THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Managing Committee official Files: Issues Papers - Office of the President

(EXC) - Issues papers 82-01

Folder ID: 1775481

Series: Managing Committee official files

Dates: 04/01/1982 - 12/31/1982

Subfonds: Records of President A. W. Clausen

Fonds: Records of the Office of the President

ISAD Reference Code: WB IBRD/IDA EXC-09-3963S

Digitized: 03/23/2023

To cite materials from this archival folder, please follow the following format: [Descriptive name of item], [Folder Title], Folder ID [Folder ID], ISAD(G) Reference Code [Reference Code], [Each Level Label as applicable], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to http://www.worldbank.org/terms-of-use-earchives for full copyright terms of use and disclaimers.



THE WORLD BANK

Washington, D.C.

© International Bank for Reconstruction and Development / International Development Association or

The World Bank 1818 H Street NW Washington DC 20433 Telephone: 202-473-1000

Internet: www.worldbank.org







OFFICE MEMORANDUM

TO: Mr. Frank Vogl, Director, IPA

DATENovember 5, 1982

(Through Mr. Sundaram Sankaran, Acting Chief, PAD)

FROM:

Peter Riddleberger

SUBJECT:

Election Results

We can expect little change in voting patterns on foreign aid as a result of the November 2 Congressional elections. While President Reagan's economic programs have been found wanting by an electorate that increased the Democratic margin in the House by 26 seats, most of the newcomers either defeated Republicans who have supported MDB legislation, or they are from districts from which former representatives of either party have opposed development assistance. In the Senate, the numbers stay the same, and the current GOP leadership generally favorable to MDB programs, will stay in control.

House of Representatives

Of particular concern to us is the fact that three strong GOP supporters on the Banking Committee (which handles MDB authorizing legislation) will not return next year. These include J. W. Stanton (R-Ohio), who is retiring, and Tom Evans (R-Delaware) and James Coyne (R-Pennsylvania) who were defeated. All three have been on the IFI subcommittee, so there will be a new lineup of GOP members on this panel when the 7IDA request comes up.

All Democrats on this subcommittee were re-elected, with the exception of Henry Reuss (D-Wisconsin), who is retiring. His Milwaukee seat will be taken by Democrat James Moody, who once worked as a World Bank Consultant.

All members of the Appropriations Subcommittee were re-elected, although Chairman Clarence Long (D-Maryland) had a close race. While Democrats are likely to remain on this panel, Republican membership has a history of heavy turnover, but a check with GOP members who have supported the Administration's request for IDA funding indicates they will remain next year.

While it is still too early to tell how the new Democrats will vote on foreign aid, these freshmen have by and large identified themselves with the mainstream of the party leadership. Accordingly, if party loyalty is enhanced, support among Democrats may increase slightly since the House leadership has always backed MDB bills.

We are fortunate that GOP House leader Robert Michel was re-elected in a tight race. If he had lost, this post would most likely have gone to a vocal critic of multilateral aid. John Rousselot (R-California), one of our most vocal critics in House floor debate, was defeated in a face-off against another incumbent California Democrat.

Senate

Prospects here remain the same. It is fortunate that 5 GOP Senators who have consistently supported MDB legislation kept their seats in tight races: Stafford (R-Vermont), Chafee (R-Rhode Island), Durenberger (R-Minnesota), Danforth (R-Montana), Weicker (R-Connecticut). This will prevent arch critic Jesse Helms (R-North Carolina) from assuming a more forceful role in foreign policy debates. His right wing candidates were defeated throughout the country.

Our widespread GOP support on the Foreign Relations Committee should be protected by the Party leadership.

While foreign aid played no role in their campaigns, the two Senate incumbents who were defeated - Cannon (D-Nevada) and Schmitt (R-New Mexico) - always voted against MDB's.

In two races, Tennessee and Minnesota, the World Bank was a campaign issue. In the first, challenger Robin Beard accused James Sasser (D-Tennessee) of supporting aid to "communist" countries through Multi-lateral agencies. His clumsy efforts backfired badly.

In Minnesota, challenger Mark Dayton accused GOP incumbent Durenberger (R-Minnesota) of supporting World Bank loans for Brazilian iron ore. While Durenberger's office was nervous about this issue, it did not affect the outcome. Durenberger won by a six point margin.

We will miss Millicent Fenwick's outspoken support for global economic development. She was upset in the New Jersey Senate contest.

Our first test will come in the lame-duck session when both Appropriations Subcommittees are set to mark up the FY83 Aid Funding bill. Senate Chairman Robert Kasten (R-Wisconsin) will recommend \$700 million or less for IDA. The question is whether the other GOP members will be willing to support the Administration's \$945 million request now that the elections have settled some of the political uncertainties.

cc: Messrs. Clausen, Qureshi, Stern, Benjenk, Ms. Krueger Messrs. Paijmans, Thahane, Scott, Humphrey, Burki, Blinkhorn

PR:sm



October 4, 1982

Dear Fellow Staff Member:

Today marks the beginning of the Bank's 1982 United Way Campaign. I am happy to report that Douglas Keare again will head the Campaign and that the great majority of last year's departmental representatives have volunteered to help this year as well.

We all should take a personal interest in the communities in which we live and work. They are, after all, the mainstays of our everyday life. Our contribution to the United Way Campaign provides an excellent way for each of us to make an investment in our community—an investment which ultimately accrues to our own well being. Your dollars are allocated in a way that reflects the true needs of the area in which you live and only a small portion of every dollar received goes to campaign expenses. Responsiveness to priorities is assured since one of the basic precepts of the United Way movement is voluntarism. Through the thousands of volunteers who give their time and their effort, the organization has its fingers on the pulse of your community and knows its particular requirements.

My years of commitment to the United Way have convinced me that it is indeed an effective and efficient institution which meets a tremendous number of important needs. Those of us who have supported United Way over the years find it one of the most satisfying and fulfilling ways to help our neighbors who are less fortunate. Your contribution—large or small—demonstrates in a tangible way your concern for them.

Please join me in giving a fair share to help the United Way continue its important community work.

Sincerely,

Amenge

September 16, 1982

Dear Fellow Staff Member:

Now that the 1982 Annual Meetings in Toronto are behind us, I would like to report to you on some of the major issues of interest to us.

Assuring continuity of IDA funding was the most urgent matter. I am glad to be able to report substantive progress. As you know total commitment authority for IDA in the last Fiscal Year fell some 35 percent below our originally planned level to \$2.68 billion, largely because of a reduction of the United States contribution.

The United States, it will be recalled, announced some time ago that it intended to complete its IDA 6 payments over four years and not three, as originally agreed upon. If other donors were unable to make a special effort, beyond that called for under the original IDA 6 agreement, commitment authority in FY83 would again have been well below even the revised planning level of \$3.3 billion. If other donors made available only their IDA 6 commitments, then in FY84 the only funds for IDA would have been those represented by the delayed payments of the United States and from those donors who continued to link their IDA 6 payments to those of the U.S., plus some repayments to IDA from borrowers and contributions to IDA from IBRD profits.

