



COLLABORATIVE AFRICA BUDGET REFORM INITIATIVE (CABRI)



BUILDING PFM CAPABILITIES IN AFRICA 2017

CHANGE MANAGEMENT TEAM SIERRA LEONE

Team Members

Matthew Dingie (Director of Budget)	- Authorizer
Lauratu Johnson (Assistant Director)	- Leader
Dr. Joseph Thullah (Principal Economist)	
Sheila Max-MacCarthy (Head FMA)	
Jacob Tenga Sessie (Senior Budget Officer)	
Gbessay E. Swaray (Senior Budget Officer)	
Ibrahim M. Bangura (Ag. Head CMU)	
Danielle Serebro (CABRI)	- Coach
Johan Krynauw (CABRI)	- Coach

Presentation Outline

1. Problem Statement/Entry Point
2. Original Fish Bone
3. Key activities and stakeholders involved from June to December
4. Progress made so far
5. Lessons Learnt and Challenges
6. Expectations going forward
7. Conclusion - Input from Authorizer

Problem Statement/Entry Point

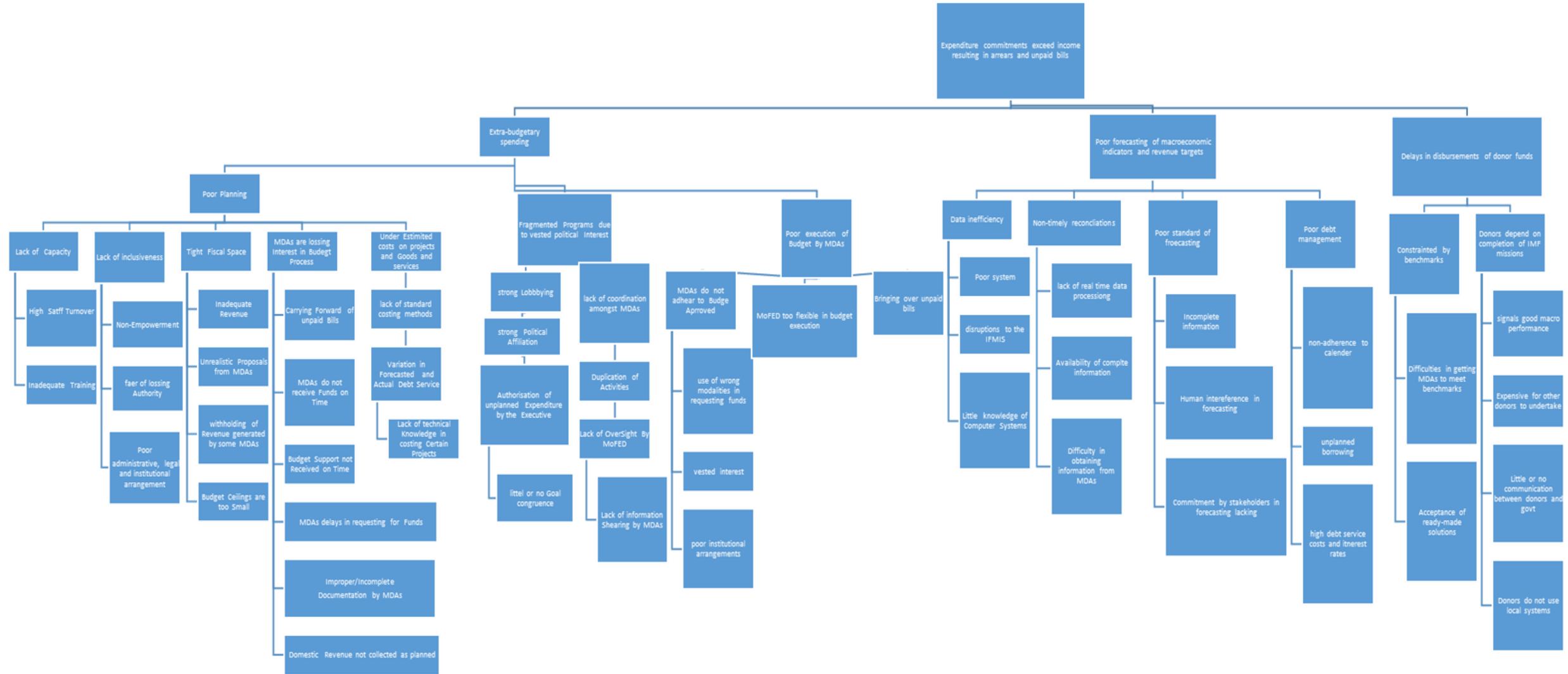
**EXPENDITURE COMMITMENTS EXCEED
TOTAL INCOME ENVELOP RESULTING IN
UNPAID BILLS AND ARREARS**

