

**REPORT OF THE 2012 EXECUTIVE DIRECTOR
AD-HOC NOMINATIONS COMMITTEE**

Purpose:

This report describes the work of the 2012 Executive Director Ad-Hoc Nominations Committee ('AHNC') since its establishment at the Twenty-Sixth Board Meeting.

It also provides the Board with information regarding a short-list of four candidates that the AHNC is nominating for the position of Executive Director of the Global Fund. Candidate specific information has been provided to Board Members and Alternate Members through a confidential exhibit to this paper to respect the privacy of the short-listed candidates

This document is part of an internal deliberative process of the Global Fund and as such cannot be made public.

Part 1: Candidate recommendations

- 1.1 In fulfillment of the 2012 Executive Director Ad-Hoc Nominations Committee's ('AHNC') mandate to assist the Board to appoint the next Executive Director in a merit based, non-political and open and competitive manner, the AHNC recommends to the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria ('Global Fund') the following non-ranked shortlist of persons as final candidates for the role of Executive Director:

Candidate A is a seasoned leader of both bi-lateral development organizations and multi-lateral organizations, including the United Nations and World Bank systems. She has a track record of working across the public-private divide and of bringing strong management and a clear sense of direction to the organizations she has led. She demonstrates a willingness to take in other views before taking decisive action to further an organization's goals.

Candidate B has deep knowledge of HIV/AIDS. He has played a leadership role in response to HIV since the mid-1990s, both as a clinician and as an administrator. He is perhaps best known for leading the implementation of the President's Emergency Plan for AIDS Relief (PEPFAR). He brings a visionary style of leadership to his roles, and sets long-term and values-led strategies that are outcome focused. He has a good history of operating at the implementing country level.

Candidate C has a mix of commercial and international development experience. He has been a specialist in organizational development and change management, both as a consultant and as a senior executive. He has had exposure to a broad range of development policy in his roles as President of the Canadian International Development Agency (CIDA) and at the World Economic Forum. He is a collegial style leader, possessing a comprehensive range of competencies relative to the role specification. He brings strong marketing abilities.

Candidate D brings a mix of global development leadership and a background in health. She has successfully managed large-scale public sector organizations and a major international NGO. Her experience includes the reconfiguration of health systems in the United Kingdom and bringing professional management and leadership to her most recent leadership position. She is a consultative and collaborative manager, who builds trust through reliable delivery. She has a solid experience of working with civil society organizations and government departments.

- 1.2 The AHNC is proposing the candidates as people who can assume the Executive Director role, although each would bring differing experiences, styles and methodologies. Exhibit 1 (referenced below) provides to Board Members and Alternate Members a more thorough candidate review. This review also shares the AHNC's inputs on particular items that may complement each candidate's particular experience and style.
- 1.3 To aid the Board in its appointment decision at the Twenty-Eighth Board Meeting, this paper contains the following additional parts:

Part 2: Summary of the AHNC's formation and operations

Part 3: Overview of AHNC's search strategy and outcomes

Part 4: Candidate Evaluation – approach and shortlisting outcomes

Annexes

1. Terms of Reference of the 2012 AHNC
2. AHNC annotated work plan
3. Template for confidentiality undertakings for AHNC members, advisors and assistants
4. Statement of Work of Executive Search Firm appointed by the AHNC
5. Role Specification (incorporating the Executive Director Terms of Reference)
6. Structured Interview Questions asked of all candidates

Exhibits

1. Candidate *curricula vitae* (professional resume) and supporting statements.
2. Additional information for Board Members and Alternate Board Members

- 1.4 This report comprises the full record of the work of the AHNC, and its formal recommendations.