At Toronto it was imperative therefore to reach agreements that would secure a higher level of IDA commitment authority for this Fiscal Year and to avoid a decline in the volume of funds available to IDA for FY84.

Two days of intensive discussions by the IDA deputies in Toronto, under the chairmanship of Moeen Qureshi, yielded very impressive results. The United States reaffirmed its intention to complete its IDA 6 payments in four years. Other donors, placing aside their own serious budgetary constraints, agreed to take special measures to assist the low income countries through IDA. For FY83, some 22 of the 32 IDA donor nations said they would provide their full third year IDA installments irrespective of the lower level of U.S. payments. Several other donors are expected to make their full payments as well, and two donors have agreed to provide amounts equivalent to the balance of their outstanding IDA 6 obligations in FY83 through a Special Fund whose resources would supplement those of IDA. Consequently prospects now are excellent for IDA's commitment authority in the current Fiscal Year to meet the budgeted IDA lending program of \$3.3 billion.

To secure IDA funding for FY84 -- the intermediate year between the end of IDA 6 and the start of IDA 7 -- all donors except the U.S. have agreed to provide additional sums over and above their IDA 6 obligations, amounting to about \$2 billion at present exchange rates. As a result in FY84 we should again have the resources to meet the commitment level of \$3.3 billion which we had tentatively programmed for that year. The agreement among IDA donors to provide these additional resources in the face of severe budgetary constraints is a major accomplishment, underlining the strong support that exists for IDA today.

The resolution of these short-term IDA funding issues will enable donor governments to focus on working out an IDA 7 agreement. Negotiations will start in November and I hope they will enter a conclusive phase by this time next year.

The prospects for IBRD lending also received much attention in Toronto. The notional planning figure for IBRD's lending volume has been some \$60 billion for the FY82-86 period. But such a figure implies scant real growth in IBRD lending for the years to come. There was concern among many delegations in Toronto about this prospect and we assured the delegates that in the period ahead we shall explore ways to secure real growth in our lending.

Our initiatives on co-financing and on multilateral investment insurance met with considerable interest in Toronto. There was hope that these initiatives would clearly result in additional flows of funds to the developing countries. In our discussion with delegations we underscored the importance of finding ways to secure additional flows of private investment funds to the Third World, especially in today's economic environment with severely constrained national aid budgets.

In line with our efforts to promote flows of private capital several delegations supported IFC's activities, especially its catalytic role, in promoting private investments in our developing member countries. IFC's expanding capital market assistance program was also singled out for special attention.

During meetings with individual delegations the recurrent theme was that in spite of the current difficult investment climate, IFC should not lose the momentum it has built up in recent years. The delegations encouraged the Corporation to redouble its efforts to identify and promote investments in their countries.

Much of the debate in Toronto concerned the general health of the global economy. There was a growing consensus on some of the solutions needed to develop real economic growth once again. That consensus embraced the recognition that in many nations there must be a better balance between monetary and fiscal policy, that in some countries there must be a more prudent use of external borrowing for productive investments and that it is essential that protectionist pressures be resisted. To be sure the remedies involve considerable political will and sacrifice, but effective action can only come from enhanced understanding.

As we left Toronto we felt that a better perspective had been gained on critical current problems but we realized that much remained to be done. The global economic situation is difficult and it is going to take most considerable political will to secure those actions necessary to promote a more stable and healthier situation. And there is a challenge to The World Bank to become still more effective.

A.W. Clausen

August 24, 1982

Dear Fellow Staff Member:

As you perhaps know, former President of The World Bank George D. Woods, died at age 81, at his summer home in Portugal, last Friday. Mr. Woods, who had a long and distinguished career in investment banking, and who was both a founder and eventually Chairman of the Board of the First Boston Corporation, served as President of The World Bank from January 1, 1963 to March 31, 1968. In the 1950s, as an unpaid consultant of the Bank, he had helped resolve the financial problems consequent upon the nationalization of the Suez Canal.

During his period as President, he introduced a number of innovative measures providing greater access to lending by the Bank's poorer member countries, including the first loans made in the sectors of agriculture and education.

After graduating from high school in Brooklyn, New York, Mr. Woods went to work as an office boy in a Wall Street firm. He became its Vice President at the age of 24, and remained active as a financial advisor until the time of his death. It is said that throughout his life one of his favorite expressions was: "You can accomplish an awful lot of good if you don't care who gets the credit." It is a practical bit of wisdom that I think all of us in the international development effort would agree with.

I know you join with me in extending to Mrs. Woods, and the family, our deepest sympathy.

Sincerely,

Amenisa

July 21, 1982

Dear Fellow Staff Member:

I am pleased to inform you that the Executive Directors have reappointed the three members of the World Bank Administrative Tribunal whose initial terms expired June 30, 1982. These are Robert Gorman (U.S. citizen), N. Kumarraya (Indian) and Prosper Weil (French). In addition, the Executive Directors have appointed, effective July 1, 1982, Charles D. Onyeama (Nigerian), a former judge on the International Court of Justice, to fill the one year unexpired portion of T.O. Elias' term as a member of the Tribunal. Judge Elias requested to resign from the Tribunal due to his increased workload resulting from his recent election as President of the International Court of Justice.

American

July 2, 1982

Dear Fellow Staff Member:

At the end of an exciting and eventful fiscal year, I would like to share with you a few thoughts and observations about the road we have traveled together and about the challenges we shall be facing in the months ahead.

601

During the past year, IBRD commitments reached a record \$10.3 billion for 150 loans and, preliminarily, profits of approximately \$587 million are indicated. This compares with loan commitments of \$8.8 billion for 140 loans and profits of \$592 million (on the same comparative basis) during FY 1981. IDA commitments declined to \$2.7 billion from \$3.5 billion a year earlier. The number of credits also declined from 106 to 97. For 1982, IFC processed 65 new investments totalling \$613 million, of which \$425 million was for IFC's own account. This compares with 56 projects last year for \$811 million, of which \$436 million was for IFC's account. Net income is tentatively estimated at \$21 million compared to \$19.5 million last year.

Many of the year's biggest worries have centered on IDA. A year ago, IDA-6 was already twelve months late in becoming effective and had only been functioning thanks to advance contributions from a number of member countries. In the succeeding six months, effectiveness was finally achieved with ratification by the United States. This was followed by two consecutive U.S. appropriations, both of which were for substantially smaller amounts than were originally contemplated under the IDA-6 agreement. For many months there was a serious danger that most other donor countries would proportionately cut back their contributions to the second instalment of IDA-6. More recently, however, many of these countries have either indicated that they will not reduce their contributions to IDA, or that in lieu thereof, they will compensate for any reduction in other ways.

