



Responsible Management and Leadership

## Supporting Canadian priorities

### An innovative member of the international community

For almost 40 years, IDRC has supported local researchers and innovators as they find new ways to improve health, reduce poverty, and promote democracy in their countries. In doing so it has earned credibility that is second to none.

IDRC has also enhanced Canada's reputation as a far-sighted and generous country, and as an important and innovative member of the international community. And it does so at a modest cost: Parliamentary appropriations to IDRC represent only 3.9% of the Canadian development assistance budget.

#### Sharing goals

The November 2008 Speech from the Throne made it clear that fostering development and security around the world remain Canadian priorities. These are goals IDRC shares.

IDRC is a Crown corporation that reports to Parliament through the Minister of Foreign Affairs. It fulfills its public policy role primarily by funding applied research in the areas of environment and natural resource management; information and communication technologies; innovation, policy and science; and social and economic policy. It also provides advice and training, and creates opportunities for the scientific, academic, development, and policy communities in Canada and developing countries to share results and experiences.

Essential to all development efforts, the skilled researchers, strong institutions, and better informed policymakers that result are the foundation that ensures that Canada's development assistance delivers the maximum impact.

#### *Promoting prosperity, democracy, and security*

IDRC contributes to meeting Canada's foreign policy priorities. For example:

- In Afghanistan, the Hindu Kush–Himalayan University Consortium — an alliance of 15 universities supported by IDRC — is offering local researchers and faculty members graduate-level training and valuable international contacts in such fields as natural resource management and rural sociology. The goal: to rebuild Afghanistan's research community and institutions. Other researchers are working with IDRC support to strengthen democracy and human rights, ensure food security, and find sustainable alternatives to opium poppy cultivation.
- In Haiti, IDRC supports a network of several Latin American institutions that are tracking the reconstruction effort and identifying ways of making their peace-building and reconstruction contributions more effective. It also supports a new program administered by the Canadian International Immunization Initiative for Haiti to fund research by Canadian and Haitian researchers on the best ways of expanding vaccination against preventable diseases.
- This year marked the 20<sup>th</sup> anniversary of IDRC support for the research program of the Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (G-24). The program has provided G-24 members with sophisticated data and analyses that once were available only to richer nations. This expertise has helped countries such as Ethiopia, Trinidad and Tobago, and the Philippines strengthen their hand in high-level monetary negotiations and better integrate into the global economy.
- In 2008, IDRC chaired the Visioning and Development Challenges Working Group of the Consultative Group on International Agricultural Research (CGIAR)'s Change Management Initiative. Canada is a founding member of the CGIAR and remains a strong supporter of its 15 research centres.

“IDRC FOCUSES ON CREATING KNOWLEDGE... AS THE GOVERNMENT’S FOREMOST AGENCY IN FUNDING RESEARCH FOR DEVELOPMENT, IDRC IS A KEY PLAYER ON CANADA’S FOREIGN POLICY TEAM.”

— THE HONOURABLE GARY GOODYEAR, MINISTER OF STATE (SCIENCE AND TECHNOLOGY)



On February 25, Minister of State (Science and Technology) Gary Goodyear (left) announced eight new research partnerships as part of the International Research Chairs Initiative. At right, Jianhong Wu, Canada Research Chair in Industrial and Applied Mathematics, York University.

## Supporting innovation

IDRC is at the forefront of Canada’s efforts to increase developing countries’ scientific and technological capabilities. In doing so it brings Canadian expertise to bear on global problems and it provides an international dimension to Canadian science and technology. The launch this year of the International Research Chairs Initiative, a collaboration between IDRC and the Canada Research Chairs Program, is an excellent example of this mutual benefit.

## Joining forces for greater impact

IDRC collaborates with many federal government agencies. For example, working with Industry Canada, IDRC was a member of the official Canadian delegation at the G8 science ministerial held in Japan in June 2008.

The Canadian International Development Agency (CIDA) has long been IDRC’s most important Canadian partner: both agencies are currently co-funding 35 research activities. A notable example is the Global Health Research Initiative (GHRI). This partnership between IDRC, CIDA, the

Canadian Institutes of Health Research, Health Canada, and the Public Health Agency of Canada — which joined the partnership in 2008–2009 — strengthens Canada’s role on the global health research scene and builds health research capacity in developing countries and in Canada.

