"Good governance starts at home"

Good Management, supportive structures

Report by the Strategic Review Management and
Leadership Structure Working Group

Definitions and Objectives

Management

- Good management is the effective and efficient application of resources (human and financial) to a defined goal
- A manager is someone with direct responsibility (and meaningful accountability) for financial or human resources

Leadership

- Organizing a group of people to achieve a common goal
- A leader may or may not have formal authority
- Incorporates the following: setting strategic objectives and direction, the ability to inspire and convince people to follow, sets and embodies the standards the organisation is expected to follow – in thought and deed
- Structurally the 'leadership team' should be the main decision making body of the organisation

Structure

- Includes formal and informal structures/networks

Objectives of this review of SIPRIs Management and Leadership Structures:

o SIPRI is managed effectively and efficiently with clear goals
o SIPRI benefits from world class leadership
o SIPRI's structure supports and facilitates its vision
o SIPRI's structure supports effective and efficient management
o Leadership and management responsibilities and expectations are clear and incorporated into contracts
o Leaders and managers are accountable and held to account
o Leaders and managers are given the tools, support and training to effectively and efficiently fulfil their responsibilities and meet expectations

1. Building on current strengths

To realise these objectives this review has taken a number of current strengths that could be built upon for achieving the objectives of this review.

- Existing in-house expertise on project management
  o Both with regard to personnel and finances

- Informal cross-programme networks
  o Both based on functional and regional expertise and interests (e.g. China Task Force, drones, etc.)
  o Often resulting in joint research projects
  o Informal networks are considered effective despite, rather than because of, the current structure

2. Facing the challenges ahead

The working group has identified a number of current obstacles that stand in the way of strengthening current leadership and management structures.

Management and Leadership

  o Misunderstanding of the function and role of the directorship at SIPRI
  o Lack of a clear vision and the ability to convince others to follow
  o Lack of communication – a 2-way process
  o Failure to consult – asking and listen
  o No clarity of expectations of management
  o Inadequate managerial support – due primarily to a lack of resourcing
  o There is no management training
  o Lack of meaningful accountability of managerial staff
  o There is no current definition of efficient and efficient management
  o A legacy of appointing some managers without managerial and/or competence
  o Inadequate management tools – IT systems, reporting mechanisms, etc.
  o Lack of visibility

Organizational structure

  o The current organisational structure is neither simple nor efficient
  o Do we need a new structure to reflect the growing diversity and changed external environment of our work?
  o Lack of structural coherence
  o Difficult to differentiate between the expanded number of programmes and projects – too much overlap

- o Too many directors and too little direction
- o A legacy of title inflation and a lack of clarity of how you get one, what they mean and what responsibilities they demand

Decision-making processes and transparency

- o Competences and responsibilities are unclearly defined
  - Who is responsible for making decisions?
  - What are the roles of the Director and the Deputy Director?
  - What are the roles of existing and new bodies and forums? (E.g. the RSC, SLM, RLM, etc.) Definition?
  - A perception of double-standards, ad-hoc decision-making and lack of policies in recruitment and retention of staff
  - Limited information for managerial decision-making
- o The current decision-making process is not transparent
  - Are there standardized yet simple procedures, e.g. for personnel decisions, funding allocation, grant applications etc.?
  - How can we improve internal communication channels and avoid unnecessary communication barriers?

3. The way forward

The working group suggests the following measures to meet the challenges posed by current leadership and management structures.

- **Define roles and tasks clearly**

  - o Clarity of expectation from the Director – 'world-class managerial skills'
  - o SIPRI needs to have clear descriptions of positions, roles and responsibilities, both for the management and the research staff
  - o There must be established mechanisms though which all staff, including senior management, will be held accountable for these responsibilities.
  - o These responsibilities need to be stipulated clearly in both vacancy ads and contracts (e.g. the Director should spend 40% of his time on fundraising, 40% on management, etc.)

