



PAN AMERICAN HEALTH ORGANIZATION  
WORLD HEALTH ORGANIZATION



## 142nd SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C, USA, 23 to 27 June 2008

*Provisional Agenda Item 5.3*

CE142/29 (Eng.)  
27 May 2008  
ORIGINAL: ENGLISH

### PROGRAMMATIC PRIORITIZATION AND RESOURCE ALLOCATION CRITERIA

#### Introduction

1. A programmatic prioritization exercise was conducted during the preparation of the Strategic Plan 2008-2012 (*Official Document 328*) and Program Budget 2008-2009 (*Official Document 327*). This exercise helped determine the allocation of resources among the Strategic Objectives (SOs) contained in these documents. Furthermore, the resultant ranking of Strategic Objectives was used as a basis for the allocation and coordination of resources during the 2008-2009 biennium.

2. During the elaboration of the 2006-2007 and 2008-2009 Program Budgets, PAHO's Governing Bodies requested the Bureau to establish priorities among programmatic objectives in order to strategically allocate resources. The establishment of priorities among the many worthy causes in public health in the Region is challenging but unavoidable, given that available resources are limited. For the 2006-2007 biennium, the highest level programmatic objectives were "Areas of Work"; and for 2008-2009 they were "Strategic Objectives". The Bureau included the results of these exercises in the respective documents<sup>1</sup>, which were approved by the 46th Directing Council and the 27th Pan American Sanitary Conference, after a round of consultations with Member Countries. Annex 1 shows the section of the Strategic Plan regarding prioritization, including the criteria and weighting used for the exercise. .

3. The purpose of this paper is to document the evolution of the process, and inform on suggested modifications to be included for the next biennium. These considerations reflect document SPBA2/7 (Eng.) *Programmatic Prioritization and Resource Allocation Criteria*, as well as the comments made in the March 11, 2008 session of the SPBA. This

<sup>1</sup> For 2006-2007, *Official Document 317*—Proposed Program Budget of the Pan American Health Organization for the Financial Period 2006-2007; for 2008-2009, both *Official Document 328*—Proposed Strategic Plan 2008-2012 and *Official Document 327*— Proposed Program Budget 2008-2009

paper concentrates on the methodology utilized for prioritization, not on the results obtained from the exercise. Several suggestions regarding the results of the exercise made by Member States will be incorporated in future biennia.

### **Rationale for Prioritization**

4. In a world of limited resources and virtually unlimited needs, it is impossible to fully address all public health problems of concern to PAHO. Prioritization entails determining which strategic objectives should receive more resources. Prior to the 2004-2005 biennium, resource distribution was done by managerial unit rather than by programmatic objective. This resulted in de facto prioritization—typically based on historical allocation or other implicit criterion—often without considering strategic priorities. In order to ensure alignment among programmatic priorities and resources, and foster transparency, a prioritization exercise was conducted mid 2007; the results are described in Annex 1. Based on the results of the exercise, resource levels were adjusted to support the priorities established, bearing in mind that other factors also affect the allocation of resources (see the 2008-2012 Strategic Plan section entitled Funding the Strategic Plan). Furthermore, depending on performance during implementation, the prioritized Strategic Objectives provide a basis for managing resources and allocating voluntary contributions. The Bureau refers to the ongoing process of determining how to allocate and shift resources during a biennium as “resource coordination”. This function is being strengthened during the 2008-2009 biennium.

5. Resources assigned to each SO –the total package- are comprised of both the regular budget and the forecasted availability of voluntary contributions. The prioritization order affects the total resource package. As a result, the regular budget amounts alone may not necessarily reflect this order.

### **The Prioritization Exercise**

6. Given the myriad of factors, both internal and external to PAHO stakeholders, that contribute to the determination of what the Organization’s programmatic priorities are, it is not feasible to produce an “objective” set of criteria and apply a mathematical formula to achieve a ranking of SOs. The Bureau has to take into consideration several different mandates during the allocation of resources to the Strategic Objectives. For example, some SOs relate to diseases, and can be associated with indicators such as Disability Adjusted Life Years (DALYs). However, others such as those related to health systems and services can not be linked to such measures. Given the complexity of the factors involved, public health experts within the PASB were asked to provide their admittedly subjective, but collective inputs. Priorities have to consider political and social factors, as well as the ethical principles and mores of society. Furthermore the PASB is conscious of political and other changes that occur during the biennium. Adjustments to

allocation of resources can be made either via the variable component of the Budget, or through special consultations with Member Countries.

