



# **EVALUATION OF THE IMPLEMENTATION OF THE AfDB'S ONE BANK APPROACH**

**CONCEPT NOTE**

**June 2023**

## 1. Introduction

As part of its [2022-2024 work program](#) approved by the Bank's Board of Directors, Independent Development Evaluation (IDEV) is undertaking an evaluation of the implementation of the One Bank approach of the African Development Bank Group (AfDB or "the Bank"). Over the past two decades, successive strategy, policy and operational initiatives have sought to establish a One Bank culture across the institution.

One of the earliest definitions of the One Bank approach is given in the AfDB's 2011 annual report. It defines the One Bank approach as a holistic approach to meet the needs of the Bank's Regional Member Countries (RMCs), whose aim is to maximize the use of the Bank Group's resources, instruments, and competencies across financing windows, and engages both the AfDB's headquarters and its country and regional offices. More recently, the One Bank approach has become associated with the document "Delivering as One Bank - strengthening accountabilities for delivering quality and development impact in a matrix organization" of February 2020.

The purpose of this concept note is to propose a framework for the implementation of this evaluation. The rest of the concept note is organized into the following sections. Section 2 briefly discusses the background of the AfDB's One Bank Approach. Section 3 outlines the objectives and the scope and presents the evaluation questions. Section 4 discuss the methodology and Section 5 presents the evaluation team, external expertise needed and tentative timeline of the evaluation.

## 2. Background

The concept of One Bank appears in the annual reports of the AfDB for the first time in 2010. On the one hand, it stems from the interdependence of the Bank Group's two main financing windows (the ADB and the ADF)<sup>1</sup> and the importance of the One Bank concept highlighted by the simultaneity of the GCI-VI and ADF-12 exercises. On the other hand, the adoption in September 2010 of the "One Bank" Results Measurement Framework (RMF) to capture the aggregate contribution of the AfDB Group to development, rather than just that of ADF resources. Since that time, the Bank has implemented a number of institutional reforms and policies and undertaken a fine-tuning of its organizational structure.

In 2013 the Bank developed its second One Bank RMF (2013-2016). It is a corporate management tool that brings together evidence of the Bank's strengths and weaknesses so that Management can chart a course of action that helps the Bank implement its long-term strategy as effectively and efficiently as possible. The One Bank RMF made it possible to take into account the structural changes that took place at the AfDB between 2003 and 2013. Indeed, during this period the AfDB went from a centralized structure with offices in only eight countries, fewer than 1000 staff and an active portfolio of UA 8 billion to a decentralizing development institution with offices in 34 countries, more than 2000 staff and a portfolio valued at more than UA 22 billion. The current One Bank RMF covers the period 2016-2025.

In 2016 the Bank launched major reforms to deliver its Ten-Year Strategy (TYS) 2013-2022 more efficiently and effectively. In pursuance of this, the Bank decided to focus on five priority objectives, the "High 5s": Light Up and Power Africa; Feed Africa; Industrialize Africa; Integrate Africa; and Improve the Quality of Life for Africans. At the same time, the Bank redesigned its operational model, organizational structure, and pricing framework (together called the Development and Business Delivery Model, or DBDM). The DBDM focuses on five institutional pillars: (i) Move closer to the client to enhance delivery; (ii) Reconfigure Headquarters to support the regions to deliver better outcomes; (iii) Strengthen the performance culture to attract and maintain talent; (iv) Streamline business processes; and (v) Improve financial performance and increase development impact.

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<sup>1</sup> The AfDB Group includes the African Development Bank (ADB), African Development Fund (ADF), and the Nigeria Trust Fund.

In 2018, the Bank launched an independent evaluation of the implementation of its DBDM. The evaluation, delivered in June 2019<sup>2</sup>, noted that while the implementation of DBDM reforms had resulted in positive change, challenges remained in certain areas, notably in institutionalizing the working arrangements that underpin a One Bank organization. The strategic recommendations of the evaluation included: i) Place a stronger focus on change management; ii) Develop a plan outlining reforms and delivery dates that can be tracked easily; iii) Identify realistic timelines for implementing reforms; and iv) Adjust key performance indicators.