In addition, IDRC administered the Expert Advisory and Services Fund for the Middle East Peace Process, funded by CIDA from 1992 to 2008. It administers the Middle East Good Governance Fund, initiated by the CIDA Iraq Task Force in 2004, and continues to manage the multi-donor Scholarship Fund for Palestinian Refugee Women in Lebanon, supported by both the Department of Foreign Affairs and International Trade and CIDA.

## Reporting to Canadians

IDRC is committed to sharing with Canadians the value and the benefits of the research it supports. During 2008–2009, we reached millions of Canadians through a variety of activities. Here are some examples:

- Around the country, our representatives took part in large conferences where they engaged with Canadians on development issues. For example, at the 14<sup>th</sup> annual International Economic Forum of the Americas — the Conférence de Montréal — held in June 2008, IDRC hosted an expert panel discussion on “Coping with Climate Change: How the Vulnerable Must Adapt.”
- IDRC’s partnership with the Canada Research Chairs Program forged new links with the research community and other influential Canadians. Newspaper advertisements announcing the launch of the International Research Chairs Initiative reached an estimated audience of more than one million Canadians.
- Canadian universities were targeted through outreach efforts on campus. Our staff and research associates visited 33 Canadian institutions. In November, for instance, IDRC hosted a session at the University of British Columbia to mark the 35<sup>th</sup> anniversary of diplomatic relations between Mongolia and Canada.



IDRC: TECKLES PHOTOGRAPHY

**IDRC's year-long *India Lectures* series welcomed leading Indian sinologist Alka Acharya in October 2008.**

- At our Ottawa office, we organized frequent informal “brown bag” presentations featuring our research partners and invited interested parties from the academic community, non-governmental organizations, and government bodies such as CIDA.
- Also in Ottawa, we hosted nine speakers in our *India Lectures* series. The popular series, which attracted diplomats, academics, government officials, journalists, and students, showcases the wealth of eminent thinkers and stimulating ideas emanating from this rising global power. This program celebrates the 25<sup>th</sup> anniversary of our office in New Delhi, and the enduring and valued collaboration with our Indian research partners.
- We also welcomed other distinguished speakers. In February 2009, for instance, IDRC hosted diplomat Mokhtar Lamani, former ambassador to Iraq for the League of Arab States. Since 2007 he had been a Senior Visiting Fellow at the Centre for International Governance Innovation (CIGI) in Waterloo, Ontario, where IDRC contributed funds toward the first year of his fellowship.
- In October and November, at Library and Archives Canada in Ottawa, we launched a stirring exhibit of 60 images by Italian photographer Mauro Fermariello.

These pictures trace the growth of St Mary's Hospital Lacor in northern Uganda. The hospital — now a major medical centre — was established in the 1960s by Lucille Teasdale and Piero Corti. IDRC supports the foundation bearing their name. An estimated 2500 people viewed the exhibit.

- IDRC collaborated with CIDA to organize a panel discussion during CIDA's International Cooperation Days in November. The theme was “New Frontiers of Communication: How to Bring the Development Story to Canadians.”
- Global media coverage of IDRC's work increased 10% over the year. As of March 31, 2009, IDRC-related projects, staff, and associates had appeared in 1071 news reports reaching an estimated 46.5 million people around the world.
- Our monthly electronic bulletin, an active publishing program, a two-disc CD-ROM that includes a wide selection of material, and our website also allow us to share research results with Canadians.



IDRC: MICHAEL BEDFORD

**In Ottawa and beyond, IDRC public events attract wide audiences, including diplomats, academics, government officials, journalists, and students.**

## Managing for success

### A commitment to openness, transparency, and accountability

#### Collaborative governance

IDRC is committed to incorporating developing-country perspectives into its governance and management. It does so through an international Board of Governors, a Senior Management Committee composed of Canadian and international staff, and six regional offices in Africa, Asia, Latin America, and the Middle East.

