and influence of the Arab League.

Possible sources of funding

387. There are a large number of potential funding options. Some are suggested below. They are not exclusive, and other sources of funding may exist.

Capitalizing training fees

388. The total or part of the training fees currently paid to ARADO by the high-income countries' governments for their participants could be capitalized over a certain period of years, with the present discounted value disbursed as a contribution to the Special Fund endowment. In exchange, ARADO would guarantee a number of free course spaces to participants from the contributing governments -- related to the number currently paying the full individual fees. Each government would decide whether to participate in such an arrangement and to what an extent. Government views could be canvassed to determine the practicality of such an arrangement.

389. Over the period, *this would entail a shift in timing and not a net increase in the financial contribution* of the participating countries to ARADO's operations and activities. However, net savings would flow from the reality of economies of scale in training (since the marginal cost of additional participants is generally lower than the average cost of delivering the course) and, of course, capitalizing training fees would increase the predictability of funding as well.

Planning for the annual surplus

390. ARADO can use its annual surplus upon individual request and by permission by the Economic and Social Council on a case-by-case basis. Such permission has been granted but only from the Special Reserve and then only when the withdrawal would amount to 50% of ARADO's budget – which will not happen for many years. Even if a broader case-by-case permission were to be granted, ARADO could not plan for the *strategic* utilization of the surplus it has itself generated. If a Special Fund for development is established, ARADO should explore with the Technical Committee the possibility of an understanding by which all or a high predetermined proportion of the annual surplus would be automatically transferred to the Special Fund. While retaining the ultimate authority of the Economic and Social Council, and thus requiring no change in the regulations, such understanding would remove a major constraint to orderly budgeting and financial transparency, and help finance an expansion of services to the less developed countries.

Collecting some arrears

391. It would be impractical to try and collect the arrears of country contributions from most member countries. However, Libya and Algeria account for almost one half of the arrears – or about \$3.7 million, and Kuwait and Iraq for \$1.5 million more. These countries may be receptive to a request for a one-time reduction of their accumulated arrears, if the moneys were earmarked for a sound expenditure program to support administrative development in the less developed member countries of the Arab League.

A one-time contribution from some member countries

392. The interviews conducted for this evaluation have shown a great deal of goodwill toward ARADO, despite the disappointment with certain aspects of its planning and operations, and a wish for the organization to focus on the highest-quality, highest-prestige, and highest-impact events. One or more individual member countries may decide to make a one-time contribution to the Special Fund endowment, *predicated upon certain understandings and conditions*. (The relevant precedent was set by H.R.H. the Emir of Qatar, in his generous endowment that allowed for the creation of the ARADO Digital Library.) *By underwriting such an endowment, a government and its leadership would be seen throughout the Arab world as the primary contributor to the improvement of public administration in the less developed brotherly countries.*

Mobilizing the Arab public financial institutions

393. A simple and direct approach would be to request from the major Arab financial institutions (e.g., the Islamic Development Bank, the Qatar Fund, the Kuwait Fund, the OPEC Fund for International Development), a substantial one-time contribution to the Special Fund. Given the intended allocation of the moneys, such a contribution would be consistent with their mandate to support economic and social development in the Arab world.⁷⁰

A Business Development Plan: Parameters, Risks, Costs and Benefits

Sources of growth

394. Any development plan requires identifying the potential sources of growth for the organization. In the unique case of ARADO, as a hybrid organization with both a central public function and revenue-producing activities, the sources of potential growth should be identified separately for the two aspects.

395. As implied in the assessment and recommendations of Ch.s III and IV:

⁷⁰ It is also possible that external donors, already active in parts of the Arab world, might contribute to the Special Fund – despite the understandable reluctance to support with development moneys a pan-Arab mechanism that includes some of the richest countries in the world – and the regulations of the Special Fund should permit such support, under certain conditions. However, it is scarcely conceivable that any external donor organization would consider doing so until the Special Fund is already well established, with sufficient support from Arab League member countries, and is ongoing. In any event, such support should only be accepted as a contribution of the Special Fund endowment, and not earmarked to any particular project or activity.

- The key potential sources of sustained *growth in revenue* for ARADO in the medium and long term are, in order of importance: (i) the expanded professional certificates/diploma program; (ii) the revitalized consultancy practice; and (iii) the customized courses.
- The main potential sources of *growth in impact* on public administration are: the conferences and high-level fora; the publications program (*provided* that it is reoriented toward selected urgent problems of public administration); and, online training in the less developed countries. These sources of growth in impact are not listed in any particular order of importance because, to maximize impact, ARADO should look at them in an integrated manner and find practical ways to connect them into a “package” addressing common themes as well as country needs.

396. The revenue-impact distinction must not be understood as a sharp one, however. Organizationally, it is important to avoid a separation, formal or de facto, of the “revenue” from the “impact” activities. Doing so would, among many other organizational and morale problems, gravely compromise the vision of “One ARADO”. Practically, the activities with higher revenue potential can also carry a positive impact on administrative development (e.g., consultancies to help strengthen the capacity of the national training institutions), and the activities with a higher potential for impact can also yield significant financial benefit – either from the new external financing proposed earlier, if it is obtained, or, in the case of online training, from vast reductions in the cost of training delivery.

Actions and risks

397. The Matrix in Annex 1 includes all the recommendations made in this report, and the more than one hundred actions suggested to be taken in 2014 and subsequent years. (From among them, those recommended as key performance indicators were listed earlier.) It is for ARADO to weigh these recommendations and actions and determine which to accept and when and how to implement them. In the current turbulent political and security climate of much of the region, very high uncertainty attaches to every estimate, projection, and assessment of success of any action. Also, the implementation of the recommendations of this report will be challenging and will be time- and decision-intensive and thus subject to the risk of ineffective implementation.

398. Aside from these general considerations, *we see only two of the recommendations themselves as subject to particular risks or uncertainties*: (i) the shift from standard courses to customized courses will entail in the short and medium term a loss in revenue from standard courses; and (ii) online training will be complex to develop, with a risk of missteps and wasted investment. It is for this reason that we recommend to (i) mitigate the risk of the former action by capping, rather than reducing, the standard courses to the 2012 level until 2016 (and reducing

them only gradually thereafter); and (ii) mitigate the risks of OLT by starting the program with a pilot of only two very basic courses, and expand later gradually as experience and resources permit.

399. The risk to ARADO does not lie in taking this or that recommended action. *The real risk is the risk of inaction. In the current and foreseeable turbulent climate and shifting member country priorities, without adequate adaptation ARADO may well face the prospect of a shrinking of its activities and revenue as rapid as their expansion has been since 2005.*

Cost estimates

400. The vast majority of the actions in the Matrix can be implemented by ARADO's own current capacity, human resources, physical facilities and budget – although important management decisions will be required and commensurate internal redeployment of existing resources will have to be made. These actions will entail an opportunity cost, and senior management will need to consider carefully the various possible modalities and how and when to implement them, but should not entail a significant additional financial cost. The action plan in Table 15 extracts from the full Matrix those major recommendations which will carry – *in addition* to ARADO's own efforts – significant direct financial costs, and lists them along with the associated range of estimated costs and the assumptions underlying the estimates.

401. All estimates of costs are highly tentative, as actual costs will depend on the extent and modalities of implementation of the recommendations – which can have different variants – as well as the time phasing. The grand total of estimated start-up (“investment”) costs and recurrent annual costs shown in this business development plan is at the higher end of the probable spectrum, and the additional net cost is likely to be lower. Even at the estimated levels, the startup cost of \$1.3-2.0 million would be easily covered if the Arab League agrees to partial use of the balance on the general and special reserve for that purpose; and the additional recurrent cost of \$1.0 million per year associated with the expansion of training services to the less developed countries would be covered by the estimated annual revenue from the proposed endowed special fund. *If neither Arab League approval of use of the reserve accounts nor the establishment of the special fund are obtained, only a small part of the additional cost can be covered by ARADO's own revenue, and the recommendations to be implemented would necessarily have to be limited to those which do not entail large net additional financial costs for ARADO.*

Potential benefits: A concluding word

402. While the start-up costs will be incurred in the first two years of implementation, no significant additional revenue can be assumed during that period. The returns from any investment are never immediate. Based on the experience and judgment of the team, we expect

that after the start-up period the efficient implementation of the recommendations will result in substantial and sustained additional revenue for the organization. It is impossible to estimate with any precision such additional revenue, but in our view (and in light of the vast sums spent by member countries on advanced training and consultancies) it would be realistic to expect by 2018 at least a doubling of annual revenue to about \$15 million, and a further increase thereafter. (The efficiency of the organization would also increase substantially if the current constraints and impediments from the Economic and Social Council regulatory framework are relieved.) Aside from the growth in revenue (and thus a stronger financial position of ARADO for the long term), there would be a major “scaling-up” of ARADO’s regional influence and positive impact -- which is the fundamental objective of the organization, in the interest of the Arab countries and to contribute to enhancing the prospects of a transition from the current turmoil to improved governance and public management.

Table 15: Business Plan – Major Actions, Costs and Assumptions

(Only actions entailing additional direct costs are included; see Annex 1 for the full list of recommendations, timetable and objectives. The costs indicated below also include the costs of related actions under the same heading.)

Area	Measures to be taken in 2014-16	Startup Cost (\$1000s)	Recurrent Cost (\$1,000)	Assumptions (\$1,000)
I. ACTIVITIES				
A. Training				
<i>Courses</i>	Cap the offerings of standard courses where widely available from other providers; expand in less developed countries in partnership with national institutes	30-40	180-200	Additional travel for initial consultations. Loss of recurrent revenue from capping standard courses at 80% of 2012 level is \$320, for net loss of \$190 (with direct expenditure of 40% of revenue) – not considering additional revenue from further expansion of custom courses.
	Convene panel of experts for a one-time evaluation of courses content and teaching methods	60-80	140-190	Evaluation: Five experts for two months, at \$6-8 per mo.; Two full-time substantive experts, at @ \$6-8 mo. (Will require Arab League approval of higher salary and/or special bonus.) <u>Note:</u> these experts would also work to bolster ARADO’s consultancy capacity, below.
	Pilot digital “add-on” from downloaded training materials, as free “refresher” tutorials	20-30	40-60	With use of in-house ICT resources (costed in the ICT section later), additional cost is limited to compensation for development of tutorials.
	Develop guidelines for trainers, in consultation with other institutes		60-80	Total cost of higher fees for higher-level trainers and speakers
<i>Conferences/workshops</i>	Phase out events that do not have major relevance for administration		40-50	Phase out 1/4-1/3 of events: loses \$225-300 in revenue (at ave. revenue/participant and no. of participants in 2008-12), partly offset by savings in related direct expenditure.
	For major conferences,		40-60	Rapid peer review for quality assurance, four

Area	Measures to be taken in 2014-16	Startup Cost (\$1000s)	Recurrent Cost (\$1,000)	Assumptions (\$1,000)
	contract an external expert to advise on draft papers to be presented			annual conferences; no additional cost for demand-driven agenda setting.
	Update the fees for high-level speakers		40-60	Doubling fee of speakers at major events, for 10 speakers a year.
	Improve consultation on conferences	30-50		Travel for required consultations, with specified outcomes of consultations.
B. Consultancies	Hire two strong experts, in the organizational and HR aspects of public administration and in e-government and public service provision.			Cost already included above, under substantive expertise for improving quality and content of training.
	Phase out entrepreneurship services			A small revenue loss is likely to be largely offset by expenditure savings
C. Publications	Various actions, implemented through ARADO's own resources			
	Seek sponsors and launch new award for administrative innovations			For a high-profile Award, the recommended amount is at least \$50 – to be financed by sponsor together with all other costs (except use of ARADO's own resources).
II. INTERNAL				
A. Organizational arrangements	Assure responsive Country Coordinators		100-150	Extended travel and in-country stay
	Acquire additional subject matter expertise in key program areas, to complement existing expertise	30	200-300	Recruitment of 3 additional experts Some funding to support secondments
	Establish a small, professional HR Unit/Team	10	60	1 HR expert 1 Assistant
	Establish a focal point for ICT [See also ICT section]	10	40-50	1 additional expert
	Create an advisory team for OLT. [See also Training and ICT sections]	(See ICT section)	60	1 Expert 1 Assistant
	Consider options to strengthen organizational structure, and implement the option chosen	80-100		Consultancy to support design and /or implementation
B. Budgeting and financial management				

Area	Measures to be taken in 2014-16	Startup Cost (\$1000s)	Recurrent Cost (\$1,000)	Assumptions (\$1,000)
<i>Budget preparation and approval</i>	Design and implementation of various necessary methodological and institutional improvements	60-110		ARADO staff with the advice of a high-level external expert in fiscal and expenditure programming and budgeting – 40 days from June 2014 to Dec 2015 -- including fees, and travel and per diem for four visits to Cairo. (Covers all the items in this section.)
<i>Budget execution and financial management and control</i>	Revise the current accounting system to match revenues and expenditures	20-30		External consultant to help revise the current system and recommend possible adjustments within the present Unified System
	Full costing of income-generating activities.	20-30		External consultant to design a costing system and supervise implementation
	Identify the relevant financial information needed by management at all levels and prepare the key reports periodically and systematically	15-20		External consultant to design a reporting system and supervise initial implementation
C. Human Resources	Develop a structure of job streams	10-20		Small consultancy
	Include feedback from peers and subordinates to assess performance	30-40		Small consultancy Deployment of the online tool
	Develop professional development options for staff. Request Economic & Social Council to allow new contracting modalities	50	100	Initial design done in-house Cost of attendance in professional continued education (recommended spending in long-term is 3% of the annual budget) Small consultancy – assuming permission is granted. (If so, there will be a need for increase in compensation and benefits, but not possible to estimate at this time.)
D. Information & Communication technology	Develop ICT Master Plan, including an integrated database management system and OLT feasibility study Review, simplify and prioritize ARADO record keeping requirements.	100-120		Consultants and in-house ICT staff.
	Arrangements for facility/site security and back up system	40-50	20	(Could also consider a secured “cloud” storage and back-up at a lower cost.)
	Establish the nucleus of an on-line training service advisory unit (OLSU) -- feasibility study, costing modalities, and hiring of two specialized staff. Formalize OLSU as a	600-1100	60	Industry-wide course cost is \$500-\$1,000 per finished minute (<i>all inclusive</i> : content, production, monitoring, e-examination, certification). Two basic skills courses of ten 45-minute sessions each are assumed in the first period. Additional courses can be added later. Other start-up costs include one OLT expert and one digital recording expert (\$50-

Area	Measures to be taken in 2014-16	Startup Cost (\$1000s)	Recurrent Cost (\$1,000)	Assumptions (\$1,000)
	business unit			\$70); recording and OLT software (\$30-40). OLT feasibility study already costed in the ICT master plan. Recurrent costs include the extra fees of trainers and production of curricular and tutorial materials. Total cost can be reduced if ARADO provides the digital infrastructure, and delivers third party materials. One other scenario is to create a nucleus of in-house expertise to provide content, and enter into third party agreements for digital production and cost/revenue sharing.
III. OTHER				
A. Performance assessment	After ARADO decides on the modalities and timing of implementation, create a small internal task force to define the key result indicators for each major activity, the high-quality specifications and targets – with specialized expert support and consulting the country clients.	30-40		One external M&E expert for 20-30 days, inclusive of travel and per diem
B. Marketing and change management	Create focal point for coordination, disseminating and troubleshooting of change efforts – in close cooperation with marketing/PR/external relations unit, and reporting to DG	60	30	One external expert for 60 days over 2014-2015; One additional professional staff recruited for the marketing/ PR/external relations unit.
B. Relations with governing bodies	No additional financial costs			
C. Partnerships	New inputs and costs included in sections on Organization&Marketing			
<u>TOTAL COSTS</u> (rounded)		\$1.3-2.0 million	\$1.0-\$1.5 million	
<u>FINANCING</u>	Request the Economic and Social Council to	\$1.3-2.0 million		In addition to the substantial contribution by ARADO of staff and other resources to the

Area	Measures to be taken in 2014-16	Startup Cost (\$1000s)	Recurrent Cost (\$1,000)	Assumptions (\$1,000)
	allow a one-time use of reserve to pay for the start-up cost of the internal reforms.			implementation of the recommendations.
	Establish an endowed Special Fund for the Less Developed Countries		\$1.0 million	<p>A one-time \$20 million contribution to the endowment by willing partners would yield annual revenue of \$1.2 m. (assuming a sustainable 6% rate of return from safe investments) and permit to finance:</p> <p>(a) the cost of training services to less developed countries (at \$1 million per year but with a partial shift to OLT); and (b) the annual cost of managing the endowment (assumed at 2% or \$200,000)</p> <p>All other costs of planning, budgeting and delivery of the training would be borne by ARADO staff and resources.</p>

Annexes

- Annex 1: Matrix of Recommended Actions
- Annex 2: Evaluation Methodology and Evidence
- Annex 3: Protocols for the Structured Interviews and Focus Groups
- Annex 4: The Seven Opinion Surveys
- Annex 5: The Focus Group Meetings
- Annex 6: Towards an Impact Evaluation System for ARADO
- Annex 7: Financial Regulations
- Annex 8: A Note on Effective Performance Management
- Annex 9: The Databases
- Annex 10: List of Interviewees
- Annex 11: List of Documents, Data and References

Annex 1

Matrix of recommendations and actions

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
I. ACTIVITIES				
A. Training				
<i>Courses</i>	Improve programming, relevance, and communication	Cap the offerings of standard courses where they are widely available from other providers, and expand in less developed countries in partnership with national training institutes	Continue cap on standard courses; expand further custom courses based on assertive demand-mapping and direct consultations.	Focus courses on a few main themes directly relevant to ARADO's primary mission
		Improve explanation, coverage, information, timeliness, predictability of the training program		
		Create role of "country coordinator" (see also organizational section)		Prepare a rolling 3-5 year plan to support country needs
	Improve content and methods	Convene panel of experts for a one-time evaluation of courses content and teaching methods		Strengthen substantive expertise by hiring two high-level experts, in HR and organizational issues of admin., and e-gov and public service provision.
		Pilot digital "add-on" from downloaded training materials, as free "refresher" tutorials for former participants.	Introduce digital refresher tutorials for all repeater courses	Continuously improve digital tutorials and use results to improve course content
		Develop guidelines for trainers, in consultation with trainers from other institutes		Diversify pool of trainers & speakers, in consultation with local training institutions.
	Rationalize fee structure -- pending a long-term financing solution for training for LDCs.	Establish an overall policy on discounts and cost recovery		Increase further the number of courses offered locally
		Explore opportunities to reduce costs without affecting quality, e.g. placing catalog online		Increase use of online training, to lower cost and expand access
<i>Certificates & diplomas</i>	Expand the activity to mobilize	Conduct a rapid assessment to ascertain possible duplication and	Expand certificates/ diplomas activity, on a competitive	Expand activity in the less developed countries, mainly through online

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
	revenue	overlap with standard/custom courses, and correct as needed	market basis, for participants in more developed countries	delivery.
		Compare overall profile of participants with that of other training entities.		
		Introduce specified improvements in the existing participants' feedback instrument	Adapt program to reflect findings from improved instrument	Continue to improve quality to remain competitive
<i>Conferences/workshops</i>	Raise quality, profile and impact of conferences	Phase out events that do not have major relevance for administration		Expand encounters for high-level policymakers – using the “Round Table” model
		For major conferences, contract an external expert to advise on the draft papers to be presented		Design gatherings of administrators and training institute leaders around concrete issues defined by the leaders themselves, and program them in advance
		Update the fees for high-level speakers to fit market realities [See also Consultancies and Human Resources]		Refocus the governance conferences on actionable aspects of one major issue
				Hold one annual conference for top Arab civil servants or administrators, on recent best/worst experiences in public administration.
				Aim for stronger partnership with international institutions.
B. Consultancies	Increase internal capacity to the minimum needed for sustained practice	Hire two strong experts, in the organizational and HR aspects of public administration and in e-government and public service provision.		Implement a sustained effort at reaching potential clients, exploiting comparative advantage as the only cross-border, panArab institution
		Appoint internal task force to draft new norms and procedures for consultancy activity, and present them to the DG for approval and subsequent endorsement by the Executive Council		Make outreach efforts to engage in subcontracting for large international consulting firms
		Expand pool of experts for consultancies raise		

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
		quality including high-level regional and international experts		
		Phase out entrepreneurship services		
C. Publications	Improve long-term impact by clearer focus and better dissemination	Diversify the pool of manuscript referees, including referees from the Maghreb, while protecting quality	Review adequacy of the efforts for book dissemination	
		Explore how the AJA can be included in the major journal registries and citation reports.		
		Decision to re-center the AJA around: (i) more articles directly related to public administration, and (ii) synthesis articles rather than original analysis.		
		Conduct an outreach effort at disseminating the change in editorial direction and calling for papers -- both within and outside the Region		
D. Awards program	Maximize positive impact on ARADO image and profile	Contact sponsors and others concerned to assure that ARADO's role is properly credited and a web link is included in all award-related postings.		
		Seek sponsors for new sizeable award to be given for administrative innovations with major potential for improving public services	Launch new Award for Best Practice in Public Service (if a sponsor is found.)	
II. INTERNAL ORGANIZATION				
A. Organizational arrangements	Enhance collaborative management	Establish a Management Team		
	Enhance information flows and staff engagement.	Establish a leadership communication mechanism		

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
	Strengthen client focus and country programming.	Designate Country Coordinators and form informal country teams	Assure responsive country Coordinators and collegial functioning of country teams.	Continue implementation
	Strengthen substantive quality of activities, and improve thematic coordination across activities	Acquire additional subject matter expertise in key program areas	Complement staff expertise, as needed, with other experts for short periods, through secondment from reputable institutions or in other ways	Continue implementation
	Introduce "one voice" for ARADO both externally and internally	Consolidate external affairs, public relations, marketing, and communications expertise into one strong unit		
	Improve human resources and enhance change management	Establish a small, professional HR Unit/Team		
	Enhance coordination and synchronization of information	Establish a focal point for ICT [See also ICT section]		
	Introduce online training (OLT)	Create an advisory team for OLT. [See Training and ICT sections]		
	Strengthen management of procurement	Establish a separate procurement unit or team		
	Rationalize organizational structure	Consider options to strengthen structure	Implement the option chosen	Monitor and adjust as needed
B. Budgeting and financial management				
<i>Budget preparation and approval</i>	Develop a budget system and processes that meet the basic standards of revenue and expenditure programming and of budget preparation	Design a practical methodology for estimating the revenue expected under each major type of activity, and use for preparation of the budget for 2015.	Regularly use estimates of revenue as starting point for budget preparation.	Improve and refine revenue estimates in light of experience ("fiscal marksmanship")
		Introduce methodology of estimation of	Regularly use expenditure	Improve and refine expenditure estimates in

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
		expenditure for each major types of activity, to permit realistic budgeting of their costs and assessment of their cost-effectiveness, and use in preparation of budget for 2015	estimates in budget preparation	light of previous year outturn ("efficiency dividends")
		Develop a detailed budget preparation timetable, including a binding date for the finalization of the proposed program of all activities.	Introduce and enforce the budget timetable	
		Elaborate a classification of revenue and expenditure consistent with ARADO's classification of its activities	Introduce the new classification of revenue and expenditure, alongside the current classification	
		Formulate a procedure for a 3-4- year financial framework, consistent with a medium-term strategy for ARADO, and updated annually.	Prepare the first medium-term framework, prior to the start of preparation of the annual budget.	Continue to strengthen the consistency between the budget and the medium-term framework.
		Assure the highest possible consistency between ARADO's annual program of activities and the proposed budget that is intended to support it.		Monitor budget developments monthly and compare to initial budget
		Design a procedure to assure that intra-year budget changes are justified by reference to changes from the original assumptions and estimates.		
<i>Budget execution and financial management and control</i>	Develop an accounting system suitable for an income-generating organization	Revise the current accounting system to adequately match revenues and expenditures.	Introduce new accounting system for internal use, while continuing implementation of accounting system for Arab League organizations	
	Full costing of income-generating	Compile information and design methods for full costing of income-	Implement full costing of income-generating activities	Monitor and adjust as needed

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
	activities	generating activities. Elaborate a procedure for the allocation of overhead expenditure as a basis for estimating the indirect costs of activities.		
	Achieve efficient cash management	Control and minimize cash payments through advances to cover the direct cost of running the main training and other activities		Revise the Unified Accounting and Financial System to permit suitable advances
	Establish a sound system for financial data collection, sharing and reporting	Identify the relevant financial information needed by management at all levels and prepare the key reports periodically and systematically	Implement the new internal financial reporting system	Progressively improve the financial reporting system to focus on the key, timely and reliable information
	Flexible and efficient procurement procedures.	Request amendments of AL procedures to (i) allow direct procurement within a modest ceiling; (ii) include specific provisions for procurement of services; (iii) permit realistic down-payments tied to delivery milestones		Implement new procedures; monitor their impact on operational efficiency; and report accordingly.
	Improve the overall control environment	Conduct periodic assessments of risk and recommend ways to mitigate the risks identified.		Request revision of the Unified Financial Control System by including provision for risk assessment
C. Human Resources	Improve professional and nationality diversity among trainers	Engage more trainers from a larger variety of member countries, ensure better mix of practitioners and academics in the trainer pool	Continue improving diversity	
	Enhance ARADO's capacity to assess and adjust its skills mix	Develop a structure of job streams with progressive titling	Develop a simple competency framework for jobs in respective job streams	Use the competency framework for recruitment, performance management and professional development
	Strengthen management of staff performance; ensure rewards	Include feedback from peers and subordinates in assessing 2013 performance; review performance collectively	Design a performance management process that meets the key success	Continue implementation

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
	reflect the relative contribution of each staff member	across the organization	factors; deploy an online tool to support the process; ensure managers and staff are trained	
	Introduce a fair reward and recognition system to improve staff morale and productivity	Base monetary bonuses on comprehensive annual performance reviews Institute non-monetary rewards and recognition	Continue implementation	Eliminate all bonuses if as and when pay structures are modernized and employment conditions are harmonized for permanent and contracted staff
	Ensure ARADO has the best and most diverse candidate pool for its job vacancies	Revise the current recruitment process for contracted staff to include proper sourcing, and systematize the process.	Fully implement the enhanced recruitment process.	Use the competencies developed to define the requirements for candidates and interview of shortlisted candidates
	Enhance ARADO's capacity through professional development of staff	Develop an appropriate set of professional development options and make them available to staff after assessing individual potential and development needs.	Also consider possibilities of staff secondment to and from other institutions.	Continue implementation
	Improve staff engagement for higher morale and productivity	Discuss findings of Employee Survey with staff and link reforms in the HR area to the main messages from the survey.	Improve internal communications to staff; institute regular staff meetings in Units/Departments	Conduct an Employee Survey as regular practice every few years
	Introduce performance based pay	Request Economic and Social Council to allow ARADO to introduce merit-based salary increases for both permanent and contracted staff	Modernize the pay structure by introducing merit based salary increases and within-grade promotions	Continue implementation and fine-tune
	Modernize the employment contracts and better harmonize the conditions of employment between the different categories of staff.	Request Economic and Social Council to (1) allow ARADO to enter into new contracting modalities that would help the organization to retain its staffing flexibility, while being able to attract the right talent; and (2) grant ARADO the flexibility to	If permission granted, pilot new employment contracts; establish market-based remuneration and basic benefits for contracted staff	Transition from pilot, learning from experience, to an ongoing state by finalizing the contract modalities and harmonized remuneration and basic benefits

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
		pay market rates for its contracted staff and experts		
D. Information & Communication technology	Enhance effectiveness and reliability of the databases	Clean the marketing & digital library databases.		
	Preserve reliable data and historical information	Develop a "filter" to prevent creation of duplicate records when updating databases	Migrate to a new integrated database management system (in parallel and synchronized with requirements of new ICT master plan – see below)	
	Facilitate and enhance access to ARADO offerings	Improve ARADO website and optimize access and use. Establish and activate the Digital Library "hotline"	Seek systematic feedback on the improved website	Continuously enhance/update website content and incorporate feedback
	Optimize ICT use in support of ARADO new organizational structure and products.	Develop ICT Master Plan, including an integrated database management system (IDBMS) and OLT feasibility study	Implement the integrated database management system (IDBMS)	Link the IDBMS to the LMS and LCMS databases for management of OLT (if adopted by ARADO)
	Manage ARADO records effectively	Review, simplify and prioritize ARADO record keeping requirements	In parallel with the ICT master plan development, design and implement a new Records Management system, including relevant guidelines	Continue to strengthen records management for maximum security, integrity, and ease of retrieval.
	Enhance security of ARADO systems and data	Organizational decision on arrangements for facility/site and security mechanisms	Establish full back up system.	Establishment of a secure and redundant site as back-up/recovery facility and implement related procedures
	Increase ARADO outreach to less developed countries by developing and delivering on-line training	Establish the nucleus of an on-line training service advisory unit (OLSU) -- feasibility study, costing modalities, and hiring of two specialized staff. Formalize OLSU as a business unit	Establish recording studio; acquire Learning Management System (LMS) and a Learning Content Management System (LCMS); decide on related certification and e-exam processes.	Consolidate appropriate OLT production/delivery and progressively extend reach by leveraging ARADO resources with external expertise and partnerships.