The decrease in the funds provided to IDA, although less sharp than seemed likely some months ago, is still serious. It has

forced a large reduction in IDA lending at a time when, because of the deterioration in world economic conditions, the poorest countries desperately need more concessional assistance. New proposals which would provide adequate funding for IDA for FY 1983 (and also for FY 1984 in case IDA-7 is not fully negotiated by then) have recently been discussed with donor countries. While there are indications that we shall have more IDA commitment authority in fiscal 1983 than the \$2.7 billion we had in fiscal 1982, there will remain a serious shortfall from the sums originally contemplated.

The sharply reduced IDA availability has obliged us to present an austere budget for FY 1983 - with a growth in real terms of only 1% and no staff growth at all. It has also become necessary to have some redeployment of operational staff. Every effort is being made to ensure that the necessary staff reductions are achieved by attrition, by transfers to other areas and by curtailing outside recruitment of permanent or consulting staff. The numbers involved in these dislocations are small, and we shall make every effort to keep them to an absolute minimum.

We have now begun to work on the possible shape of IDA-7. To secure adequate amounts for IDA-7 at a time of general budgetary constraints in practically all donor countries, a number of innovations may be desirable in order to increase government support. Ideas have been put forward for discussion which raise questions as to whether an IDA more differentiated in its terms might not be more attractive to the international community. After all, the concessional terms of IDA credits have remained virtually unchanged in 20 years, during which time much else has changed --- including the relative concessionality when compared to alternative sources.

In order to finance a growing disbursement level, total gross borrowings increased from \$5.7 billion in FY 1981 to more than \$8.5 billion in FY 1982. They are expected to grow to \$9 billion this year and to \$10 billion in FY 1984. In January, we introduced a front-end fee of $1\frac{1}{2}\%$ on IBRD loans because adverse movements in interest rates and exchange rates threatened to reduce IBRD's net income substantially. That action, though unwelcome, was essential in order to preserve the financial strength of the Bank --- a condition which is absolutely critical to our growing borrowing requirements. Further changes have just been agreed: IBRD has to tap new sources of funds and devise new instruments in order to enable it to raise the large amounts of

money it needs. The bulk of today's borrowable money is on short-term or at variable interest rates. Accordingly, the Executive Directors yesterday approved a Management recommendation that the Bank should begin in FY 1983 to make some use of short-term and variable rate instruments in its borrowing operations. These funds will be "pooled" with funds raised through fixed-term borrowing. The Bank's lending rate on the outstanding unpaid balances of all future loans will be changed twice yearly and determined by adding a spread of 0.50% to the average cost of such a "pool" of funded debt which includes all IBRD borrowings settled on or after July 1, 1982.

During the past year, my work was scheduled in a way to enable me to see as many of our developing member countries and as much of the Bank's development activities in the various regions as I reasonably could. My trips took me successively to the Middle East, Eastern Africa, South Asia, Latin America and Western Africa. I also traveled to some of our developed member countries: Japan, Finland, France and Sweden, where I confirmed the very strong support that exists for our institution. The same is true for the three Arab countries in the Gulf whose increased financial support has been a marked feature of the past year.

I should like to tell you how fascinated and impressed I am with the multiple aspects of the development work that I have seen on these trips. The policy dialogue, and sectoral and project work are carried out with patience and professionalism —— usually in very difficult circumstances. Every head of state and many of the ministers and senior officials I have met during this past year have stressed the importance of the Bank's economic and social analysis and policy advice which accompanies our financial assistance. Nowhere is this combination of professional advice and financial assistance more necessary than in Sub-Saharan Africa. As you know most of the African countries are suffering economic and social difficulties of critical proportions and we have identified the region as our highest priority for development in the years ahead.

We have continued - and will continue - to direct our lending to projects which will increase the productivity of the poorest segments of society. Agriculture and rural development will remain our largest lending sector. It will continue to be the centerpiece of the Bank's strategy for assistance to the poorest of the poor countries, although it will decrease somewhat as a proportion of total lending in the next few years because of the changing mix of IBRD and IDA financing. We anticipate energy

lending will be around a quarter of total Bank lending (as was the case for the first time in fiscal 1982). This seems to be a sensible proportion for us to maintain, and yet the need for energy financing is very much greater. We are therefore moving to search for alternative ways to secure additional financing for energy development bearing in mind that there is little likelihood of international agreement on our earlier proposal for an energy affiliate.

These two sectors --- agriculture and rural development and energy --- will constitute about half of our lending program in the years ahead. The other sectors, while smaller in terms of total lending volume, constitute essential inputs into our comprehensive development approach. Importance in substance bears no direct relationship to departmental size, as evidenced by the importance we all attach to activities in the population area.

To increase the total flow of resources for development, we plan to play a stronger catalytic role in mobilizing finance for development projects from other sources, notably the private sector, through co-financing. A lot of work has been done to develop new approaches to co-financing. Management will soon be recommending programs to the Board which are designed to make participation in development financing even more attractive for commercial banks. In the meantime, we have had a record year in securing co-financing with the private sector, reaching more than \$3.3 billion as compared with \$1.8 billion in fiscal year 1981. And the Board will also soon review progress made in drafting plans for a multilateral investment insurance scheme. This proposal, if it can be successfully established, can be important for attracting private investment to our developing member countries.

It is in this context of mobilizing private resources that we have been encouraging IFC (our principal window to the private sector) to continue to grow in the coming years, and to enlarge its role as a catalyst for development. A prominent feature of this year's IFC activities were promotion efforts to lay a basis for tomorrow's growth. These are starting to pay dividends. Thus, with the number of business ventures actively under consideration at an all-time high (especially in the lower-income countries), the Corporation has built a solid foundation upon which to realize these expectations. Therefore I am gratified that in spite of the rather difficult investment climate in many countries where it operates, the Corporation has been able to broaden the base of its activities during the year.

As the world around us changes, we, too, need to adapt our organization structure, approaches and methods of work to the new circumstances that face us. An important step in this direction has been the establishment of a Managing Committee together with three subcommittees (finance, operations and personnel)—— and a Senior Management Council. Over the months, these bodies have become increasingly effective in their efforts to serve three main aims. The first is to make the process of decision—making within the Bank more collegial; the second is to strive toward greater delegation of authority and responsibility; and the third is to establish better communications within the Bank. With this last purpose in mind, a new monthly magazine, "The Bank's World", seeks to provide all employees with timely information on a wide variety of policies, practices and activities of the Bank and its affiliates.

Another instance of adaptation in response to changing circumstances has been the reorganization of the Bank's economic analysis, research and policy activities. The redeployment of staff is part of an effort to use our resources more efficiently. It has removed some duplication and will enable the Bank, through its research activities, to remain a leading source of knowledge on the development process. A new Vice President, Anne Krueger, will shortly take over the management of our economic and research activities. It will be her responsibility to provide the leadership for preserving and enlarging the already high reputation of the work carried out under the leadership of Hollis Chenery, who is retiring. Our research will be increasingly directed toward the identification and analysis of development policies which can have a useful impact on the international development community, and on our member countries at different levels of development. At the same time the recent redeployment of staff will strengthen our sectoral and operational work, and our capacity to give our member countries technical assistance, particularly in Africa.