This governance structure is one of the factors that allow IDRC and Canada to make a unique contribution in fostering scientific and technological excellence for development in developing countries.

The Board of Governors oversees the Centre's affairs and works with management to set strategic directions and to ensure that objectives are achieved. The Chairman of the Board reports to the Parliament of Canada through the Minister of Foreign Affairs. The Board has four standing committees to assist it in carrying out its responsibilities.

The Board met three times in Ottawa in 2008–2009: it held its regular meetings in June and October 2008 and in March 2009. The Board also engaged in a two-day retreat in March to debate questions related to the 2010–2015 corporate strategic plan, which management will submit to the Board later in 2009. The Board approved the current *Corporate Strategy and Program Framework 2005–2010* in November 2004.

As Chief Executive Officer and an ex officio member of the Board, the President manages and directs the work and staff of the Centre, with the support of the Senior Management Committee (see page 53).

#### Accountability and transparency

IDRC is accountable for its use of public resources and has many mechanisms in place to help it operate in a highly accountable manner. In fact, IDRC meets or exceeds the standards set by Treasury Board for transparency and accountability in corporate governance.

Examples of IDRC's accountability measures include:

- The Board of Governors' Finance and Audit Committee, which normally meets four times a year, provides financial oversight to the Centre's operations.

- IDRC has a rigorous system of internal audits and external audits. IDRC's financial statements are audited annually by the Office of the Auditor General (OAG). For each of the 39 years of IDRC's existence, the OAG has issued an unqualified opinion on IDRC's financial statements.
- Special Examinations are carried out by the OAG at regular intervals. The last, carried out in 2007–2008 at IDRC's request, did not find any significant deficiencies in the systems and practices examined. The report notes that in several areas, notably research project funding management and human resources, IDRC's management systems have contributed to IDRC's success. The report is available on our website.
- IDRC presented its annual report to Parliament through the Minister of Foreign Affairs in July 2008. The report is available on our website.
- IDRC is subject to both the *Access to Information Act* and the *Privacy Act*: three requests were received under the *Access to Information Act* in 2008–2009. None were received under the *Privacy Act*.
- IDRC publishes travel and hospitality expenses for senior executives on its website, in keeping with the federal government policy on disclosure of these costs.
- IDRC submitted reports on its application of the *Canadian Multiculturalism Act*, the *Employment Equity Act*, and the *Official Languages Act (OLA)*. Because IDRC was identified as having exemplary performance regarding the *OLA*, it was exempt from submitting the narrative report for 2008–2009.
- IDRC submitted its annual report on the *Public Servants Disclosure Protection Act* to the then Canada Public Service Agency.
- Under the *Financial Administration Act*, IDRC is required to conduct internal audits of its records, controls, systems, and practices to ensure that resources are managed economically and efficiently and that operations are carried out effectively. In 2008–2009, IDRC conducted five internal audits. Four internal audits were completed and approved by the Board's Finance and Audit Committee.

## Effective administration

Stewardship under the President and three Vice-Presidents — responsible for Corporate Strategy and Regional Management, Programs, and Resources, respectively — ensures IDRC's programmatic relevance, and effective resource management and accountability. The position of Vice-President Corporate Strategy and Regional Management was created in 2008–2009 to fulfill three functions: provide leadership in IDRC's performance management and public accountability functions; communicate IDRC's value and accomplishments; and provide leadership and guidance to IDRC's regional directors.

IDRC conducts its operations according to sound management practices with due regard to both efficiency and effectiveness. Despite the challenges associated with forecasting annual expenditures associated with hundreds of multi-year projects conducted in many countries of the developing world, IDRC's real-time systems and performance tracking at head office and in our six regional offices have enabled us to achieve a variance of less than 1% between our budget and our program expenditures of approximately \$140-million.

Information technology (IT) projects are planned carefully and monitored to promote on-time delivery within scope and budget. During 2008–2009, IDRC devoted approximately 85% of our IT budget to run and maintain existing systems, but we were careful to devote 15% to improve our systems and to respond to new business needs. We also manage our travel through a central supplier and preferred airline agreements so that travellers are made aware of potential safety concerns in various countries and to ensure airfares are discounted.