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
III. OTHER				
A. Performance assessment	Continuously monitor and assess performance	After ARADO decides on the modalities and timing of implementation, create a small internal task force to define the few key result indicators for each major activity, the high-quality specifications and targets – with specialized expert support and consulting the country clients. Begin introduction of new KPIs, with appropriate reporting and methodology	Implement the new performance monitoring and assessment framework.	Continuously review, update and if necessary change the KPIs and associated targets, in line with actual experience
A. Marketing and change management	Assure coordination & dissemination of all change efforts	Create focal point for overall coordination, dissemination and troubleshooting of change efforts – working in close cooperation with consolidated marketing/ PR/external relations unit, and reporting to DG		
B. Relations with governing bodies	Intensify the dialogue with the Technical Committee	Participate more actively in representatives' meetings and other work of the Technical Committee		Explore possibilities for mutually beneficial cooperation and exchange of views
	Improve budget approval procedure	Recommend off-year meeting of the General Assembly for formal approval of the budget		
C. Partnerships	Strengthen partnerships with national training institutions in the region	Launch “affirmative outreach” effort to identify new potential national partners, and strengthen the linkages among the national training organizations themselves	Nurture the relations with the new potential partners	
	Expand international partnerships	Operationalize existing MOUs with agreements on concrete joint initiatives	Conduct joint initiatives and gradually expand	
		Identify opportunities		

Area	Objective	Actions to be taken in 2014	Actions to be taken in 2015-16	Medium to Long-term measures
		for cooperation with OECD and development institutions active in the region on improvements in public services and governance.		
D. FINANCING	Support reform implementation	Request the Economic and Social Council to allow a one-time use of reserve to pay for the start-up cost of the internal reforms.		
	Place ARADO on a sustainable and predictable financial footing	Establish an endowed Special Fund for the Less Developed Countries		

Annex 2

Evaluation Methodology and Evidence

1. There are three basic criteria in standard evaluation: *Relevance* – Is the organization doing the right things, in relation to its mandate? *Efficiency* – Is the organization providing services at lowest cost, given the quality? *Effectiveness* (sometimes called impact, despite the technical distinction) – Is the organization achieving its objectives? ⁷¹ This evaluation uses all three criteria, as appropriate to the specific questions being addressed.

2. The evaluation period was 2008-2012 (although in some cases prior evidence and historical data were also used), and evidence on the relevance, efficiency and effectiveness of ARADO's activities was obtained from two main sources:

- *Internal evidence*, through analysis of documents and data, interviews with ARADO's managers and many staff concerning the organizational architecture, budgeting processes and financial controls, personnel policies and management and information flows and technology, and a survey of employee opinion.
- *External evidence* on ARADO's courses, conferences, consultancies, publications, digital library and other activities – through structured interviews with a large number of participants to those activities and of other stakeholders, a survey of all former participants in recent years, and five other surveys of digital library subscribers, book authors, book referees, article authors and article referees.

Internal evidence

3. The main internal sources of information were documents, data, interviews with ARADO staff, management and members of the Executive Council, and an employee survey.

4. The *documentation* canvassed was very extensive – including among other things ARADO annual reports for 2008, 2009, 2010 and 2011; quality reports, annual and semiannual, from mid-2010 through mid-2012; the Director-General's strategic vision; the Action Plans (Training Plans); financial, personnel, organizational and other data, which provided the quantitative basis for the analysis of revenue and expenditure, financial controls, personnel policies and management, and organizational analysis. (See the List of Documents and References at the end of the report.)

⁷¹ Sustainability is an essential criterion of any organizational assessment, but in evaluation methodology it is more often subsumed under effectiveness – provided that effectiveness is itself assessed in relation to a relevant time period. However, the sustainability criterion is critical to evaluate the robustness of ARADO's current business model and subtends most of the recommendations made to support the “scaling up” of the organization's activities, role and influence.

5. The *internal interviews* included all ARADO managers (with the exception of the Deputy Director General, who had not yet been appointed at the time of the evaluation); all professional staff; and some other employees. All these interviews had a focal interest, but were generally unstructured to permit eliciting in-depth responses as required. (The full List of Persons Interviewed is at Annex.)

6. The *employee survey* was distributed to all ARADO managers (except the Director General and his Legal Counsel) and employees, and received a response rate comparable to that of similar surveys in comparator organizations. As all other surveys, the employee survey was conducted on a not-for-attribution basis and responses were returned directly to the team.

External evidence

7. The sources of external evidence are described below. To the extent feasible, comparative information was obtained on the operations and performance of national training institutions, and relevant national documents were collected from the country visits and reviewed as needed. Benchmarking in the technical sense was not possible, owing to major differences among the comparable organizations and even between individual activities. However, when appropriate, relevant comparisons were made to similar organizations active in the Arab region and outside.

8. The evaluation generated four sources of external evidence:

- a) Structured interviews in Sudan, Jordan, Kuwait, Egypt and Kingdom of Saudi Arabia with samples from each of four categories of persons:
 - Training managers, i.e., officials responsible for arranging training for staff of their ministry or agency.
 - Leaders of other public and private sector training organizations
 - Senior government officials, including persons considered as ARADO ‘focal points’ and conference attendees.
 - Supervisors of participants in ARADO courses
- b) Focus group discussions with randomly-selected training participants and other respondents in each of the five countries.
- c) A web-based opinion survey of the universe of former participants; and
- d) Five email surveys of :

- Subscribers to the ARADO digital library.
- Authors of books published by ARADO
- Referees of book manuscripts submitted to ARADO for publication
- Authors of articles published in the Arab Journal of Administration (AJA)
- Referees of article manuscripts submitted for publication in the AJA.⁷²

9. The responses of the interviewees and the survey results are reflected and analyzed in the appropriate sections of this report. As per standard evaluation practice, *all interviews were deemed confidential, and the interviewees were assured that none of the information or opinions obtained would be for attribution. Similarly, all surveys were conducted on an explicit not-for-attribution basis, and survey responses were returned exclusively and directly to the team.*

The country visits

10. The country visits were ably prepared and facilitated by ARADO staff, in consultation with the RAND team, but the team was solely responsible for selecting the prospective interviewees from the full lists provide by ARADO, as described below.

11. The original intention was to conduct visits to seven of ARADO's 23 member countries: Iraq, Jordan, Kingdom of Saudi Arabia (KSA), Kuwait, Sudan and the United Arab Emirates. During the inception mission in January 2013, it was decided for safety reasons that the evaluation team would not visit Iraq. (ARADO itself does not conduct training there due to security concerns.) ARADO and the team explored options for interviewing Iraqi officials and participants by video conference or in alternative locations, but no cost-effective approach was found. Later, the UAE authorities informed ARADO that they did not agree to a visit from the RAND team, but would request the persons selected to respond to a confidential written questionnaire. Such a questionnaire was elaborated by the team and sent to the persons concerned, and several efforts were made by ARADO to elicit their response. Despite those efforts and extensions of the closing date, none of the questionnaires was returned to the team. Nevertheless, the five countries remaining in the country visit list account for over two-thirds of participants to ARADO's courses and other activities. Also, the number of interviewees in each country was larger than had been envisaged at the start of the evaluation. Consequently, the evidence gleaned through the interviews (although not amenable to quantitative analysis) was quite substantial.

The country interviews and focus groups

The selection of interviewees

⁷² To maximize the evidentiary basis, the team volunteered to design and administer these five surveys, in addition to the evaluation requirements and methodology agreed in the Inception Report.

12. The RAND team requested and ARADO provided the full lists of persons in each category in each of the five countries. Concerning high-level government officials and ARADO “focal points”, the RAND team attempted to interview all the names provided by ARADO and, where this was not possible, selected those most likely to have relevant experience.

13. For the other three categories of interviewees, the sample was drawn directly from ARADO’s data bases. The RAND team selected names at random from these databases using counting formulas (e.g., “every fourth name starting with the seventh name on the database”). Because the databases turned out to contain a large number of duplicate and miscategorized names (see the discussion in the ICT chapter), the team selected twice as many names than the target number to allow for outdated or non-functioning contact information as well as refusals. ARADO was then asked to go down the randomly-generated samples to request interviews until the target number of interviews had been confirmed. By agreement, a number of contact persons that were on the databases for various reasons but had not attended any ARADO activity were deleted from the interview list. Allowing for the imperfections in the databases, the interviewees were selected randomly and independently and were persons directly familiar with ARADO activities.

Sample size and geographic distribution

14. The number of interviews in each country was determined by three factors: the agreed length of each country visit (three working days), the number of available RAND team members, and the need for interpretation into/from Arabic and English. A total of 178 persons participated in the interviews and focus groups. The table below shows the country distribution of interviewees

Table 16: Interviewees and Focus Group Participants by Country

Country	Individual interviewees	Focus group participants	<u>Total</u>
Egypt	36	5	41
Jordan	43	9	52
Kuwait	17	4	21
Saudi Arabia	18	6	24
Sudan	34	4	38
Total	148	28	176

The interview process

15. The RAND team developed an interview protocol for each of the four categories of informants, to elicit their views on ARADO training courses, conferences/workshops, and other activities. The protocol designed for senior officials was particularly intended to ask their opinions of ARADO's current strategy, mandate, and future roles. The protocols for the four categories of structured interviews and for the focus group discussions are at Annex 3.

16. The interviews were conducted by two teams of RAND consultants. At least one person on each team was an Arabic speaker. No representative of ARADO was present in any interview. The structured protocols were followed, but questions that were not relevant to an interviewees' position or experience were omitted as appropriate. Since not all questions were asked of all interviewees, there is no uniform number of respondents to each question, and thus no percentages have been calculated.

17. Overall, interviewees were knowledgeable and expressed their views openly and frankly.

The focus groups

18. The RAND team arranged one group discussion in each of the five countries visited. ARADO and its contact persons in each country invited the persons selected by RAND at random from the ARADO database. Meetings were for about two hours and were held in a hotel conference room, with lunch hosted by RAND. Discussions were in Arabic and moderated by two RAND team members.

19. The original plan called for 12 participants for each focus group, but the actual number of attendees was smaller, despite confirmed invitations and ARADO's great effort to organize the groups, with follow-ups to the original invitations and in other ways.

20. Although the focus group discussions were originally intended to involve only course participants, many of those who attended were in fact training managers or other officials. In hindsight, this produced a richer and more insightful discussion.

The surveys

21. The response rate was satisfactory or better for the employee survey, the AJA article authors' survey and the AJA article referees survey. The response rate to the participants' survey was marginally acceptable, and the book authors and book referees survey results are only illustrative, at best. Most disappointing was the minimal response to the digital library survey. The team has been told that low survey responses are to be expected in the Arab world, owing to a cultural reluctance to respond to email requests or opinion surveys, but has

no view on this matter. We do emphasize, however, that the number of undeliverable emails was comparatively high in most surveys – an adverse reflection on the accuracy of the corresponding databases maintained by ARADO. Taken as a whole, the surveys contributed materially to the identification of the findings and supported some of the main conclusions of this report.

22. Concerning specifically the participants’ survey – the largest and most important – the web-based survey covered the universe of the 6,270 persons included in the ARADO database of former participants to its training events during 2009-2012.⁷³ An unknown but substantial number of persons are included in the database, as “contacts” or for other reasons, even though they never attended any ARADO training event. The potential statistical distortion is in part self-correcting, because persons who never participated to training events are unlikely to complete and return a questionnaire that asks for their views on the type and quality of training events. (Nevertheless, almost 30 percent of those who returned the survey, without completing it, stated that they had not attended an ARADO training event.) The “true” response rate cannot be calculated, as the proportion of such persons in the database cannot be known until the database is cleaned up in the manner recommended later in this report. Neither can one calculate the precise confidence level of the responses received. Nevertheless, returned surveys from those who did attend ARADO training were 9.4% of all delivered surveys, which is a borderline acceptable rate – and the absolute number of 422 respondents provides a basis for some conclusions and, at a minimum, corroboration of other evidence.

23. The participants’ survey results are discussed under the assessment of courses in Ch. III; the results from the four book/article authors/referees surveys are discussed as part of the evaluation of the publications program in Ch III; the results from the digital library survey are mentioned in the assessment of information and communications technology in Ch. IV; and the employee survey results are discussed under human resources in Ch. IV. As noted, the detailed responses from all six surveys are at Annex 4.

⁷³ The initial intention was to identify a sufficiently large random sample. However, the was made to conduct a web-based survey, which entails a very low marginal cost of adding respondents, rather than an email survey. Also because of the already known inaccuracies of the database, the team concluded that it would be best to survey the entire universe of persons listed in the database.

Annex 3

The Protocols for the Structured Interviews

Interview Protocol #1

Training managers

This protocol is for interviewing government officials who co-ordinate or decide upon training for public servants within a ministry, agency or government as a whole.

Text in regular font should be read out. Text in italics is for the interviewer's guidance-do not read it out. Allow and encourage interviewees to expand on or provide details on any aspect.

Name of interviewee:

Title:

Email address:

Telephone:

1. Introduction

Interviewer should present business card. Acknowledge interpreter, if any.

- a) Good day and thank you for meeting with me. I know how busy you must be. I'm an independent consultant and member of a team that ARADO has commissioned to do a study of its current work and future. We are external consultants working for the Director General of ARADO to learn about peoples' experiences with ARADO training in different countries, in order to guide its future work.
- b) ARADO has conducted a survey of training managers, in which you might have participated. Our purpose in this interview is to validate some of the results of that survey and go into greater depth in some of the main issues.
- c) Our team selected you at random from among many training managers in the Arab region. Your experiences and views are going to be valuable for our study of ARADO. Your information will be confidential and anonymous. In other words, we will not attribute your comments to you or your ministry; we will combine them with the comments of many others we are interviewing. So please be candid; we won't be quoting you individually.
- d) Our conversation will take about [30] minutes.
- e) Do you have any questions so far?

2. Basic Data

- a) To get started, please tell me how long you have been serving as [title] .
- b) Please describe the scope of your responsibilities. [which agency and which types of staff s/he handles the training for.]

- c) How is this training financed?

3. Demand for training

- a. What are the issues or topics about which most of your trainees attended training during the last two years? [*Try to get at least three to five 'most popular' topics in order of participation*].
- b. Have there been changes over the past two years compared to before 2011?
- c. Have you commissioned or requested any 'custom' courses or events in the past 2 years and if so, from which institutions?
- d. What is your overall training plan and budget for 2013 ?

4. Supply of training

- a) What are the [five] training organizations to which you sent the most trainees during the last two years? (*Probe: get them to name up to five organizations and note whether they are commercial or non-profit.*)
- b) Why do you use these particular suppliers so much? (*Probe: If ARADO is not mentioned, ask if they send people to ARADO and if not, why not.]*

5. Quality of training

- a) What are the main features you look for in selecting training programs? (*Probe if needed: location? cost? Qualifications of trainers?*)
- b) How do you **obtain** information about what participants have learned? (*Probe if needed: for example, Feedback from..... the participants? Their employers/supervisors? The training institutions/trainers ?*)
- c) How do you **use** information about peoples' learning experiences? [*Probe if needed: e.g., decisions on future training, report to participants' supervisors or to high level decision makers*]

6. ARADO

- a) How would you describe ARADO as a training and professional development institution? *[Look for descriptors of quality, cost, relevance, etc. If interviewee hesitates, ask “What three words would you use to describe ARADO, based on your experience?” Don’t suggest any.]*
- b) What feedback have you had – and from whom – about ARADO training programs in the last two years? On which specific programs have had good feedback and which not-so-good?
- c) How does ARADO compare with other training and professional development institutions in the region and in your country which you have used or heard about? *[Probe: cost, quality, responsiveness, participant satisfaction]*

7. Final Words

What advice or suggestion would you like to provide to ARADO management?

Thank you very much

Interview Protocol #2

Supervisors of Former Participants

This is for managers whose staff attended training and/or who commissioned ARADO to provide 'custom' training courses for their staff. 'Custom' means a course or event provided to a specific group of staff from one agency or government covering topics agreed between the client and the training provider.

Text in regular font should be read out. Text in italics is for the interviewer's guidance-do not read it out. Allow and encourage interviewees to expand on or provide details on any aspect.

Name of interviewee:

Title and organization:

Email:

Telephone:

1. Introduction

Interviewer should present business card. Acknowledge interpreter, if any.

- a) Good day and thank you for meeting with me. I know how busy you must be. I'm an independent consultant and member of a team that ARADO has commissioned to do a study of its current work and future. We are external consultants working for the Director General of ARADO to learn about peoples' experiences with ARADO training in different countries, in order to guide its future work.
- b) Our team selected you at random from among many public sector managers in the Arab region. Your experiences and views are going to be valuable for our study of ARADO. Your information will be confidential and anonymous,. In other words, we will not attribute your comments to you or your ministry; we will combine them with the comments of many others we are interviewing. So please be candid; we won't be quoting you individually.
- c) Our conversation will take about [30] minutes.
- d) Do you have any questions so far?

2. Basic Data

- a) To get started, please tell me how long you have been serving as [title].
- b) Please describe the scope of your responsibilities *{general, not specific to training}*
- c) Do members of your staff participate in training courses or events? Yes No
 - If yes, what role do you play in their training? (*Open ended. Check all those mentioned.*)

I identify courses that I want them to attend _____

I nominate staff members to attend courses, but the decision is made by others _____

I select/decide on staff to attend courses _____

I commission 'custom' training for my staff _____

I allocate budget for training _____

Other _____

I don't play any role _____

- If no, why not?

3. Demand for training

a) During 2011, 2012 and 2013 so far, what are the main issues or topics about which most of your staff attended training? [*Open ended – Probe if needed: have them name top five topics in terms of number of participants. Record verbatim.*]

#1

#2

#3

#4

#5

b) Over the past 2 years, what are the main issues or topics about which you feel your staff have *needed* training?

#1

#2

#3

#4

#5

c) What agency or source of funds pays for the trainees to attend courses? [*Open –ended – use list below to check all those mentioned but do not read out.*]

How important is each funding source? {*Ask the person to estimate the share accounted for by each source, or list the most, second-most, etc. sources.*}

My agency or ministry budget _____ Share or rank: _____

Overall government training budget ____ Share or rank : _____

Participants' own personal funds ____ Share or rank : _____

Donor or corporate sponsored projects or programs _____ Share or rank

Course are free/no cost to our trainees _____ Share or rank : _____

Other [*specify*] _____

Don't know _____

d) Have you commissioned or requested any 'custom' courses or events for your staff in the past 2 years? Yes No

If No, complete all following sections except section 6

If Yes, complete all following sections including section 6

4. Supply of training

a) What are the three to five organizations which have provided the most training during the last two years to your agency's staff?

#1

#2

#3

#4

#5

b) What are the reasons why you use these particular organizations?

#1

#2

#3

#4

#5

c) *If ARADO is not mentioned above, Do you send staff to ARADO courses or events?*

Yes No

d) *If no: why not? (Open-ended.)*

5. Quality of training

a) What are the main features you look for in selecting training programs? (*Probe: Location? cost? Qualifications of trainers?*) List in order of importance.

#1

#2

#3

#4

#5

b) How do you **obtain** information about peoples' experiences on training? (*Probe: Feedback from... the participants? The training institutions/trainers?*)

c) How do you **use** information about peoples' experiences in training? [*Probe: decisions on promotion and assignment of staff; report to high level decision makers, decisions on future training?*]

6. Custom Training *Use only if interviewee answered yes to question 4 e*

Concerning the custom or 'special' courses you commissioned during 2011, 2012 and 2103:

a) What courses did you commission and from which institutions? (*List all mentioned.*)

Course	Training Institution	Rating
--------	----------------------	--------

b) What is your assessment of how well each course improved your staff members' performance or skills? Please rate each one as:
Very effective(3) Somewhat effective (2) Not effective (1) *Interviewer: insert the rating into the chart.*

c) What are the features of the courses that were effective? What made them effective?
What about the less effective courses?

7 ARADO

a) What feedback have you had – and from whom -- about ARADO training programs in the last two years? Which specific training programs have had good feedback and which not?
[Probe: obtain specific course titles]

b) How does ARADO compare with other training institutions in the region and in your country? *[Open ended. Then probe about any aspects not mentioned: What about cost, quality, responsiveness, participant satisfaction?*

c) Overall, based on your experience, how would you assess the quality of the courses provided by ARADO in improving the skills or performance of your staff?

d) Very effective Somewhat effective or Not very Effective

Custom courses, if any: _____

Standard courses _____

8. Final Words

Based on your experience as a manager, what advice or suggestion would you like to provide to ARADO management for its future work?

Thank you very much

Interview Protocol #3

High-Level Conference Attendees and/or Senior Government Officials

Name of interviewee:

Title and organization:

Email:

Telephone:

1. Introduction

Interviewer should present business card. Acknowledge interpreter, if any.

- a) Good day and thank you for meeting with me. I know how busy you must be. I'm an independent consultant and member of a team that ARADO has commissioned to do a study of its current work and future. We are external consultants to learn about experiences with ARADO training and other programs in various countries, in order to guide its future strategy and work program.
- b) We are interviewing others concerning ARADO's training through courses and specific programs. Our purpose in this interview is to obtain your authoritative opinion on the quality of conferences and high-level seminars and your views of ARADO and its future role to help develop public administration in the Arab world.
- c) Your views and opinions will be confidential; we will not attribute them to you or your organization; and will combine them with the comments of many others we are interviewing. So please be candid.
- d) Our conversation will take about 30 minutes.
- e) Do you have any questions so far?

2. Basic Information

- a) How long have you been serving as [title]?
- b) Please describe the scope of your responsibilities.

3. Experience with Conferences *(for ARADO conference attendees only – otherwise, go to 4.)*

- a) What major conferences, organized by ARADO or others have you attended in the past four years?

- b) What were the most useful features of each of these conferences? (*Probe: particular topics, speakers, networking, socializing*)
- c) Which topics were most relevant to your responsibilities? Least relevant?
- d) How would you compare the overall quality of ARADO conferences with the others?

4. Experience with Other ARADO Programs

- a) Are you familiar, directly or indirectly, with the other programs of ARADO – consultancies, publications and research, awards? (*If yes, ask for views of their relevance, quality and impact; if no, go to 5.*)

5. General Comments

- a) What role do you think high-level professional conferences can play in strengthening public administration in your country? In the Arab world?
- b) What is your view of ARADO? What do you see as its main strengths and weaknesses?
- c) Are you aware of ARADO's strategy and work program? If so, do you consider them appropriate? (*If "yes", ask why and end interview; if "no" go to next question.*)
- d) What major changes in strategy or work program would you recommend to expand and strengthen ARADO's capacity to help advance public administrative development in Arab countries? [*Probe: ask for reasons for advocating these changes*]
- e) Any other comments?

Thank you very much

Interview Protocol #4

Leaders of National Training Institutes or Organizations

For interviewing directors or other senior leaders of national institutions that provide training or other learning events for the public sector.

Name of interviewee:

Title:

Email

Telephone

1. Introduction

- a) Thank you for meeting with me. I know how busy you must be.
- b) Your experiences and views are going to be valuable for our study of ARADO. We will not attribute your comments to you or your organization; we will combine them with the comments of many others we are interviewing. So please be candid.
- c) The interview will take about [30] minutes.