No institution can be truly efficient unless it pays proper attention to the welfare and concerns of its most important resource ——the people who are its employees. Our personnel policies can only have validity if the staff is appropriately remunerated under fair and consistent policies which allow for periodic reviews of the adequacy of existing salaries. These policies are in place and have resulted in a salary increase of 7.5% this past year—— to which must be added a further amount averaging 2.4% by way of merit increases. But salaries do not represent the totality of staff

welfare. The Bank's first Attitude Survey has been an important first step toward identifying what is needed to bring about a more open, more harmonious and more productive working environment. I am pleased that more than 85% of our employees participated in the Survey. This is outstanding, indeed! During the next few months members of all units will be involved in what we expect to be an open, practical and constructive dialogue in order to determine how we can make our working environment even more efficient and satisfying for all of the more than 5,700 staff members employed. The thrust of the various "action programs" to be undertaken in the individual units will be reviewed by Management later this fall. We are strongly committed to the idea of giving all staff members the oppportunity to express their views about Bank issues on a regular basis and so we shall repeat the Survey this coming year.

Another innovation of the last year has been the establishment of the office of the Ombudsman. This has strengthened the structure through which individual staff grievances can be speedily attended to.

As an additional part of the mosaic of measures designed to improve incentives, increase efficiency and promote a more productive working environment, we have adopted a reward policy under which the quality of individual performances will be more important in determining the size of salary increases than has been the practice in the past. A new performance appraisal system intended to promote greater openness in assessing performance and potential and to improve guidance to career development is being introduced. Another part of the mosaic is a grading exercise which is designed to assess how far grade levels of specific jobs in the Bank are in line with corresponding functions and responsibilities, and what changes might be appropriate to make them more relevant to bench mark comparators. At a time of growing budgetary constraints, we are continuing to provide increased budgetary support to the personnel and administrative functions. Their contributions to the work climate are paramount, and they need continued support in order to make up for past deficiencies.

Notwithstanding the high quality of our work, there has been a considerable amount of ignorance and many misconceptions concerning the Bank in some political circles, in the media and in public opinion as a whole. This is true to a greater or smaller extent in many of our member countries. That is why we have been and are supportive of the changes that have been undertaken in our external relations work. Like our personnel activities, this area has needed additional

resources for some time.

The work needed to build public support and understanding for the Bank's role must be conceived as a multi-year endeavor. However, some progress is being made. You will have been pleased, for example, to read the highly complimentary statements written about us in the thorough assessment on multilateral development banks recently carried out by the U.S. Treasury. I have myself devoted a considerable amount of time to telling the Bank's story in speeches in various fora, in press meetings, interviews and discussions with opinion makers in the political and business world. I am glad to see that many Bank employees at all levels, are increasingly active in this area. It is an effort well worth making. Who can tell the story of what we are and how we operate better than you and me?

For me, personally, it has been a year full of challenge and excitement. Being new on the job, I find that it has also been an immensely rewarding one, thanks to the enormous body of wisdom, insight and experience which so many of our staff members have so generously shared with me. My only regret is that I have not been able to meet as many of my fellow employees as I would have wished in my first year. Arrangements are in hand to change this in the months ahead. In the meantime, and pending more frequent encounters, this may be an appropriate way for me to say "Thank you" for all your efforts in helping to make the World Bank the great institution that it is. The challenges ahead are immense and I am counting on even greater efforts in the future!

Sincerely,

American

ROUTING SLIP

Elmendorf (PMD).

FROM:

THE WORLD BANK

DATE:

June 30, 1982

NAME	ROOM NO.
Mr. William S. Humph	rey, EXC E-1231
quirier	
	ord.
9	
APPROPRIATE DISPOSITION	NOTE AND RETURN
APPROVAL	NOTE AND SEND ON
CLEARANCE	PER OUR CONVERSATION
COMMENT	PER YOUR REQUEST
FOR ACTION	PREPARE REPLY
INFORMATION	RECOMMENDATION
INITIAL	SIGNATURE
NOTE AND FILE	URGENT
Attached is the firs Appendix 8Officers tors for the Annual i	and Department Dire

PUB

ROOM NO.:

EXTENSION:

61648

Mr. Choi (SEC), Mr. Ruth (OPD), and Mr.

Margaret de Tchinatchef. N-229

Officers and Department Directors The World Bank

Appendix 8

June 30, 1982

	President . Senior Vice President, Finance . Senior Vice President, Operations . Regional Vice President, Latin America and the Caribbean . Vice President, Operations Policy .	. Moeen A. Qureshi* . Ernest Stern* . Nicolas Ardito Barletta	
	Vice President, External Relations. Regional Vice President, Europe, Middle East, and North Africa Vice President, Economics and Research. Vice President, Programming and Budgeting, and Vice President, Pension Fund. Vice President and General Counsel.	. Munir P. Benjenk* . Roger Chaufournier . Hollis B. Chenery* . K. Georg Gabriel	
	Vice President and Controller Regional Vice President, South Asia Regional Vice President, East Asia and Pacific Regional Vice President, Western Africa Vice President, Personnel and Administration	Masaya Hattori W. David Hopper S. Shahid Husain	
	Vice President and Treasurer Vice President and Secretary Regional Vice President, Eastern Africa Director-General, Operations Evaluation	Eugene H. Rotberg Timothy T. Thahane	
	Director, Country Programs Department I, Western Africa Director, Country Programs Department II, Europe, Middle East, and North Africa Director, International Relations Department Director, Accounting Department, and Deputy Controller Director, Urban Development Department	Maurice P. Bart Shirley Boskey	
	Director, Compensation Department Director, Cashier's Department Director, Country Programs Department II, Western Africa. Director, Projects Department, Western Africa Director, Population, Health, and Nutrition Department.	R. A. Clarke Jean B. De Boeck Xavier de la Renaudière A. Sani El Darwish John R. Evans	
	Director, Publications Department. Director, Industry Department. Director, Country Programs Department II, Eastern Africa Director, Education Department Director, Projects Department, Eastern Africa	James K. Feather Hans Fuchs André Gué Aklilu Habte James B. Hendry	Wy
	Deputy Treasurer and Director, Treasury Operations Director, Staff Retirement Plan Department Director, Economic Analysis and Projections Department. Director, Tokyo Office Director, Country Programs Department, East Asia and Pacific	Hans C. Hittmair Bernard J. Holland Helen Hughes	
	Director, Personnel Management Department. Director, Operations Evaluation Department. Director, Country Programs Department I, Europe, Middle East, and North Africa Director, Projects Department, East Asia and Pacific Director, Country Programs Department I, Eastern Africa	Shiv S. Kapur Attila Karaosmanoglu Syed Salar Kirmani Jochen Kraske	
	Director, Country Programs Department I, Latin America and the Caribbean Director, Medical Department Environmental Adviser, Office of Environmental Affairs Executive Secretary, Consultative Group on International Agricultural Research Director, Country Programs Department II, Latin America and the Caribbean	Eugenio F. Lari André Lebrun James A. Lee Michael I. Leieune	
10000	Director, Economic Development Institute Director, Loan Department, and Assistant Controller Director, Projects Department, Europe, Middle East, and North Africa Director, Projects Advisory Staff Director, Internal Auditing Department	Ajit Mozoomdar Stanley J. Perch Robert Picciotto Visvanathan Rajagopalan Lawrence N. Rapley	
	Director, Computing Activities Department Director, Organization Planning Department Director, Energy Department Director, Investment Department. Associate General Counsel	Wayne, F. Rayfield E Bruce, W. Rohrbacher Yves Rovani Hugo J. H. Schielke Hugh N. Scott	
1	Director, European Office Director, Development Research Department Director, Projects Department, South Asia Director, Administrative Services Department. Director, Financial Operations Department.	Everardus J. Stoutjesdijk Wilfried P. Thalwitz James E. Twining, Jr. Joseph P. Uhrig	
000	Director, Projects Department, Latin America and the Caribbean. Director, Operations Policy Director, Programming and Budgeting Department. Director, Information and Public Affairs Department. Director, Country Policy Department	Herman G. van der Tak Heinz Vergin Frank Vogl E. Bevan Waide	
000	irector, Country Programs Department, South Asia. irector, Transportation and Water Department irector, Financiai Policy and Analysis Department irector, Agriculture and Rural Development Department	Michael H. Wiehen Christopher R. Willoughby	