During 2008–2009, IDRC also instituted a new process for handling international wire payments to increase the efficiency of transactions with our many grant recipients around the world. We also automated the handling of donor funding to facilitate the allocation of donor funds to projects and our reporting to donors. Improvements were also made to the Centre's purchase requisition system.

Treasury Board's strategic review of IDRC, completed in 2007–2008, recognized IDRC's management style as “exemplary.”

## Sound performance management

IDRC's performance management system includes strategic planning, integrated risk management, internal audit, and evaluation. Performance indicators are being used for the Centre's five resource management sectors — finance and administration, grant administration, human resources, information technology, and information management. Annual performance reports have been produced for each of these five sectors during the last four years.

As noted in the OAG's 2008 Special Examination, “Overall we found that IDRC has a good structure and processes in place to measure its performance. The Centre has developed an elaborate set of mechanisms over the years to gather and assess the result of its activities. We also noted that IDRC is continually seeking ways to improve the measurement of its programs' outcomes and impacts.”

The Special Examination Report provided direction for IDRC to improve its external reporting to better show to stakeholders and Parliament the extent to which the Centre is meeting its objectives, managing its resources efficiently, and managing its key risks. IDRC is committed to improving its external reporting and is acting to do so.

## Strategic planning

IDRC's *Corporate Strategy and Program Framework 2005–2010* (CS+PF) is the Centre's strategic plan. It describes how the Centre intends to implement the *IDRC Act* within that five-year period.

The plan, based on a careful assessment of the international and domestic contexts for the Centre's work, continues to guide IDRC's activities. Planning for the *IDRC Strategic Plan 2010–2015* began this year with the preparation of three background papers on the development and donor environments and on IDRC's business model. Consultations

# TREASURY BOARD'S STRATEGIC REVIEW OF IDRC, COMPLETED IN 2007–2008, RECOGNIZED IDRC'S MANAGEMENT STYLE AS "EXEMPLARY."

with researchers and development practitioners were held in four developing regions to inform IDRC's discussions. The Board of Governors held a retreat in March 2009 to provide direction to management on these issues.

In the coming year further consultations will be held with IDRC's partners in the Canadian foreign policy and research communities, with grant recipients and other donors, and with IDRC staff.

## **Informed risk management and internal audit**

### *Proactive risk management*

The Centre operates in an environment full of risks — scientific, geographic, political, environmental, and financial. IDRC takes these risks knowingly, and relies on the professional expertise of its staff to effectively mitigate these risks to a manageable level. It does this by applying high ethical and accountability standards, following sound project management techniques, relying on on-the-ground expertise of regionally based staff, and employing strong financial stewardship.

Through close to 40 years of support to researchers and institutions in the developing regions of the world, IDRC has developed a strong, adaptive risk management approach that allows it to capitalize on opportunities, enhance predictability, and protect corporate assets.

Key elements of risk management include our regional offices, the professional staff who assess the environments in which projects will be carried out, and the sharing of strategic intelligence with other donors and organizations in Canada and elsewhere. Among actions taken is a risk assessment of countries in which IDRC operates, as well as a well-developed system to assess key recipient institutions based on the amount of funding provided, the institution's capacity to administer IDRC grants, and the conditions in the country and region. At March 31, 2009, 774 institutions were working with the Centre.

IDRC is committed to implementing a continuous, proactive, and systematic approach to risk management that is effected by the Board, management, and staff. The integrated Risk Management Policy and the Corporate Risk Profile outline the key risks that have to be addressed by management. This year, IDRC created a project risk management working group, which is addressing questions raised in the OAG's 2008 Special Examination.

Business continuity plans are in place and continue to be reviewed to ensure that IDRC can operate under difficult conditions while ensuring staff safety.

### *Internal audit*

Internal audit provides independent assurance and advice on the effectiveness and efficiency of IDRC's risk management, control, and governance processes. It objectively examines specific areas of Centre operations approved in the annual Internal Audit Plan of Work. These assessments are evidence-based and examine the extent to which IDRC's systems and practices operate effectively to achieve objectives; Centre resources are managed efficiently; and assets are appropriately controlled and safeguarded.