2. Basic Data

- a) To get started, please tell me how long you have been serving as [title].
- b) Please describe the training and conferences services your organization provides. *{If interviewee provides a published report, check to make sure it is sufficiently detailed}*
- c) There can be two categories of training -- custom-designed for a group of participants from one agency, or standard courses where people enroll in a pre-designed course or event. How much of each type does your organization conduct? *[Probe: if they don't offer custom courses, why not?]*

3. Training Program

- a) Over the past 2 years, what are the main themes or topics about which your organization has provided training? *[List in order of number of participants]*
- b) Are there topics on which you would like to offer training but do not do so? Why not?
- c) What is the average cost of the training you supply *[Probe if needed: Cost per course, per participant-day, etc.]*

d) How does your organization finance training? *Probe: [own budget, participants' organizations pay, donor-financed projects] (If various methods are used, record in order of importance)*

4. Quality of training

a) How do you assure the quality of the training programs you provide? [*Probe if needed: Hire top people, vet materials and lectures directly, review participants' feedback?*]

b) Do any of your courses involve testing of the participants either before or after the course?

c) How do you assess and report information about the quality of training?

5. ARADO

a) Have you heard of ARADO? Have you ever worked in partnership with ARADO on conferences or training?

b) As far as you know, what are the main types of training events that ARADO specializes in? [*Probe if needed: target participants, topics, cost, duration, quality.*]

c) How does ARADO compare with your organization in terms of objectives, scope, cost, quality, or other dimensions?

6. Final thoughts

a) What do you see as being the major challenges for training and capacity building in the public sector in your country? How can these challenges best be met in the next two years?

b) What opportunities do you see for complementary and closer partnership with ARADO?

c) Any other comments?

Thank you very much

Interview Protocol #5

For Focus Group Discussions

Distribute namesheet, including association, email and phone number

General instruction to the focus group discussion leader

The interview has three questions. At first, the leader can invite people to reply one by one. As the group ‘warms up’, people may wish to jump in to agree or disagree with another participant. This is fine. Do not force a particular sequence. A participant may wish to speak a second time if another person’s response reminds them of something. This is fine.

Do not allow a few persons to dominate the conversation. To make sure everyone is heard, the leader may use phrases like : “Several people so far have said they didn’t learn much. Anyone have a different experience ? Or did the rest of you also have a similar experience “ ?

If some participants haven’t spoken up, leader may say – “What about those who haven’t chimed in so far – what’s your perspective “ ? If some people say they don’t remember or have no opinion, that is fine.

Introduction

Good morning/afternoon. Thank you all for agreeing to join this discussion.

My name is _____ and I am part of a team of independent experts including [*introduce others if present*]. We have been engaged by the Arab Administrative Development Organization (*say the full name before using acronym*) to help them assess their current program and plan their future work. Getting feedback from people who have experienced their training is a very important part of this study, and we are grateful that you are here to help us.

Our group today was selected at random so that the study can benefit from a cross-section of experiences. We are conducting similar interviews in other countries and we are going to analyze everyone’s experiences and comments together, without mentioning any names. We are not going to quote you by name and ARADO will not know what you said. So please speak frankly about your experience --- whether it was good or not-so-good, memorable or not-so-memorable. An open discussion will be the most helpful for ARADO’s learning. There aren’t any right or wrong answers.

We plan to be finished by 5 o’clock at the latest. Help yourself to the lunch whenever you like.

Could you introduce yourselves and mention where you work ?

People introduce themselves. Briefly acknowledge each person –e.g. “Welcome, Mohammed” or other remarks, trying to create a friendly atmosphere.]

Thanks, everybody. Does anyone have any question about our discussion? [*wait a minute.*]

QUESTION 1.

Note to leader: this question is mainly an ice-breaker for the group, and to get each person to think back on the training s/he attended. We do not need the details of each person's training – it's fine if they give a vague answer like 'management' or "IT". This section should take no more than ¼ of the total time allotted.

Okay, let's start off by finding out **what ARADO training you've each participated in**, where it was, and how you happened to participate.

Start with the first person:

Mr. X, what ARADO course did you attend? [answer] Where was it? [answer]

How were you selected? {*prompt if needed: – did you request it? Did your boss nominate you? If anyone says they don't know how they were chosen, that is fine, just accept it.*}

QUESTION 2.

Now I'd like to **find out everyone's experiences** concerning what they learned in the ARADO training. Please think back for a moment on the different topics your training covered. What were the one or two main things you learned? Or maybe more than two? Or, perhaps you might feel you didn't learn much - that's also a possibility.

Note to leader: please prompt ONCE for specific answers. For example, if a person says "I learned about IT" or "I learned a lot about leadership" please prompt: "What particular aspect of IT was the main one you learned" or "Do you recall a couple of key lessons about leadership that you came away with"?

You can use prompting phrases like "specific aspects" "key topics" "particular lessons" If a person says they don't remember anything in particular, that's fine – do not insist. If a person says they did not learn anything, prompt "Why didn't you?" or "Why do you think that happened?"

This section should take about 1/3 of the total time allotted.

QUESTION 3.

Next, I'd like to ask about the **extent to which you've used your learning in your job**. Thinking about your work since you participated in the ARADO training, would you say you do your work differently because of what you learned on the course? If so, in what way? Or, perhaps you haven't been able to make much use of it– that's also a possibility. If not, why not?

Note to leader: This is the most important question –it should take about 1/3 of the total time allotted. Please prompt once for specifics. For example, if the person says “ I do my work a lot better/faster now”, ask “Can you give us an example of how ?” If the person says they haven’t made use of the learning, ask them why not.

WRAP-UP

Before we end the session, is there anything else you’d like us to communicate to ARADO ? For example, how its training could be improved, or what you have found to be ways that training in general is most effective. Or any other thoughts, including the future role of ARADO to help administrative development in your country.

Thank you all very much. Your insights will contribute a lot to our study.

Annex 4

The Opinion Surveys

1. Participants Survey: Detailed Results on the Substantive Questions

Q6 Type of training event

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Standard	137	32.5	42.5	42.5
	Custom	62	14.7	19.3	61.8
	Conference/Forum	110	26.1	34.2	96.0
	Professional Certificate/Diploma	13	3.1	4.0	100.0
	Total	322	76.3	100.0	
Missing	System	100	23.7		
Total		422	100.0		

Q7 Duration of this training event

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Up to 5 days	219	51.9	67.8	67.8
	6 days to one month	101	23.9	31.3	99.1
	Between one month and six months	3	.7	.9	100.0
	Total	323	76.5	100.0	
Missing	System	99	23.5		
Total		422	100.0		

Q8A How interesting was this training event

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very interesting	160	37.9	50.2	50.2
	Somewhat interesting	117	27.7	36.7	86.8
	A little bit interesting	26	6.2	8.2	95.0
	Not at all interesting	16	3.8	5.0	100.0
Total		319	75.6	100.0	
Missing	System	103	24.4		

Total	422	100.0	
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Q8B How informative was this training event

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very informative	177	41.9	55.5	55.5
	Somewhat informative	118	28.0	37.0	92.5
	A little bit informative	20	4.7	6.3	98.7
	Not at all informative	4	.9	1.3	100.0
	Total	319	75.6	100.0	
Missing	System	103	24.4		
Total		422	100.0		

Q8C To what extent did you learn material that is relevant to your work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A great deal	124	29.4	39.1	39.1
	Somewhat	143	33.9	45.1	84.2
	A little	38	9.0	12.0	96.2
	Not at all	12	2.8	3.8	100.0
	Total	317	75.1	100.0	
Missing	System	105	24.9		
Total		422	100.0		

Q8D How much have you been able to apply in your job or responsibility

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A great deal	57	13.5	18.0	18.0
	Some	169	40.0	53.3	71.3
	A little	56	13.3	17.7	89.0
	None	35	8.3	11.0	100.0
	Total	317	75.1	100.0	
Missing	System	105	24.9		
Total		422	100.0		

Q8F Extent have you improved your work performance by applying material

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A great deal	67	15.9	21.4	21.4
	Somewhat	158	37.4	50.5	71.9
	A little	50	11.8	16.0	87.9
	Not at all	38	9.0	12.1	100.0
	Total	313	74.2	100.0	
Missing	System	109	25.8		
Total		422	100.0		

Q9A Attended training provided by other organizations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	210	49.8	67.3	67.3
	No	102	24.2	32.7	100.0
	Total	312	73.9	100.0	
Missing	System	110	26.1		
Total		422	100.0		

Q9B Quality of ARADO's training compared to training provided by other organizations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than other organizations	32	7.6	16.4	16.4
	Somewhat better than other organizations	105	24.9	53.8	70.3
	Somewhat worse than other organizations	44	10.4	22.6	92.8
	Worse than other organizations	14	3.3	7.2	100.0
	Total	195	46.2	100.0	
Missing	System	227	53.8		
Total		422	100.0		

Q9C Comparative Relevance of ARADO's training to the current issues of public administrations

		Frequency	Percent	Valid Percent	Cumulative Percent
	More relevant than other organizations	48	11.4	24.7	24.7
	Somewhat more relevant than other organizations	86	20.4	44.3	69.1
Valid	Somewhat less than other organizations	44	10.4	22.7	91.8
	Much less than other organizations	16	3.8	8.2	100.0
	Total	194	46.0	100.0	
Missing	System	228	54.0		
Total		422	100.0		

Complete and Partial Responses (out of 4,495 delivered surveys – response rate: 9.4%)

		Frequency	Percent	Valid Percent	Cumulative Percent
	Complete	309	73.2	73.2	73.2
Valid	Partial	113	26.8	26.8	100.0
	Total	422	100.0	100.0	

2. Digital Library Survey

As explained in the text, the survey was sent to all persons in the digital library database. Despite a first extension of the closing date, and then a re-send of the entire survey, only six persons responded. The results can only be seen as illustrative, at best.

Basic Information

1. Do you subscribe to any of the services offered by the ARADO Digital Library?
Yes_6__ No__

If NO, stop here and return the blank questionnaire

2. If yes, how long you have been a subscriber?
One year or less_5_ Two years ___ More than two years_1__
3. What type of subscription do you have?
Individual 4__ Organizational _2__
4. If organizational, approximately how many subscribers are there in your organization?
ONE ANSWER: Approx. 100
-

Access, use and cost

5. How easy is the access to the Library website?
Very easy_3__ Acceptable_3__ Somewhat difficult___ Very difficult ___
6. How easy is it to navigate the Library website?
Very easy__1_ Acceptable_4 Somewhat difficult___ Very difficult___
-

7. Who pays for your subscription to the Digital Library memberships and offers? (Please place an "X" next to the answer chosen):

- Personal funds_5__
My agency, ministry or company__1_
The general government budget ___
Other [*specify*]___
Don't know___

8. Do you consider the subscription cost reasonable or excessive?
Reasonable_5__ Excessive_1__ Don't know___
-

Demand & Content

9. What aspects of the Library do you use most often? (Check all answers that apply)

- General content browsing ___3
- IBDA' Database 4 ___
- Edara Magazine ___3
- Arab Journal of Administration ___3
- Books and non-ARADO publications ___2
- Other (specify) ___1 Publications not available at the Digital Library _

10. What are the purposes for which you consult the Library? (Check up to 3)

-
- Find subjects related to my job or objectives of my work unit ___2
 - Obtain general knowledge about public administration ___4
 - Obtain knowledge about a specific public service ___2
 - Identify publications for reference and possible purchase ___4
 - Identify relevant e-links to other libraries and knowledge centers ___2
 - Other (specify) ___Scientific & Technical Research; Doctoral thesis ___

11. How do you rate the usefulness of the content of the Digital Library, in terms of improving your knowledge and/or professional competence?

- Very useful ___5 Useful ___ Somewhat useful ___1 Not useful ___

12. To what extent have the knowledge and skills learned through use of the Digital Library impacted your job effectiveness?

- Large extent ___2 Moderate extent ___4 Slight extent ___ No Impact ___

13. In your view, how effective is online training ("distance learning")?

- Very effective ___ Effective ___4 Somewhat effective ___2 Not effective ___

14. Are there issues or topics which you believe the Digital Library should address in the future? Please specify below and indicate if related to:

- Content 2
- Delivery mechanism 3
- Other (specify): Make available all research and books.

15. Provide below **any other comment** on the Digital Library or ARADO in general.

ARADO is a pioneer in all the aspect of its activities, including: (1) support to the Arabic culture in its exhibit in the Cairo international book forum, (2) providing the Arab universities with knowledge content both paper-based and in electronic format; and, (3) organizing workshops, seminars and conferences.

I have personally participated extremely beneficial discussion about electronic commercial publication, and the delivery of timely seminars on time management, quality assurance, strategic management, etc.

The content of IBDA' database needs to be modernized and should include university research papers.

There are some difficulties in navigating it. On the other hand “IBDA” is considered as the best electronic database in the Arab World.

Cost of training is very high compared with other training in Egypt.

ARADO should invite Master and Doctoral candidates to submit, attend and discuss their research papers during the conferences it organizes, so ARADO can prepare them for future leadership in the Arab administrations and enable them to be exposed to the important issues discussed by researchers.

ARADO should provide Egyptian graduate level students with cost assistance and discount. The cost for the Egyptian researchers who want to participate in ARADO activities is very high.

ARADO does not have enough printed books and materials compared with other specialized libraries.

ARADO DL content is modest in comparison with ARADO capabilities.

3. Book Authors' Survey

The survey was sent to all six book authors, of whom only two responded. These results can only be seen as marginally illustrative, at most.

Question	ARADO contacted you	You contacted ARADO	Through public "call for manuscripts"	Through third parties
1. How was the subject of the book selected and the book contracted?	none	2	None	None

Question	Excellent	Good	Fair	Poor
2. What, in your view, is the overall quality of the process leading to publication, including the guidelines for the authors?	none	2	None	None

Question	Less than 3 months	3 months to 6 months	6 months to one year	More than one year
3. How long did it take between the initial agreement/start of writing and the actual publication date?	1	none	None	1
4. What, in your view, is the physical quality, appearance and format of the published book you authored?	1	1	None	None
5. What, in your view, was the quality of the reviewer's comments on the completed draft manuscript, in terms of relevance, competence, usefulness?	None	1	1	None
	none	none	2	None

6. How adequate were the financial arrangements?

7. What is your view of ARADO's efforts to market and disseminate your book?

	None	none	None	2
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Question	Better	Somewhat better	Somewhat worse	Worse
8. Compared to other publishers with which you may be familiar, what is your view of ARADO's overall publication process?		1	1	

Additional comments from respondents:

- *ARADO has sole ownership of intellectual property, but does a very poor job at marketing a book.*
- *Books don't get included in conferences that are relevant to the topic of the book.*
- *ARADO does a very poor job at publishing the book, to the point that when it is requested from universities and associations, the book won't be available, even though the universities have included that same book into their curriculum.*

4. Book Referees' Survey

The survey was sent to all six book referees, of whom only two responded. These results can only be seen as illustrative, at best.

Question	One	Two	Three	More than three
1. How many completed book manuscripts have you reviewed for ARADO since 2008?	1	none	None	1

2. How many of these manuscripts have you recommended for publication? (one participant didn't answer this question)	1	none	None	None
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Question	Yes	No	I don't know/not sure
3. Have your recommendations for rejection or publication been generally followed?	2	None	None

4. Have your recommendations for changes in draft manuscripts been generally followed?	1	None	1
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Question	Yes	No
5. Did ARADO give you adequate time for reviewing the completed manuscript(s) and submitting your recommendations for changes?	2	None

Question	Yes	No/or no compensation
6. Do you feel that compensation for your manuscript review and comments was adequate?	1	1

Question	Yes	No
7. Would you accept new ARADO requests for reviewing proposals and/or completed draft manuscripts? If no, why? (The explanation of the “No” answer was “Personal reasons”.)	1	1

Question	Excellent	Good	Fair	Poor
8. What, in your view, is the overall quality of ARADO’s process of considering book proposals?	None	1	1	None
9. What is your view of ARADO’s process of assuring quality of completed manuscripts prior to publication?	none	1	1	None

Question	Better	Somewhat better	Somewhat worse	Worse
10. Compared to other publishers with which you may be familiar, what is your view of ARADO's overall publication process?	1	1	None	None

No additional comments were offered.

5. AJA article authors' survey

The survey was sent to all 38 article authors, of whom 16 responded, for a statistically representative 42% response rate – the second highest rate of all surveys.

Question	Less than 3 months	3 - 6 months	6 mos- one year	More than one year
1. How long did it take between your initial submission of the article and receiving the AJA response that the article would be published (with or w/out changes)?	10	5	1	None
2. How long did it take between AJA acceptance of the final manuscript and publication?	4	5	4	3

Questions	One	Two	More than two	Don't know/not sure
3. How many referees reviewed your draft article?		12	1	3

Question	Excellent	Good	Fair	Poor
4. What was the quality of the referees' comments and recommendations, in terms of relevance, competence, usefulness?	8	7	1	
5. What is the quality of the process leading to AJA publication, including author's guidelines?	11	5		

Question	Better	Somewhat better	Somewhat worse	Worse
6. Compared to other scholarly journals, what is your view of the AJA overall process?	11	4	1	
7. Compared to other scholarly journals, what is your view of the AJA scholarship and quality of analysis?	9	6	1	
8. Compared to other scholarly journals, what is your view of the AJA, in terms of relevance to current public administration problems?	11	5		

No additional comments were offered.

6. AJA article referees' survey

The survey was sent to all 34 article referees, of whom 13 responded, for a statistically representative 38% response rate – third highest rate of all six surveys.

Question	One	Two	More than two
1. How many article manuscripts submitted for publication have you reviewed for ARADO since 2008?			13
2. How many of these manuscripts have you recommended to be rejected?	1	3	9
3. How many of these manuscripts have you recommended to be accepted (with or without changes)	2	none	11

Question	Yes	No	Don't know/not sure
4. Have your recommendations on whether the article should be published generally been followed?	8	none	5

Question	Yes	No
5. Do you feel that ARADO gave you adequate time for reviewing article manuscripts and submitting your comments/recommendations?	13	None
6. Did you receive any compensation for your review and comments/recommendations?	13	None
7. Would you accept new ARADO requests for reviewing articles submitted for publication? (If no, why? [the one response didn't provide explanation].)	12	1

Question	Excellent	Good	Fair	Poor
8. What, in your view, is the overall quality of the process of considering articles submitted for publication in the Arab Journal of Administration and assuring quality of completed articles prior to publication? (One respondent didn't answer this question)	8	4	none	None
9. What is your view of the process of assuring quality of completed articles prior to publication in the Arab Journal of Administration? (One respondent didn't answer this question)	9	3	none	None

10. Compared to other scholarly journals with which you may be familiar, what is your view of the Arab Journal of Administration? (One respondent didn't answer this question)	8	4	None	None
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No further comments were offered.

7. The Employee opinion survey

1. Introduction

The results of the Employee Survey administered on May 1-12, 2013 to ARADO staff are presented below. The purpose of the survey was to seek staff opinions as part of the assessment of the effectiveness of the internal organization, particularly as pertains to its Human Resources practices and organizational culture.

The survey was sent electronically to all 113 employees who have email accounts (except the Director General and the Legal Counsel), and 39 employees who do not have email accounts were invited to fill in a paper survey. A total of 115 responses were received, which corresponds to a response rate of 75.7%. Six employees who submitted a response to the survey only filled in the responses for the first three questions on demographic data and skipped the substantive survey questions. This lowers the response rate to the substantive survey questions to 71.7 %. However, this rate is still within the typical range (65-85%) in similar organizations world-wide. The survey results are representative for ARADO staff as a whole because, in addition to a representative total response rate, the share of respondents in each of the four position categories fairly closely mirrors their share in total staff.

The responses were submitted anonymously and as is the best practice on Employee Surveys, and no responses were attributed to individual respondents. Responses are analyzed overall for the respondent population and by the demographic data collected on (a) position type, (b) type of employment contract and (c) length of employment at ARADO.

As described below, the survey had a total of 12 questions, of which the first three focused on respondent demography and the remaining nine measured employee opinions in areas that had been raised in the interviews with management and staff: employee engagement, performance management, career and professional development, internal information sharing, team work and fairness of rewards for performance. Consequently, the survey design was tailored to ARADO's specific circumstances.

The survey questions were also designed to enable some external benchmarking of ARADO's overall results to international survey data. Two different reference norms were selected for this purpose to provide two different reference perspectives:

- Survey data from over 20 global private sector companies in various sectors⁷⁴ representing over 300,000 employees (named PRIV in the charts); and
- Survey data from a cross-section of 10 (for some questions fewer, noted by*) international organizations (public sector and non-profit)⁷⁵ of varying sizes representing over 10,000 employees (named INT ORG in the charts).

⁷⁴ Manufacturing, auto industries, telecoms, financial services, banking, service companies, etc.

⁷⁵ Health care, education, development, relief, regional organizations, etc.

The benchmarking of survey responses is typically done for the percentage of favorable responses (“Strongly agree” and “Agree”) to the survey statements.

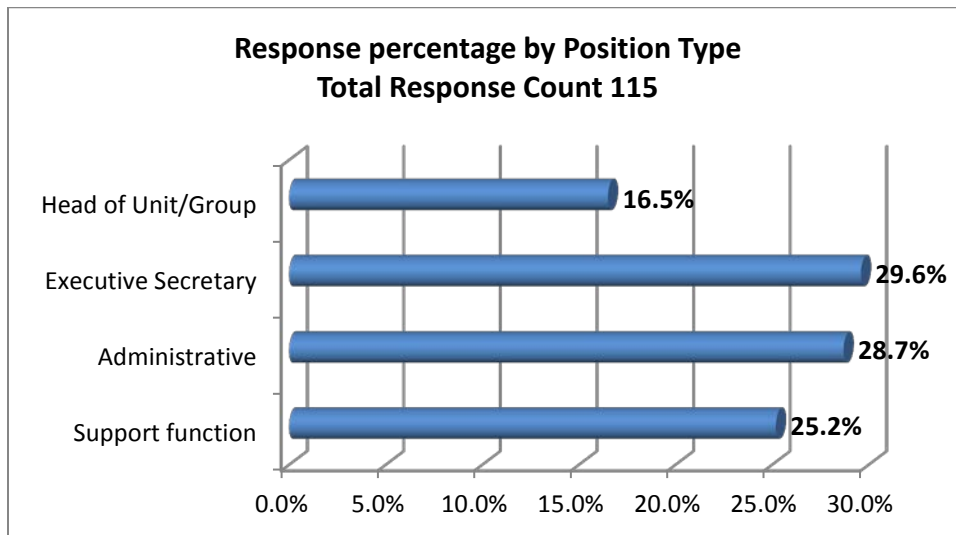
In the overall analysis of responses to each survey question (Questions/statements 4-12) the benchmarked reference percentages for favorable responses are presented first, followed by the corresponding percentage of favorable responses by ARADO staff (all in blue colors). Results, in the form of percentages of ARADO staff responses, are then presented for all Answer Options separately for each survey question (on a color scale from green to red).

The conclusions and recommendations flowing from the Employee Survey are in the text. Below is the analysis of survey results.

2. Overall Analysis of Survey Results

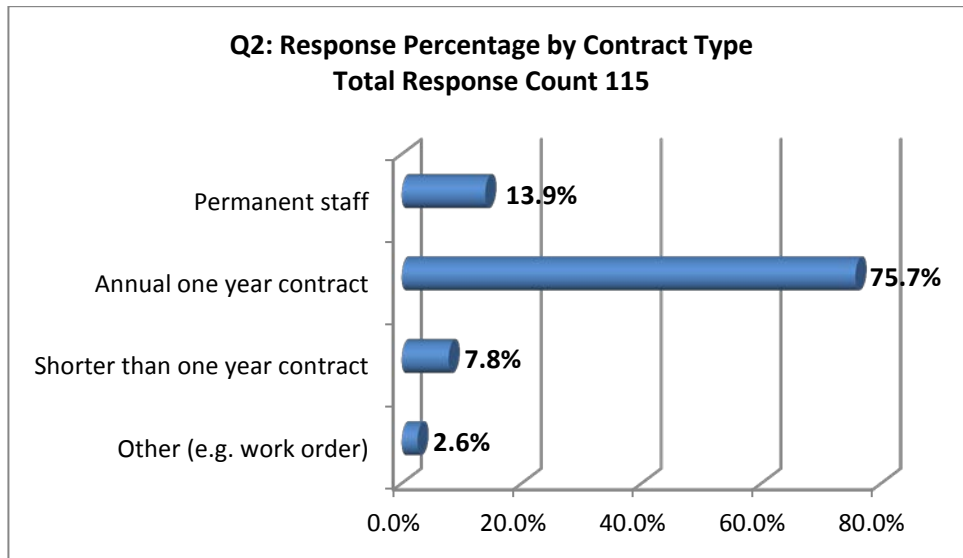
Demographic Data

Question 1: *What is your position⁷⁶ in ARADO?*

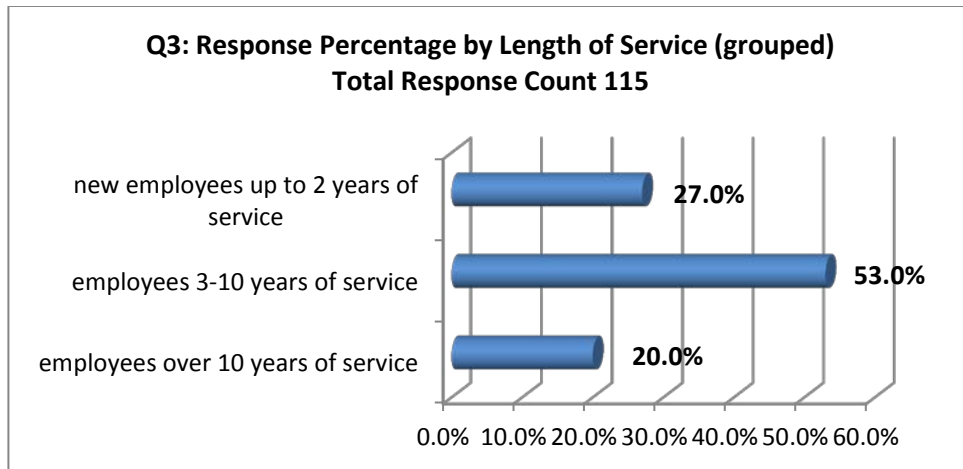


⁷⁶ The position groups were defined by ARADO: Head of Unit/Group includes all managerial staff; Executive Secretary includes non-managerial technical staff; Administrative includes all administrative/finance staff and some supervisors of non-technical support staff; Support function includes staff in non-technical positions, such as security, maintenance etc.