In response to the evaluation findings and recommendations, Management outlined the principles of a new One Bank organization in the Management Response to the evaluation<sup>3</sup>. Subsequently, the One Bank approach to business delivery was elaborated in the document “Delivering as One Bank - strengthening accountabilities for delivering quality and development impact in a matrix organization” circulated to staff in February 2020 and shared with the Board in March 2020<sup>4</sup>. The paper seeks to respond to the above-mentioned four strategic recommendations of the evaluation, as well as four of its 30 technical recommendations, namely: (i) Reaffirm the current and future functions, roles and responsibilities of Headquarters and of regional and country offices; (ii) Establish a clear and full understanding of the matrix organization structure and relationships, and what it entails in practice; (iii) Spell out and operationalize the One Bank principle, including its implications for the ways in which the Bank currently operates; and (iv) Consider the extent to which KPIs focused on approvals and disbursements are well balanced with KPIs focused on project quality, implementation and development results. It aimed to clarify and strengthen the operational arrangements that ensure that regions, sectors, and operational support staff operate seamlessly as One Bank.

The document spells out three guiding principles for the One Bank approach:

- **Quality.** In-depth technical knowledge and strong quality control strengthen the focus on the quality and impact of operations, led by the sectors with input from operations support departments.
- **Delivery.** Client-facing Business Delivery Units prioritize delivery of the shared work program in each of the Bank’s regions.
- **Joint accountability.** The different organizational units that contribute to delivering the work program are held accountable for the same objectives, ensuring the incentives for all to collaborate.

It also clarifies the organizational model (Business Delivery Units vs. Central HQ Units) and their roles and responsibilities related to the project life cycle and the management of resources. Finally, it identifies five workstreams to implement the One Bank approach (Figure 1):

1. **Business processes:** Alignment of business processes; revision of the Delegation of Authority Matrix and a new Presidential Directive on Operations Review and Approval Processes; an updated Operations Manual; and the WAKANDA program.
2. **People management:** Clarifying reporting arrangements and functional home departments; using existing tools to enable dual reporting; rightsizing and strategic staffing analysis; organizational finetuning; staff movements; and Talent Boards.
3. **Budget management:** Budget coefficients and training to support budget reforms.
4. **Tools for joint accountability:** Refined key performance indicators (KPIs) for organization-wide goals and objectives and cascading the KPIs; setting the annual work program; and Service-Level Agreements.

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<sup>2</sup> ADB/BD/WP/2019/116