Part 2: Summary of AHNC's formation and operations

AHNC Formation (Milestone 1, AHNC Work Plan)¹

- 2.1 In May 2012, the Board established the AHNC and appointed six of its nine members.² During deliberations at the Board meeting, the Board also agreed comprehensive Terms of Reference for the AHNC. These are set out at **Annex 1**.
- 2.2 The overriding mandate of the AHNC was to provide the Board with... “a short list of up to four persons that represent the strongest candidates across the globe for the role of Executive Director, which must have at least as many women as men (‘AHNC Short List’), and be based on the selection criteria approved by the Board in June 2012.”³
- 2.3 As contemplated by the AHNC's Terms of Reference, the work of the committee has involved the management of a number of simultaneous, time critical processes to arrive at the nominations set out in this report.
- 2.4 Communications between AHNC members included four face-to-face meetings, routine telephone calls and email communications, noting that particularly sensitive material was not shared by email.
- 2.5 The AHNC also provided routine updates to the Board as key milestones were met, and used a detailed work plan as the basis for these communications. That work plan was shared with the Board as a first draft on 19 June 2012, and as a final version on 9 August 2012.
- 2.6 **Annex 2** to this report sets out the AHNC work plan. For ease of cross-referencing, the work plan is indexed to specific ‘Parts’ of this report.

Identification of independent AHNC members (Milestone 2, AHNC work plan)

- 2.7 The first six members of the AHNC were appointed based on consensus nominations from the implementer and donor voting blocs. The nominations (three from the implementer bloc and three from the donor bloc) were presented after internal bloc deliberations considered the desirability of finding, to the extent possible, balance in the AHNC's membership between gender, and regional and sectorial experience.
- 2.8 As a first priority, the Board requested the six appointees to fill the three independent AHNC member roles. To further strengthen the work of the AHNC, these were roles to be filled by persons not affiliated with any Board constituency.
- 2.9 The three independent persons were selected over the period 16 May to 1 June 2012, through a process that included:
 - a. Self-evaluation of the experience of the initial six AHNC members, and areas of expertise and experience that could be added to further enhance diversity and the overall capacity of the AHNC;

¹ Paragraph 2.4 below discusses the linking of headings in this report to the AHNC's detailed work plan set out at Annex 2 of this report.

² Refer to the Board's decision titled “Launch of the Selection Process for the next Executive Director” at its Twenty-Seventh Board Meeting (GF/B26/DP8)

³ Paragraph 5.e.i of the AHNC's Terms of Reference, as set out in Annex 1 to this report.

- b. Receipt of 24 nominations. As a matter of process, nominations for three roles were sought via Board constituency contacts due to their extensive networks, but there was no possibility to nominate a constituency member;
 - c. Consideration of potential conflicts of interest, and a preference to have the broadest range of nationalities represented;
 - d. Adding strong and appropriate talent for the AHNC, and seeking relative balance between gender and regional experience; and
 - e. Consultation with the Board Chair and independent Audit and Ethics Committee Chair on the recommended full membership of the AHNC, and endorsement of that proposal.
- 2.10 On 4 June 2012, the Nominations Committee self-selected a Chair and Vice-Chair to support its work. As fully constituted, the membership of the 2012 AHNC comprised four women and five men, and included membership from government and non-government sectors.
- 2.11 Together, the group comprised: Mr Masaki Noke, AHNC Chair (Japan); Mr Karlo Boras, AHNC Vice-Chair (Serbia); Sir George Alleyne (Barbados); Mr Don Baxter (Australia); Dr Agnes Binagwaho (Rwanda); Dr Nils Daulaire (United States of America); Dr Ursula Eid (Germany); Ambassador Mireille Guigaz (France); and, Ms Milly Katana (Uganda).
- 2.12 All nine persons have served in a personal capacity and dedicated their various competencies and experience for the sole purpose of identifying candidates of an Executive Director for the best interest of the Global Fund and its beneficiaries. Strict confidentiality and anti-lobbying arrangements were adopted by the AHNC to ensure integrity and equality in the AHNC's efforts to assess candidates. These arrangements applied also to a small number of support personnel working with the AHNC over its term. **Annex 3** sets out documents that developed by the Global Fund's Legal Counsel to put those arrangements into place.