Entry Point

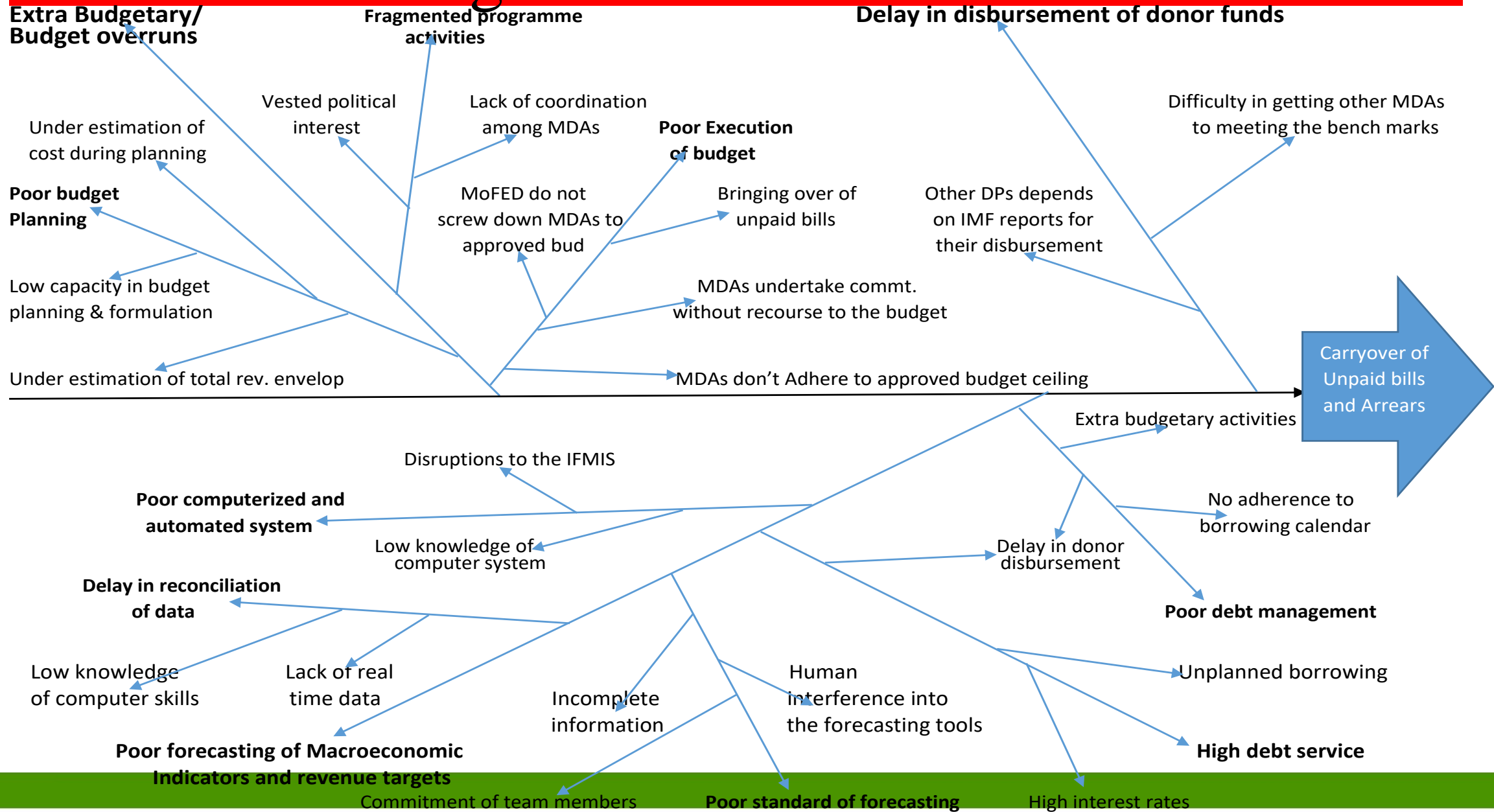
The Three Main Causes Identified:

1. Extra Budgetary Activities and Budget Overruns
 - **Poor Budget Planning**
 - **Low Capacity in Budget Planning and Formulation (Entry Point)**
2. Delay in Disbursement of Donor Funds
3. Poor Forecasting of Macro-economic Indicators and Revenue Targets

Original Fish Bone



Original Fish Bone Cont..