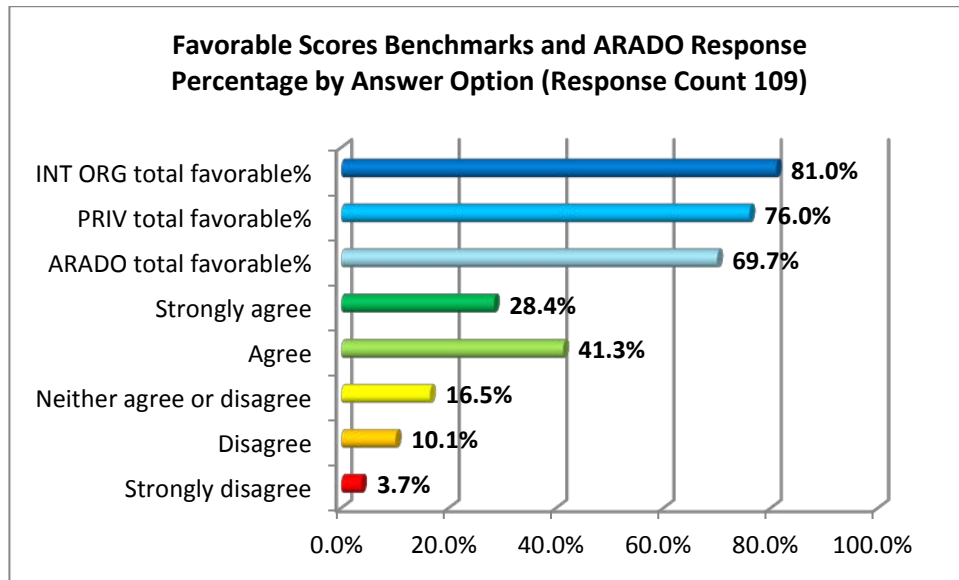
Question 2: *What kind of employment contract do you have with ARADO?*



Question 3: *How long have you been working in ARADO?*



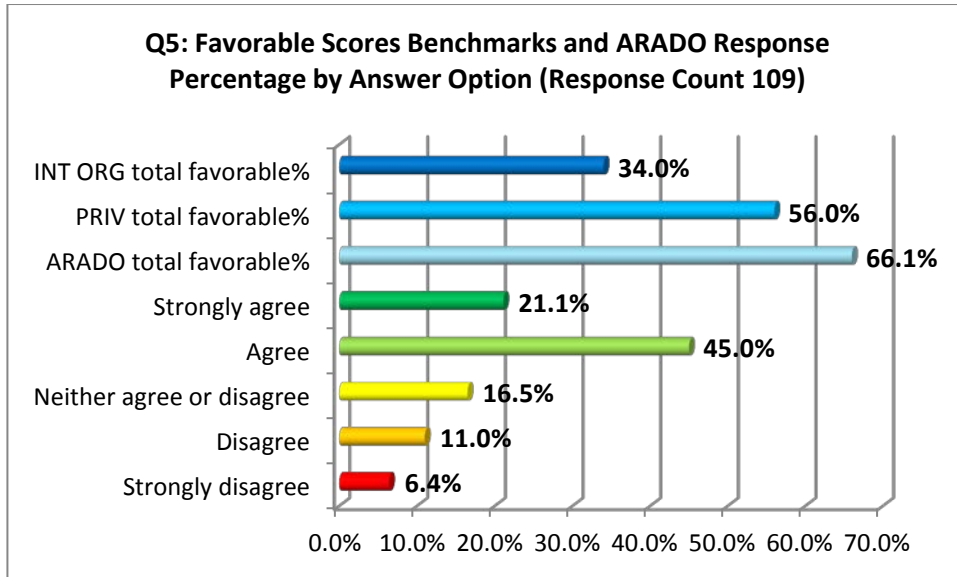
Question 4 Statement: *I am proud to work in ARADO.*



Additional written comments (10)

- It is prestigious to work under the umbrella of the Arab League.
- Working for ARADO permits exposure to other cultures and new thinking in other countries.
- We show pride externally, but do not find many reasons *internally* to be proud (multiple comments collated):
 - Too little flexibility
 - Lack of communication between departments
 - Old-fashioned management style
 - Conflicts between Units
 - The internal environment is not inclusive: employers are easily blamed, staff opinion does not count
 - There is no professional HR Department to guard staff rights and to listen to employees
 - We used to feel this was our organization, but feel less so nowadays.

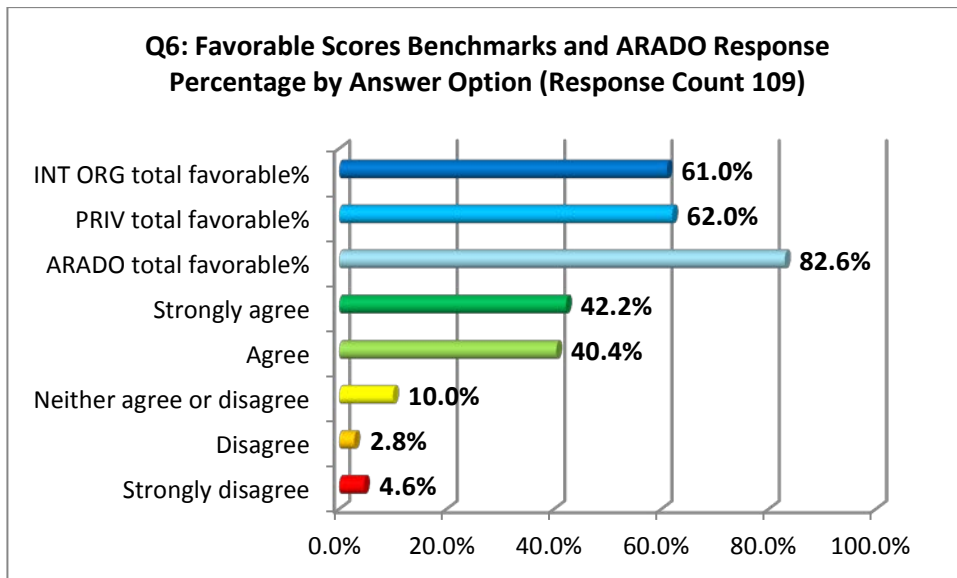
Question 5 Statement: *ARADO's strategic direction, goals and work program are clear to me.*



Additional written comments (7):

- The vision and strategic objectives are not really clear to staff (multiple comments collated).
- There does not seem to be a plan that unites the work of all departments, it is more like “touch and go”, goals seem to be fluctuating. This is not only an issue for ARADO but also for the governing entities (multiple comments collated).

Question 6 Statement: *I fully understand what is expected of me in my job role.*

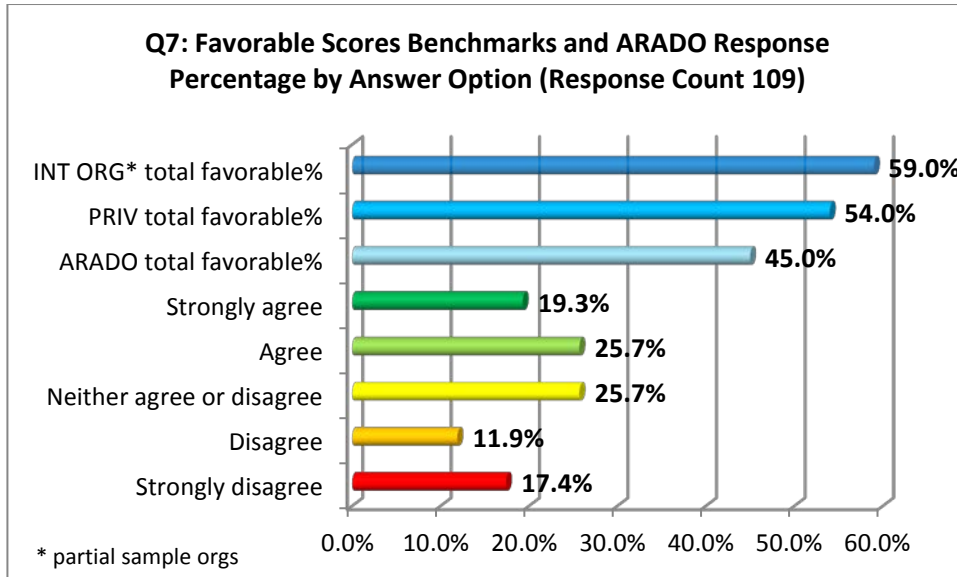


Additional written comments (3):

The title “Executive Secretary” does not match the qualifications required and duties expected to be performed. There is no specific job description.

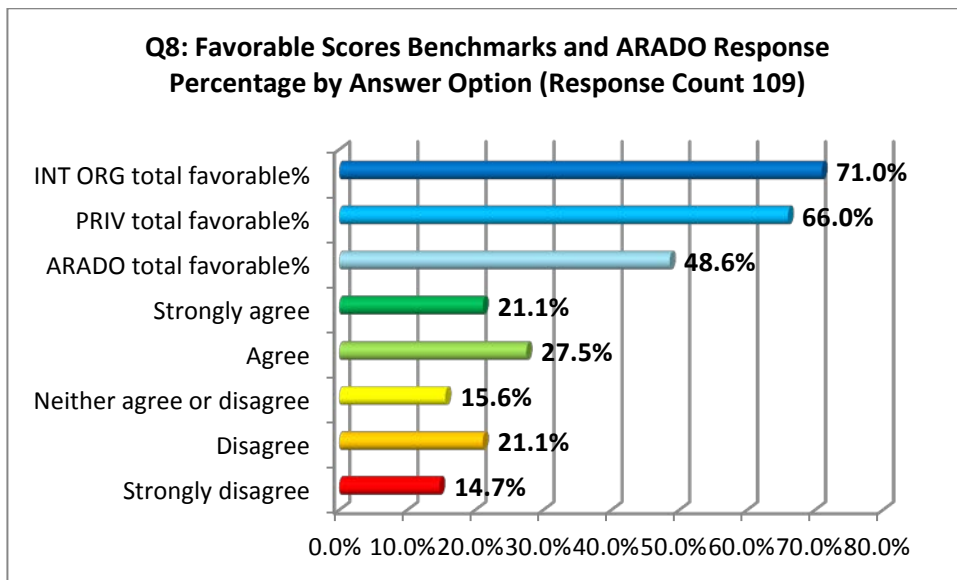
- One needs to go through a bad experience to hear what exactly is expected.
- I understand from a personal point what is expected, but there is no generic description.

Question 7 Statement: *My manager gives me feedback on my work performance at least two times a year.*



No additional written comments.

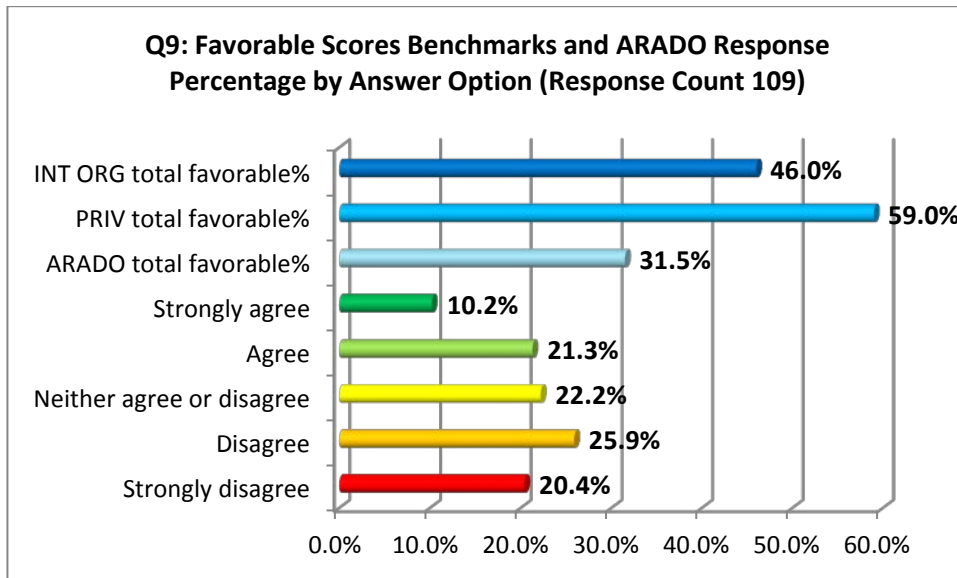
Question 8 Statement: *My skills and abilities are put in full use in my current job in ARADO.*



Additional written comments (7):

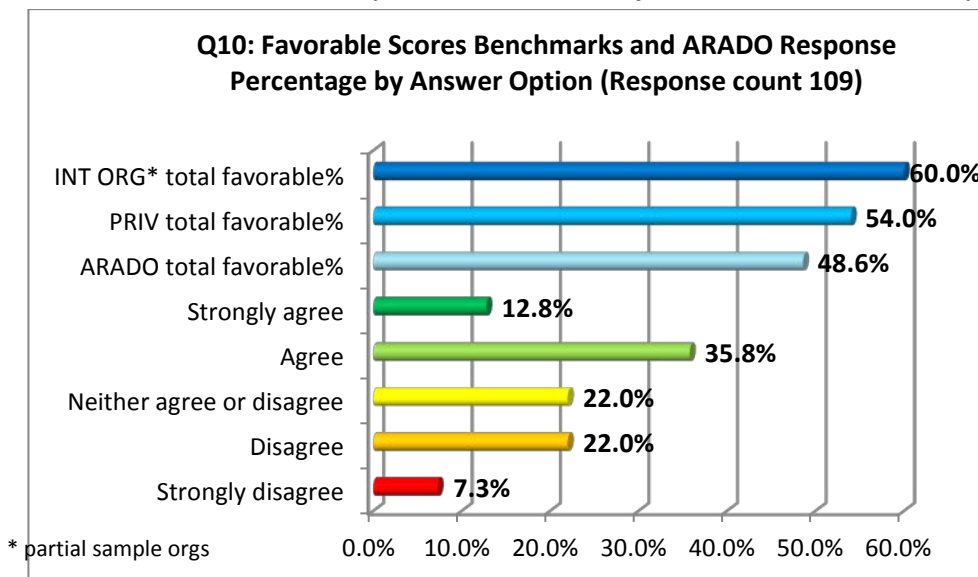
- ARADO has people who are not in the right job based on qualifications.
- Out-of-the-box thinking and innovation is not encouraged. There are ideas that never come to top management's attention because only heads of the units can communicate with the top.
- Managers are regressive, afraid of making decisions and taking responsibility, this affects employee performance.
- Regardless of how much one contributes and what qualifications one brings, the reward is the same – according to the job level. I could give more to my unit (multiple comments collated).

Question 9 Statement: *I have the opportunity to develop professionally in ARADO.*



No additional written comments.

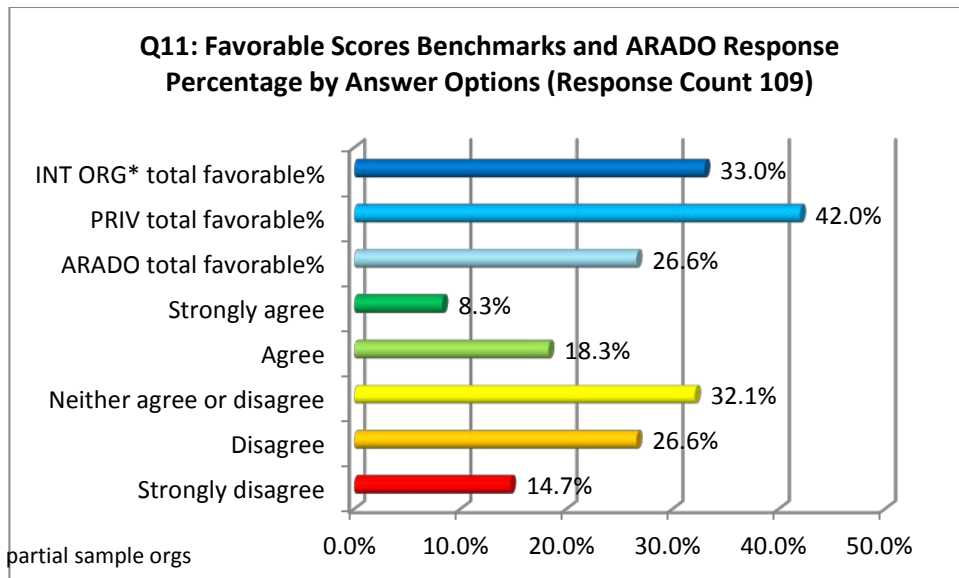
Question 10 Statement: *I have easy access to all the information I need to do my work.*



Additional written comments (5):

- Most of the time I agree that I have access to information, but sometimes information is not communicated related to mistakes or difficulties.
- There is no transparency between departments, each unit is dealing with their own “private” data.
- I find it difficult to find the information I need for my work, information is not readily available, one has to insist to get it.
- Access to information depends on one’s connections and having the motivation to search for it.
- Databases are not regularly updated, so I have to search on my own for relevant new data to be able to do my work.

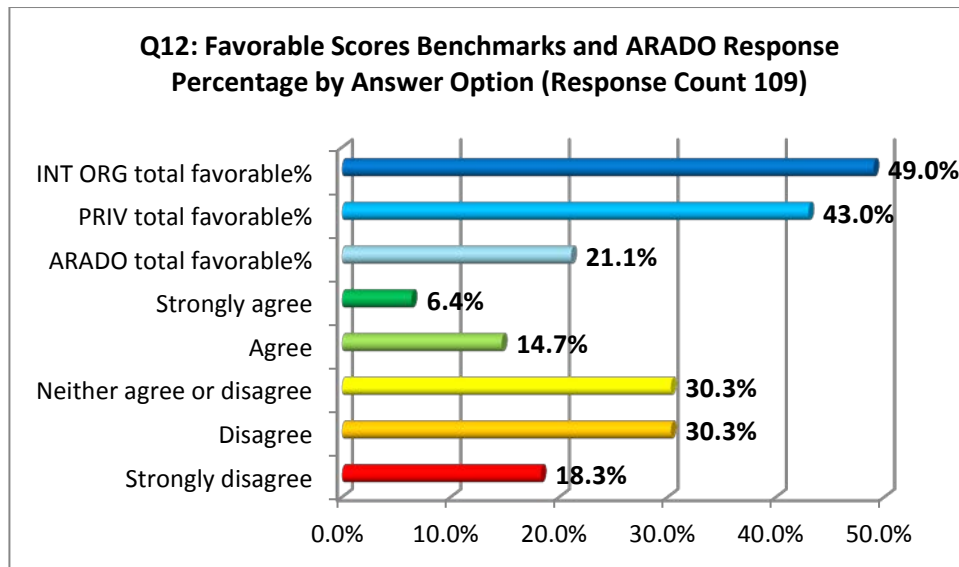
Question 11 Statement: *Team work across units and groups is encouraged and rewarded in ARADO.*



Additional written comments (6):

- In reality the Organization is transparent and holistic, resulting in best outcome for its employees.
- As long as there is no equality, there is no team work.
- There is no group work, except maybe within units
- There is no coordination between units, except on some public relations and financial activities.
- I have never heard of rewards for collective work.
- Group work should be required to get compensation, not just individual work.

Question 12 Statement: *Excellent individual work performance and good results are fairly rewarded in ARADO (for example when decisions are made on promotions, salary increases and bonuses).*



Additional written comments (9):

- There is a tangible reality, as the DG always says “I believe in this Organization, like I believe in God”. Compensation is limited to the permanent employees. Only persons with connections or power will get rewarded (multiple comments collated).
- There is no HR Department to supervise managers when they appraise staff. And there is no appraisal system that ensures justice as only one person appraises staff. There is no promotion, everyone is at the same grade/level and there is no seniority except Executive Secretary and Head of Unit.
- If the employee is liked, s/he gets compensation and promotion even if not qualified.
- There are no clear rules for compensation, it all depends on the Head of Unit.
- There is no career path so how could one expect promotion. The pay-raise ceiling is \$40. One of the major problems is the huge gap between contracted and permanent staff and it has an impact on contracted staff performance.
- Work objectives are not clear and individual performance does not interest anybody.

3. Comparison to Benchmark Data

In the previous section, ARADO’s Employee Survey results were presented together with external reference values from two different groups of organizations. While circumstances and cultures vary from organization to organization, it is useful to look at the external benchmarks in order to understand whether a favorable response rate of, say, 50% is excellent or might indicate need for improvement, as seen by staff. It should be noted that due to the specific nature of employee surveys, the rule of thumb used by many large survey companies is that only a difference of 10 percentage points or higher from benchmark references is considered statistically significant in surveys with small survey populations⁷⁷. The following table illustrates the areas for strengths as well as opportunities for improvements based on the reference data.

⁷⁷ International Survey Research 2010

Variable	Survey Question No.	Difference from PRIV benchmark	Difference from INT ORG benchmark
Employee Engagement	Q4 Pride of Organization	-6	-11
	Q5 Awareness of strategy, goals and work program	+10	+32
Performance Management	Q6 Performance Expectations	+11	+22
	Q7 Feedback	-9	-14
Career and Professional Development	Q8 Full use of skills and abilities in current job	-17	-22
	Q9 Professional development	-27	-14
Internal access to information	Q10 Information access	-5	-11
Team work	Q11 Encouragement/reward for team work across units	-15	-6
Rewards	Q12 Fairness of rewards for performance	-22	-28

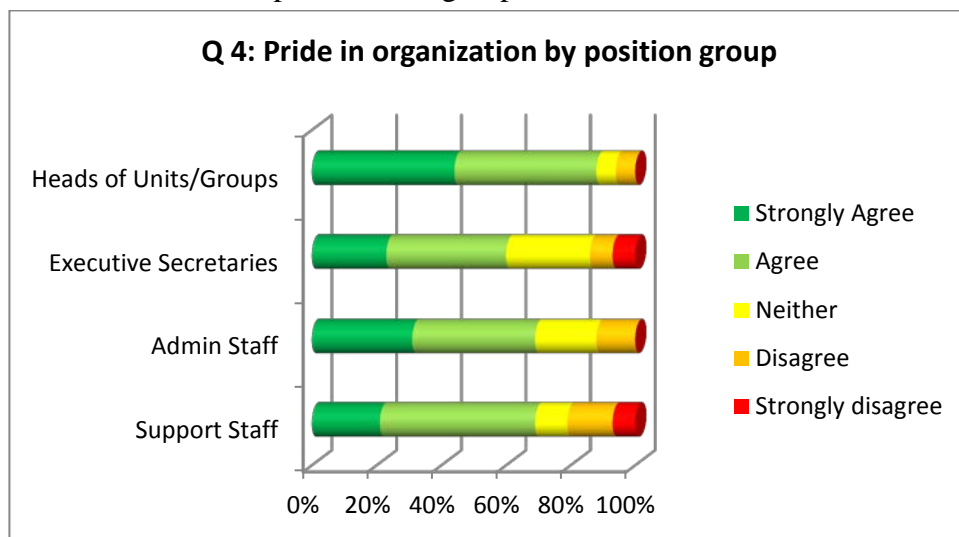
This picture should be complemented by reviewing the non-favorable responses (“Disagree” and “Strongly disagree”), which were included in the overall analysis above, but are also presented visually for each question, for each demographic segment of ARADO staff in the section below.

4. Detailed Analysis by Demographic Parameters

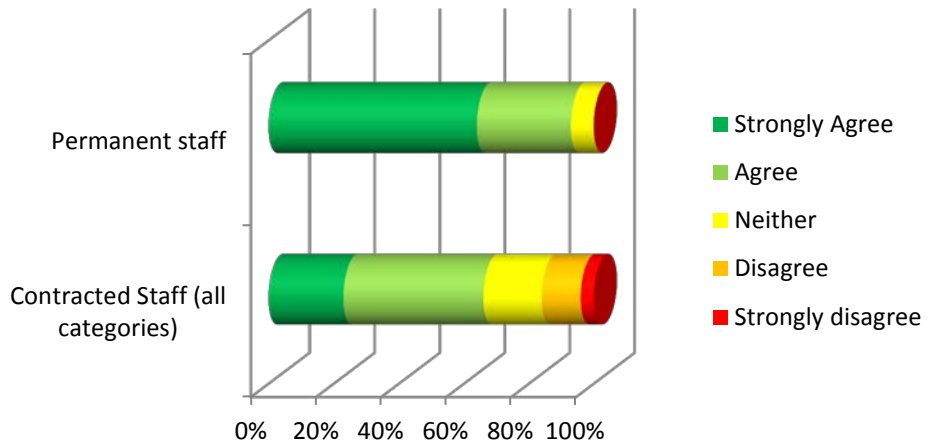
As noted in the Introduction, the demographic data collected enables analysis by (a) position category, (b) permanent and contracted staff, and (c) length of employment in ARADO. These data cuts are presented separately for each survey question, one question per page, to enable comparisons between opinions expressed by each demographic group.

To show the *percentage of responses* for each answer option by each demographic group, the answer options have been color coded as follows: strongly agree in green, agree in light green, neither agree or disagree in yellow, disagree in orange and strongly disagree in red.

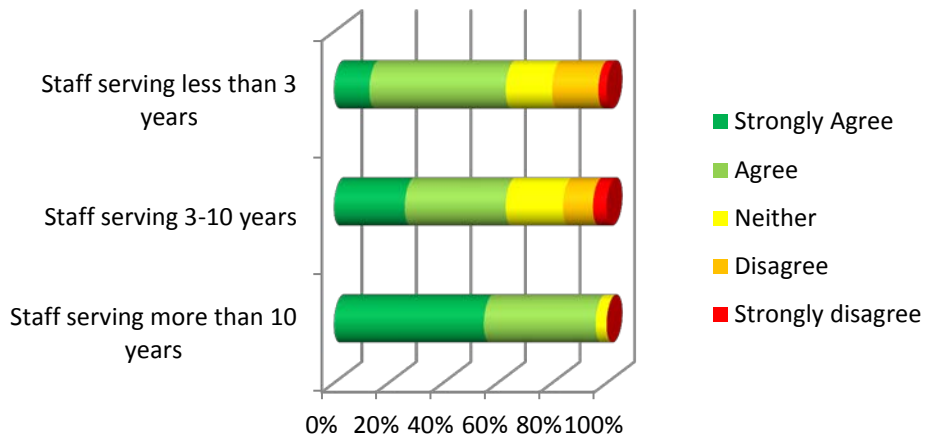
It should also be noted that each demographic group includes 19 or more respondents. Demographic cuts that are further refined will not be presented as the number of respondents will not be above 3 in all of the possible sub-groups.



