

Appeal 2004



International Federation
of Red Cross and Red Crescent Societies

FINANCE TRAINING

Appeal no. 01.96/2004

The International Federation's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. The Federation is the world's largest humanitarian organization, and its millions of volunteers are active in over 180 countries. All international assistance to support vulnerable communities seeks to adhere to the Code of Conduct and the Humanitarian Charter and Minimum Standards in Disaster Response, according to the SPHERE Project.

This document reflects a global programme and related activities to be implemented in 2004, and the related funding requirements. For further information concerning programmes or operations in this or other countries or regions, please also access the Federation website at <http://www.ifrc.org>

Click on figures below to go to the detailed budget

	2004 (in CHF)
Coordination and Implementation	464,705
Total	464,705¹

Context

One of the Federation Secretariat's key strategic objectives for 2004-2007 is to ensure that its 'systems and processes are continuously improved to support the implementation of [its business] objectives and the *Strategy for Change*.' An important element of the *Strategy for Change* is the decentralisation of management authority and accountability so as to improve the quality of programmes in favour of vulnerable people and the support the Secretariat provides to national societies. This decentralisation will transfer almost complete responsibility for programme design, planning, management, monitoring, evaluation, and reporting to its field structure, requiring increased financial skills from programme managers in national societies and Federation delegations.

In order to achieve these objectives, the Federation developed an ambitious finance training programme targeted at programme managers in national societies and delegations. The course focuses on:

- financial planning;
- providing high quality financial reporting to donors;
- promoting clear and speedy internal reporting;
- improving financial information and systems; and
- developing personnel in all regions through appropriate financial training.

¹ USD 360,018 or EUR 298,471.

Background and achievements/lessons to date

In its review of the Federation's financial management systems, which took place in September 2003, the British Department for International Development (DFID) recognised the progress made by the Federation since 2002 in decentralising its structures:

“The review found that recent changes in Federation financial management systems, which have involved a considerable degree of decentralisation, appear to have resulted in definite improvements. In particular, the introduction of the budget holder concept has given those who manage programmes greater freedom to manage their spending as well as enabling them to take more control over the generation of income for their programmes.”

The role of financial training in supporting this decentralisation process is essential, as it explains the concrete steps of daily financial management to participants, describes the implications of the new procedures, and gives them the tools to find the information needed thanks to the newly developed and more efficient financial tools. This support role to the *Strategy for Change* gives the Finance Training programme its global dimension as it facilitates change throughout the entire organisation.

First established in the second half of 2002, and following a successful testing phase, the Finance Training programme began full implementation in January 2003. Since then, 17 training sessions have taken place around the world, with a total of 260 participants from 22 operating national societies. Over the same period, 19 training sessions were organised in Geneva for 211 participants, including seven induction courses for new Federation delegates, bringing the total number of trained participants to 471 for the three first quarters of 2003 and to 610 since the programme started. In addition, individual briefing sessions were organised in Geneva for heads of delegations and finance delegates.

A vital goal of the Finance Training Global Programme is to establish a sustainable base of finance staff able to train national society and Federation programme managers in the future, thereby contributing to the financial capacity building of national societies. In addition to the basic training, 25 finance staff from every part of the world took training of trainers (ToT) courses in 2003. By selecting trainers from all regions, the goal is to anchor financial knowledge regionally and locally, and use the proximity of participants and trainers to make the training more relevant. Following the first two finance ToT workshops, three sessions have been co-facilitated by the newly-trained finance staff and one has been fully organised by two new finance trainers.

Although Global Programme funding only provided for one trainer in 2003, the efficient use of resources allowed the programme to achieve 70% of its objectives for the year. The overall satisfaction rate of the training by participants was exceptionally high, and there is a resulting high demand for these workshops. If sufficient funding is secured in 2004, the programme will be able to meet all of its targeted goals by the end of the year, with two full time trainers covering all financial training needs in the field.

Programme Goal: to optimise the use of financial resources to address the needs of the most vulnerable.

Programme Objective: to improve the financial skills of programme managers in national societies and delegations.

Expected programme result 1; and related projects for this objective: delegates and heads of delegations will have a clear understanding of their roles and responsibilities in the area of financial management, as well as the ability to use the standard financial tools.

- Newly recruited and assigned delegates will attend a half-day induction course covering the following areas:
 - ✓ financial planning,
 - ✓ budgeting,
 - ✓ managing income and expenditure, and
 - ✓ donor reporting.

A session on the Financial Monitoring and Reporting system (FMR), which is the most frequently used financial tool in the field, will also be included in the training course.