> **Director**
> *'We seek candidates with:* […] *world-class leadership, managerial and fundraising skills, who thrives in a dynamic, open and intercultural environment.'*
> - from the Director advertisement
>
> **Deputy Director**
> *'Duties* [are to] *participate in the management team's work on research orientation, financing, organization;* [and to] *have overall responsibility for the institution's management, including financial and human resources. Negotiate with local unions as well as for local collaboration.'*
> - translation of Deputy Director advertisement

- o Both senior management and line managers should be responsible for making sure that individuals fulfil their obligations and get the necessary support to do so through regular review meetings with staff
- o Clearly define the mandate and function of the Senior Leadership Group and Research Staff Collegium

- **Keep it transparent**

  - o Create standardized and simple management procedures and templates to improve recruitment transparency (e.g. on a competitive and open hiring policy that avoids appointees)
  - o Improve internal communication channels, especially between the senior management and the staff
  - o To hold and utilise (annual) review meetings with staff members

- **Keep it simple**

  - o Make use of existing structures and avoid a proliferation of new bodies and meetings
  - o Replace the current structure with the simpler, clearer models (see Annex)
  - o Have clear mandates and agendas for existing structures so as to utilise their potential leadership and management functions

- **Train people**

  - o Provide adequate training to current employees, including management practices, so that they can better meet their job descriptions or contribute more effectively by taking-on new tasks

Annex: Alternative organizational structures

Strategic choices

We believe there were strategic choices to be made in relation to structure. No one considered the current structure to be supportive of staff, managers, the leadership team, or any conception of SIPRI's strategic objectives.

We therefore developed two models that are based predominantly on the existing structure, titles, etc.; and represent two ends of a spectrum. Both models have been developed mindful of the need to draw out the issues that need considering when developing a new structure for SIPRI.

Both models assume:

- The success of both models will be depended on effective leadership and good management
- The existing leadership and management challenges faced by SIPRI are largely resolved – see above;
- The roles and responsibilities of the Director and Deputy Director remain as per the SIPRI Statutes and job advertisements;
- Corporate services are restructured into three teams:
    1. Corporate Support – incorporating HR, finance and funding;
    2. Editorial and Communications – incorporating editorial, communications and SIPRI website; and
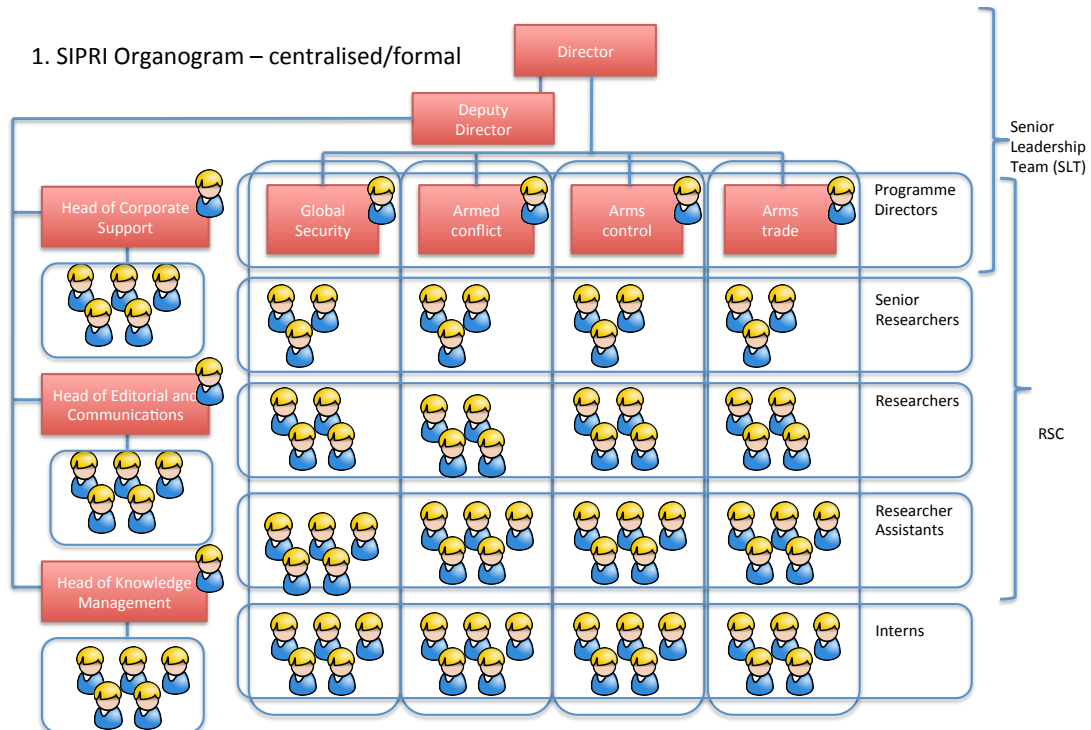   3. Knowledge Management – incorporating the library and IT.