Internal audit has long been a part of IDRC. In June 2006, IDRC's Board of Governors approved a new Internal Audit Charter that allowed the Centre the flexibility to outsource all or part of its internal audit function. At the end of 2007–2008, IDRC management, with the support of the Board's Finance and Audit Committee, designated an internal management position as the Centre's Chief Audit Executive. The actual conduct of IDRC's internal audits are co-sourced with external service providers.

Each year, the Senior Management Committee reviews the Internal Audit Plan of Work, which is approved by the Board's Finance and Audit Committee. In 2008–2009, work completed under the approved plan included internal audits of the regional offices for South Asia and China (New Delhi) and for Southeast Asia (Singapore), an audit of controls over revenue, and an audit of travel health and safety. Additionally, a risk assessment and audit strategy for IDRC's information technology was carried out.

## Evaluation for greater accountability and learning

Evaluation supports the Centre's mandate and underpins its reputation for excellence. It enhances the relevance, effectiveness, and efficiency of both research and corporate processes by managing external reviews of programs. It builds evaluative thinking and learning into IDRC's work and conducts strategic evaluations on topics that cross-cut many Centre activities. It also builds the field of evaluation for research, particularly in developing countries.

Evaluation at IDRC is decentralized and user-focused. It also seeks to balance learning and accountability.

### *A decentralized approach*

By embedding evaluation expertise and activities throughout IDRC and its programs, the Centre ensures that results are relevant and can be used for both accountability and learning. At the program level, for instance, the Global Health Research Initiative this year created a senior position for monitoring and evaluation, thereby introducing a new approach to managing evaluation at the Centre. At the project level, nine community-based natural resource management projects in Asia have joined forces with IDRC to develop and test methods for evaluating how best to develop the capacities of organizations to use evaluations most effectively.

In 2008–2009, the Evaluation Unit received 36 evaluation reports: 23 were project and program level evaluations; 13 were external reviews of IDRC programs or strategic evaluations.

### *Focus on the users*

Involving users in key phases of the evaluation process is a hallmark of IDRC evaluations. This user-orientation ensures that the evaluation is tailored to the needs of the users and increases chances that evaluation results will be used. At the project level, use-oriented findings can help improve the way projects are implemented and broaden their scope. For instance, an evaluation of the Kenya-based African Highlands Initiative helped the natural resource management project, supported by IDRC since 1995, scale up from the local to the national level. At the corporate level, internal reviews can improve processes and accountability. A Centre-wide review of competitive grants — a mechanism increasingly used by IDRC programs to fund research — led to new guidelines for staff.

### *Balancing learning and accountability*

The Evaluation Unit addresses IDRC's priorities through research, development, and the promotion of processes that balance learning with accountability. This is achieved by developing and using a range of tools and approaches. Outcome Mapping — pioneered by IDRC — is a case in point. IDRC is now collaborating with individuals and organizations around the world studying new trends in evaluation that can aid or hinder development. IDRC has also partnered with One World Trust, a UK-based research group, to improve organizations' transparency and accountability.

## An ethical organization

IDRC adheres to the highest ethical standards. For example, all IDRC grants require that the recipient adhere to internationally recognized ethical standards: grant recipients must report on their compliance with standards to protect the dignity and privacy of individuals, participants' health, and their living conditions.

IDRC supports the objectives of the 1992 *Convention on Biological Diversity*, in particular that of promoting the fair and equitable sharing of the benefits arising from the use of genetic resources.

### Ethics in the workplace

IDRC's *Code of Conduct* — adopted in 2006–2007— fosters a work environment that is supportive and encourages creativity, innovation, competence, and teamwork, as well as fair and equitable management. Employees report on their achievements in promoting and adhering to the *Code of Conduct* as part of their annual performance appraisal.

The *Code of Conduct* meets the requirements of the *Public Servants Disclosure Protection Act*. IDRC's policy on harassment and discrimination in the workplace implements the principles of the *Canadian Human Rights Act*.