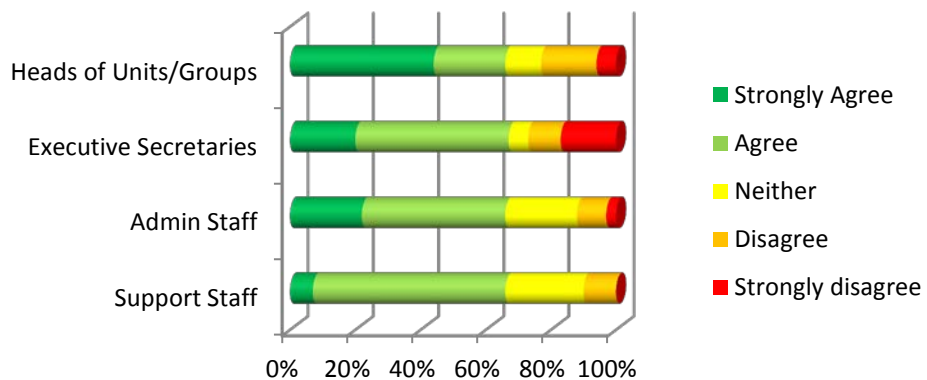
Q 4: Pride in organization by contract type



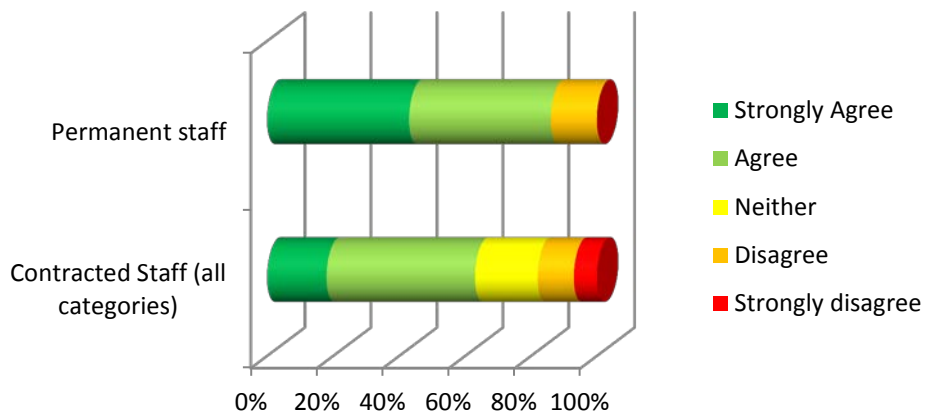
Q 4: Pride in organization by length of service



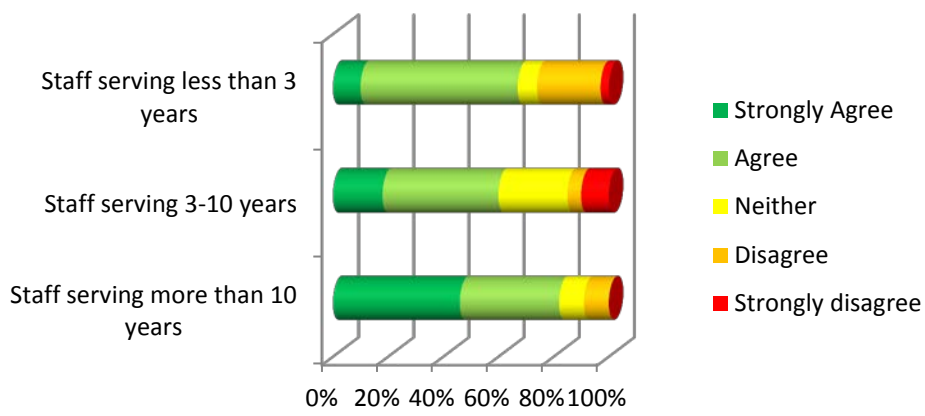
Q 5: Clarity about strategy, goals and workprogram by position group



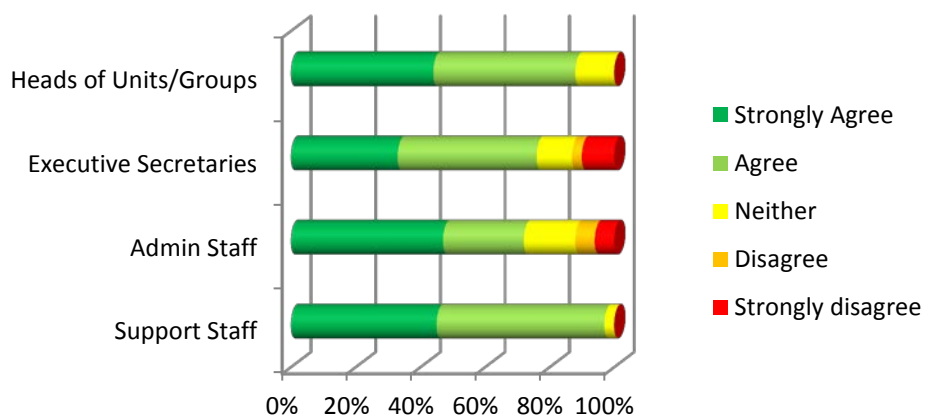
Q 5: Clarity about strategy, goals and workprogram by contract type



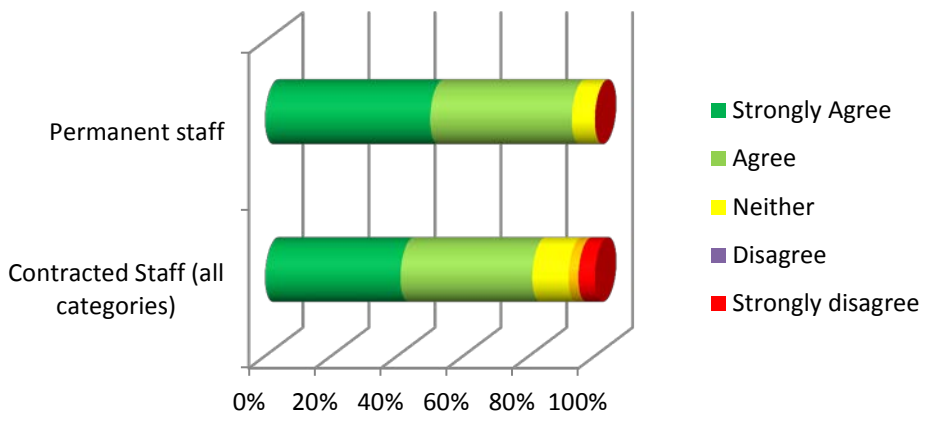
Q 5: Clarity about strategy, goals and workprogram by length of employment



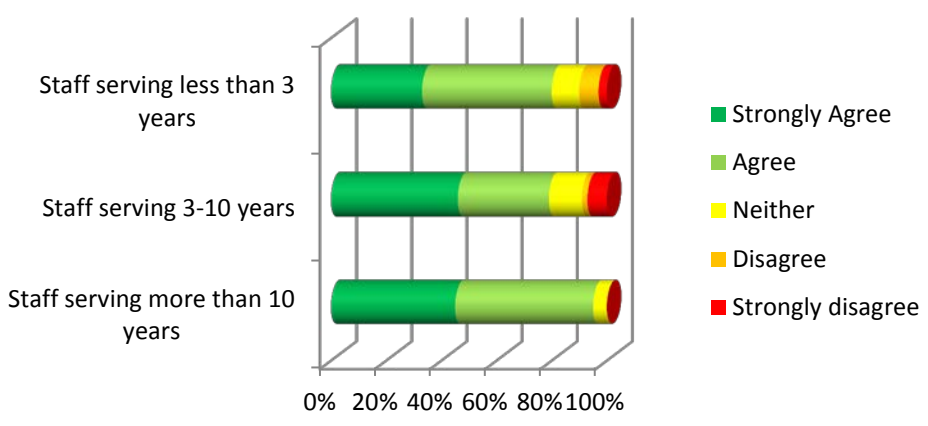
Q 6: Understanding expectations in the job by position group



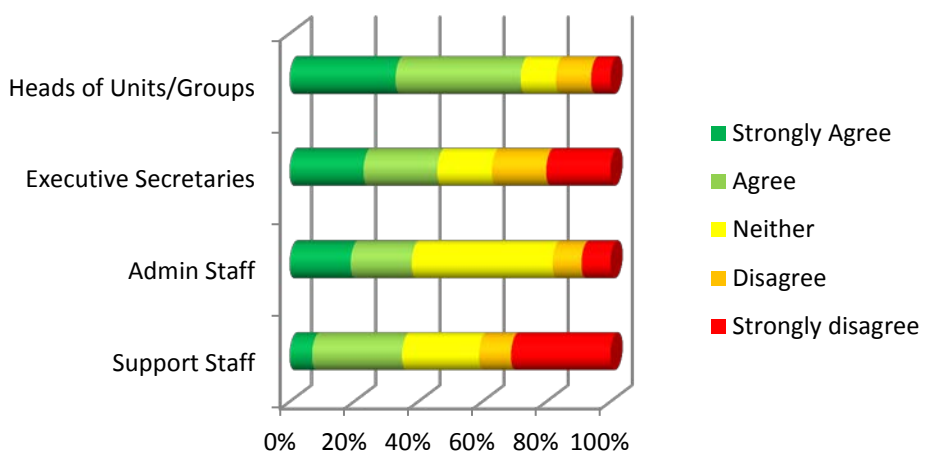
Q 6: Understanding expectations in the job by contract type



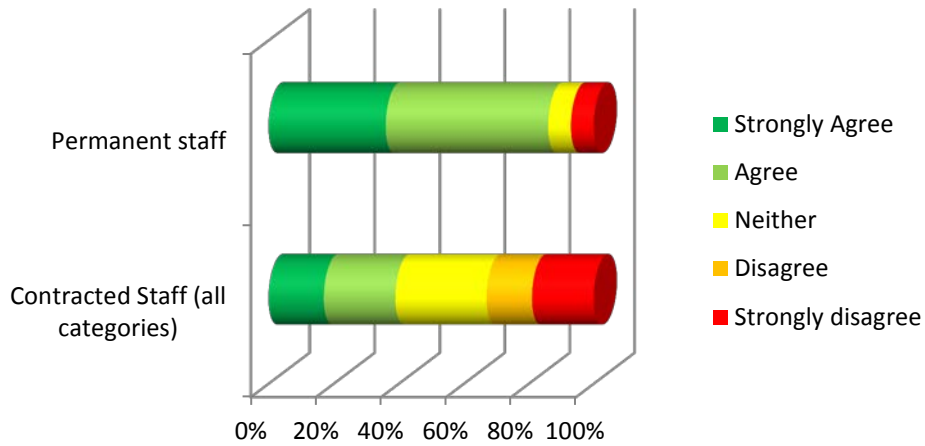
Q 6: Understanding expectations in the job by length of service



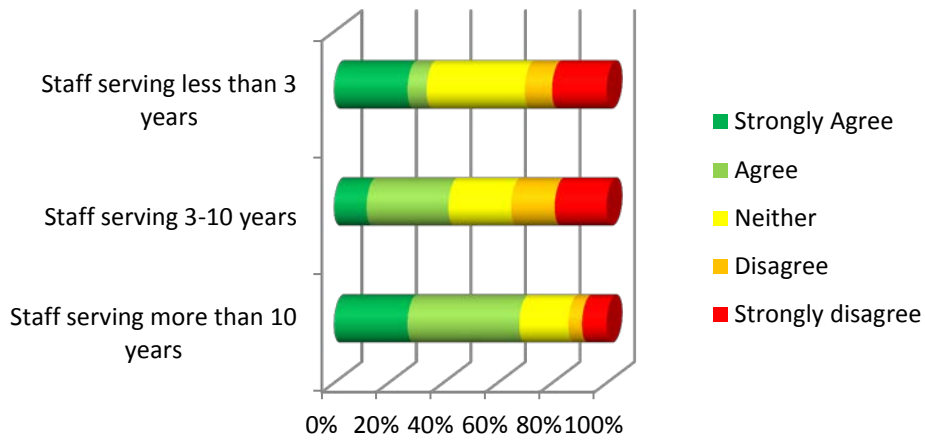
Q 7: Receiving feedback by position group



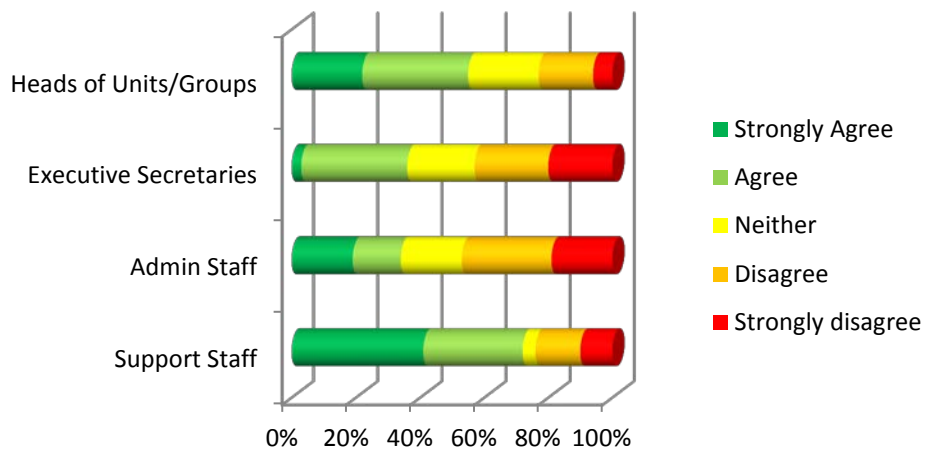
Q 7: Receiving feedback by contract type



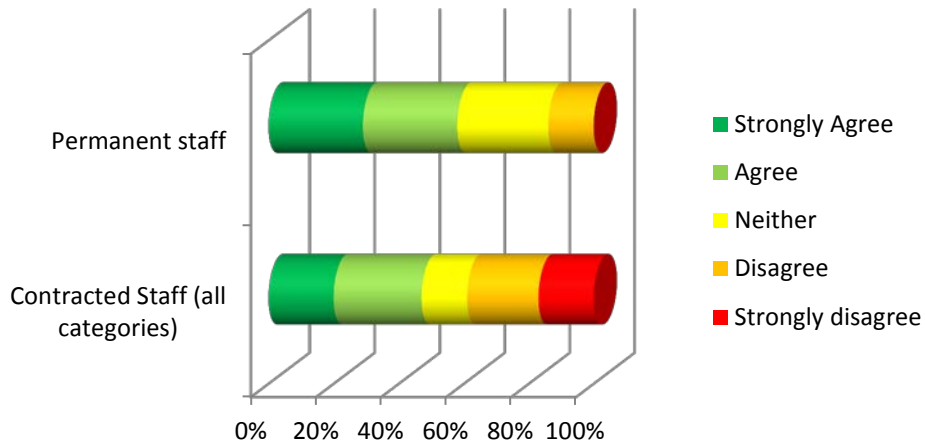
Q 7: Receiving feedback by length of service



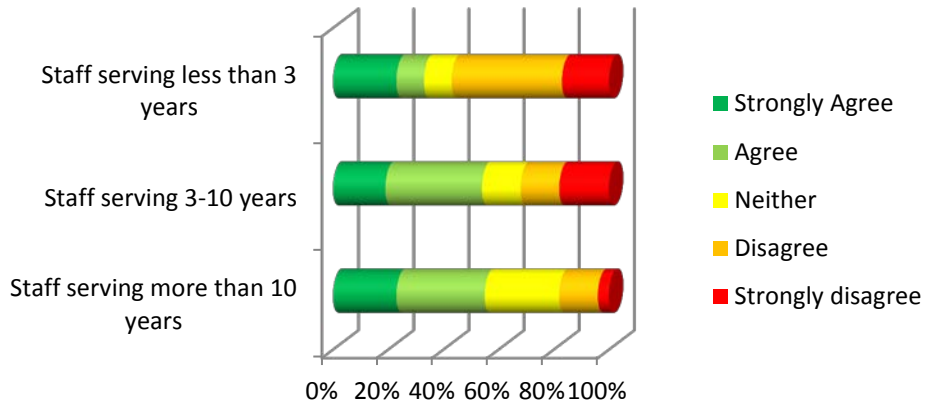
Q 8: Full use of skills in current job by position group



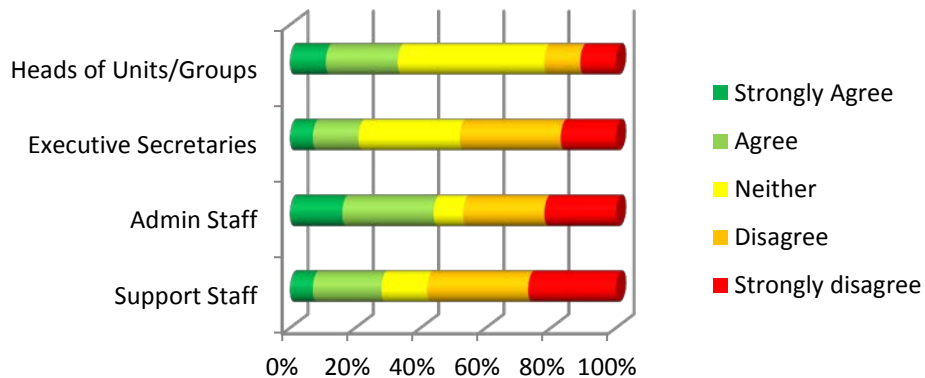
Q 8: Full use of skills in current job by contract type

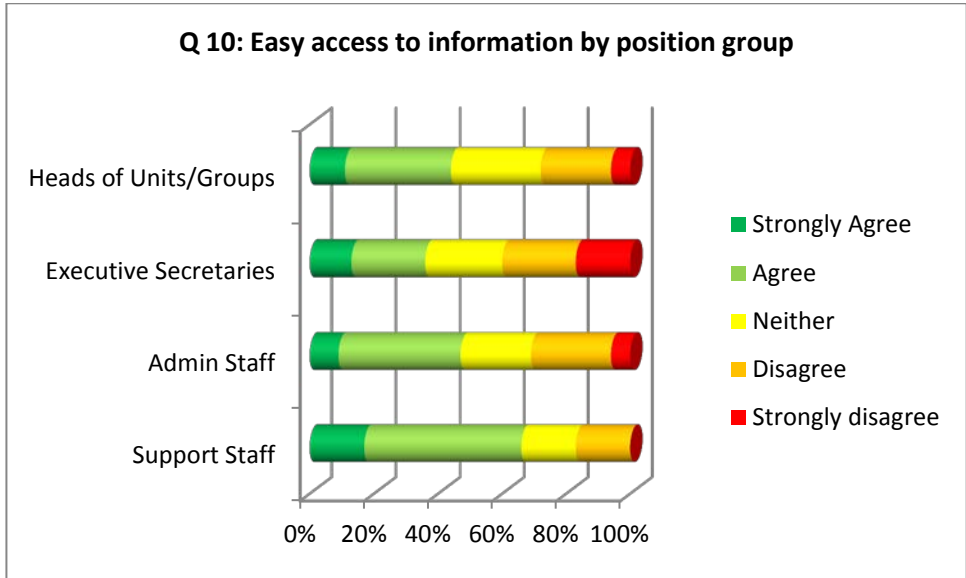
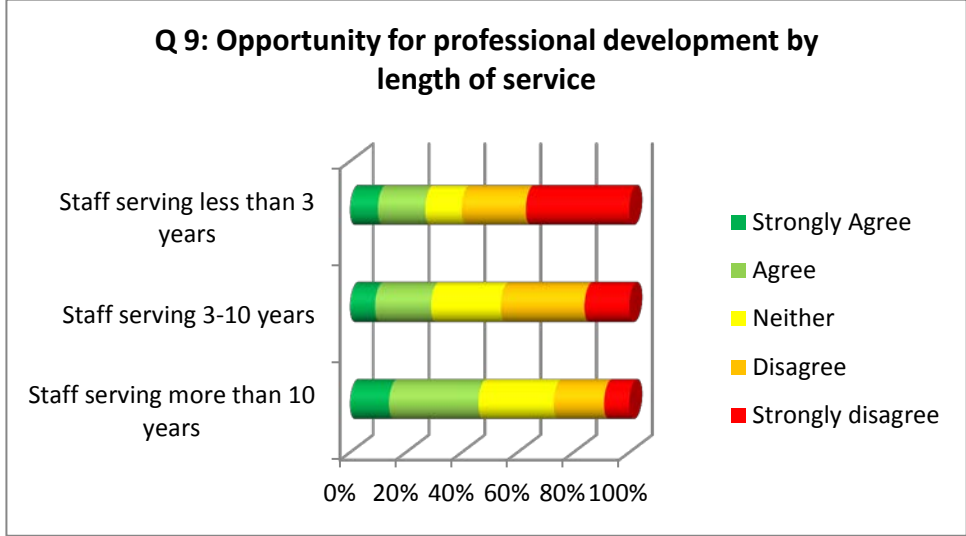
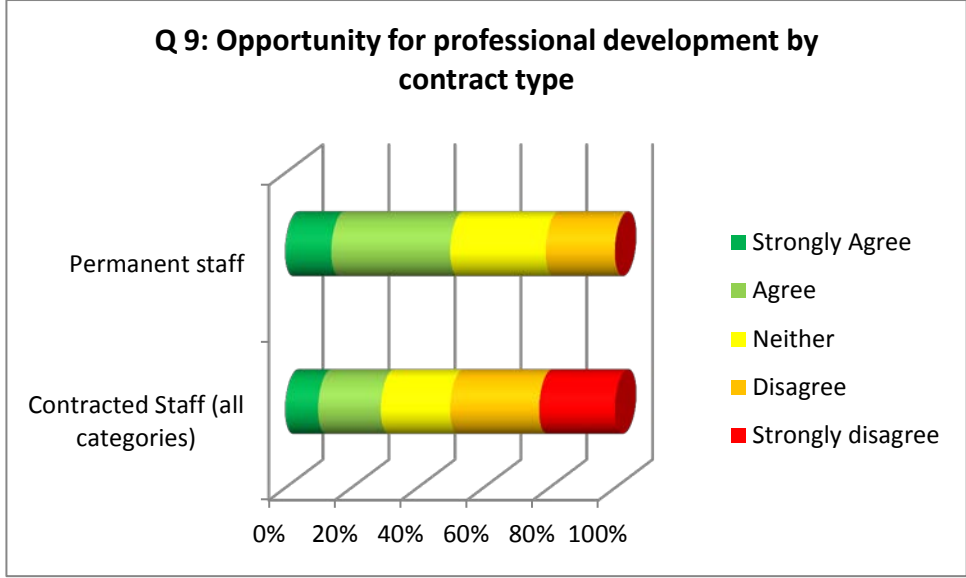


Q 8: Full use of skills in current job by length of service

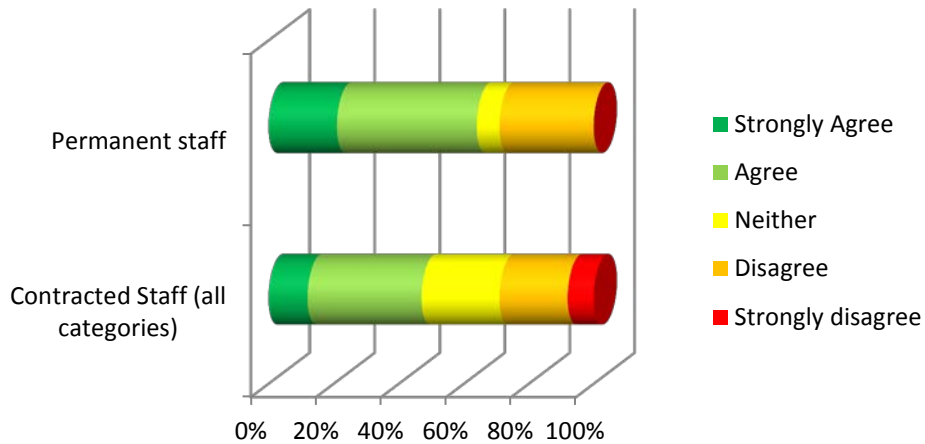


Q 9: Opportunity for professional development by position group

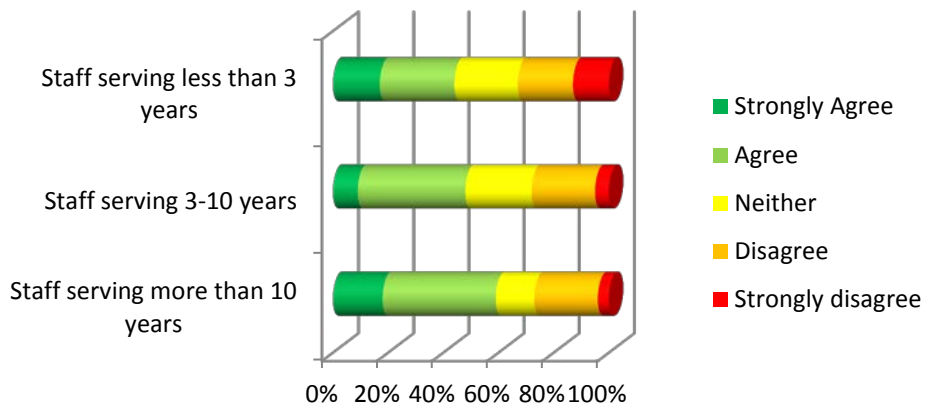




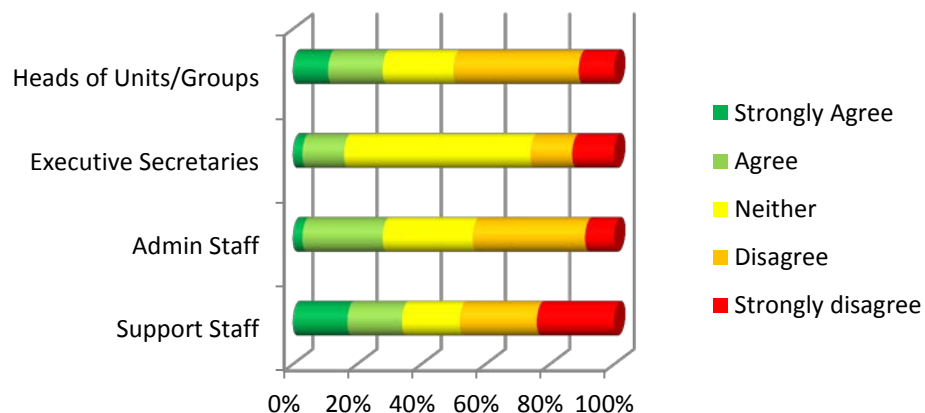
Q 10: Easy access to information by contract type