Key Activities and Stakeholders Involved Jun-Dec

No.	Task	Objective	Timeframe	Stakeholders
1	Presentation of Concept Note including the Fish Bone to the Minister and Senior Management of the Ministry of Finance and Economic Development	To obtain authorization to look into the problem and find ways in solving it	21 - 30 June 2017	Authorizer, Minister, Financial Secretary and Senior Management Team of Ministry of Finance and Economic Development (MoFED)
2	Informed MDAs through Budget Call Circular that Change Management Team will be part of their budget planning process.	Enable MDAs to allow the Change Management Team to help them with the technical budget planning exercises	28 June 2017	Financial Secretary and Authorizer
3	Meeting with Selected 10 MDAs with persistent budget overruns (Defence, Health, Education, Foreign Affairs, Finance, Police, Correctional Services, Environmental Protection Agency, Agriculture and Transport)	Further insight, perspective and causes of MDA's extra-budgetary activities and budget overruns.	11 July 2017	Budget Committee Members of the 10 MDAs (Vote Controllers - Chairman, Programme Managers, Budget Officers – secretary and other relevant officials)
4	Monitoring of the 2nd Half of FY2017 budget performance by the use of specialised template	To minimize budget overruns and or extra-budgetary activities	July 2017 to Date	Authorizer, Budget Officers, Change Management Team

Key Activities and Stakeholders Involved Jun-Dec

Budget Performance of the Pilot MDAs (FY2012 -FY2016)

No.	MDA	FY2012			FY2013			FY2014			FY2015			FY2016		
		Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
128	MFAIC	16,644	19,153	(2,510)	15,670	25,954	(10,285)	27,828	34,678	(6,850)	25,084	29,842	(4,759)	24,225	41,238	(17,012)
129	MoFED	10,124	19,428	(9,304)	11,580	27,352	(15,772)	22,750	24,524	(1,774)	29,577	54,601	(25,024)	26,594	54,092	(27,498)
201	MoD	57,020	57,889	(869)	65,298	63,298	2,000	70,615	106,979	(36,364)	81,113	78,843	2,269	85,757	162,737	(76,980)
206	SLP	34,160	38,723	(4,563)	58,400	60,045	(1,645)	67,627	73,295	(5,668)	72,844	67,844	5,000	72,544	83,544	(11,000)
207	SLCS	9,800	15,954	(6,154)	15,290	21,798	(6,508)	25,706	29,279	(3,573)	37,027	44,886	(7,859)	32,322	55,323	(23,002)
301	MEST	84,361	135,275	(50,914)	136,980	146,768	(9,788)	168,916	171,753	(2,837)	257,614	168,674	88,940	209,991	262,851	(52,860)
304	MoHS	30,199	49,524	(19,324)	38,968	36,670	2,298	71,314	73,802	(2,488)	74,007	51,665	22,342	91,856	114,837	(22,981)
401	MAFFS	20,974	26,256	(5,282)	24,500	19,298	5,202	32,075	33,821	(1,746)	45,876	16,679	29,198	51,083	54,530	(3,447)
404	MTA	4,149	3,551	598	3,280	6,695	(3,415)	12,630	19,666	(7,036)	13,648	48,529	(34,881)	18,197	90,618	(72,421)
420	SLEPA	602	517	85	700	-	700	145	-	145	28	-	28	-	-	-
Total		268,033	366,269	(98,236)	370,666	407,878	(37,213)	499,606	567,798	(68,192)	636,817	561,564	75,254	612,568	919,770	(307,203)

Engagement with the Pilot 10 MDAs



Cont.