### Environmental stewardship

IDRC aims to be a green organization. Our environmental commitments are met most clearly through the activities of the Environment and Natural Resource Management program area, which supports grassroots action and policy research that offer viable alternatives to or improve on current practices and institutions. We also consider environmental impacts when evaluating all potential projects.

In 2008–2009, IDRC offset its carbon footprint with the purchase of 10 000 tonnes of carbon dioxide equivalent credits associated with wind energy projects in India.

Other environmental actions in 2008–2009 included

- a recycling program at the Ottawa head office where paper, water, and energy conservation are promoted

- energy, water, and resource conservation measures in all IDRC regional offices
- the use of recyclable, recycled paper or paper from responsibly managed forests in IDRC publications
- the promotion of the use of public transit: in its Ottawa office, the Centre participates in OC Transpo's ECOpass program. A secure bicycle storage area is available to staff who cycle to work.

## Good corporate citizenship

IDRC employees again demonstrated their generosity by contributing \$49 975 to the 2008–2009 Government of Canada Workplace Charitable Campaign — 116% of the Centre's objective. The campaign supports a number of local charities.

Two IDRC Dragon Boat teams raced in the 2008 Ottawa Dragon Boat Festival, raising \$4675 for local charities.

Staff also contributed to the Snowsuit Fund, as well as to the Ottawa Food Bank

## Human resources management: Supporting staff excellence

IDRC's highly qualified and diverse workforce is key to our success. The varied perspectives brought by staff with different cultural backgrounds enriches the Centre's approaches, enables us to better understand issues affecting local populations around the world, and helps us make more effective policy and program decisions. A survey last year showed that staff in Ottawa and the regional offices used 27 languages at work, enabling IDRC to provide support to research partners around the world.

In the last year, IDRC continued its efforts to ensure a representative workforce and a welcoming organizational culture of respect, trust, and competence. For example,

- we introduced a number of policies and guidelines, including on official languages and on the management of people with disabilities

- policies were developed on pre-retirement leave and leave with income averaging
- alternative language learning programs were introduced for staff who frequently travel
- several initiatives were launched to improve staff wellness and a new program was implemented
- during the lengthy public transportation strike in Ottawa last winter, flexible work arrangements were encouraged
- the annual Performance Review and Appraisal System was simplified.

Given the challenges associated with having a workforce that travels extensively in some of the more difficult regions of the world, the health and safety of staff are of particular importance. IDRC has a travel health unit, as well as a Security and Emergency Planning Team and a Travel Advisory Committee that monitors potential and ongoing concerns. Up-to-date travel advice is provided on the Intranet and a 24-hour emergency telephone number is available to all staff. An internal audit carried out in 2008–2009 found that IDRC had an effective governance and management control framework for managing traveller health and safety.

Through its travel management services contractor, IDRC has access to a database that shows the itineraries of all staff and IDRC-sponsored travellers. This allows us to easily identify who may be headed toward travel “hot spots,” allowing management to react quickly to ensure the safety of travellers.

IDRC’s salary and benefits package is adjusted annually. Comprehensive reviews are undertaken every three years: a review for Ottawa-hired staff salaries was carried out in 2008–2009, as well as a review of benefits specific to Ottawa-hired staff working overseas.

Employee satisfaction is gauged through regular consultation with the Staff Association and annual meetings with staff.

An all-staff Quick Pulse Survey carried out in 2008–2009 to seek employee perceptions of various aspects of the IDRC work experience obtained a response rate of 82%. Overall findings were positive, with 96% of staff indicating that they are proud to say they work for the Centre. We are following up on areas where improvements can be made.

<b>IDRC STAFF: FULL-TIME EQUIVALENTS</b>			
	<b>2009–2010 Budget</b>	<b>2008–2009 Revised budget</b>	<b>2007–2008 Revised budget</b>
Head office	299	293	278
Ottawa-hired regional employees	45	42	43
Locally engaged staff in regional offices	109	104	102
<b>Subtotal</b>	<b>453</b>	<b>439</b>	<b>423</b>
Externally funded project staff	7	50	47
<b>Total</b>	<b>500</b>	<b>489</b>	<b>470</b>