Model 1. Centralised/formal

SIPRI establishes four thematic directorates mirroring the four themes on the SIPRI website that match the core research areas that SIPRI is recognised for. All four posts would be filled by open competition on the basis of the core competencies required for the role i.e. fund-raising (50%), leadership and management (30%), and research (20%). Each Programme Director will be directly accountable to the Director for their programme and associated human and financial resources.

The SIPRI leadership team will comprise the Director, Deputy Director and the four Programme Directors. The SIPRI leadership team will be responsible for key decisions on all aspects of SIPRI activity.

Senior researchers within each programme will be expected to lead and/or contribute to research projects and be directly accountable to the Programme Director. The Programme Director and Senior Researchers in each
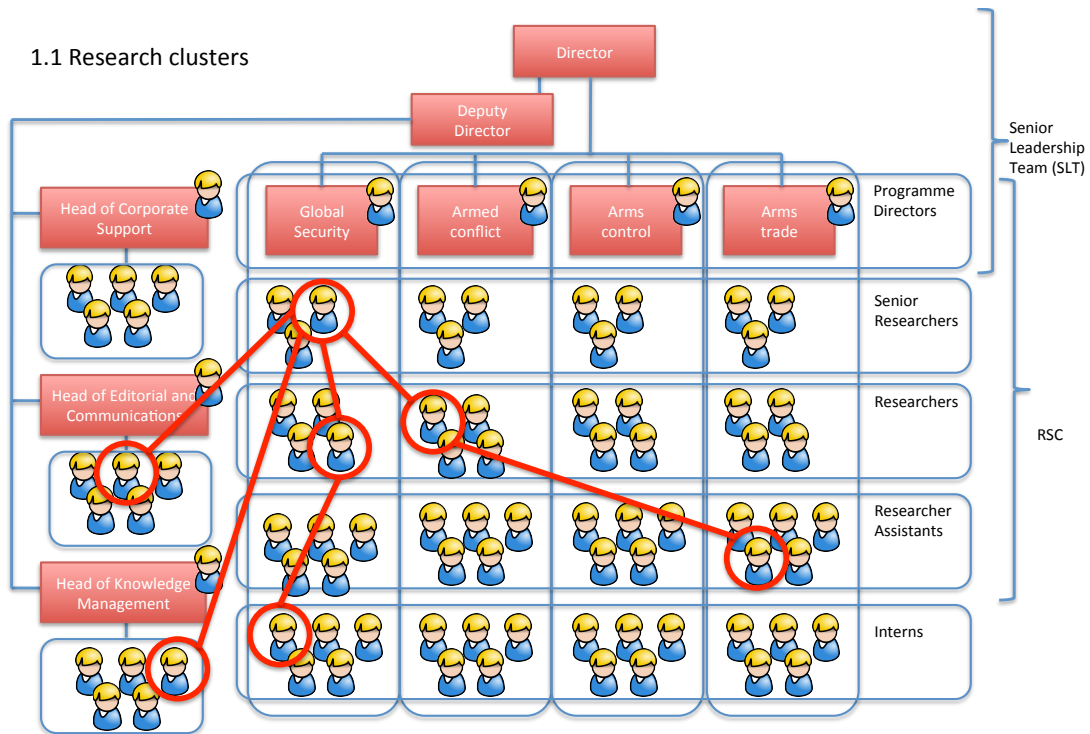
programme will form the programme management team and will be tasked with setting the research agenda, fund-raising, and managing the programme.