No.	Task	Objective	Timeframe	Stakeholders
5	Introduction of Electronic PETS Form 1 (Designed by MoFED), Budget Performance Template (Designed by MoFED) and Real-time Budget Performance Software (Tableau)	Minimize budget overruns and extra-budgetary activities	July 2017 to Date	Authorizer, Budget Officers, Change Management, DFID Consultant
6	Met with MDAs Budget Committees and Other Stakeholders during budget planning process	<ol style="list-style-type: none"> 1. Ensure all programme managers, vote controllers and relevant officials participate in the budget planning process. Ensuring programme managers activities were included in the budget submission to MoFED. 2. Assist in preparing the costed strategic plans by the use of the costing templates 	3 July – 11 August 2017	Budget Committee Members of the 10 MDAs (Vote Controllers - Chairman, Programme Managers, Budget Officers – secretary and other relevant officials)
7	Policy Hearing and Budget Discussions (Change Management Team participated fully)	<ol style="list-style-type: none"> 1. Ensuring minutes of Budget Committees Meetings, Costed Strategic Plans, Deliverables etc are part of the MDAs submission, 2. Ensure all programme managers participated in the budget planning. 	14 August – 1 September 2017	Budget Committees, MoFED Staff including Change Management Team, NSA, DBOCs, DPs, Civil Society Members

Engagement with the Ministry of Defence



Engagement with Foreign Ministry



Engagement with Ministry of Health



Key Activities and Stakeholders Involved Jun-Dec

No.	Task	Objective	Timeframe	Stakeholders
8	7 (Seven) Check - in by Phone by our Coach(es)	To keep Team focused and motivated in solving our problem	May – November 2017	Change Management Team, CABRI Team and Harvard University Team
9	Country Check -in Freetown by Neil Gary Cole and Danielle Sherebro			
10	Country Check -in Freetown by Danielle Sherebro and Adil			
11	Check -in by Matt Andrews (Discussed what we have done so far and advised to present to him data of the 10 MDAs per programme, activities etc. to actually see the problematic areas)			
12	Submitted 66 Personal Assignments and 18 Group Assignments			
13	Feedback from the MDAs we worked with.	To get Impact of the work done using PDIA Techniques	1 December 2017	Ministry of Foreign Affairs, Defence and Sierra Leone Police

In Country visit by CABRI



In Country CABRI visit - Parliament



Achievements

1. The Ministers and Senior Management of MoFED buy-in the idea of PDIA
2. Succeeded in bringing together all members of the Budget Committees including Programmes Managers in a MDA in the budget formulation process
3. Training of Budget Committee Members in the use of Budget Formulation Template

Cont. Achievements

4. Deployed Budget Officers in various MDAs to help with the budget process
5. Including the work of Change Management Team in the Budget Call Circular to help the MDAs in the budget formulation process
6. Developed real time Budget Performance Monitoring Software for monitoring of budget execution
7. Developed Electronic MTEF PETS Form 1 to be used for requesting and processing of MDAs allocation