^{*}Member, Managing Committee.

¹Acting; Hans Wyss has been appointed Director effective July 1, 1982.

²Acting.

June 16, 1982

Dear Fellow Staff Member:

On joining the Bank a year ago, I was delighted to find how much preparatory work had been done on planning improvements in our salary administration practices.

It is my firm belief, a belief supported by my experience, that salary relationships must reflect the value of the job. Even more importantly, I believe effort and merit must be recognized and rewarded. These are essential if the individual is to gain the maximum sense of fulfillment and the institution to obtain the best from the individual.

Therefore, I want to emphasize my strong support for the aims of the changes in our salary administration program — in particular the move to provide greater scope for the recognition of merit. These changes will be described in greater detail in a circular Martijn Paijmans will be issuing tomorrow.

American

OFFICE MEMORANDUM

TO: Mr. A. W. Clausen

DATE: May 18, 1982

FROM: M. P. Benjenk and Martijn J.W.M. Paijmans

SUBJECT: Direct Managing Committee-Staff Communications

- 1. Following recent discussions on the subject, we agree there is a clear need for greater contact between Management and the staff. We need, perhaps more than ever before, to outline policies and more importantly share views on the Bank's operations, prospects and administration. There is also need, we believe, to listen to a broad spectrum of ideas.
- We have considered varied approaches and would like to propose that you now, and, later, others on the Managing Committee, test a program for a set period of time before finally launching a full-scale, long-term system. The test program could be launched in June and run through December 1982. Details should be worked out and announced in a future issue of The Bank's World. Coordination of the program will be handled by the Internal Communications Unit of IPA in conjunction with Messrs. Humphrey and Lafourcade.
- 3. For the pilot program, we propose you participate in the following types of meetings:
 - (i) Monthly Senior Staff Meetings. On the occasion of the regular staff meetings most organizational units hold, you could, once or, when feasible, twice a month, meet for about one hour with groups of Division Chiefs and Directors. With 14 unit groups and IFC you would, over a year, have met with each one at least once. During these meetings you would make a maximum 15-minute presentation on a topic or topics of major importance. The remainder of the hour would be devoted to questions and exchanges of views. A pre-established calendar could be prepared six months in advance for such meetings.
 - (ii) Special Meetings. We believe there is also a need for you to meet informally, over lunch, with functional specialists from the various organizational units. We have identified groups of Bank employees with whom you could have a focused discussion on substantive matters concerning the Bank's activities and management. A list is attached. These luncheons could take place twice a month, with about 5 to 8 people at each one.
 - (iii) Department Directors' Meetings. In the past, Directors met with the President in the Board Room to discuss a number of general subjects. But due to their formality and because meetings infrequently included substantive business issues, they were convened irregularly and finally stopped. Because of their considerable influence, however, we suggest that the Bank's 75 Department Directors should be in closer contact with you and the others on the Managing Committee.

We propose that once every six months, the Directors meet as one group for a well-structured meeting, say at a press conference-style breakfast from 8 a.m. to 10 a.m. After an informal 45 minutes, the President and other members of the Managing Committee could address the group, and invite questions and comments. A few Directors or Vice Presidents could be informally approached in advance and encouraged to prepare some questions to break the ice and set the right tone for the meetings. The first such meeting could be held later this year.

As indicated above, we also believe it is important for certain members of the Managing Committee to be the guest speakers three times a year at other than their own organizational unit meetings. Should you agree, we will decide among ourselves the correct start-up time. The same organizational arrangements and procedures will apply to us when we participate at Monthly Senior Staff Meetings.

Attachment

ADrattell:prs

STAFF LISTS

Senior Loan Officers
Programs Division Chiefs
Programs Directors
Chief and Senior Departmental Economists
Program Coordinators

Senior Projects Financial Analysts
Senior Technical Specialists

Projects Division Chiefs
Projects Directors (2)
Projects Assistant Directors
Senior Projects/Country Programs Economists

Non-Projects Financial Staff (2)

Personnel Management/Compensation Staff Administrative Services Staff Computing Activities Staff/Organizational Planning Department Staff

External Relations Staff Legal/Secretary's Staff

Assistant Level Staff Secretaries and Staff Assistants

Development Policy Staff*

* In view of impending changes, we suggest this group be seen after moves are made.

Personnel Management Department July 10, 1981 (Revised March 12, 1981) Office of the President

July 27, 1981

Dear Fellow Staff Members:

I am pleased to advise you that, after consulting with numerous of our colleagues these past few weeks, a Managing Committee has been established for the purpose of providing overall guidance for and management of the Bank.

The Committee will have broad scope in its oversight activities and responsibilities. It will be involved in such aspects of Bank management as longer-term strategy formulation and planning. It will determine such nearer-term issues as program, budget and major processes. It will have the responsibility for determining changes in courses of actions, practices and policies that may be needed to assure that the Bank becomes an even more efficient and effective institution for economic development.

Those who will serve with me on this new Committee are Senior Vice Presidents Qureshi and Stern and Vice Presidents Benjenk, Chenery, Golsong, Paijmans and Thahane. This group of senior officers will meet at least once a week at the outset to set in motion those study groups and task forces which will be necessary for a focus on the challenges that confront us at the moment and for a determination of appropriate actions and strategies for the months ahead.

The already established Finance Committee and the Personnel Management Committee will become sub-committees of the Managing Committee.