1. SIPRI Organogram – centralised/formal

Model 1.1 Research clusters

Research clusters will exist for larger projects with a number of staff. The Senior Researcher leading the project will be responsible for managing the project, securing the contributions of colleagues and the managing projects finances. Editorial and library colleagues should be more integrated into projects and take a more proactive role. The research cluster will meet on a regular basis and the lead Senior Researcher will be responsible for reporting on progress and the resource allocation to the Programme Director.
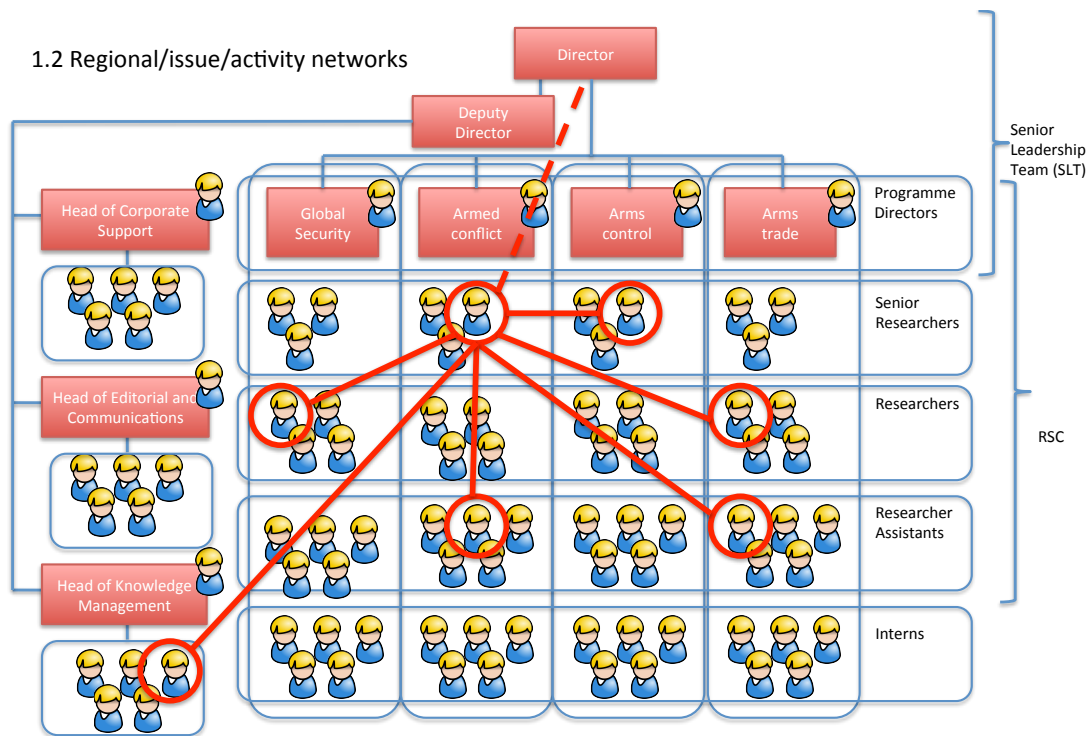
1.1 Research clusters

Model 1.2 Networks

While research clusters are project based, networks are regional, issue and/or activity based. These will be relatively formal and take the form of a group of interested/appointed staff tasked from all four programmes.