Cont. Achievements

8. Reduced the stock of committed obligations at Accountant-General as at 31st October, 2017 by 46%

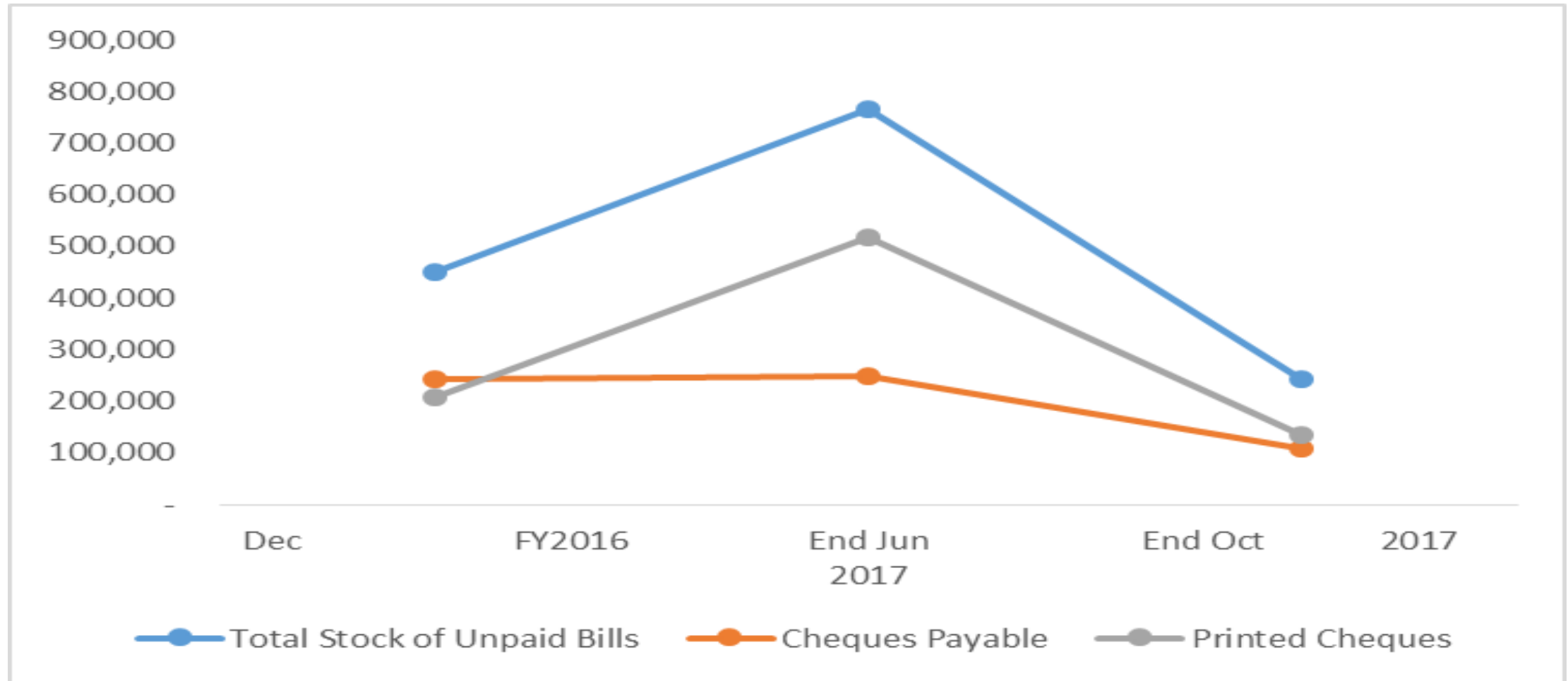
Analysis of Stock of Unpaid Bills as at End October 2017 at Accountant General

In Millions of Leones

Details	Dec FY2016	End Jun 2017	End Oct 2017	Decrease in Unpaid Bills (Dec 2016 - Oct 2017)	Percent Decrease
Total Stock of Unpaid Bills	450,979	765,451	241,782	(209,197)	-46%
Cheques Payable	243,043	247,260	107,443	(135,600)	-56%
Printed Cheques	207,936	518,192	134,339	(73,597)	-35%

