

To: Jayasankar Shivakumar/Person/World Bank@WorldBank
From: Caroline D. Anstey/Person/World Bank
Date: 12/24/2011 09:38AM
Cc: Hasan A. Tuluy/Person/World Bank@WorldBank
Subject: Re: Policy Change on Retiree STC's

Dear Mr. Shivakumar,

Thank you for your email and for transmitting your earlier note.

I know that Chris Lerner met with you earlier to go through the issues and answer questions, and as I mentioned in the Kiosk, we look forward to meeting with you and of course with the Staff Association in the New Year to discuss implementation details.

You mention Span of Control and this is indeed a good parallel. As with reform of Span of Control, we believe planning is best done at the VPU level, rather than setting up a formal or special committee as you propose. If there are units which are significantly impacted, we will ask VPUs to establish implementation working groups to see how they will address any work program and other concerns in light of the policy. Units may need to ramp up recruitment, look at regularizing shadow managers - something the MLT is already looking at. Management will also look at H and D complements - the ACS Network has long signaled this as a priority. The Finance complex has looked at the numbers and does not believe that a one year cooling off for retirees will pose further strains on the flat budget - but of course we will look at this carefully at the unit level.

As you know, we already have a Compensation and Benefits Steering Committee, on which both the 1818 Society and the Staff Association are represented, and the Committee will continue to look at Compensation and Benefits in the context of the broader HR reform agenda.

Since you have been kind enough to write, I would also like to take this opportunity to clarify two points. First on the timing: There is never a good time for this kind of announcement, but I would be the first to say that the timing was far from ideal.

Unfortunately once it was discussed at the 8.30 meeting last week, a lot of misinformation began to spread including that we were looking to impose a total ban on retirees, and were planning implementation on January 1st. People had questions and it seemed important to clarify as soon as possible. I am also not sure it is fair to people who have to plan, to deliberately sit on a decision for 2 weeks, simply to be able to announce it on January 3rd.

These are judgement calls, and like all such calls it is possible to get them both right and wrong.

Second, on the issue of retirees more broadly: I want to be clear that what we are introducing is a one year cooling off period. We are not proposing a total ban as some have advocated. We welcome retirees' contributions, but we do need to look at the role of retirees in the context of the growth and career opportunities of the staff we have now. The

revolving door, whereby a staff member retires on Monday, picks up a pension and then returns as a consultant on Tuesday, doesn't help succession planning, timely knowledge transfer or career mobility. A one year cooling off period would help mitigate this.

Thank you again for sharing your views.

With best wishes for the Holidays. HR will set up a time to meet in January,

Caroline Anstey