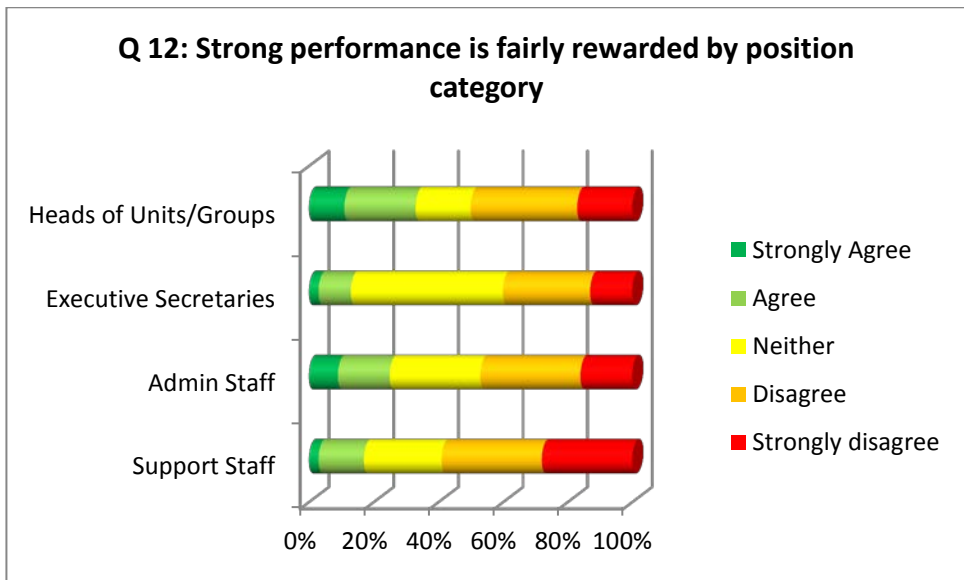
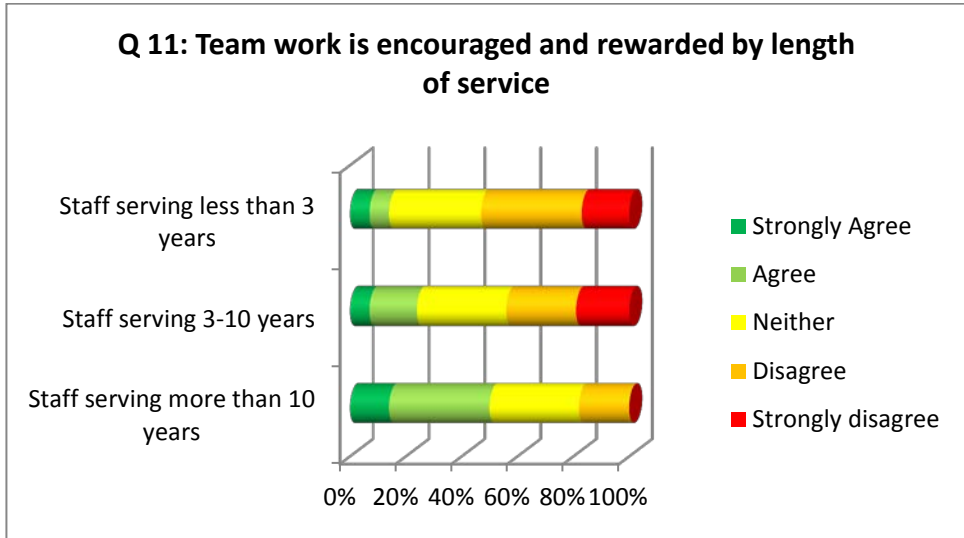
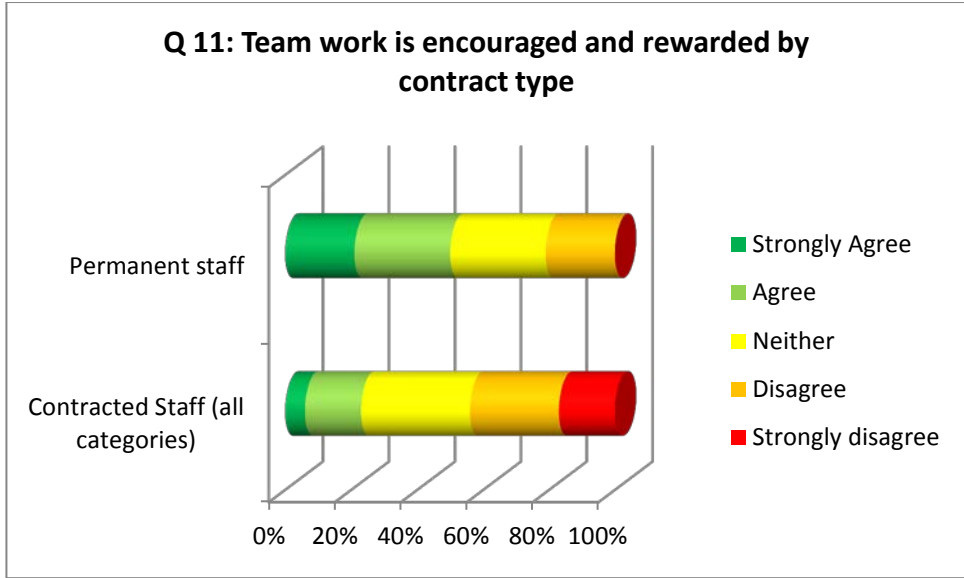


Q 10: Easy access to information by length of service

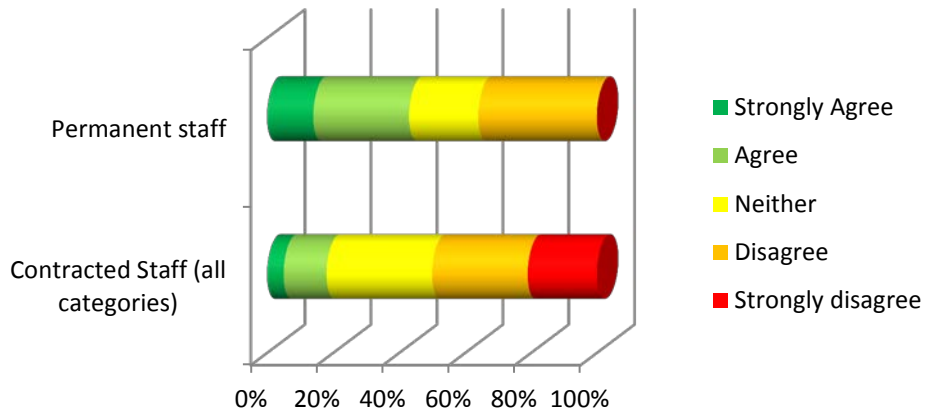


Q 11: Team work is encouraged and rewarded by position category

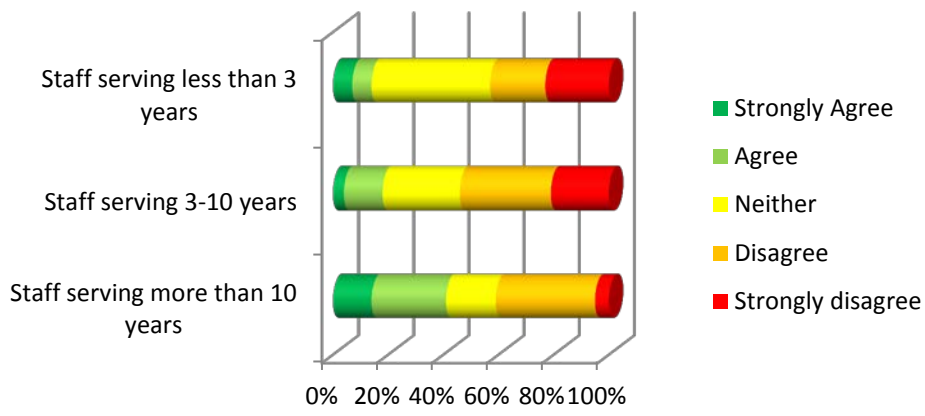




Q 12: Strong performance fairly rewarded by contract type



Q 12: Strong performance fairly rewarded by length of service



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Annex 5

The Focus Groups Meetings

As noted in the text, focus group discussions were organized in five countries. Invited participants were selected at random by the DPMG team from lists provided by ARADO. Attendance was generally disappointing, but the quality of discussion and level of interest were satisfactory. Following is a summary of discussions and conclusions of each of the five focus groups.

Khartoum - February 26, 2013

3:00 pm – 5:00 pm

This first focus group was attended by four persons -- two were former participants in ARADO trainings (employees - one from Private Sector and one from the Higher Council for Payroll), and two were Academic Professors one with a digital library subscription.

The attendees in general were not familiar with ARADO and its activities, what they knew was limited to ARADO web site and their personal experience in the one activity each attended.

The participants' in ARADO trainings shared the opinion that it was a good experience and it helped them to cover the gap between theory and practice, it gave them the chance to network with representatives from other Arab Countries. In general it was helpful and it was a positive experience.

The discussion was limited due to the limited knowledge of attendees in ARADO activities, which lead to the shared opinion of all attendees that ARADO staff should visit possible clients and brief them on their activities and advise on how to benefit from ARADO trainings and activities.

Jordan - Mar. 5, 2013

3:00 pm – 5:00 pm

This was the second focus group and discussion was a vibrant and lively one with most attendees having several experiences with ARADO that goes back to the 90's and few even earlier.

The attendees were nine from different backgrounds in Civil Service, Planning and International Cooperation, Health, Vocational Training and Academic Professors from Private Universities, and almost all shared the position of making the decision of sending trainees to ARADO activities.

The attendees were engaged and the discussion was active and took the full 2 hours. Regarding their experience with ARADO activities they all agreed that it's positive in general specifically mentioning sharing of experiences between participants from different countries, networking, and meeting professionals from private sector. The general opinion about organization of events was "well organized". E-commerce, project cycle and quality models were highlighted as very successful topics and that they did use some of what they learnt in their work.

On the other hand they preferred the 3-days training activities in comparison to the other activities of ARADO such as conferences, they saw the organization for conferences as not good, papers presented were not reviewed properly therefore some paper ended in the conference were not of value, the conferences recommendations were prepared before the conference and presented in the last day without discussion and/or consensus, there was no agenda to implement recommendations and no follow up, and the same topic was repeated with the same recommendations that were not implemented in the first time.

The attendees were candid about quality, they see the increase in quantity of activities due to self-financing approach was on the expense of quality, the learning process is weak, and it's either academic or dictating in nature. Some added that the quality of ARADO's services before 10 years was better.

On the other hand they had a split decision about the need for all these trainings, some said its too much and affecting quality of delivery, while others said it's needed because they have staff at different levels that need everything.

During the discussion the following general topics were included:

- Training announcements does not include an outline of the training;
- Marketing methods are not adequate, not efficient and they do not reach their customers well;
- The contact lists at ARADO are 12 years old, it was last updated in 2001;
- Diplomas program at ARADO is a good program but it needs to be implemented in other countries not only in Egypt because its of a long period and no one can travel to Egypt to do it other than Egyptians and those who live in Egypt.
- They would attend another ARADO activity for different reasons, like networking and meeting other Arab participants, and the younger ones said for the knowledge and the learning process.

When we reached the point of what do they recommend for future, they were all prepared with lists, and the following is a summary of their recommendations:

1. ARADO activities should be based on needs assessments; they want to see ARADO staff in Jordan assessing the needs of the country and see it reflected in the programs.
2. Arab Countries despite of its variances still have many similarities and they would like to see activities that address these similarities.

3. ARADO should be an accreditation organization for institutions for example universities rather than a foreign organization does the accreditation in her capacity as an Arab Regional Organization.
4. ARADO website/portal should allow for online communication with ARADO focal points and experts for specific requests and advise when needed.
5. ARADO website could have links to Arab Experts for promoting Arab expertise.
6. Updating databases of contacts.
7. Networking between same/comparable organizations in each Country under the umbrella of ARADO
8. Sharing, publishing, and assigning implementation responsibilities to identified entities or parties of conferences recommendations.
9. Peer review of papers presented in conferences for academics.
10. Developing training programs to include outline, outcomes, and a list of who is this training is intended for.
11. ARADO has deviated from its objective, which is Development of Public Administration in Arab Countries to a training organization competing with local public training organizations and small training companies in the private sector.
12. A suggestion that publications and papers over 5 years old should be available to everybody free of charge on ARADO web/portal.
13. Some suggested that training activities be organized in levels so that participants can take them in the right order and get more in depth with certain topics.
14. ARADO should be a leader in public reform, not just a training organization.

Kuwait - April 21, 2013

3:00 pm – 5:00 pm

This was the third focus group, even though it was a small one with 4 attendees only, but it was relatively active. The attendees were three from public sector and the forth from non-profit sector. All attendees were participants in ARADO activities.

They all shared the overall opinion of a positive experience and good networking with other Arab Countries representatives.

On the other side, they expressed that there is no follow up by ARADO. In one of the events an initiative to start An Arab Digital Organization started from the participants but without ARADO support and follow up the initiative died.

The attendees expressed their dissatisfaction of ARADO in following areas:

- Training is based on lecturing not learning and participation. It's either academic or dictating in nature.
- Regarding marketing, it's confusing as they receive many announcements from different units at ARADO.

A concern was voiced regarding political issues and how it's affecting the organization activities.

Cost was not a concern for attendees' as its covered by their government and it does not affect their participation.

The attendees' opinion of the areas that ARADO should focus on:

1. ARADO should be an accreditation organization for Arab trainers.
2. ARADO should train trainers.
3. Avoid repeated events topics.
4. New topics to be introduced.
5. Specific administration topics to be included.

Cairo - April 29, 2013

3:00 pm – 5:00 pm

This was the forth focus group and was attended by 5 people from public sector included public services, banking, hotel management, industry and foreign Trade.

The fact that the group was relatively small, and some of them were in positions of deciding who go to training (training manager's role) led to a lively and candid discussion in general with supportive views of ARADO.

Many of the attendees had a good knowledge of ARADO internal working mechanisms and all participated at one time or another in ARADO training and workshops. They agree in general that they had a good experience with ARADO training and that it was extremely well organized.

When planning training programs, they think of ARADO first. And workshops were relatively preferred between ARADO's activities

But when it came to the effectiveness of ARADO training, and its ability to be translated into improvements in the work place, they had a split decision.

The negative areas they discussed about ARADO were:

- One trainer is monotonous; there should be more than one trainer in the training.
- Cost is high.
- They get many contacts from within ARADO about the same training event.
- Training brochure prepared by ARADO should have more content and details related to the subject matter, so the training directors and department managers can make more informed decision on participants in the training.

- ARADO value added is in contributing to awareness of best practices, like in trade facilitation and world Trade Organization requirements...which require several expertise that ARADO can and should be able to broker.
- The Kuwaiti Institute for Public Administration provides free training courses. ARADO should be able to do the same.
- Some suggested that ARADO should make deals with airlines to reduce the cost of travel for participants if the training is outside of their countries.

Suggestion for future of the areas that ARADO should focus on:

1. Even though ARADO is an “administrative development” organization, it should be able to provide and/or facilitate the provision of capacity building in all subjects, based on demand, not supply side.
2. ARADO should coordinate and have proactive contacts with local (national) public administration development organizations.
3. It is more effective to have all trainees come from the same country; they can be more effective in applying what they learn.
4. ARADO should double its efforts in helping the different administrations in the Arab world, and especially in Egypt, in:
 - Promoting the automation and the use of ICT in the delivery of public services;
 - Supporting the provision of prizes and certifications for excellence in the public administration;
 - Be a vehicle of brain storming on strategic issues in the Arab World;
 - Adopting the principle of one expertise in one area at a particular time; and,
 - Facilitating or obtaining Grants for training.

Riyadh - May 21, 2013

7:30 pm – 9:30 pm

This was the fifth and final discussion group, was attended by six people from various backgrounds included: Hospital Management, Health Care, Human Resources Management, Water and Electric Services, Customer Service, Legal Consultation, Computer Science, and E-Government.

The attendees were relatively open to discuss all aspects related to their roles, work & activities of their administrations, as well as their views & relationship with ARADO.

The discussion was active and quite vibrant. Many opinions were expressed, and were very proactive in volunteering opinion concerning what ARADO is and what it ought to be.

Most attendees indicated that they became aware of ARADO programs through one of the following methods:

- Through ARADO announcements
- Self-initiated requests (for those who already knew about ARADO)
- Informed about ARADO through own organization
-

Their experience/exposure to ARADO training included: attending several different ARADO training sessions and conferences (2005, 2007, 2008, 2011, and 2012).

Most locations of the ARADO programs were in: Cairo, Alexandria, and Sharjah.

Some attendees pointed out that they have benefitted significantly from ARADO training, and specially conferences; two major areas where ARADO training helped them the most: e-government, and administrative development

Several attendees expressed dissatisfaction of ARADO in the following areas:

- Logistics: hotel location, hotel quality, training location.
- Scheduling: sudden postponements, last minute cancellations (supposedly do to “low number of trainee turnout”, according to what attendees said that they were told by ARADO).
- Expertise of trainers: One participant said that one of the trainees had to correct the trainer twice, to which this participant became convinced that trainers at ARADO do not possess sufficient expertise. Majority of attendees agreed.
- Long waiting times for responses: Such as awaiting responses for requests or inquiries made to ARADO. Additionally, long periods of time to receive certificates of training. One participant said that he waited a whole year till he received his certificate, and he had to contact ARADO twice while waiting to remind ARADO about sending his certificate.

On a scale of 1-10, the attendees voted to give ARADO a grade of 7 for quality, and 5 for logistics. The number of the stars of the hotel location where training/conferences took place played a role.

There was almost a unanimous agreement about the areas on which ARADO should focus on:

- Stay as a Pan-Arab Organization and play the corresponding role.
- Cooperate and compete with local national training institutes.
- Assume the role of a strategic think tank
- Provide streamlined marketing for its products and activities.
- Improve the quality of its offerings.
- Improve the logistics, including better venues and locations.
- Have a country focal contact(s), both at headquarters and in Saudi Arabia.

Annex 6

Toward an impact evaluation system and performance indicators for ARADO

This Annex addresses ARADO's request for guidance on developing a system for evaluating the impact of its work and giving a definition of results and key performance indicators.

A. Defining ARADO's intended impact and results

1. In order to *evaluate* the impact of ARADO's work, it is first necessary to specify what types of impact ARADO intends to have. ARADO's charter and other foundational documents suggest that it is expected to achieve results at three levels: country, institution and individual.

- Country Level: 'A more effective, responsive and improved public administration'
- Institutional Level: 'Professional skills and capacities institutionalized...in their respective institutions'
- Individual Level: 'Increased level of knowledge and expertise and professional skills and capacities'

This is a broad and demanding set of expectations, because it implicitly covers all aspects of public administration and all types of public sector agencies and organizations.

2. The literature on public sector capacity building⁷⁸ identifies three interrelated dimensions of public sector capacity:

- Human capacity – the skills, experience and behaviours of the staff
- Organizational capacity – the structure, procedures, rules and culture of the organization
- Institutional incentives – pay and benefits; career development and other recognition.

The main activity in ARADO's business model is the provision of training and networking opportunities to individual public servants, or, in some cases, groups of public servants from the same workplace. That is, ARADO addresses mainly the 'human capacity' dimension of public sector capacity building. To link such individual training to better

⁷⁸ World Bank Independent Evaluation Group "Using Training to Build Capacity for Development", pp. 3 – 9. The World Bank, Washington DC, 2008.

performance in the person's workplace, and thence to enhanced organizational performance, involves a complex causal chain. In order for individual learning to contribute to better organizational performance requires the institutional and organizational conditions to also be in place, as illustrated in Box 1 below. ARADO has only limited tools – its consultancy and digital library services – to address institutional and organizational conditions.

Box 1: The institutional context for better public sector performance

The traditional focus on ...building individual skills cannot – by itself – foster improved public sector performance. The institutional context...is critical to ensuring the necessary incentives and rewards for public sector performance. And because human capacity, organizational processes and institutional frameworks are closely interrelated and do not change quickly, capacity building efforts must necessarily be long-term and systemic.

Source: World Bank Operations Evaluation Department “Capacity Building in Africa: An OED Evaluation of World Bank Support”. P. 7. World Bank, Washington DC 2005

3. The first step, therefore, in building a results-focused evaluation system for ARADO, is to define a realistic statement about the scale and type of results ARADO is supposed to achieve. (An illustrative example could be: “ARADO aims to contribute to greater effectiveness, efficiency and responsiveness of public sector agencies in the Arab region by enhancing the skills and knowledge of public sector managers.”) The process of redefining ARADO's expected results is not a technical matter for consultants, though -- it will require discussion and consensus-building among ARADO stakeholders. The present RAND evaluation should serve as an input to inform such a discussion.

B. General considerations: The rationales for evaluation

4. In order to put ARADO's evaluation needs in context, it is important to recognize that there are two main rationales for conducting evaluations. One reason is to assess the impact or effectiveness of a program in order to hold its leaders accountable. Such 'summative' evaluations are usually used to inform decision-making on the continuation or expansion of a program. The present RAND evaluation is in some respects a summative evaluation. The other main reason for evaluation is to gather information that can help improve and enhance the program; these are called 'formative' or learning' evaluations. While the present RAND evaluation has a strong learning dimension, it is only a one-off report. ARADO also needs an ongoing system for evaluating the results of its work as a guide to continually shaping and improving its programs.

What type of evaluation does ARADO require?

5. In recent years there has been great interest in the field of ‘impact evaluation’ in the development context. This type of evaluation typically involves experimental or quasi-experimental studies in which a group or location benefitting from a program is compared with a control group that did not receive the program. Such studies are very costly and should, ideally, be set up prior to the introduction of the program. If such an ‘impact’ evaluation were to be done for ARADO, it would seek to compare the performance of agencies whose staff members had participated in ARADO activities with the performance of similar agencies whose staff had not participated in ARADO activities. It will readily be seen that such a study would entail insuperable problems of measurement of agency performance and the attribution of differences to ARADO participation as distinct from the many other possible reasons for differences.

6. A more suitable approach for ARADO is evaluation against objectives. This type of evaluation asks “To what extent is the program achieving its objectives?” . It also identifies the factors associated with success and failure – that is, “What aspects of program design and execution are associated with better achievement of objectives.?” This objectives-based approach to evaluation is the approach taken by, for example, the evaluation units of the multilateral development banks and it can deliver rich and actionable findings.

ARADO’s existing evaluation approach

7. ARADO’s existing evaluation system, consisting mainly of participant satisfaction surveys, addresses the extent to which participants considered their training or conference participation interesting and useful for their work. This is sometimes referred to as “Level 1’ evaluation in the widely used ‘Kirkpatrick’ model of training evaluation. As outlined in Box 2 below, the Kirkpatrick model is not well adapted to public sector training institutes like ARADO.

Box 2:

Limitations of the Kirkpatrick Model of Training Evaluation

Kirkpatrick's model, originally developed for corporate training in the US, proposes evaluation on four levels: participant post-course satisfaction, learning, workplace behavior change, and organizational impact. It is questionable whether the Kirkpatrick model provides adequate tools to measure the results of training in developing countries, particularly when training is targeted towards public sector personnel... Public sector and non-profit institutions tend to have more complex, less clearly defined and less easily measured goals than profit-oriented businesses. In addition, in businesses, the organization benefiting from training is generally the one that finances the training, but in a development context the funders, beneficiaries and providers of training are usually separate entities located in different countries. This separation makes the gathering of accurate and useful evaluative information both more challenging and more costly than in a business context.

Source: A.B. Inbal, "Personal Benchmark Evaluation: Assessing the Contribution of Training to Development Capacity" unpublished PhD Dissertation, The George Washington University, January 2011

8. Participant satisfaction surveys (in a development context) usually indicate high levels of satisfaction. This is not surprising, since from the participants' perspective, training courses provide a stimulating environment, opportunities to meet new people and a chance to travel. Moreover, survey respondents, if not confident of anonymity, may fear that giving negative feedback might exclude them or their colleagues from future opportunities. These surveys' most important limitation, however, is that extensive research has documented that participant satisfaction, or even participant perceptions of learning and utility, does not correlate with either learning or with the likelihood that trainees will be able to successfully apply what they have learned on the job.⁷⁹ Thus, while level one evaluations may be useful to monitor and improve variables such as training content and instructor performance, they cannot be seen as indicators of the likelihood of successful learning outcomes, behavior outcomes or organizational impact.

9. In addition to these general limitations of 'Level 1' evaluations, ARADO's particular system has the further disadvantage that it appears intended in part for marketing purposes since it asks how likely the respondent is to attend another ARADO course. This exacerbates the general difficulty of getting truly objective feedback.

10. However, ARADO has taken the initiative to survey training managers and follow-up on the survey results. This initiative to elicit feedback on outcome and impact (not just participants' satisfaction) compares favorably with much larger training programs such as those of the World Bank, which do not try to obtain feedback on any except the first level. (See the 2008 evaluation of the World Bank training activities, at www.worldbank.org/ieg.) Moreover, ARADO's commissioning of the present evaluation attests to its interest in going beyond participants' satisfaction to assess the quality and impact of its training.