Cont. Achievements

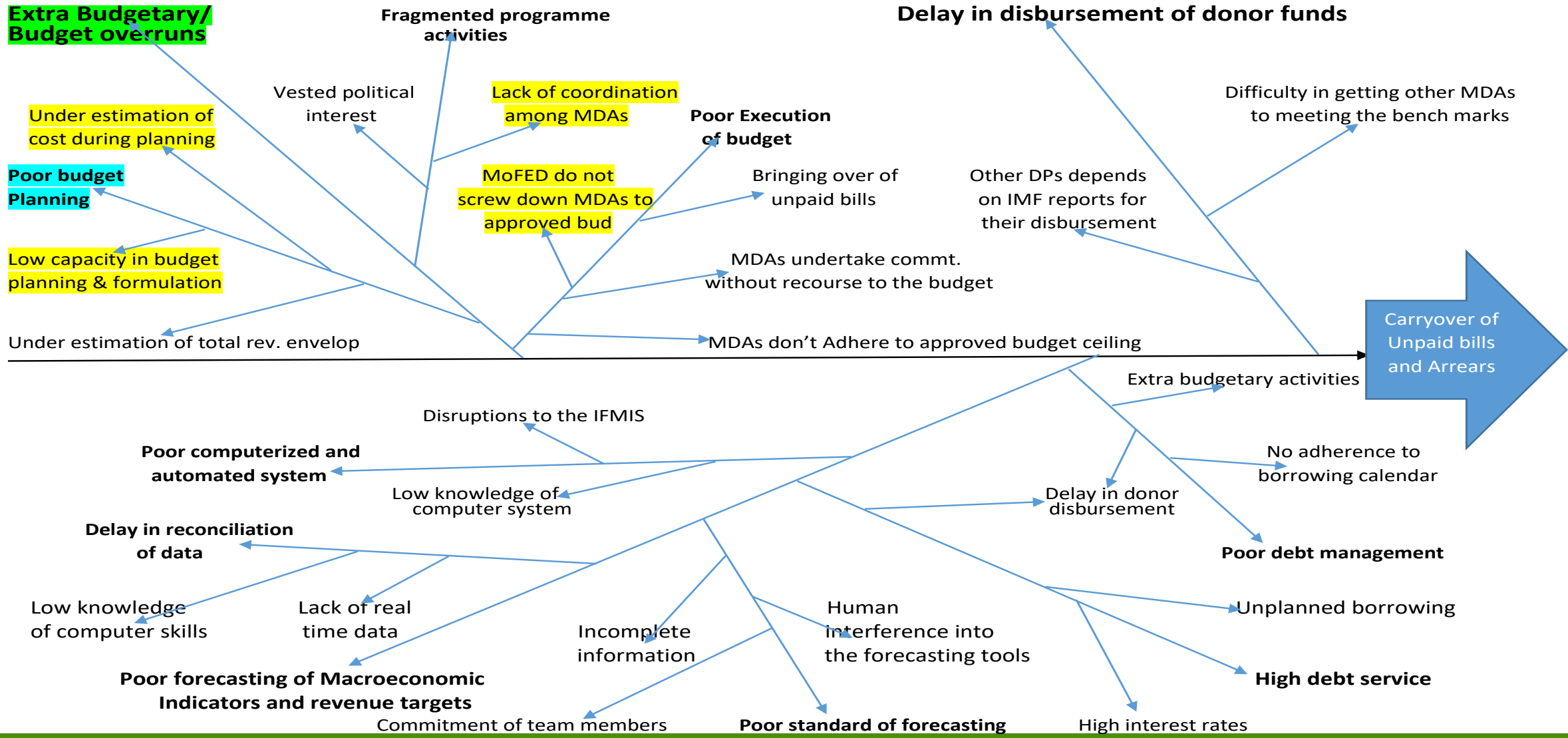
Graphical Presentation of the Unpaid Bills



Cont. Achievements

9. Change Management Team created the awareness to all MDAs the negative effect of carryover of huge unpaid bills as a result of budget overruns and extra-budgetary activities.
10. Keeping and working together as team.
11. The enthusiasm of Government of Sierra Leone to become an official member of CABRI

Revised Fish Bone



Lessons Learnt

1. We learnt to respect the views of team members as we work together in achieving our objectives.
2. We learnt to identify and solve our problem using the PDIA approach (All problem has solution)
3. We were able to tap into the ability of other team members.
4. Using data in telling stories to solve problems is really key in the work we did.
5. The PDIA exercise increases the ability to manage Time in the midst of other task or duties
6. Working within authorized environment increases your ability to do more

Lessons Learnt

7. The check-ins by our Authorizer, CABRI and Havard teams motivated the team and kept us focused

Challenges

1. Political support and commitment – how do we get Cabinet Ministers on board
2. Improve the IFMIS infrastructure – how this will support the rollout of the Electronic PET Form 1
3. Some programme managers stay across the country, bringing them together is a challenge
4. Financial and other logistics – continuous training programme

Expectations

1. The full impact of the work of Change Management Team Sierra Leone would be felt in FY 2018
2. The work the Change Management Team has been incorporated into the New PFM Strategy (2018-2022) – implementing the PFM strategy will help achieve the objective of the PDIA and other related PFM indicators
3. The activities of Change Management Team would continue in the rest of the MDAs
4. Quarterly review and report on FY2018 budget execution to minimise budget overruns
5. The Medium Term Revenue Management Strategy recently adopted by Cabinet will help address the issue of tax waivers and other challenges impeding revenue predictability

Conclusion

- In conclusion, Change Management Team will continue to work in solving our problem.



Conclusion – Authorizer's Comments

- Strong Team Work and Collaboration – Team members are quite au fait with the issues and ready to make an impact
- Periodic Review of the Teams work and giving them guidance
- Group brain storming sessions to chart out new strategies in tackling the problem
- On-going engagements with all relevant stakeholders and how to widen the scope of participation
- Policy Makers Vs Their Subjects in the change management process

THANKS FOR YOUR
ATTENTION