7. The prioritization exercise was limited to the 14 public health related SOs. SOs 15 and 16, which cover the functioning of the Bureau, were not included. The criteria used for the other SOs do not apply to SOs 15 and 16.

8. The approach adopted relied on a modified Delphi method. A more comprehensive exercise would have required several rounds of consultation, which were not possible in the timeframe available. The shortened exercise comprised two steps: (1) collective agreement on criteria and their weighting; and (2) rating of each SO by each group member on a scale of 1 to 5 (5 being the highest priority) for each of the criteria. A composite ranking of the SOs was then produced, including all inputs from each expert.

9. The exercise comprised three crucial elements:

- (a) ***Selection of participants:*** The participants in the exercise included PAHO/WHO Representatives, HQ Area Managers, Center Directors, and Executive Management.
- (b) ***Selection of criteria:*** The set of criteria and weights was agreed upon by all participants and is included in Annex 1.
- (c) ***Rating:*** Participants were requested to rate each SO between 1 (lowest) and 5 (highest) within each criterion. An average was then obtained for each SO and criterion, and then an index obtained for each SO by averaging the different criteria values based on their respective weights. This process produced a ranking of the SOs.

### **Lessons Learned and Proposals**

10. Lessons learned include:

- As previously stated, although the exercise is positively recognized by all staff, there is a general reluctance among managers to prioritize SOs. Internal awareness and education of PAHO senior staff on the need for and consequences of prioritization should be increased.
- Area Managers tend to prioritize the SOs with which they are most involved. This is expected, but points to the need of ensuring neutral points of view. PWRs were considered as neutral in-house parties, and their voting reflected this. In the past, informal outside consultations have been conducted to assess strategic

direction. Nevertheless, individuals outside the Bureau were not incorporated in the prioritization exercises described here.

- While outside consultation may be desirable, it introduces more complexity and cost in the process, as well as delicate process of consultation on the participants for the reasons mentioned above. On the other hand this opening balances some of the biases resulting from the exclusive internal analysis
- There is limited latitude for the Director to shift resources, especially regular. A very high proportion (over 80% in some cases) of the regular budget is assigned to personnel costs. In practice, the implications are that major budget shifts are difficult to be adopted in the short-term. Therefore, adjustments to the distribution of resources have been made largely through allocation of voluntary contributions. As a result, the prioritization exercise informs the resource mobilization and resource coordination processes, both of which are being strengthened within the PASB.

### **Proposal to the Executive Committee**

11. In the context of the ongoing need to allocate and manage resources to achieve the greatest possible impact on public health in the Americas, the Bureau submits this document to inform the Committee that, based on the above considerations and inputs received during and after the SPBA:

12. The Pan American Sanitary Bureau will continue the prioritization exercises for future biennia following the methodology described above;

13. The Bureau will prepare a proposal to include external participants at least for the establishment of criteria for prioritization. Among those invited to participate it can be anticipated the inclusion of well known public health and management practitioners in the Americas, as well as representatives of academia, acting on their personal capacity rather than as representatives of their Governments or institutions. Member Countries will be kept informed of all steps of the process of selection as well as prioritization, and will be consulted as in the past on the outcomes of the exercise;

14. The Bureau will also consult with sister Agencies and other relevant parties on their methods for external consultations; and

15. To avoid costly exercises the consultation with outside advisors will be done by virtual or other non-presential methods in as much as possible.

## **PRIORITIZATION SECTION OF THE 2008-2012 STRATEGIC PLAN**

### **Programmatic Prioritization within the PASB**

1. The Bureau conducted two prioritization exercises during the elaboration of this Plan, in order to determine the ranking of the Strategic Objectives. The findings from the first exercise (limited to PASB headquarters) were used to inform the budget allocations in the draft Strategic Plan presented to the Executive Committee. The results of the second exercise, where all the managers of the Organizations were invited to participate, have been used in establishing the budget priorities in this final version of the Plan. Although a similar methodology was applied to both exercises, the specific criteria and results described below apply to the second exercise.