Engagement of Executive Search Firm (Milestone 3, AHNC Work Plan)

- 2.13 The deliberations of the six initial members of the AHNC (appointed by the Board on 12 May) took place over 16 May to 1 June 2012.
- 2.14 The Board leadership presented to the AHNC three candidate firms, based on a recent fully competitive pre-qualification process managed by the Global Fund Secretariat for senior appointments. That prequalification process included an assessment of technical capacity and cost proposals.
- 2.15 The three firms participated in a competitive selection process that included assessment of written proposals against a Statement of Work developed by the AHNC and a structured interview with the firm's lead partner. The Statement of Work is set out at **Annex 4**. Amongst the range of considerations taken into account, the AHNC was particularly concerned to ensure that the Executive Search role involved outreach to the private sector, to supplement the experiences that the AHNC members brought to the search process.
- 2.16 Based on the written proposals and oral presentations during the interview process, the six initial members of the AHNC appointed Russell Reynolds Associates as Executive Search firm. This decision was discussed with the Board Chair, highlighting the strengths of each of the applications, and areas that would be further discussed and

refined with Russell Reynolds Associates during their engagement. The Board Chair found the rationale for selection sound.

Executive Director Terms of Reference (*Milestone 4, AHNC Work Plan*)

- 2.17 As mandated by the Board at its Twenty-Sixth Board meeting in May 2012, a major focus of work for the AHNC over the period 16 May to 28 June 2012 was the preparation of revised terms of reference for the Executive Director of the Global Fund ('ED TORs').
- 2.18 The AHNC presented revised ED TORs to the Board for its approval on 29 June 2012, having taken into account:
- a. The 2006 Board approved terms of reference for the role;
 - b. The 2012 General Manager terms of reference, which were developed having regard to experiences over the 2011 calendar year, including findings and recommendations of a High Level Panel Report on the Global Fund's Fiduciary Controls and Oversight;
 - c. Initial observations from Board constituencies during the Global Fund's March 2012 Board Retreat, and the 2012 May Board meeting on the appropriate ordering of the TORs;
 - d. Consultations with Board constituencies on a first draft of the revised ED TORs, collated over the period 21 – 28 June 2012; and
 - e. Recommendations from Russell Reynolds Associates, the Executive Search Firm supporting the AHNC, and additional AHNC member inputs.
- 2.19 In particular, throughout the various consultations, the collective view of the Board was that demonstrated management capacity should be ranked as most important amongst the range of elements that make up the role. This was reflected in the ED TORs circulated to the Board on 29 June, and approved on 6 July 2012.⁴

Part 3: Overview of AHNC's search strategy and outcomes

AHNC Candidate Search Strategy (*Milestone 5, AHNC Work Plan*)

- 3.1 In preparatory discussions in March and May 2012, the Board discussed the minimum experience and qualifications that strong candidates should bring to the role. These discussions were captured in a detailed Role Specification that became available on 7 July 2012.
- 3.2 Referring to the Role Specification set out in **Annex 5**, the mandate delivered to the AHNC was to undertake a global search for high caliber candidates. In addition, maximum effort should be made to draw in candidates from the broadest range of sectors and backgrounds.
- 3.3 The AHNC's strong commitment to inclusiveness and best efforts to find high caliber candidates led to the development of a comprehensive search campaign.

⁴ The approval was by electronic vote: B26/EDP/08 titled 'Approval of revised Terms of Reference of the Executive Director', and reported publicly in the document titled 'Report of all Electronic Decision Points' (GF/B17/11) on the Global Fund's website at the close of its Twenty-Seventh Board meeting.

3.4 This campaign, implemented by Russell Reynolds Associates with regular engagement with the AHNC committee, featured three important avenues for candidate generation, each having a number of distinct purposes as part of the overall comprehensive approach.