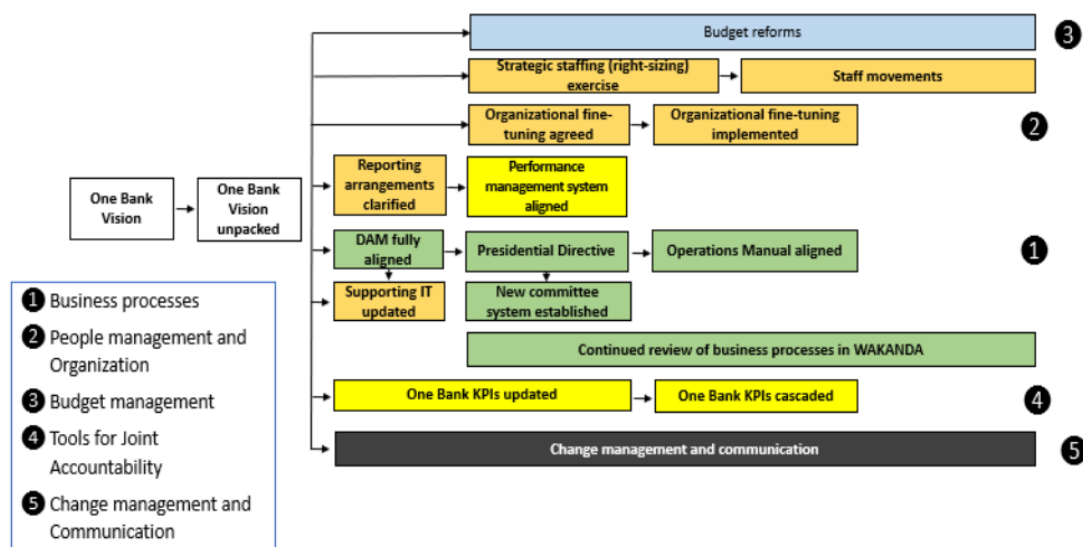
<sup>3</sup> ADB/BD/WP/2019/116/Add.1

<sup>4</sup> ADB/BD/IF/2020/70

5. **Change management and communication:** Communication; stakeholder engagement; risk management; and tracking progress of implementation.

Most of the actions were expected to be implemented in 2020.

**Figure 1: Five workstreams for implementing the One Bank approach**



Source: Delivering as One Bank: management’s report on progress implementing the One Bank Approach (ADB/BD/IF/2021/201)

In 2021, the Bank produced a report on progress achieved in implementing the “Delivering as One Bank” document.<sup>5</sup> It provided an overview of progress achieved during 2020 and 2021 in carrying out activities aimed at consolidating the One Bank approach to business delivery.

This concept note provides the proposed evaluation objectives, scope, questions, methodology, team, and timeline for the implementation of the evaluation of the Bank’s One Bank approach. This concept note will inform initial consultations with the relevant Bank complexes and departments to pave the way for the development of a more elaborate Approach Paper.

### 3. Evaluation objectives, scope, and questions

**Objectives and scope of the evaluation:** The main objective of this evaluation is to provide useful findings and lessons for Management and Board regarding the implementation and success or otherwise of the One Bank approach. To do this, the evaluation will assess the extent to which the Bank's actions under the five workstreams identified by Management in response to the 2019 evaluation have contributed to the implementation of its One Bank approach.

**Evaluation Questions:** To deliver on the above objectives, the evaluation will address the following five main evaluation questions:

1. To what extent are the actions under the five workstreams aligned (or provide additional value) with the institutional context (strategies, culture, etc.) of the AfDB? To what extent were they relevant to addressing the shortcomings identified by the DBDM evaluation?

<sup>5</sup> Delivering as One Bank: Management’s report on progress implementing the One Bank approach in 2021 (ADB/BD/IF/2021/201).

2. To what extent are the five workstreams coherent with other reforms processes ongoing in the Bank, such as decentralization and various HR reforms?
3. To what extent have the actions under the five workstreams been implemented as planned?
4. To what extent have the actions under the five workstreams achieved their intended short-term and longer-term effects, notably promoting behavior change, increasing the Bank Group's capacity to deliver on its objectives as One Bank, and addressing the shortcomings identified by the DBDM evaluation?
5. What are the main factors that facilitated or impeded the implementation of the actions under the five workstreams, and their achievement of the intended results?
6. What are the lessons to improve the effectiveness and efficiency of the delivery of the One Bank approach?

In answering these questions, the evaluation will place particular emphasis on the three guiding principles of the One Bank approach of **delivery, quality and joint accountability**.

In addition to the questions above, the evaluation will also cover other relevant aspects of One Bank approach that may emerge as important from stakeholder consultations during the inception phase.

**Evaluation audiences:** The audience for this evaluation includes the Board of Directors, Bank management and staff, RMCs; private sector beneficiaries, regional bodies, and civil society in RMCs; and other development partners and collaborators.

