



ASSESSMENT OF MSF INTERNATIONAL REMUNERATION SYSTEM (IRP2)

September 2017

EXECUTIVE SUMMARY VERSION

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EXECUTIVE SUMMARY

In July 2014, MSF introduced and implemented a new compensation and benefits system for international field staff. This new system, known as the International Remuneration Project 2 (IRP2) aimed to recruit, retain, and motivate staff, with a focus on coordinators, medical specialists, and people with a humanitarian motivation.

The goal of this evaluation is to better understand to what extent the system is relevant, appropriate, effective, and connected, and to make recommendations for adjustments to the system if and when appropriate.

Findings	Recommendations
Relevance	
<p>The profiles mentioned in the objectives largely align with the current needs of the organisation (competent coordinators, medical specialists, and people with a humanitarian motivation), though this is not complete and the required profiles are changing.</p> <p>The overall objectives of MSF's compensation and benefits system (to attract, motivate, and retain international staff) are disconnected from the system in its current state as it is not relevant to attract and motivate staff through compensation and benefits.</p>	<p>Alter the objectives of the compensation and benefits system, such as "MSF's Total Rewards Package aims to attract and retain a diverse workforce with humanitarian values and the necessary skills to best serve operations and beneficiaries; to retain and reward current staff; and to recognise the value staff bring to the organisation".</p>
Effectiveness & Appropriateness	
<p>There are currently no indicators which can prove or disprove the effectiveness of the system.</p> <p>Compensation and benefits are not a significant factor in attracting individuals to join MSF nor motivating staff while on mission. However, C&B may discourage staff from joining and demotivate staff while on mission.</p> <p>IRP2 is not appropriate in contributing to retaining staff. The salary appears to contribute to staff attrition. However, the benefits are generally perceived as adequate.</p> <p>Different staff groups (profiles and demographics) have different expectations and needs regarding the compensation and benefits system, and the system impacts staff differently.</p> <p>The system is not flexible and adaptable enough to meet MSF's HR needs.</p>	<p>Set clear system objectives, define key concepts, link key indicators of success, establish targets, and develop a data collection plan.</p> <p>Conduct a thorough analysis and discussion (including at the associative level) of what salary means to the organisation in order to align policies, practices, and processes.</p> <p>Consider ways to further simplify the system to make it easier to communicate, understand, and implement.</p> <p>Establish mechanisms for the system to proactively adapt to changing needs, specifically operational needs regarding required profiles and the individual needs of staff.</p>
Connectedness	
<p>The IRP2 system and its underlying principles suffer from a poor perception mostly due to using domicile as a policy to determine salaries, which is viewed as unfair, inequitable, and even discriminatory. Additionally, the IRP2 system is not well understood.</p>	<p>Focus on three areas to help improve the climate of justice and equity within the organisation; these are: decoding organisational values; balancing employer and employee perspectives; and measuring effectiveness.</p>
Beyond IRP2	
<p>International staff compensation and benefits does not function in isolation; they are part of a wider system.</p>	<p>Have an open discussion regarding compensation and benefits within MSF from a global perspective, considering the possibility of significantly changing the structure of the system.</p>

Although there are many positive aspects to the C&B system, the evaluation reveals interesting findings in terms of how the C&B system performs regarding attracting, motivating, and retaining human resources. The current system falls short of meeting the needs of the organisation and proves inappropriate in some respects. The evaluation also finds that the system suffers from a poor perception and a lack of understanding. However, now is an opportune time to make substantive changes to the system in order to ensure it meets the needs of MSF as it changes and evolves.

In addition to the main findings and recommendations, which are summarized above, below are additional aspects of the C&B system, which are helping or hindering it from reaching its objectives.

Helping

- + The C&B rests within a Total Rewards Package framework which provides an employee value proposition that complements the compensation and benefits.
- + The recognition of increased responsibility for managers through salary scales may encourage some staff to stay with MSF.
- + There have been efforts to simplify the system and address concerns, such as providing pension schemes to all NCR staff and introducing the Global Grid.
- + Harmonisation has been achieved in some aspects of the C&B system.
- + The segmentation of contracts (vocationer, LTA, intermissioners) is a step towards better career stability for some staff.
- + MSF International recently hired a communications specialist.
- + MSF has made a commitment to review the reward principles with wide participation from staff and the associative.

Hindering

- The objectives of the IRP2 system are stated differently in different documents.
- Communication has focused on C&B while not emphasizing the intangible rewards of the Total Rewards Package.
- The somewhat narrow objectives of the IRP2 that specify medical specialists and coordinators may not serve the organisation well.
- Benchmarking exercises based on market data may not be appropriate in countries with lower-income economies.
- The lack of health insurance for non-accompanying dependents is an issue for some staff.
- Vocationer and LTA contracts have been underutilised.
- The loyalty bonus and salary bands/levels do not appear to encourage retention.
- Inter-sectional decision-making makes the system slow to change.
- The complexity of the system makes it difficult to communicate, explain, and administer.
- The practical applications of the rewards principles (most notably regarding equity) are contentious.

The findings of the evaluation are the result of extensive data collection, including a survey of international staff (5,122 respondents), an in-depth questionnaire (35 respondents), interviews (75 key informants), data mining (through MSF Luxembourg), and document review. Key documents reviewed included the MSF International report “MSF – External market data for the IRP2 Evaluation” (prepared specifically to complement this report), End of Mission Survey reports, “Improving retention of medical profiles and staffing of medical coordination positions,” and many others. A main limitation of the evaluation is that some key data is missing, primarily information regarding performance indicators and gaps in profiles.

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