3.5 In summary, the purpose(s) of each was as follows:

Avenue 1: Global advertising campaign: general public awareness of the search being underway; existence of a short-form summary of the Role Specification, as a tool to help people who may wish to refer candidates to Russell Reynolds Associates; identifying a ‘soft closing’ date as a guide to the overall timetable (and not a barrier to ongoing candidate generation through avenues 2 and 3 below).

Avenue 2: Board constituency consultations: access networks not fully known to Russell Reynolds Associates; validate search strategy and obtain guidance on additional referral sources.

Avenue 3: Systematic outreach through networks: Most likely means of getting access to those people who are least likely to ‘apply to an advert’ but represent strong candidates; also a source of people who could then access their own networks; source of informal referencing of candidates as they became known to Russell Reynolds.

3.6 The passages below set out information on the three avenues in more detail.

Global Advertising Campaign

3.7 A detailed advertisement was prepared to highlight the breadth and importance of the role. In addition to English, it was also written in Arabic, Chinese, French, Japanese, Portuguese, Russian, and Spanish.

3.8 As reflected in the table below, the advertisement was made available in multiple regions and publications, as well as on the Global Fund’s website and a number of the ‘Friends of the Fund’ websites in prominent locations. Based on lessons learned from the 2007 search process, every effort was made to have the publications appear at the same time in the various publications.

Publication	Language of publication	Publication date
America Economia	Spanish & Portuguese	4 July
IHT Global	English	2 July
Economist	English	6 July
Le Monde	French	2 July
Jeune Afrique	French	15 July (delay due to publisher error)

3.9 Sixty-five individuals responded to the advertisement from across the globe. Russell Reynolds Associates’ feedback to the AHNC was that the seniority of many of the responses was high, and that Russell Reynolds would include a number of the candidates in the long-list of potential candidates for AHNC consideration.

Board Constituency Consultations

3.10 There was interaction by Russell Reynolds Associates across all constituencies, and in many cases with each of the Board Member, Alternate Member and Constituency Focal Point. In all 73 Board constituents provided feedback, which included advice and input on prospective candidates and additional referral sources, proving that this was a valuable avenue to utilize.

Systematic outreach through Russell Reynolds Associates’ Networks

3.11 Guided by the AHNC and the content of the ED TORs, Russell Reynolds Associates’ concentrated its outreach work prominent leaders from within the global public health sector and in wider global development organizations. Beyond these two broadly defined sectors, Russell Reynolds also aimed to identify people from commercial organizations who possess both seniority and demonstrable insight into the challenges facing implementing partners.

3.12 In all cases, Russell Reynolds sought individuals with a clear track record of successfully managing complex international organizations with sophisticated partnership structures.

Global Public Health	Wider Global Development	Other Actors: Commercial
Multi-laterals	Multi-laterals	Pharmaceuticals
Bi-laterals / Governments	Bi-laterals / Governments	Financial Services & Professional Services
Foundations / Other Funders	Foundations / Other Funders	Fast Moving Consumer Goods
NGOs / Civil Society	NGOs / Civil Society	Natural Resources

3.13 This outreach resulted in approximately 350 substantive contacts with persons interested in the role or who were able to provide important referrals. This was in addition to those contacts arising from the first two avenues.

Part 4: Candidate Evaluation – Approach and shortlisting outcomes

Phase 1 (Milestone 7, AHNC Work Plan)

4.1 The AHNC met in-person on 6 September to identify candidates to progress to the next stage of evaluation. The AHNC was guided at this stage by the Board-approved plan to identify a list of up to ten persons. The broad areas that the AHNC agreed to use to evaluate the candidates were the following items, having been taken from the Position Description:

- Knowledge and Experience
- Operational Management Skills
- Strategic Capability
- Advocacy and Representation Skills