#### **Coordination with other ongoing evaluations**

The evaluation of the One Bank approach will focus on the actions taken by the Bank and the processes put in place to strengthen the Bank's capacity to deliver as a single entity. However, the One Bank approach is closely related to other ongoing IDEV evaluations, namely those of the Bank's Decentralization, Human Resources Management (1 and 2) and the Comparative Study of Multilateral Development Bank Operating Models. To avoid overlap and ensure a clear delineation of scope, this evaluation will coordinate with these. For example, questions related to revision of the Delegation of Authority Matrix (workstream 1) and staff movements (workstream 2) will be covered by the Decentralization evaluation; likewise; questions related to rightsizing and strategic staffing (workstream 2) will be covered by the HR2 evaluation. The Comparative Study will examine the matrix model more generally. These evaluation products will inform the One Bank evaluation on specific issues, and vice versa.

## **4. Methodology**

This evaluation will be designed to ensure that any findings, lessons, and recommendations are based on a robust foundation of evidence to help shape the future response and improve the implementation of the AfDB's One Bank approach, with a focus on learning.

This will be a **process evaluation** to determine whether (and to what extent) the five workstreams and concrete actions stipulated in the Management's response to the 2019 evaluation and the "Delivering as One Bank" document have been implemented. As a starting point, the evaluation will look at the Management Report on progress implementing the One Bank Approach submitted in 2021, establish what else has been achieved since then and how processes to deliver as One Bank can continue to be strengthened.

The evaluation will use a multi-level, mixed methods approach to triangulate information, reduce biases, and confirm findings: literature review, desk review, interviews, questionnaires, focus group discussions, feedback sessions with governments and AfDB staff (in headquarters and business delivery units and country offices), and specific country case studies. Finally, the benchmarking study

to be conducted by the ongoing Comparative Study of Multilateral Development Bank Operating Models will also provide information on the One Bank approach of comparator organizations.

## 5. Team, Resources and Tentative Timeline

The Bank’s One Bank approach evaluation will be led by Eric KERE, Senior Evaluation Officer, and Mohammed Jalaludeen ISSAHAQ, Principal Evaluation Officer. They will be supported by Leticia TAIMO, Senior Evaluation Officer and Jeannot NGOULMA, Evaluation Consultant. The Internal Peer-review team will comprise of Joseph MOUANDA, Chief Evaluation Officer, Andrew ANGUKO, Chief Quality and Methods Advisor, Girma KUMBI, Chief Evaluation Officer, and Oswald AGBADOME, Principal Evaluation Officer. Jacqueline NYAGAHIMA, Principal Knowledge Management Officer, will lead knowledge management and communications, supported by Olive BONGA, Communication Consultant, while overall guidance will be provided by Madhusoodhanan MAMPUZHASSERIL, Division Manager, IDEV.2 and Karen ROT-MUNSTERMANN, Evaluator General. Parfait KOUASSI, Team Assistant, will provide administrative support. The evaluation will also benefit from a high-level external peer review by established academic and/or professional institutions/bodies.

The work will require a team of highly qualified consultants in a reputable consulting firm to support the data collection and analysis phase, culminating in the Technical Report. The general requirement and experience of the firm would include significant expertise in i) organizational development, ii) design and performance of international financial institutions and their role in global governance, and iii) AfDB strategies, policies, processes and operations.

The estimated timeframe for the conduct of the main evaluation activities is 12 months. The main activities are expected to begin from June 2023. The table below presents a tentative estimate of timeline for delivery.

**Tentative timeline**

<b>Milestones</b>	<b>Completion date</b>
Preliminary Consultations	June 2023
Set up the Evaluation Reference Group	June 2023
Final Concept Note	July 2023
Consultations with key stakeholders (scoping)	July-September 2023
Approach Paper	end September 2023
Consultant procurement and contracting	October 2023
Team mobilization and commencement of work	November 2023
Data Collection	November-December 2023
Presentation of Preliminary findings and additional stakeholder consultations as necessary	February 2024
Final Technical report	March 2024
Final Summary Report	May 2024