C. Towards a results-focused evaluation system for ARADO

10. ARADO management and stakeholders want to learn more about the results, or impact, of ARADO's work by introducing a new evaluation system. An evaluation system for ARADO must take into account three inherent and related structural features of training as currently conducted:

- a) Since most courses are not preceded by a needs assessment, the learning objectives for the course are not defined in relation to the needs of participants and their workplaces.

⁷⁹ A.B. Inbal, "Personal Benchmark Evaluation: Assessing the Contribution of Training to Development Capacity" unpublished PhD Dissertation, The George Washington University, January 2011, p.55

b) Since most ARADO participants work in different workplaces, and even different countries, there is no one supervisor who can assess the results in improved workplace effectiveness.

c) Since ARADO conducts primarily off-the-shelf, rather than customized, training, it does not produce a ‘critical mass’ of participants from a single workplace who could raise the workplace performance.

11. Taking account of these limitations, it is proposed that ARADO work toward an evaluation system that assesses – using numerical ratings -- the extent to which each participant achieves her/his specific learning goals and uses them in their workplace.

12. The approach has the following three main features⁸⁰:

a) Definition of personal learning goals

Each participant defines his/her own specific, measurable learning goals for the training before the course. They might be asked, for example:

What knowledge, skills, or other benefits would you most like to gain from the course? Please be as specific as possible. You may list up to three goals.

If possible, they would discuss these goals with their workplace supervisor prior to attending the course.

b) Assessment of learning achievements

Immediately upon the completion of training, the participant is asked to assess the extent to which s/he attained each of those learning goals . They might be asked, for example:

Now that you have completed the course, please review the [three] goals you set for yourself. For each goal, please tell us the extent to which the course met your needs on a scale of 1-4 where 1 = did not meet my needs and 4 = fully met my needs. If the goal you set was not relevant for the course, please select N/A

For each of the goals listed above, how do you expect to use what you have gained here once you have returned to your workplace?

c) Application of learning in the workplace

⁸⁰ Adapted from A.B. Inbal, op.cit.

Some months later, the participant reviews the same list of learning goals and achievements assesses the extent to which s/he has applied the learning at work. They might be asked, e.g., *At the end of the course, you were asked to share with us the three things you acquired in the course that you thought would be most useful to you back on the job, and how you expected to use these things in your work. For each of the knowledge/skill areas you listed, please tell us the extent to which you have been able to effectively use the skill. Where you have not been able to use the skill, please state the obstacles you have faced.*

12. A key feature of this approach is that it establishes quantitative measures of achievement of learning and workplace application. The design of the questions and the methods for analyzing the responses will take considerable time and effort to fully develop. ARADO should in any case continue to seek participants' feedback on process issues such as course materials, travel arrangements, etc. as a way to identify and correct implementation problems.

D. Other major considerations relevant to ARADO

Quality vs. Results

1. It is important to distinguish between 'quality' and 'results'. In the case of training, using the vocabulary of a standard results framework, **quality** refers to how good the **inputs** are. (In most cases, quality refers to the quality of outputs.) In ARADO's case, this means, for example, the extent to which the courses respond to clients' needs, are conducted by qualified persons using modern pedagogy, etc. The text of our report provides extensive evaluative evidence on these aspects of quality. If, over the next few years, ARADO implements changes to its programs, it may wish to commission a follow-up external evaluation to assess the extent to which the quality of its inputs has improved. This could potentially be done in 2017 or 2018, depending on the pace of change.

2. It is important to recognize, though, that for ARADO, the quality of the inputs is only one of several determinants of results. For example, the courses themselves could be of world-class quality, but if the 'wrong' people are selected to attend them, or the participants' supervisors don't encourage them to apply their learning, the results will be weak. For this reason, ARADO is right to be concerned about giving more attention to measuring the results of its work.

Types of key performance indicators: Assessing multidimensional performance

3 Relevant performance indicators are not limited to results (i.e., outputs and outcome). To begin with, it is important for efficiency to assure that the inputs are protected and prevent their misappropriation -- and hence provide for good *economy*, i.e. performance in terms of good use of inputs. In a public institution where sustainability is important, *process*

indicators are also essential to be considered. An arbitrary or erratic process may produce short-lived results but will not be sustainable in the long term.

4 The types of performance indicators are shown in the table below. From among them, as part of the implementation of the recommendations, ARADO will need to define the specific key performance indicators that are most suitable to each of its diverse activities. The general rule is that neither a single indicator nor a multiplicity of indicators should be used to assess performance – in most cases, from two to five key indicators will be sufficient to assess the major aspects of performance and also be practical to collect and evaluate.

Key Performance Indicators

<u>Indicator</u>	<u>Social Value</u>	<u>Criterion</u>
Inputs	Cost	<i>Economy</i>
Outputs	Price of close substitute	<i>Efficiency</i>
Outcomes	Undetermined	<i>Effectiveness</i>
Process	Undetermined	<i>Equity/fairness</i>

3. ARADO's main business model (supplying training courses to individuals who are not in the same work unit, or even from the same country), makes it unrealistic to expect to detect an 'impact' on the overall performance of public sector agencies. What is, however, feasible, is to attempt to identify **results** of ARADO's training activities – that is, the extent to which participants have learned something that they can apply in their work responsibilities.

4. In earlier sections of this annex we proposed a method for ARADO to measure the extent to which each participant achieves her/his specific learning goals and uses them in the workplace. This is to be seen as an ongoing process that continually creates information about ARADO's results both for individual learning and workplace impact.

5. This approach would accomplish two goals at the same time: it would ensure that participants and teachers clarify the learning goals for each course; and it would, over time, generate a base of both qualitative and quantitative data about the achievement of learning goals.

Learning goals, learning assessment and application of learning by all participants

6. Every participant would prepare and submit the definition (pre-training) and assessment (post-training) of his/her learning goals. There is thus no role for 'sampling'. Ideally, the third stage – assessment of application of learning in the workplace – would also be done and submitted by every participant. This would require ARADO to create and maintain stronger communications links with its former participants than is currently the case. (Recommendations about this have presumably been made elsewhere in the RAND team report.) ARADO should make clear to its clients that participation in every ARADO course entails an obligation to provide post-course follow-up as requested by ARADO. As an interim measure, ARADO could consider conducting intensive telephone or e-mail follow-up with as many former participants as possible. The assessment of application in the workplace is structured around the learning goals that the participant established at the time of the course. Each former participant would therefore need to have his/her original learning goals sheet at hand, or else ARADO would need to provide it. Ideally, all former participants should be contacted. If this is not feasible, a 50% random selection may be made (e.g. every other name).

7. As noted, participants would supply both numerical scores and qualitative comments. This information would be entered into a results data base. By analyzing these data, ARADO would be able to track and report achievement of learning goals across several dimensions, such as, for example:

- trends over time

- characteristics of participants (country, type of job, education level, age)
- individual course
- theme (as discussed elsewhere in the RAND team report)
- duration and location of course

Results data base

8. The results data base should be continuously updated and open to all ARADO staff to analyze, according to their areas of responsibility. For example, a manager responsible for ARADO's work on the theme of , say, anti-corruption could analyze the data on learning outcomes and application to identify which are the most effective individual courses or lecturers. For another example, a country manager (proposed in the RAND team report, as drafted) could analyze the learning outcomes of participants from his/her country of responsibility, and work with the different agencies and ministries to help identify what types of staff should attend which courses so as to improve the results for the country overall.

Reporting on results

9. For purposes of reporting to the public and/or its governing body, ARADO management may wish to take an annual or semi-annual snapshot of key results indicators using data from the results data base. The selection of indicators would flow from the policies and priorities established by management and the stakeholders. In other words, the indicators should be selected to answer the questions that the leadership is asking. Trends and patterns should be analyzed as part of the periodic reporting process, e.g., if the data reveal poor learning outcomes for participants from Country A and good ones for Country B are very good, ARADO would need to analyze the reasons for the difference – whether the caliber of the participants, language difficulties, or other reason. In sum, ARADO should consider the results data base as a tool for identifying and analyzing issues; the data themselves are not the ultimate product.

Quality assurance

10. It is important to distinguish between quality assurance and results reporting. Quality assurance needs to be done in 'real time' by ARADO management. The evaluation recommends that ARADO create loci of responsibility within ARADO for assuring the quality of courses. As part of the quality assurance process, ARADO should continue conducting the well-established and organized post-course participant satisfaction surveys currently in use. The results should be used, as they are now but more systematically, as a management tool to detect and address problems such as underperforming lecturers or unsatisfactory physical arrangements. These surveys do not provide meaningful information about the results or 'impact' of ARADO activities and should not be reported as such.

Results of customized training

11. The above recommendations pertain to ARADO's current main business line, namely supplying courses that are attended by individual public servants from various countries and ministries. ARADO has occasionally provided a different product, namely customized training for several members of the same work group. Such training offers more potential to have an impact on the effectiveness of the work group as a whole. To measure such impact would require ARADO to work with the client to identify what are the work problems to be solved, to what extent training can help to solve them, what complementary measures are needed, and then to design appropriate training. ARADO at present does not have any staff or unit charged with this type of needs assessment. This is a well-developed process practiced by many training organizations (including, for example, the Leadership and Management Development Center of Egypt's Ministry of Investment) and could be introduced if appropriate staff were on board.

Summary

- All participants report their learning goals, assess achievement of the goals and assess application of the learning in the workplace.
- An open and continuously updated data base records these results
- Broad trends and patterns are reported annually or semiannually, or as questions arise.
- Participant satisfaction surveys are used to detect and address practical issues in the quality of courses
- An external evaluation may be commissioned every few years
- For 'customized' courses, ARADO would need to establish a complete cycle of needs assessment, course design and results measurement.

Annex 7

Financial Policies and Regulations for Arab League Organizations

Background

In early 2009 the Economic and Social Council of the League of Arab States created a committee with representatives of all affiliated organizations to elaborate a Unified System (Personnel, Financial, and Procurement) to be implemented in all these organizations except the two that receive no financial contribution from the League. After the new system was approved, and despite the minimal amount of financing from the League, ARADO complied, while maintaining its own provisions in the areas not covered by the new Unified Systems. The financial policies and regulations of the new system are listed in this Annex.

Section 1 - Budget preparation and approval:

1. The financial year is the calendar year (Jan 1-Dec 31).
2. The Director General of the organization issues the detailed procedures for budget preparation within the guidance of the authority responsible (i.e., the Economic and Social Council).
3. Management prepares the budget proposal on the basis of the planned projects and activities cost and available resources supported by detailed explanations for the items included.
4. In case there are branches or affiliated organizations; they should use the same system as the Head Office.
5. Budget is categorized into basic obligated funds and additional obligations subject to approval by the authorized body.
6. No funds may be obligated on general basis; they have to be related to specific activities, units, projects, etc.
7. A time plan should accompany the budget.
8. Resources cannot be spent for specific activities without being included in the approved budget.
9. Organizations should submit the budget proposal to the Economic and Social Council at least 2 months before the organization's General Assembly Meeting date, to allow the Council the chance to review and comment before submitting it to the Assembly for final approval.
10. Budget final approval is obtained only from the General Assembly.

Section 2 - Budget Execution:

1. DG has the full responsibility of managing the organization funds and assets. He is the person to authorize all payments, but can delegate part of this authority to one of the Permanent staff with authority not less than Manager. He should specify clearly in writing the duties and responsibilities he is delegating, the period of this delegation, and the ceiling of this delegation. He has to ensure the following when he delegates any of his authority:

- Ensure that this system or any regulations from responsible authorities are applied;

- Due care to economical efficiency of funds management;
 - Identify the financial and other positions that requires fidelity insurance and the insurance amounts for each position/individual.
2. Expenditures should not exceed the approved budget, and the organization should not enter into a financial commitment that exceeds the approved budget.
3. Budget management:
- Budget reallocation is not allowed between budget line items without the prior approval from the responsible authority.
 - Budget reallocation within line items is allowed by the DG with a ceiling of 50% of the sub-item approved total. Over 50% the prior approval of the responsible authority is required.
 - When budget reallocation is required and if it does not require prior approval, the reallocation and the effect of it should be presented to the responsible authority with the financial statements for endorsement with the financial statements at the end of the year.
 - The organization should not enter into any financial commitment that does not have a budget item, nor use another budget item for a new obligation.
 - Projects/activities implementation that exceeds 1 year should obtain a specific approval from the responsible authority, and the organization should comply with the specific guidelines put for this situation.
4. External funding:
- For projects and activities funded by external donors, the organization should open separate expenses and revenue accounts and apply the adequate procedures to ensure compliance with the donor specific requirements included in the funding agreements.
 - DG can accept money and non-money donations consistent with the Organization's objectives.
 - If those donations are unrestricted the donated funds should be deposited in the general account of the organization and reported to the responsible authority in the first meeting after receiving it for final decision.
 - If those donations are restricted, the organization should open separate expense and revenue accounts for them; apply adequate procedures to ensure compliance with the specific restrictions; and report them to the responsible authority in the first meeting after receiving it.
 - Unrestricted donations should be recorded separately in the General Reserve.
 - Restricted donations should be recorded in the current year revenues.
5. In case of cash shortage at the organization, the organization can withdraw from the General Reserve against appropriate documentation for this withdrawal and within the approved budget ceiling. DG should inform the responsible authority in the first general meeting after the withdrawal for deciding about the withdrawal. Withdrawn amounts are to be considered as an advance to be settled when Countries Contributions are received.
6. No withdrawal from the special reserve is allowed without prior approval from the responsible authority.
7. DG can invest excess cash in time deposits for short/medium periods in banks or financial institutions according to the decision of a technical committee formulated for this purposes. Investment revenue should be reported every 6 months.

8. DG can transfer excess budget amounts for uncompleted activities for 1 year and should be deducted from general reserve in order not to increase the countries contributions.
 9. Advance payments for services and goods are not allowed, but could be permitted with a ceiling of 20% with letter of guarantee.
 10. DG is responsible to issue advances guidelines.
 11. Unspent budget balance cannot be forwarded to next year.
 12. The currency used by countries to pay their contributions is the currency used by the Organization. The DG can choose the Arab banks to use and recommend the ceilings for these accounts, to be authorized by the responsible authority.
 13. Revenues recorded should be signed by DG or his designee and the first financial responsible or who acts on his behalf if he is not available.
 14. Disbursement recorded should be signed by DG or his designee, and the person responsible for finance or his designee. One person cannot sign for both.
 15. DG is responsible to identify the policies and procedures for records and vouchers for executing and controlling the budget, including contracting, payment and settlement.
 16. DG issues the financial and accounting procedures, to include specifically:
 - Accounting records and forms;
 - Transactions vouchers and inventory;
 - Disbursements and assets records including monitoring and control procedures according the this system principles;
 - Depreciation principles;
 - Disposal of fixed assets;
 - The DG is responsible to present the regulations to the responsible authority for approval.
 17. Bad debts cannot be declared without the responsible authority approval.
- Disposing of fixed assets by selling has to be valued by a specialized committee and according to the procedures stipulated by the responsible authority. In all cases the assets cannot be solid for a value less than the one estimated by the valuation committee.

Section 3 - Accounts:

1. The Chart of Accounts consists of:

Code	Account Name	Description
	Expenses Accounts Groups (Uses)	Budget Accounts
	Revenues Accounts Groups (Resources)	
	Assets Accounts Groups	Balance Sheet Accounts
	Liabilities Accounts Groups	

Expenditures:

Code	Group Accounts	Description
	Group 1	Personnel Cost

	Group 2	Travel and Transportation Cost
	Group 3	Services Cost
	Group 4	Maintenance and Supplies Cost
	Group 5	Capital Expenses
	Group 6	Main Council Meetings Cost
	Group 7	Activities and Programs Cost
	Group 8	International and Arab Commitments

Revenues:

Code	Group Accounts	Description
	Group 1	Countries Contributions
	Group 2	Self-raised Resources
	Group 3	Donations, Contributions, Grants, etc
	Group 4	Capital Resources

Section 4 - Financial Control:

1. The responsible authority issues the regulations in order to achieve the following:
 - Insure economical and best use of financial resources;
 - Monitor contracts commitments and disbursements;
 - Insure compliance of financial systems with policies and procedures;
 - Facilitate the financial control authority duties and external auditors;
 - Prepare periodical reporting or when needed to DG;
 - Insure adequate control system to safeguard assets and resources;
 - Continuous assessment of the adequacy of policies and procedures and internal control and adequate implementation.
2. The Head of the Financial Control Unit is appointed by the responsible authority, based on a recommendation from the DG, and may not be removed without approval by the responsible authority.
3. The reports by the Head of Financial Control Unit go to the responsible authority and the Executive office during the general assembly meetings, with copies to the Financial Control Authority.
4. The responsible authority hires the external auditors with a maximum of 2 financial cycles (4 years).
5. A financial control committee to be created with representatives from at least 5 countries from the Executive Committee Countries. The responsibilities of this committee are: to conduct effective financial control over the organization funds, monitor the performance of its executive management, and evaluate its performance. The committee should report about errors, noncompliance and weaknesses in implementing administrative and financial systems and provide recommendations for administrative and financial procedures to correct the mistakes and weaknesses noted and to avoid them in future.

The committee members should be:

- Specialized in financial control in the Arab Countries;
 - Serve only 1 year in the committee;
 - Should not be serving as a committee member in more than one organization;
 - Should not serve in the committee and the monitoring and coordination committee at the same time;
 - Should not be from the same country of the Organization Director.
6. Financial Control Committee should meet by May of each year, and its meeting is valid if attended by most of the representatives, its meetings are confidential and the organization should prepare for its duties to be performed.
 7. The costs related to the members time and travel to be covered by their countries (not the organization).
 8. The Financial Control Committee duties are:
 - Conduct a financial audit of the annual financial statements to insure its correctness and identify the financial position.
 - Review all related records and documents to perform its duties, including direct contact with the related organization staff.
 - The committee should insure the availability of the required documentation regarding transferring budgets to the following year according to Article No. 21.
 - Review the revenues and disbursements of the organization, advances, retirement salaries, end of employment severance, and social security.
 - Review administrative issues related to personnel to insure compliance with policies and regulations, budget, and financial regulations.
 - Review stores records, receipts, and collections.
 9. Financial Control committee prepares a periodical report on the results of its duties performed and submits it to the Arab States League Head Office to be presented to the general committee along with the response of the Organization DG to its recommendations.
 10. The financial committee gives a copy of its report to the organization DG in preparation to present it to the related authority.
 11. The financial Committee prepares its report according to the form in appendix 2.
 12. In case of dispute between the first financial officer and disbursement authorizer, the DG written decision is final, and the DG has to present the incident to the related authority supported by related documentation along with the financial control committee and external auditors reports for final decision.
 13. The external auditor will perform his duties according to the international auditing standards.

Section 5 - Financial Reporting and Financial Statements

1. (Article 44) The financial unit prepares a monthly financial report submitted to DG within 1 month after the reported month that includes the following:
 - Actual disbursements and revenues compared with budget;

- Expenses due to be paid and uncollected revenues;
 - Movement in accounts receivable and payable and the comparison with beginning of the month balances;
 - Cash balance at the end of the month, and cash reconciliation.
2. Financial Unit prepares the annual financial statements and financial position for the organization within 2 months of the end of Fiscal Year, to include the following:
 - The financial information included in Article 44 above, and comparison with prior fiscal year, and how to deal with the surplus/deficit resulted from the current fiscal year;
 - Detailed list of investments and investment income;
 - Detailed list of fixed assets and accumulated depreciation;
 - Financial Statements and financial position for the organization head office and branches/offices if applicable, and consolidated statements if applicable.
 - Clarification memo about budget execution and accounts breakdowns.
 3. The DG presents the end of fiscal year financial statements and financial position to the responsible authority with a financial report about the budget execution, financial control committee report, and the external auditor report by mid-June of the following year.
 4. The DG to submit a report about the financial position of the organization, countries contributions paid and outstanding in each regular meeting and when needed.
 5. The financial statements to include a separate item for surplus/deficit in the general reserve.
 6. Reserves – Article 49:
 - a. **General reserve:** Consists of the surplus of activities in each year according to the financial statements and its deposited in ARADO Unified Account at the Arab Monetary Fund (founded in 1976, with 22 member countries).
 - b. **Special reserve:** Consists of all the investment revenues resulted from the Unified account, and its deposited in the Unified Account at the Arab Monetary Fund not to exceed 50% of the organization budget for the previous financial year. Excess over 50%, provided the balance is stable, is kept in the organization and recorded as revenues in the following year if the following conditions are met:
 1. If the reserve exceeded the 50% of the last budget when this policy came into effect,
 2. If exceeded 50% due to reduction in budget.
 Spending from this reserve is subject to the Council and Organization authorization.

Section 6 - General Articles

1. Countries contributions are based on the countries contributions percentages in the Arab League budget.
2. After approval of the Budget, the council notifies each country of its share to the organization.
3. Countries contributions are due for payment during the first 3 months of the fiscal year, and its paid at the Unified Account for organizations at the Arab Monetary Fund.
4. If a country joins the organization during the fiscal year, it pays a prorated share.

5. Special funds for employees cannot be used to cover the deficit in the organization budget. All amounts related to these funds should be transferred to the funds related accounts.
6. Revenues are acknowledged when earned according to the accrual basis except for the countries contributions that are acknowledged when received according to cash basis.
7. Arab League Organizations are not allowed to borrow or lend any funds.
8. The Organization DG issues the internal procedures to implement this system, unless the council issues other unified regulation for that.
9. The effective date of this system is the following fiscal year to its issuance.
10. Appendixes are an integral part of this system.
11. All previous regulations contradicting to this system are voided.
12. The council committee is the authorized body to explain any of this system articles.
13. The council has the sole authority to modify this system.

Unified Financial Control System

Organization

- The Financial Control unit is directly related to DG to allow them independence and objectivity.
- Head of Financial Control unit is selected by the related authority for the organization based on a recommendation from the DG. And the Head of Financial Control unit cannot be changed without the approval of the related authority according to Article No. 39 in the Unified Financial and Accounting Regulations System.
- The head and staff of the Financial Control unit should have a related university degree at a minimum with at least 5 years of experience in audit and internal audit.
- In case the head of unit position is vacant suddenly, the executive council based on the recommendation of the DG will appoint one of the permanent staff in the organization temporarily until a new one is hired.
- Financial Control unit head and staff should not be assigned an implementation duties or any custody.

Duties and Authorities

- Head and staff of Financial Control unit have the right to access all records, documents, contracts, agreements, and reports that are related to their duties, and have the right to discuss with the organization staff any issues related to their duties but by following chain of command.
- Financial Control unit duties include all organization facilities and equipment around the year.
- The head of unit can use the organization experts in specific fields that require an expert opinion.
- The unit head and staff during carrying their job duties come across confidential information that should be treated as confidential and it's not to be disclosed to any unauthorized personnel. The

organization regulations regarding noncompliance will be applied in case of any violation of confidentiality.

- Head of unit should prepare an annual plan for the unit and assign responsibilities to the unit staff.
- The unit should have a copy of the organization chart, personnel contracts, experts and consultants agreements, all policies and procedures that apply to the organization, minutes of meetings of legislation authority, all contract and agreements, financial and administrative regulations, procurement, stores and inventory, executive council minutes of meetings, and related social and economic council decisions.
- The unit should keep copies of financial statements, budgets, and any decisions with a financial effect.
- The unit should keep a list of permanent staff names, their authorities, and any delegated authorities, those who are authorized signatories, and sample of their signatures.
- In case of dispute the Head of Unit should provide his clear opinion.
- The unit will cooperate with the external auditor and the financial control committee.

Financial Reports

- The unit should prepare quarterly reports, with the fourth quarter with the annual report.
- Any requested reports.
- Reports on specific incidents when the unit head is under pressure or is facing obstacles.
- Report on future financial situation, clearly identifying the hypothesis it's based on and the effect on future budgets and cash flow.
- Annual report within 3 months from end of fiscal year, to include:
 - Countries contributions, and actual collections;
 - Performance and deviations from budgets;
 - Any abuse noted, the reasons for it and the corrective actions taken;
 - Summary analysis using the most important percentages;
 - Special funds management, investments, and performance;
 - Any non-compliance notes;
 - Corrective actions to deal with non-compliance.
- Specific information to be included in the reports to include:
 - Date and title of the report;
 - To whom the report to be submitted;
 - The report should include the auditor's opinion and recommendations clearly supported by evidence and field reports supported by related documentation;
 - Name and signature of the auditor who prepared the report.

Financial Tasks

1. Ensure accuracy of opening balances and comparing it with prior year financial statements;

2. Provide recommendations about effective and economic use of resources;
3. Monitoring commitments and contracts implementation;
4. Ensure compliance of financial transactions with regulations;
5. Ensure assets are adequately safeguarded;
6. Periodic assessment of regulations and internal control procedures application;
7. Ensure that disbursements are properly authorized and adequately supported;
8. Ensure accuracy of recording transactions, all transactions;
9. Ensure that stamps and value books (such as checks, cash collections receipts, and disbursements vouchers) are adequately safeguarded and controlled;
10. Ensure that all bank accounts opened to the organization name are recorded properly in the organization records and that the authorized signatories are according to regulations;
11. Ensure banks and third parties confirmations are requested and checked against the statements produced from the organization records;
12. Review bank reconciliations and resulting transactions and balances, and ensure no overdraft has been made;
13. Perform documentation review according international audit standards;
14. Ensure that insurance policies are current;
15. Review stores records and advances, fixed assets, depreciation calculation, and physical existence of assets;
16. Take part of all inventory counts committees, and agree actual inventory counts to records;
17. Assess the advances system and its compliance with regulations;
18. In case of computerized systems applied by the organization, the internal auditor should be familiar with the systems, and review accuracy of inputs and outputs, and ensure a backup is made.

Administrative Tasks

1. Ensure that all administrative decisions are made by authorized personnel and according to regulations;
2. Review personnel files and ensure that all required documentation is available;
3. Review payroll and ensure adequate calculation of salaries;
4. Review all contracts /agreements made by the organization;
5. Review the organization's telephones to ensure adequate operation and identification of business vs personal calls;
6. Make sure that all personnel assigned to specific duties have signed on the documents they prepare, review, and approve;
7. Advise the DG on the organization of procurement.