The President's Council, whose membership includes a larger group of senior officers and alternate designees, will continue to meet weekly. The purpose of this Council is to provide a forum for the exchange and communication of views and ideas—and to give an opportunity for all senior officers (and in turn members of their staffs) to be fully informed of the current activities of the Bank and of the rationale for the strategies and actions which are being implemented.

Sincerely,

A. W. Clausen

WHT 5/6

A.W. CLAUSEN President

May 7, 1982

TO: Members of the Senior Management Council

During my absence from May 10 through May 14, 1982, Ernest Stern will be acting in my place.

Amerisen

WORLD BANK / INTERNATIONAL FINANCE CORPORATION

OFFICE MEMORANDUM

TO: Senior Management Council

DATE: April 29, 1982

FROM: William S. Humphrey with

SUBJECT: Follow-up on Attitude Survey

Since Mr. Clausen will be away from Washington on May 21, the meeting of the Senior Management Council to discuss the follow-up on the Attitude Survey has been brought forward to 10:30 a.m. on Wednesday, May 19. The meeting will be held in Mr. Clausen's conference room. This will be the only meeting of the Senior Management Council in May. The next meeting is scheduled for June 25.

cc: Mr. Lafourcade

President's Office Review

Action Program as of 4/5/82

			set jegge	,	
	Task	Recommended Change	Reason War Change	Additional Work Required Ex	spected Completion of Task
	Incoming Mail (Sorting, Logging, Distributing, Tracking).	All activity connected with incoming mail should be handled at one desk — the secretary to the Assistant to the President. Some correspondence which are rerouted may not need to be reviewed by the Assistant and distribution could be done directly by the Assistant's secretary.	The Assistant to the President reviews all incoming mail. One secretary does the initial logging. The Assistant's secretary does the preliminary sort, and does the distribution. The job could be handled more efficiently at one desk.	Clear new procedure with staff in the Office of the President.	Мау
2.	Preparation of Correspondence for President's Signature.	Revise Secretaries Guide Statement which details procedure.	President has new stationery which changes the way letters are prepared. Other changes have also been made. Requirements need to be communicated to staff.	Incorporate suggested changes made by reviewees and issue.	April
3.	Review procedures for setting prior- ities on matters for the President's attention.	Set up system that ensures the proper information flow to the President's Office.	President needs to receive his papers in a way which helps him do his job better.	Review folder system and work flows in the office.	Мау
4.	Assistant support for President.	Job title may be Administrative Assistant to the President.	President's Assistant will serve as Office Manager.	Review job description and candidate profile with Secretar to the Managing Committee, PMD and President. PMD to provide short list of suitable candidat	1
5.	Secretarial Support for President.	One Secretary primarily to handle personal correspon- dence and calendar. Other secretary primarily to handle operational Bank' support.	Secretarial roles are not yet defined. More effective support to President if secretarial roles were defined.	Basic job description are under review by Office of the Preside	May nt.
6.	Secretarial Support for Assistant	Second Senior Staff Assistant in President's Office provides secretarial support to Assistant.	There are three secretarial positions. One secretary works for the Administrative Assistant to the President. One secretary works exclusively for the President; the third secretary may have major letter writing responsibility and handle all the mail; she will report to the Assistant for administrative purposes.	Finalize descriptions and work out primary task assignments.	Мау
7.	Files	Set up files which meet needs of President, Assistant to President and the Secretary to the Managing Committee. Retire old files.	Files need to be organized to provide easy retrieval of office staff. New files need to be set up for new subject areas.	Look at files.	Мау
8.	Review correspondence workload.	Shift some of correspondence work from Assistant's desk to secretarial desks.	Correspondence workload very heavy - greatly re- duces Assistant's time for other work.	Workload reviewed. Draft job descriptions of secretarial staff reflect correspondence redistribution. Ties in closely with 4, 5, and 6 above.	Мау
9.	Review automation opportunities for Front Office.	Automate calendar, follow up tracking and some typing. Use word processing equip- ment for Managing Committee work.	Increased revision work. Many tracking and indexing activities can be done better on WP equipment.	Train Staff Assistant to Secretary to Managing Committee and one of the Front Office secretaries. Ensure equip- ment arrives by end of April. Identify tasks which might be automated.	April/May

Mail Procedures

- 1. All incoming mail will be opened at one desk. Mail which has been misrouted to the President's Office will be rerouted and placed in the outgoing mail basket for the next pick up.
- 2. All remaining mail will be sorted into two broad categories:
 - a. documents placed in the appropriate reading files for the President and, when general distribution items, (e.g. Weekly Bulletin, Administrative Circulars, Credit Union Bulletins, etc.) placed in all staff's ...in-trays.
 - b. correspondence sorted into two sub-categories:
 - (i) correspondence handled outside the President's Office.
 - (ii) correspondence handled by President's
 Office staff.
- 3. For correspondence handled outside the President's Office the following guidelines should be followed:
 - a. correspondence will be entered into the correspondence log book with the appropriate information:
 - (i) date of correspondence
 - (ii) correspondent (appropriately described)
 - (iii) nature of correspondence
 - (iv) to whom sent
 - (v) date reply expected by
 - (vi) date reply received
 - (vii) date letter signed and sent

- 4. For correspondence handled by the President's Office the same log should be kept but in a separate section of the log book.
- The secretary responsible for mail handling should prepare the routing for all correspondence. If previous correspondence are cited in the new correspondence, the secretary will provide the necessary documentation to accompany it.
- 6. Correspondence which can be handled at either of the President's secretaries' desks will be so noted. All correspondence will then be given to the Assistant to the President for review and annotation, as required, before processing further. (NOTE: Over time the secretary responsible for mail handling will be familiar enough with the distribution patterns so that mail to be handled outside the President's Office can be routed directly by the secretary to the responsible party. For the time being, all correspondence should be given to the Assistant.)
- 7. The Assistant will review the correspondence, make appropriate annotations, and return all <u>but</u> the correspondence he will handle to the secretary for appropriate disposition.
- responsible for mail handling will follow up to ensure that correspondence are prepared in a timely fashion and involve the Assistant if problems occur, e.g. drafter not preparing timely response, response does not appear appropriate or style is not correct, etc., for further action by the Assistant.
- 9. Once correspondence has been prepared for the President's signature it should be logged in by the secretary and forwarded to the Assistant for final review and approval before being placed in the President's "for signature" folder.

(NOTE: All incoming correspondence as well as other necessary background information should be attached to the correspondence requiring the President's signature.)

10. Once the President has signed the correspondence, it should be logged out, mailed, and a copy placed in the Office's circulation file* for information to all staff.

* The circulation file becomes part of the chronological file once all staff have seen it. A circulation file should carry no more than 10 days of correspondence.