#### ***Methodology***

2. The prioritization exercise was designed to obtain a ranking of the Strategic Objectives by a variety of PASB managers, per agreed-upon criteria, using a modified Delphi methodology.

3. First, a draft set of criteria were developed (based on those used in the first exercise, plus input received after that exercise), with weighting to reflect the relative importance of the criteria. These were vetted among all PASB managers, including country representatives, center directors, headquarters Area Managers and Executive Management. There was a high level of participation, and changes to the criteria and their weighting were made based on the feedback received.

4. Second, each Strategic Objective was rated on a scale of 1 to 5 (5 being the highest priority) for each of the agreed-upon criteria. All managers were given the opportunity to rate the SOs via email. Their responses were collated and analyzed, providing a ranking of the SOs.

#### ***Criteria***

5. The following were the criteria used in the exercise, reflecting inputs received from throughout the Bureau. The weights given in parentheses reflect the relative importance of each criterion.

- a. Supports the Health Agenda for the Americas and other regional mandates (x4)
- b. Addresses the burden of disease in the Region (x2)
- c. Supports vulnerable population groups or key countries, promoting equity (x3)
- d. Contributes to global health security (x2)
- e. Supports achievement of the health-related MDGs (x2)
- f. PAHO technical cooperation is a cost-effective means to improve health outcomes (x2)
- g. Supports universal access to health related goods and services (x2)
- h. Countries have low access to non-PAHO resources and difficulty in replacing PAHO technical cooperation (x1)
- i. Has potential for successful cross-cutting collaboration: inter-programmatic, inter-country, inter-sectoral, inter-regional or inter-agency (x1)
- j. Difficult to access voluntary contributions (x1) (additional criterion, used only for assignment of regular budget amounts with respect to the total budget)

**Results**

6. The results of the second exercise were analyzed along with those from the first (more limited) exercise, considering comments made by Member Countries in the Governing Bodies. The resultant ranking of the Strategic Objectives follows, with the first SO listed being the highest priority for the Bureau.

<b>Ranking</b>	<b>SO#</b>	<b>Strategic Objective text</b>
<b>1</b>	<b>SO4</b>	To reduce morbidity and mortality and improve health during key stages of life, including pregnancy, childbirth, the neonatal period, childhood and adolescence, and improve sexual and reproductive health and promote active and healthy aging for all individuals
<b>2</b>	<b>SO1</b>	To reduce the health, social and economic burden of communicable diseases
<b>3</b>	<b>SO2</b>	To combat HIV/AIDS, tuberculosis and malaria
<b>4</b>	<b>SO3</b>	To prevent and reduce disease, disability and premature death from chronic noncommunicable conditions, mental disorders, violence and injuries
<b>5</b>	<b>SO7</b>	To address the underlying social and economic determinants of health through policies and programs that enhance health equity and integrate pro-poor, gender-responsive, and human rights-based approaches
<b>6</b>	<b>SO13</b>	To ensure an available, competent, responsive and productive health workforce to improve health outcomes
<b>7</b>	<b>SO10</b>	To improve the organization, management and delivery of health services
<b>8</b>	<b>SO8</b>	To promote a healthier environment, intensify primary prevention and influence public policies in all sectors so as to address the root causes of environmental threats to health
<b>9</b>	<b>SO6</b>	To promote health and development, and prevent or reduce risk factors such as use of tobacco, alcohol, drugs and other psychoactive substances, unhealthy diets, physical inactivity and unsafe sex, which affect health conditions
<b>10</b>	<b>SO14</b>	To extend social protection through fair, adequate and sustainable financing
<b>11</b>	<b>SO11</b>	To strengthen leadership, governance and the evidence base of health systems
<b>12</b>	<b>SO12</b>	To ensure improved access, quality and use of medical products and technologies
<b>13</b>	<b>SO5</b>	To reduce the health consequences of emergencies, disasters, crises and conflicts, and minimize their social and economic impact
<b>14</b>	<b>SO9</b>	To improve nutrition, food safety and food security throughout the life-course, and in support of public health and sustainable development

7. This ranking has been used to inform budgetary priorities for the 2008-2009 biennium, and will be used for subsequent biennia, with possible changes based on changes in internal or external circumstances.