Annex 8

A Note on Effective Performance Management

What is High Impact Performance Management?

Organizations rely on effective performance management processes to improve and track organization-wide performance, reinforce organizational culture, motivate effective employee performance, monitor individual development needs and progress, and inform recognition and monetary rewards, such as differentiated salary increases.

To support these objectives, performance management processes must generate accurate and consistent performance data through consistent application, fair evaluation, and performance differentiation.

Effective performance management process should include the key steps discussed in the text of the report, take place over the course of the year, and focus on three core areas:

1. Connecting the employees to organizational performance by aligning their performance goals to business objectives;
2. Delivering high-quality feedback to employees on progress towards their performance objectives and development goals; and
3. Differentiating employees through performance related rewards and recognition.

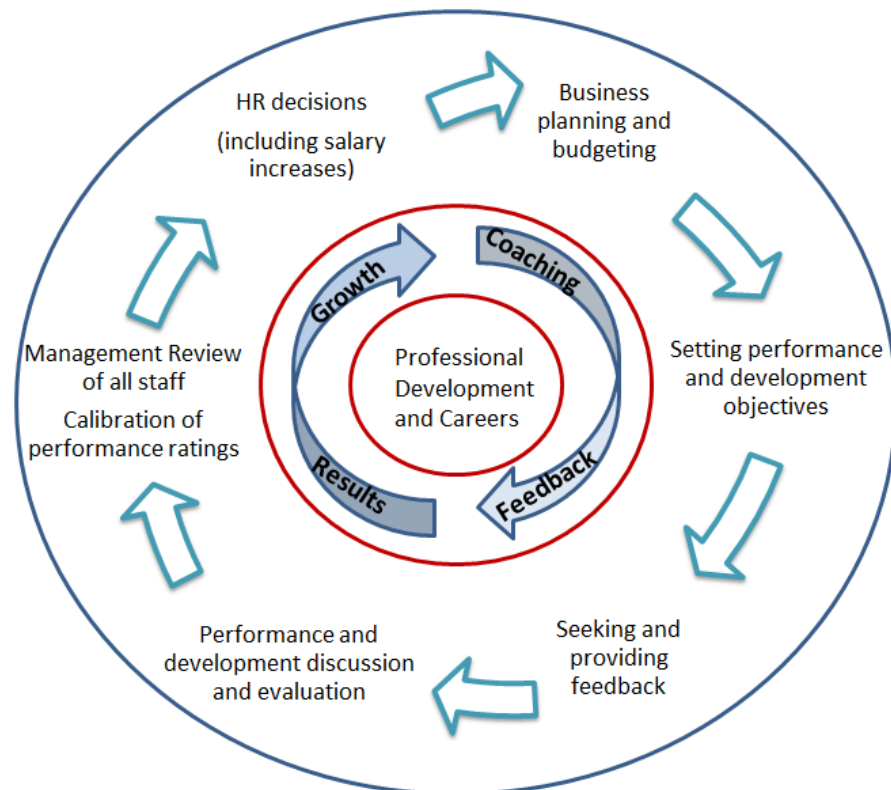
As highlighted by research⁸¹, an impactful performance management strategy hinges on three important tiers:

(A) At the foundation are the performance objectives that align to the organization's performance goals; (B) Next, managers and staff must provide and seek feedback and development opportunities throughout the year to maintain and improve performance against those objectives; (C) Finally, the organization should reinforce key behaviors and competencies by rewarding and recognizing employee performance.

⁸¹ Corporate Leadership Council, Executive Board



What does a best practice performance management experience look like?



Attached is an example, a template form that could be used throughout this process for documenting performance and development objectives, feedback and evaluation, and to record the results of Management Review discussions, including any HR decisions (such as differentiated salary increases, promotions, internal transfers, other forms of rewards, need for performance improvement and parameters for the same, etc.) made based on the staff member's performance.

It should be noted that the Example Form is designed for staff members. It could be used for both managerial and non-managerial staff, but in recent times, many organizations have implemented a separate Performance Evaluation Form for their managerial staff. Usually,

these forms will have added competencies specific to managers. Below are some examples what these managerial competencies could look like.

- *Influencing Effectively*: Influences directly using facts, but also indirectly, leverages understanding of how to navigate the organization to determine how to best influence and gain support/commitment. Surfaces difficult issues along with potential solutions even in the face of resistance.
- *Fostering Openness and Innovation*: Role-models and promotes openness and cultivates inclusivity. Brings team members into the decision-making process, leveraging ideas and expertise, incorporates external best practices to enhance ideas, innovation.
- *Leading the Team for Impact*: Proactively drives team performance. Fills in skill or resource gaps to enable the team to perform optimally to achieve its goals. Holds team members accountable for high quality and timely results.

Performance Evaluation for Year _____

Staff Member Name		Title	
Unit	Grade Level	Start Date	Readers
Line Manager/Supervisor			
Feedback Provided by (for example peers, subordinates, other managers the staff member has worked with over the year)			
Readers			

Results Assessment based on objectives set at the beginning of the year	Rating
(Up to 5 <u>key</u> work program objectives/results, including Team contributions for which staff member was responsible. Agree and document these in the beginning of the year and adjust as may be required over the course of the year. The expected results should be commensurate with the staff member's job description and grade level)	
1.	
2.	
3.	
4.	
5.	

Competency Assessment	Rating Including Comments/Examples
Client Orientation:	
<ul style="list-style-type: none"> ● Understands clients' needs and concerns. Responds promptly and effectively to client needs. Customizes services and products as appropriate. 	
Results Orientation:	
<ul style="list-style-type: none"> ● Is proactive and makes things happen, based on appropriate analysis. Sets high standards for self. Commits to organization's goals and values. 	
Teamwork:	
<ul style="list-style-type: none"> ● Collaborates with others in own unit and across unit/departmental boundaries. Acknowledges other's contributions and is willing to seek help as needed. Is willing to contribute to others' work. Works effectively in diverse environments. 	
Learning and Knowledge Sharing:	
<ul style="list-style-type: none"> ● Applies knowledge in daily work. Shares own knowledge. Is open to new ideas. Builds partnerships for learning and knowledge sharing. 	
Business Judgment & Analytical Decision Making:	
<ul style="list-style-type: none"> ● Applies analytical and critical thinking to understand the business and to make evidence-based interventions that impact results. Challenges conventional approaches and fosters appropriate and informed risk-taking. Makes ethical, transparent decisions after taking into account due process. 	

Summary of feedback gathered

Overall Comments	
Specify examples of (a) noteworthy contributions; (b) areas in need of improvement; (c) special professional development or learning needs.	
Line Manager/ Supervisor:	
Staff Member:	

Signatures of Line Manager/Supervisor and Staff Member	
<u>Line Manager/ Supervisor:</u>	
<u>Staff Member:</u>	

Comments from the Management Review Meeting	
Performance	
Professional Development	
Final performance Rating	
HR Decision(s) if any	

Signature of the Chair of Management Review Meeting	
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Annex 9

The ARADO Databases

The followings are the most important databases used at organization-wide level. Different ARADO units use these databases, through the intranet, in accordance with access/share/update rules supervised by the ICT Department. (Individual units have also their own local databases, using Excel and similar office technology tools, which are not included in the list below.)

Description:

1. ARADO contacts Database Management “Marketing”

A desktop application built over .NET Framework, Visual C#, and SQL Server 2008. Manages ARADO database of ARAB institutes, organizations, and company contacts categorized in 3 different categorization types to ease search and filtration during the process of marketing. ARADO members can use the Contacts DB to create different marketing campaign directly from the application via Fax, email, and printing regular emails letters. The application database can be updated from System administrator and ARADO end users by enabling them to update and add entries to be approved by the database administrator.

2. Training Courses Database

A Web Application developed using on .NET Framework, c#, JavaScript and SQL Server 2008. It is used to manage Courses, Events, and registration.

3. Participation Management Database

A Web Application has been built over .NET Framework, c#, JavaScript and SQL Server 2008. Manages course Participation & registrations and handle their Payment Methods and connected to training courses Database as a unique Key at same course.

4. Quality Management Database

A Web Application built over .NET Framework, c#, JavaScript and SQL Server 2008. Manages quality forms, surveys and reporting.

5. Expert Management Database

A Web Application built over .NET Framework, c#, JavaScript and SQL Server 2008. Manage Export information and CVs.

6. Claim Management database

A Web Application built over .NET Framework, c#, JavaScript and SQL Server 2008. It is used to Manage Claims& Institute account management and payment documents, the system is linked to Marketing Database by Institute table and linked to both of training Database and Participate Database.

7. Digital Library Database

A Web Application built over .NET Framework, c#, JavaScript and SQL Server 200. It handles Book Repositories and online navigation of library book catalog, Event and Activities Scientific papers.

8. Publications Database

A Web Application has built over .NET Framework, c#, JavaScript and SQL Server 2008. It is used to manage online shopping and ARADO published Books for clients over website and manage publishers, authors and material details.

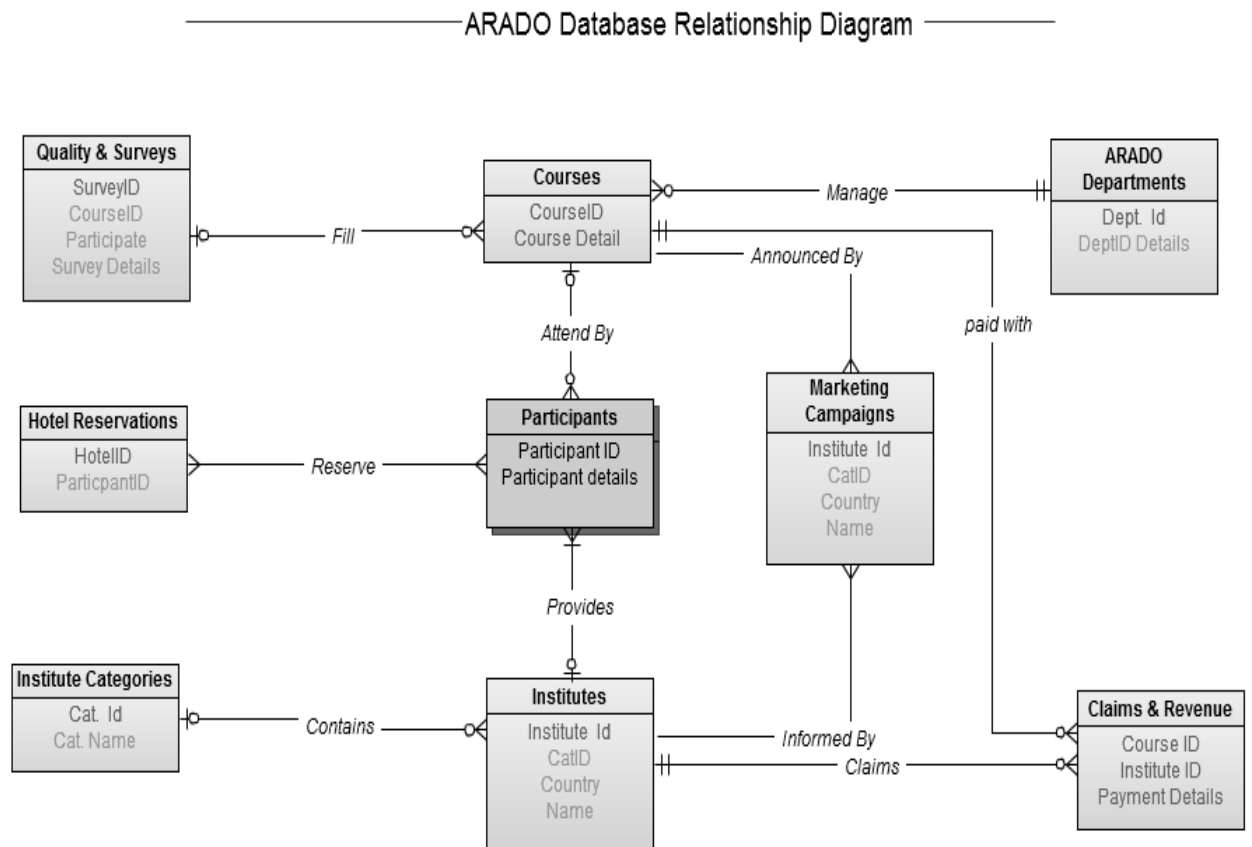
9. Hotel Reservation Database

A Web Application developed using .NET Framework, c#, JavaScript and SQL Server 2008. It is used to manage hotel reservations for both of participates and ARADO employee and arrange workplaces of the Events and courses.

10. Financial Databases

A Web Application built over PowerBuilder, Delphi, .NET Framework, c#, JavaScript and SQL Server 2008, such as: Accountant Database, Fixed Asset, and Traveling Procedure management.

Databases relationships



Cleaning the databases

Data cleaning is the process of clearing up databases by detecting and removing errors and inconsistencies from data of different multiple representations of the same entity. It focuses on eliminating variations in data contents and reducing data redundancy aimed at improving the overall data consistency.

Data cleaning first detects “dirty” records by determining whether two or more records represented syntactically different while being semantically equivalent. It cleans the dirty records by retaining only one copy of records that are exact duplicates.

Data cleaning is also known as record linkage or merge/purge problem. Record linkage is the task of quickly and accurately identifying records corresponding to the same entity from one or more data sources.

Below is an article describing one data cleaning algorithm (WDT). A similar method can be used by ARADO to clean its major databases, especially the Training database.

Similarity/well designed token

The well-defined tokens data cleaning algorithm (wdt)

The WDT based data cleaning algorithm accepts “dirty” sources tables and returns “cleaned” data warehouse tables.

A user selects two or three most important fields of records, compares and identifies duplicate records with those tokens. Compare and ranks them based on their power to uniquely identify records. The elements in the selected fields area tokenized, those uniquely identifying fields of the table are used as different main sort keys to produce sorted token-tables. Token-records in close neighborhood are compared for a match and a warehouse Id (WID) is generated for records. The previous steps of WDT cleaner are described below:

Step 1: Selection and Ranking of fields: The user expected to select and rank the fields that could be confined to perfectly discriminate one record from another (The user familiar with application domain).

Step 2: Extraction and Formation of Token: This step requires a scanner to tokenize and decompose the elements in the ranked fields. The scanner will discard some token which are considered unimportant, such as Title token like “Mr.”, “Ms”, and “Dr.” are excluded in “name” elements, the word like “ the”, “of”, “for”, ”in” are considered unimportant in publication title. In this step conversion needed is from one data type to another. For example a data element (Like “19-Dec-1998”) is decomposed into three members day (19), month (Dec) and Year (1998), the month “Dec” is converted to its numeric equivalent, while the year (1998) is decomposed further into the “century”(19) and “Year”(98) parts and only the day, month and year parts are used. The final token is “121999”. Some tokens in the original element are considered unimportant, hence will be discarded. For example “#”, “.”, “(“,”)”, “-“, ”/”.

The WDT algorithm defines three types of tokens as follows:

(I) Numeric tokens: these tokens comprise only digits (0-9).

(ii) Alphabetic tokens: these tokens consist only of alphabets (aA-zZ) such as “name of persons” “Company names”, “Journal names”. A function is defined in which it takes string of input like “Dr. Kris I Ganjam” and return “KGI” to form the alphabetic token, the first character of each word in the field is obtained, and the token is made up of these characters sorted in an order.

(iii) Alphanumeric Tokens: These tokens are combination of both numeric and alphabetic tokens and could be obtained from fields containing both numbers and strings such as “address” field. A function is defined which (1) decomposes a given alphanumeric elements into its constituent members (2) Scans through the set of

members and select only tokens that are either numeric and alphabetic in nature (3) Further decomposes each of the alphanumeric part to its numeric and alphabetic parts and (4) Sorts the set of tokens in certain order (e.g. ascending) to get on alphanumeric token key. For example the function described above takes the address record “600 xyz blvd apt 585 N7C4K4” and returns “585 600 744NCK” as alphanumeric token. We have to apply this token extraction procedure on the fields ranked in step1.

Step 3: Sorting of Tokens: The table of tokens is sorted separately on the most uniquely identifying fields according to the ranking by the user. The duplicate detection results from token tables are eventually combined to give the final optimal results.

Step 4: Detecting and Eliminating Duplicate: The main cleaning tasks are accomplished in this step. For this step we need to define The Similarity Match Count (SMC)

Given two records R1 and R2 having m pairs of token fields, R1t1, R1t2,..R1tm; R2t1, R2t2, ... R2tm. The SMG is the number, n of corresponding token fields that match divided by total number, m of token fields and ranges from 0.00 to 1.00. The value of SMC of a match is used to determine whether R1 and R2 is (I) Perfect match (if SMC is 1.0). (ii) Near perfect match (if SMC is between 0.66 and 0.99), (iii) May be ISBN: 972-99353-6-X © 2005 IADIS192 match (if SMC is between 0.33 and 0.67) and (IV) no match at all (if SMC is less than 0.33).

When the SMC results in a “may be match”, a function further computes the “Similarity Match Ratio”, SMR of each of the pairs of tokens that did not match exactly. SMR is a character level comparison that is used to determine whether the token pair matches or not. Given two tokens t1 and t2 with m and n characters respectively also, given that the number of characters common in t1 and t2 is c. SMR is defined as $\frac{c}{m+n-c+2}$. Token t1 and t2 are considered a match if and only if $SMR \geq 0.67$. Once the SMR of tokens are used to determine the number of tokens that match, the SMC of the records is now computed in order to declare the records a match or not. Finally the duplicate results identified by each of the token tables and integrated to obtain the list of record duplicates. Now we need to eliminate the duplication and generate the WID.

The WID is formed from the first record in the duplicate set by concatenating the two most powerful tokens. Only the first record in the duplicate set is retained while the rest are deleted. The old WID of the corresponding record is overwritten with the newly generated WID. The final result is duplicate-free and cleaned table figures should be numbered consecutively as they appear in the text.

Annex 10

List of Persons Interviewed

ARADO Managers and Staff

NAME	OCCUPATION/TITLE	E-MAIL	TELEPHONE
Prof. Refat Alfaouri	Director General, ARADO		
Dr. Kamal M. Zein	Counselor and Head of Professional Meetings Group	k-zain@ arado.org.eg	2024538961
Dr. Bassman Al Faisal	Counselor and Head of Strategic Management Quality Group	basmanf@arodo.org.eg	20224538934
Dr. Osman Elzobeir Ahmed	Counselor and Head of HRD Group	ozubeir@ arado.org.eg	20222580006
Dr. Adel El Senn	Counselor and Head of Law and Arbitration Unit		
Counsellor Omar Ibn El Khattab	Legal Advisor		
Ms. Nora Lotfy	Director of the Director General's Office		
Mr. Tarek Salem Elbakly	Head of Professional Diplomas & Certificates Units	tsalem@arado.org.eg	2024538917
Mr. Ali Allam	Head of Special Training Unit		
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Annex 11

List of documents, data sources and references

NOTE: While the documents listed below constitute the bulk of the documentation reviewed for the evaluation, additional documents and information have been perused. Also, substantial material was collected through the country visits, and used as appropriate.

1. GENERAL

Annual Reports

- a) 2008 Annual Report
- b) 2009 Annual Report
- c) 2010 Annual Report
- d) 2011 Annual Report

Quality Reports

- a) Mid 2010 Quality Report
- b) Annual 2010 Quality Report
- c) Mid 2011 Quality Report
- d) Annual 2011 Quality Report
- e) Mid 2012 Quality Report

Mandate and Strategy

- a) Articles of Agreement for Establishing ARADO in 1961
- b) ARADO Founding Decree dated 1990 (Revision of original Articles of Agreement)
- c) ARADO Strategic Plan 2013 – The Director General’s Vision for improving the Work of the Organization
- d) ARADO MOUs for the period from 2008-2012
- e) Minutes of ARADO Board meetings, from January 2008 – 2012
- f) Perspectives on Advancing the Work of the Arab Administrative Development Organization (Executive Council Views)
- g) ARADO Business Plan 2012
- h) ARADO Business Plan 2013

i) ARADO Profile

2. PROGRAMMING, BUDGETING, FINANCING, AUDIT

- a) ASL applicable Arab Countries financial support percentages – Letter dated Jun. 17, 2008
- b) Annual ARADO budgets for the years: 2008/9, 2010/11, 2012/13
- c) Financial statements for the years: 2008, 2009, 2010, & 2011
- d) Arab Organizations affiliated to ASL - Unified financial and accounting system regulations
- e) Arab Organizations affiliated to ASL - Unified procurement regulations
- f) IIP Proposal - 2011
- g) Executive memorandums – outlining required implementation procedures for the following:
 - Information system systems in ARADO
 - Procurement
 - Procurement Committees – formation and responsibilities
 - Inventories movements - receiving and disbursing
 - Physical Count of inventory
 - Publications movement – receiving and disbursing
 - Advances
 - Travel – Issuing tickets
 - Receiving and disbursing Organization’s funds
 - Disbursements
 - Payroll
 - Financial records
 - Disposal of fixed assets
 - Business Travel Per Diems
 - Suggestions/Improvement recommendations from employees
 - Overtime
 - Compensations for writers, translators, and judges
- h) Internal audit
 - procedures – Executive memorandum dated July 2012
 - Internal Audit reports for: the FY years 2010 and 2011
 - Summary recommendations prepared by ARADO Internal Auditor

- Internal Auditor’s memorandum to Professional Certificates Unit Head in response to his recommendations to improve the collections cycle in the Professional Certificates Unit
 - Internal Audit Plan for FY 2012
- i) External audit
- Annual Audited Financial Statements for FYs: 2008, 2009, 2010, & 2011 – External Auditor
 - Audit Reports of the External Auditors from member countries appointed by the Executive Committee Members – 2007, 2010, 2011

3. ACTIVITIES

- a) List of Training Coordinators
- b) ARADO Training Plan 2013
- c) Entrepreneurship Services – Power Point presentation
- d) Consulting Services Guidelines – Brochure
- e) Consultancy Unit: Achievements in 2011 and 2012
- f) Publications at ARADO criteria – Brochure
- g) Sharjah Award for best PHD dissertation in the Arab World – Brochure
- h) AWARD of the Kingdom of Saudi Arabia for Environmental Management – Brochure
- i) Prince Salman Bin Abdulaziz Award for Arab Local Administration – Brochure
- j) Consultancy Unit - Powerpoint presentation
- k) ARADO Client Institutions – List
- l) Ministry of Oil in Sudan – Report on “Job Descriptions Preparation” consultancy provided to the Sudanese Oil Authority. Dated November 2011
- m) List of consultancies and estimated cost, 2008-2011
- n) Brief about Law and Arbitration Group – Dr. Adel Abdel-Aziz Al-Senn, Consultant
- o) Business Development Activities for the Quality and Business Development Group

4. ORGANIZATION AND STAFFING

- a) Arab Organizations affiliated to ASL Statute
- b) ARADO Organization Chart – Current
- c) ARADO Organization Chart – endorsed by General Assembly convened on April 18, 2011
- d) List of support staff names (25)
- e) Permanent staff profile, by age, turnover, employment period, and nationality
- f) Employees Contract Types (at ARADO profile)
- g) All ARADO employees regardless of type of contract – turnover profile

- h) All ARADO employees profile by type of contract
- i) All ARADO employees by type of contract – turnover profile
- j) ARADO Work Force – Schedule
- k) ARADO Salary Scale – Bonuses and Allowances dated January 2009
- l) Experts/trainers policy and procedures - Executive memorandum, 3/3/2005
- m) Experts/trainers fees scale prepared by a committee from ARADO – Oct. 10, 2007
- n) Competency Reports and Rules of Granting Perquisites and Promotions.
- o) Performance Evaluation Forms:
 - Managers performance evaluation form
 - Consultants performance evaluation form
 - Secretaries performance evaluation form
 - Administrators performance evaluation form
 - Assistants performance evaluation form
- p) Customer Service Charter
- q) Arab Organizations affiliated to ASL – Personnel regulations

5. INFORMATICS AND RECORDS MANAGEMENT

- a) Digital Library Unit:
 - Staff responsibilities
 - Work procedures
 - Work regulations
- b) A list of training participants' numbers and repeated trainings participation in the Digital training activities
- c) Report – Forum on (Legal and Economic Aspects of E-commerce, and Electronic Consumer Protection) 27-29 November 2012 – Sharjah – United Arab Emirates
- d) ICT Training Plans – 2006 – 2011
- e) Memorandum from ICT Director dated Dec. 27, 2012 that includes a brief description of the following:
 - Internal ICT systems used by ARADO for the selection, administration, and delivery of training and technical assistance – Memorandum
 - The nature and content of ARADO training in e-government, e-education, and related areas – Memorandum
 - The systems for online learning
 - Record keeping/records management/database maintenance systems and procedures
 - Regional joint initiatives

- f) ICT Structures and Digital Systems. Jan 2012. In Arabic and English. By Dr. Fathi. Head of the ICT Department. Describes the purpose, structures, and the MIS applications and data bases, mostly for internal administrative purposes.
- g) ICT Activities Group (ICTAG): Presentation by Dr. Abdulrahman Galal. Mostly graphics/pictures/slides. In English. A description of a sample of ICT training and the development of course content. Information security and Cybercrimes.
- h) ARADO Digital Library: a presentation by Dr. Raouf Helal, Head of the Digital Library Group. In English. Describes the technology used to populate the library and the standards used to classify the content and provide access.
- i) World Science Book, a presentation provided in partnership with the International Organization for Knowledge and enterprise Development, Malmoe, Sweden. In Arabic and English.
- j) EDARA (Management) Magazine. Information on (www.arado.org.eg/edara/). In Arabic and English.

6. QUALITY ASSURANCE, AND M&E

- ARADO Quality Management System (QMS)
- KPIs for 2012
- Training Quality Standards
- Imperial College Evaluation Report
- Mid Annual Report for Strategic Management Quality Group
- Pareto Chart for Participants Complaints
- Client Institutions by Cumulative Training Revenue (Jan 2008-June 2012)
- Professional certificates - Performance evaluation form
- Training (In-house) - Performance evaluation form
- Training (Outside) - Performance evaluation form
- Events - Performance evaluation form
- ARADO M&E System
- Complaints from Participants on Hotels - Schedule
- Training Managers Survey Report