- All heads of delegations will be given one-to-one briefing on financial management with a hands-on FMR session.
- All finance delegates will be given briefing on the training programme and its content.

Expected programme result 2; and related projects for this objective: delegates, local staff, heads of delegations and programme managers of national societies working with Federation funding will be able to manage their programmes in line with Federation procedures.

An important feature of the Finance Training programme is the increasing participation of national society programme managers. In 2003, training targets were set at 20% for national society programme managers, 40% for delegates and 40% for local Federation employees. In 2004, 40% of all participants will be national society programme managers, 30% will be local staff, and 30% will be Federation delegates. The newly-established network of finance trainers and the development and roll out of a new finance module - designed specifically to meet the needs of national society participants – will contribute to meeting this target. This national society finance module will be developed with in collaboration with the Organisational Development Department and a supporting national society.

In addition:

- training sessions will take place in Federation delegations with the support of the Regional Finance Units (RFUs) who will contribute to both the content and presentation of the training modules. Training sessions will follow the model established in 2003, consisting of a three-day interactive workshop with case studies and hands-on exercises on current financial management tools. The target for 2004 is to deliver or supervise 16 workshops per trainer for two trainers. The participants will be local employees, delegates and programme managers from national societies.
- material for the financial training modules will be sent to RFU's on a regular basis to be used as training material for local training. Key training modules will be posted on FedNet (the Federation's extranet) and will be regularly kept up to date.

Expected programme results 3; and related projects for this objective: financial staff will be able to disseminate financial knowledge and experience in delegations and national societies to improve financial skills in the field.

- finance staff who have been trained as financial trainers will deliver training sessions locally with the help of the finance training programme, a target of 10 sessions has been set for 2004.
- an additional 10 finance staff will be identified within the RFU's and among local finance personnel to become finance trainers and thus increase the local availability of financial trainers.

Expected programme results 4; and related projects for this objective: Emergency Response Units (ERUs) and Field Assessment and Coordination Team (FACT) members will be prepared to work with the financial aspects of an emergency before leaving on mission.

Special sessions on financial management in emergency situations will be offered to national societies organizing ERU workshops, to increase financial skills and understanding. The same offer will take place for FACT workshops. Approximately four requests for training in emergency situations are expected in 2004.

The PPP document for this appeal is available upon request.

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BUDGET 2004

PROGRAMME BUDGETS SUMMARY

Appeal no.: 01.96/2004

Name: Finance Training

PROGRAMME:

	Health & Care	Disaster Management	Humanitarian Values	Organisational Development	Coordination & Implementation	Emergency	Total
	CHF	CHF	CHF	CHF	CHF	CHF	CHF
Shelter & construction	0	0	0	0	0	0	0
Clothing & textiles	0	0	0	0	0	0	0
Food	0	0	0	0	0	0	0
Seeds & plants	0	0	0	0	0	0	0
Water & Sanitation	0	0	0	0	0	0	0
Medical & first aid	0	0	0	0	0	0	0
Teaching materials	0	0	0	0	0	0	0
Utensils & tools	0	0	0	0	0	0	0
Other relief supplies	0	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0	0
Land & Buildings	0	0	0	0	0	0	0
Vehicles	0	0	0	0	0	0	0
Computers & telecom	0	0	0	0	8,000	0	8,000
Medical equipment	0	0	0	0	0	0	0
Other capital exp.	0	0	0	0	0	0	0
CAPITAL EXPENSES	0	0	0	0	8,000	0	8,000
Warehouse & Distribution	0	0	0	0	0	0	0
Transport & Vehicules	0	0	0	0	0	0	0
TRANSPORT & STORAGE	0	0	0	0	0	0	0
Programme Support	0	0	0	0	30,205	0	30,205
PROGRAMME SUPPORT	0	0	0	0	30,205	0	30,205
Personnel-delegates	0	0	0	0	294,000	0	294,000
Personnel-national staff	0	0	0	0	0	0	0
Consultants	0	0	0	0	0	0	0
PERSONNEL	0	0	0	0	294,000	0	294,000
W/shops & Training	0	0	0	0	55,500	0	55,500
WORKSHOPS & TRAINING	0	0	0	0	55,500	0	55,500
Travel & related expenses	0	0	0	0	75,000	0	75,000
Information	0	0	0	0	1,000	0	1,000
Other General costs	0	0	0	0	1,000	0	1,000
GENERAL EXPENSES	0	0	0	0	77,000	0	77,000
TOTAL BUDGET:	0	0	0	0	464,705	0	464,705