- 4.2 At this step, and throughout the shortlisting and interviewing process the AHNC also had regard to: (i) the need to ensure that the Executive Director could meet the expectation of building and maintaining strong relationships with the full range of diverse stakeholders that are important collaborators in the Global Fund's efforts; and (ii) the negative publicity that the Global Fund experienced in 2011. In these circumstances, the AHNC's deliberations also considered potential reputational risks to potential candidates and whether such risks, if considered significant, could be mitigated through appropriate actions.
- 4.3 From a strong field of potential candidates, the AHNC identified eleven people as persons to proceed further. This candidate pool reflected the Board's diversity requirements:
- a. Five candidates were female, and six were male.
 - b. Candidates were drawn from a range of regions.
 - c. Professional backgrounds were not restricted by sector: the candidate pool brought experience from public health, development, and a wider private sector context.
- 4.4 Ongoing candidate referencing and due diligence of these 11 continued in advance of the in-person interviews over 10 and 11 October 2012.
- 4.5 At the September 2012 Board Meeting, the AHNC Chair and Vice-Chair provided a briefing on the process to date. In response to questions from constituencies, further efforts were made following the meeting to include some additional candidates in the evaluation. Despite these efforts, no additional names were brought into the search.

Phase 2 (Milestone 8, AHNC Work Plan)

- 4.6 A first round of interviews was held in London on 10 and 11 October 2012.
- 4.7 Nine candidates in total were interviewed after two candidates withdrew from the process, advising that they were withdrawing their expression of interest for the role.
- 4.8 The AHNC focused on seven areas against which candidates were questioned in the first round of interviews: internal operational management, conflict resolution within teams, external operational management, strategic capability (adaptation and prioritization), advocacy and representation skills, working collaboratively with the board, and self-assessment. Through these the different facets of the experience and competencies listed in the Executive Director Terms of Reference were addressed.
- 4.9 At the conclusion of the 10 and 11 October meeting, the AHNC selected five candidates to progress to the next stage of the process.
- 4.10 Between 12 and 23 October 2012, further referencing of the five candidates was undertaken to probe areas highlighted for further consideration by the AHNC in the first round of interviews.
- 4.11 Over the same period of time, Russell Reynolds' Executive Assessment Practice conducted a behavioral assessment of the five short-listed candidates. The focus of the assessment process was each candidate's leadership style, through a mixture of interviews and confidential questionnaires.

- 4.12 The five candidates then participated in an additional round of interviews with the AHNC on 25 October 2012 in London.
- 4.13 Discussions in the second round of interviews focused on candidates' knowledge and experience, as well as the competencies and skills set they would bring the role, and their vision and ideas for the Global Fund's development. The interviews aimed to probe specific areas of the candidates' experience that had been highlighted in the first round. It also provided an opportunity for them to speak in greater detail about how they envisaged the role of Executive Director and their approach to it.
- 4.14 Set out at **Annex 6** is the list of common questions asked of all candidates.

**Identification of Candidates to be recommended to the Board
(Milestone 9, AHNC Work Plan)**

- 4.15 On completion of the second round of interviews on 25 October, the AHNC reviewed its work and its assessment of the five candidates. The full range of information derived from the two rounds of AHNC interviews, Russell Reynolds' interviews, extensive referencing, and the behavioral assessment was considered.
- 4.16 Each member of the committee summarized his/her analysis of the candidates against the criteria outlined in the Executive Director Terms of Reference. Discussion then followed, guided by these criteria. After much discussion, the AHNC agreed unanimously that there were four candidates it wished to recommend to the Board, two women and two men.
- 4.17 The AHNC was convinced that all the candidates possessed all of the essential knowledge and experience prescribed. Although not all were global public health specialists, all did bring development experience, alongside the other desirable knowledge and experience requested by the Board.
- 4.18 In reviewing their performance across the whole process, the AHNC assessed the candidates against the key competency areas. They were confident that all four of the candidates they recommend are well qualified for the demanding role of Executive Director. Unsurprisingly, no candidate has every quality required in equal measure and each would need to be complemented by the skills and experience of the wider senior management team.