Examples of such networks include:
1. Regional – China, Middle East, Arctic…
2. Issue – UAVs, peace operations…
3. Activity – capacity building, academic article writing…

Networks will be established at the suggestion of any staff member and with the approval of the Director and dissolved at the recommendation of the network lead with the approval of the Director.
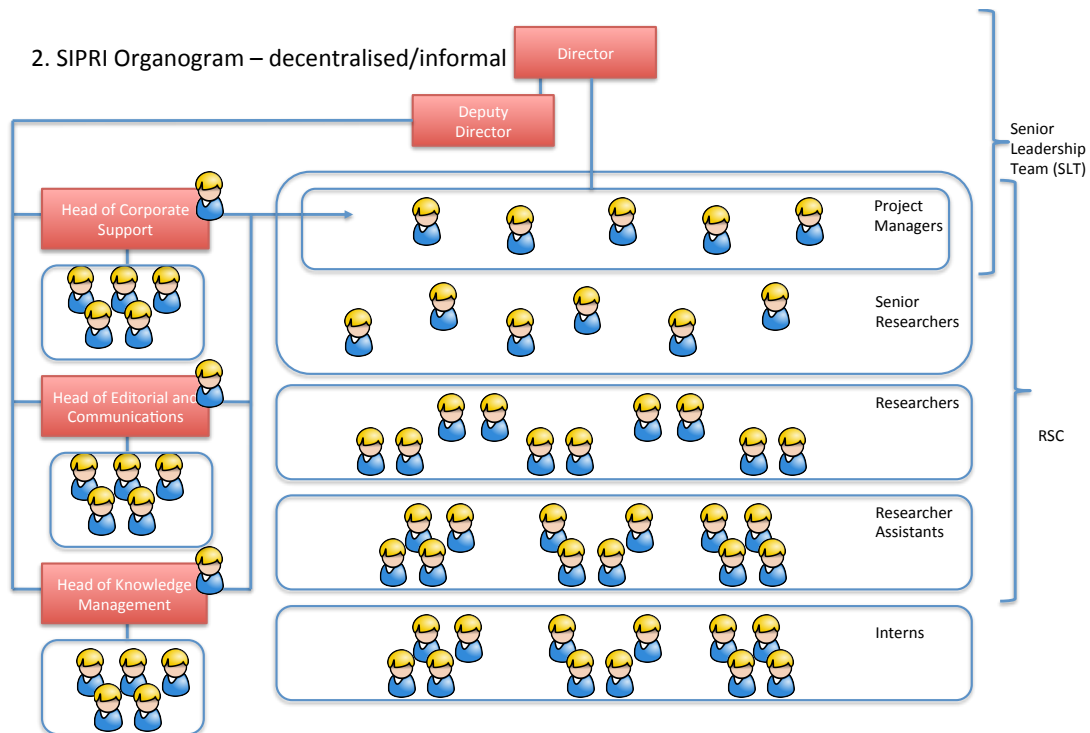
1.2 Regional/issue/activity networks

Model 2. Decentralised/informal

The four core SIPRI research areas will remain and continue to be reflected in the SIPRI website. The Director will take a lead in securing the larger grants in partnership with Senior Researchers. World-class leadership, managerial and fund-raising skills will be essential for the success of this structure. The Deputy Director and 'corporate support' will need to take a far greater role in all aspects of non-research management.

Senior researchers will be expected to secure the majority of their funding from external sources. New staff will only be recruited if external funds have been secured and for the duration of the project. The continuation of contracts will be dependent on success in securing further funding. This will ensure the size of SIPRI reflects the funding available and limits the likelihood of overspend and budget shortfalls.

A portion of what are now commonly referred to as core funds will be assigned to core costs – this excludes researcher and research activities. The remaining core funds will be used to invest in innovative ideas for short periods of time to facilitate the securing of external funds; pay salaries for time spent writing Yearbook chapters; and be made available for maintaining existing databases, and developing new databases, on the basis of transparent cost-benefit analyses. Transparency about how core funds are spent was seen as essential.