Job Description

Senior Staff Assistant

Office of the President

Under the general supervision of the Executive Secretary to the President and the Assistant to the President the Senior Staff Assistant will:

Duties and Responsibilities

- 1. Compose responses to correspondence addressed to the President.
- 2. Maintain calendar and schedule appointments and meetings.
- 3. Prepare daily and weekly agenda and provide the President with all necessary background materials.
- 4. Handle mail -- sorting, logging, distributing, rerouting, following up.
- 5. Maintain a variety of files.
- 6. Make travel arrangements.
- 7. Screen telephone calls, referring only the most important to the President and redirecting others to the appropriate official or providing assistance as needed.

Qualifications/Requirements

- Excellent English written and oral communication skills; (a test may be administered).
- 2. Excellent secretarial skills.
- 3. Excellent administrative skills.
- 4. Broad knowledge of the Bank's policies, procedures and protocol.
- 5. Ability to work under pressure.
- 6. Good interpersonal skills; ability to deal tactfully with personal contacts both within and outside the Bank.
- 7. High degree of initiative, judgment and discretion.
- 8. Knowledge of French and/or Spanish would be useful but not essential.
- 9. Effective public relations skills.

RM NO. 1531 (8-81)

THE WORLD BANK VACANCY ANNOUNCEMENT

SECTION II SECRETARIAL STREAMS

SITION TITLE:	Senior Staff Assistant	GRADE RANGE:	VACANCY NO.: 8112018
Office of the President		CLOSING DATE: December 30, 1981	
PERVISOR'S NAME AND TITLE: Mr. C. Lafourcade		VACANCY PERSONNEL OFFICER/ASSISTAN Myrna Gary	

UTIES AND RESPONSIBILITIES:

Under the general supervision of the Executive Secretary to the President and the Assistant to the President the Senior Staff Assistant will:

- 1. Compose responses to correspondence addressed to the President.
- 2. Maintain calendar and schedule appointments and meetings.
- 3. Prepare daily and weekly agenda and provide the President with all necessary background materials.
- 4. Handle mail -- sorting, logging, distributing, rerouting, following up.
- 5. Maintain a variety of files.
- 6. Make travel arrangements.
- Screen telephone calls, referring only the most important to the President and redirecting others to the appropriate official or providing assistance as needed.

JALIFICATIONS/REQUIREMENTS (INCLUDING DESIRABLE SKILLS, KNOWLEDGE AND ABILITIES):

- 1. Excellent English written and oral communication skills; (a test may be administered).
- 2. Excellent secretarial skills.
- 3. Excellent administrative skills.
- 4. Broad knowledge of the Bank's policies, procedures and protocol.
- 5. Ability to work under pressure.
- 6. Good interpersonal skills; ability to deal tactfully with personal contacts both within and outside the Bank.
- 7. High degree of initiative, judgment and discretion.
- 8. Knowledge of French and/or Spanish would be useful but not essential.
- 9. Effective public relations skills.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL FINANCE CORPORATION

Name			Room No.	
v 0.1				
Mr. Golsong				
cc: Managing Commit	ttee	members		
Mr. Wuttke				
To Mandle		Note and Fi	le	
Appropriate Disposition		Note and Re		
Approval	XX	Prepare Rep	oly	
Comment		Per Our Conversation		
Full Report Information		Recommendat	ion	
		Signature		
Initial		Send On		
Remarks 01:	ivier	Lafourca	de	

OCDE

OECD

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Téléphone: 524 90-70

Télégrammes : DEVELOPECONOMIE Télex : 620160 OCDE PARIS 2, rue André-Pascal, PARIS-XVI:

Comité d'Aide au Développement Le Président Development Assistance Committee
The Chairman

RP/82/6

20th January 1982

Dear Mr. Clausen,

During my first meeting in the chair of the Development Assistance Committee last week, several members expressed interest in finding better ways to encourage useful private investment, both indigenous and foreign, in developing countries. connection, questions were raised about the status of follow up to your initiative in reviving the idea of multilateral investment I recalled that Mr. Golsong and Ms. Boskey of the Bank staff last month had expressed interest in using the DAC forum to sound out the industrial countries on whether there was substantial interest in a multilateral insurance scheme. I said I would prefer to postpone such a discussion until the Bank or IFC had devised a complete new proposal which seemed likely to avoid the Otherwise such a pitfalls encountered by the IIIA a decade ago. DAC meeting might become the burial ground of your idea just as a DAC meeting led to the abandonment of the IIIA by Bob McNamara nine years ago.

I want to help you build support among the OECD governments if a promising scheme can be devised. To that end I offer some unsolicited advice:

- (1) Divorce this new proposal from U.S. sponsorship as much as possible; designate a non-U.S. executive of the Bank group to take on the tasks of consultation with member governments and public presentation of the proposal.
- (2) Don't make it dependent on new parliamentary action, especially new appropriations of capital in potential

../..

Mr. A. W. Clausen,
President,
The World Bank,
1818 H Street, N.W.

competition with support of the Bank's regular programmes.

- (3) Keep its requirements for reserves small by limiting it to marginal participation in risks, through reinsurance of national agencies or parallel insurance under-writing with them and with private under-writers; confine its under-writing to situations where multilateral insurance is critical to a positive investment decision.
- (4) Give the proposal a sharp distinction from IIIA by emphasising its service to the new breed of international investors the Brazilians, Indians, Koreans and other LDC businessmen whose money and talent should be put to work in developing countries, and its service to international pools of loan capital which can be channelled into long-term project finance through such a multilateral insurance programme.

These considerations have led me to prefer lodging the scheme in the IFC, which has charter authority to extend its existing programmes of support for private investment and which has existing authority to borrow from the Bank to establish the initial cash reserves. Under IFC auspices, the scheme could be presented by Mr. Wuttke as a logical elaboration of the IFC's services in support of private enterprise development. A very small cash reserve plus fee income on immature projects would suffice to leverage a very substantial growth in the insurance business - especially if the sort of marginal and selective participation indicated above is the operating principle - because losses would be negligible or non-existent.

I assume that the IFC's standard mechanisms for resolving disputes with member governments could be assumed for the extension of its programme to the field of investment insurance, thereby avoiding any need to wave the red flag of subrogation and international arbitration of such disputes, as might be advocated by international lawyers seeking to design a perfect scheme. This quest for perfection was one of the causes of the rejection of the IIIA by Latin American governments.

I hope these thoughts will be helpful and that I can be of some use in building support for your plan when it emerges.

Sincerely,

Rutherford M. Poats Chairman



January 15, 1982

Dear Fellow Staff Member:

As mentioned in previous communications, the Managing Committee is committed to improving overall management of the Bank and its programs. The Managing Committee was established last July largely for this purpose and to review and make decisions on all major managerial issues facing the Bank. Looking back on the first six months of experience, Managing Committee members have made good progress in building a cohesive decision-making team at the top management level of the organization.