The SIPRI leadership team will comprise the Director, Deputy Director and Senior Researchers that have secured funding for a project of at least 12 months, duration and includes contributions from one or more SIPRI staff members for the duration of the project. The SIPRI leadership team will be responsible for key decisions on all aspects of SIPRI activity.
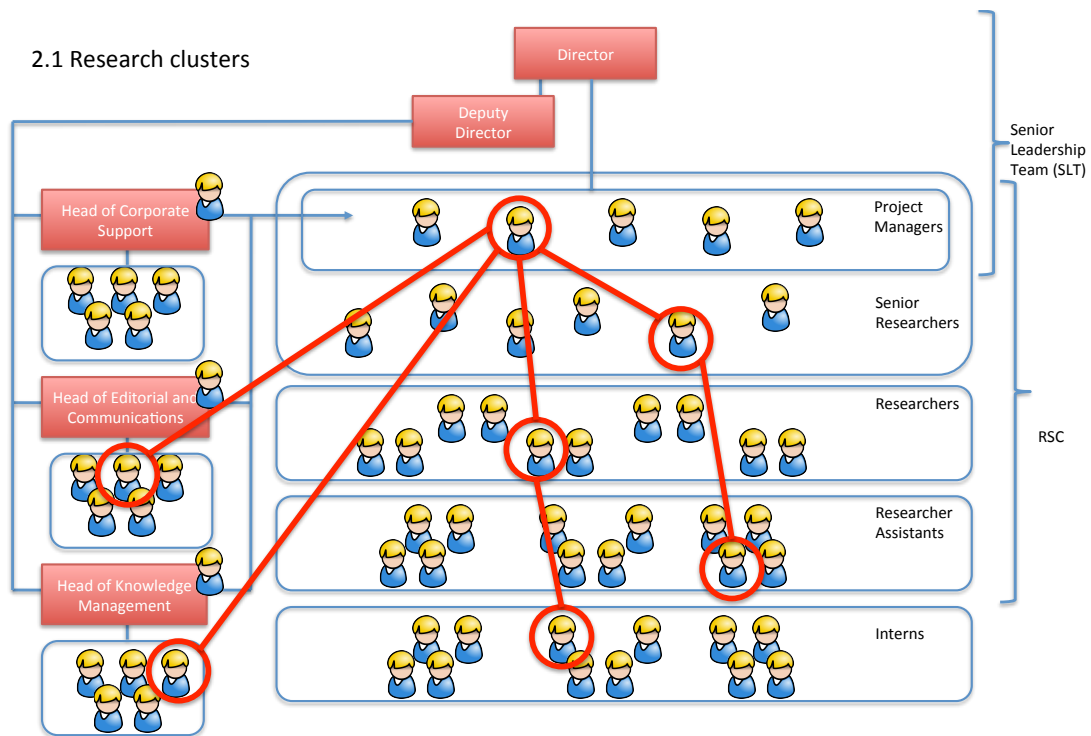

2. SIPRI Organogram – decentralised/informal

Model 2.1 Research clusters

Research clusters will be the 'backbone' of the organisation. The Senior Researcher leading the project will be responsible for managing the project, securing the contributions of colleagues and the managing projects finances. Editorial and library colleagues should be more integrated into projects and take a more proactive role. The research cluster will meet on a regular basis and the lead Senior Researcher will be responsible for reporting on progress and the resource allocation to the Director.

The research clusters already exist informally between existing programmes and projects. They are considered to be one of the current 'structural' strengths although they are informal and not well supported by the current structure.

2.1 Research clusters

Model 2.2 Networks

While research clusters are project based, networks are regional, issue and/or activity based. These should be relatively informal and take the form of a group of interested staff. The network will be free to make recommendation to the Leadership Team and/or Director.

2.2 Regional/issue/activity networks