The Managing Committee now believes it is time to start broadening senior management participation in the decision-making process. Toward this end, I am pleased to announce the establishment of three subcommittees to the Managing Committee for Finance, Operations Policy, and Personnel and Administration. Membership on these subcommittees will be comprised of selected Bank Vice Presidents and Department Directors representing a broad cross-section of functional areas and expertise. The subcommittees will be chaired by Messrs. Qureshi, Stern and Paijmans, respectively, who will serve to link the work of the subcommittees with that of the Managing Committee. Through subcommittee service, senior managers will apply their diverse experience, skills, and talents toward dealing with the complex challenges that lie ahead for all of us. Subcommittee membership will be reviewed periodically to permit rotation. Where there are issues that have an impact on any functional area not permanently represented on a subcommittee, the chairman will be responsible for ensuring that senior managers representing that area (e.g. Personnel, Legal) are invited to participate in all relevant subcommittee discussions.

Subcommittees will meet whenever necessary at the call of the chairman to review matters under their jurisdiction. Subcommittees will be responsible for ensuring that staff work brought to them is complete and coordinated, that management options are clear and unambiguous, and that recommended courses of action are well supported and presented.

Until further notice, regular membership on the three subcommittees will be comprised of the following senior managers:

Finance	Operations Policy	Personnel and Administration
Mr. Qureshi (Chairman)	Mr. Stern (Chairman)	Mr. Paijmans (Chairman)
All Financial Vice	All Operational	Mr. Gabriel, PAB
Presidents	Vice Presidents	Mr. Goldberg, LEG
Mr. Barletta, LCN	Mr. Vergin, PAB	Mr. Husain, AEN
Mr. Knox, WAN	Mr. Waide, DPS	Mr. Vogl, IPA
Mr. Scott, LEG)	Mr. Wapenhans, EAN
Mr. Wood, FPA	1:200	VPA Director concerned (by subject)
	Is now preumably	+ 1 = 3

some-one cho

Beneth?

by whom

Lynn (who worked as

Unus what

12/28

In addition, I am also pleased to announce that the Managing Committee has decided to establish a Senior Management Council comprised of all Bank Vice Presidents and the Director-General, Operations Evaluation. The Council will meet monthly to exchange ideas and views on emerging issues of particular concern to the Bank and Bank staff. IFC will be represented by its Executive Vice President, Mr. Hans Wuttke.

The new Senior Management Council will replace the former President's Council. From time to time, selected senior staff, other than Vice Presidents, may be invited to participate in Council discussions. The Council will permit discussion of selected issues by the Bank's most senior officers which will serve as a valuable resource to aid the Managing Committee in its decision making. I invite each of you to participate in this process through your Vice President by bringing to his attention issues and concerns appropriate for discussion on a Bank-wide basis.

Secretariat services will be provided by a new position to be established in the Office of the President entitled "Secretary to the Managing Committee and Senior Management Council."

Sincerely,

A. W. Clausen President

December 4, 1981

Mr. Clausen

IFC Merit Increases

The merit increase proposals for staff for all the Bank Vice Presidencies as well as IFC have been analysed and are being distributed to the Managing Committee today for consideration on Monday, December 7. The merit increases for senior staff will be the subject for discussion on December 9 and the analysis and proposals will be forwarded to you. The attached memorandum from Mr. Wuttke, which is addressed to you and deals principally with his view of his merit proposals for staff, is forwarded for your information.

Martijn Paijmans

Attachment

OFFICE MEMORANDUM

TO: Mr. A. W. Clausen

DATE: November 12, 1981

FROM: Hans A. Wuttke

SUBJECT: Merit Raises

Attached I am submitting to you my recommendations for the ${\bf P}$ and ${\bf Q}$ staff merit increases.

In order to give you the overall picture of what is being done for the rest of the IFC staff, the following are the preliminary figures for the A to O staff:

1) Distribution

Overall: Over 40% (16% last year) of the staff will receive (in percentage terms) raises less than the equivalent of the old "norm". Of these, more than 15% will get a raise of 1% of net salary or less. About 20% (50% last year) will receive the equivalent of the old "norm"; about 34% (36% last year), the equivalent of the old "above norm" raise. Approximately 10 persons will get a raise equivalent to 300% or more of the old "norm", with about 15 others getting more than 200% of the old "norm".

By Grade: High raises are distributed fairly equally among the professional and assistant level grades. The highest raise is at level "N" (8.2%) and the next highest (6.7%) at level "F". Of the secretarial/clerical staff, the highest performers (about 28%) cluster in the 3.5% to 4.5% range.

2) Budget

We expect to have money left over, probably in excess of \$25,000, or 8% of the total raise budget.

Minuer.

Attachment.

651

OFFICE MEMORANDUM

TO:

Managing Committee

DATE:

December 4, 1981

FROM:

Heribert Golsong, VPG

SUBJECT:

Yearly Merit Salary Review

I would like to draw to the Committee's attention that the system for the 1981 merit salary review has not been published to the staff so as to supercede the provisions of Personnel Manual Statement (P.M.S.) 4.01 and its annexes. Certain provisions of P.M.S. 4.01 and its annexes are inconsistent with the procedures which have been used in determining this year's merit increases. In order to minimize the risk of successful appeals by dissatisfied staff members, the existing Personnel Manual material, to the extent that it is inconsistent with the new system, should be revoked or amended before the merit increases are announced to the staff.

I understand that the Personnel Management Department, in consultation with my Department, is preparing a proposed manual circular for this purpose which will be issued before notices of increases are sent to staff.

RECEIVED

1981 DEC -4 PM 5: 17
OFFICE OF THE PRESIDENT

RECORD

THE WORLD BANK Washington, D.C. 20433 U.S.A.

Office of the President

July 27, 1981

Dear Fellow Staff Members:

I am pleased to advise you that, after consulting with numerous of our colleagues these past few weeks, a Managing Committee has been established for the purpose of providing overall guidance for and management of the Bank.

The Committee will have broad scope in its oversight activities and responsibilities. It will be involved in such aspects of Bank management as longer-term strategy formulation and planning. It will determine such nearer-term issues as program, budget and major processes. It will have the responsibility for determining changes in courses of actions, practices and policies that may be needed to assure that the Bank becomes an even more efficient and effective institution for economic development.

Those who will serve with me on this new Committee are Senior Vice Presidents Qureshi and Stern and Vice Presidents Benjenk, Chenery, Golsong, Paijmans and Thahane. This group of senior officers will meet at least once a week at the outset to set in motion those study groups and task forces which will be necessary for a focus on the challenges that confront us at the moment and for a determination of appropriate actions and strategies for the months ahead.

The already established Finance Committee and the Personnel Management Committee will become sub-committees of the Managing Committee.

The President's Council, whose membership includes a larger group of senior officers and alternate designees, will continue to meet weekly. The purpose of this Council is to provide a forum for the exchange and communication of views and ideas—and to give an opportunity for all senior officers (and in turn members of their staffs) to be fully informed of the current activities of the Bank and of the rationale for the strategies and actions which are being implemented.

Sincerely,

A. W. Clausen

by Spe. Menn b PAE and som madyscalmy Il a shi nd haps. Cd ju pl K yer hard at His her person grades of in that way?