
Management reforms: progress report

Report by the Secretariat

1. This update builds on previous progress reports provided to the Programme, Budget and Administration Committee on the subject of management reforms. It summarizes progress made since the report to the fifth meeting of the Committee.¹
2. In addition to the finalization of the Medium-term strategic plan 2008–2013 and the Proposed programme budget 2008–2009, efforts have focused on the mid-term review of implementation of the Programme budget 2006–2007 and strengthening the operational planning methodology for 2008–2009 in order to link it more closely with the strategic framework within the medium-term plan. In addition, work has begun on strengthening performance management more generally, with a focus on linking the monitoring of organizational performance with individual performance assessment and management.
3. In line with decisions made by the International Civil Service Commission and endorsed by the United Nations General Assembly, the Secretariat has embarked on a process of contract reform, that will make conditions of service for staff more equitable, streamline some of the administrative procedures and enhance human resources planning. The introduction of the global management system will further streamline procedures, while also changing the skills and competencies needed for administrative work (see paragraph 10).
4. In support of WHO's accountability framework, a policy to protect whistle-blowers is being implemented. A more comprehensive set of policies on institutional integrity is under development.
5. A review at headquarters and regional levels of the Organization, of both the current service delivery model and the implications of implementing the global management system, has been carried out. The review showed that each regional office and headquarters replicates nearly the full range of management and administrative services, including programme administration, advisory and specialist support, and transaction processing.
6. Consolidation of certain routine administrative transaction-processing functions, such as those for payroll, personnel administration, accounting and procurement, in a global service centre would

¹ Document EBPBAC5/2.

have the significant advantage of providing economies of scale that reduce costs and improve the speed and quality of service.

7. On the basis of the review and extensive internal consultation, the Director-General has decided that a global service centre will be established, at one low-cost location. The centre will be implemented concurrently with the deployment of the global management system in order to realize the full potential synergies of the two projects. To this end, negotiations are under way in several potential locations for the centre.

8. This approach to grouping and relocating some services to a low-cost location is similar to that taken, or under consideration, by several other organizations in the United Nations system, such as FAO, the World Bank, UNHCR, and WFP, and the International Organization for Migration.

9. The global management system will be phased in at headquarters and the regional offices between January 2008 and early 2009. As the system is implemented at each location, administrative transaction processing will be transferred to the global service centre.

10. In the future, the skills and competencies of existing staff will be used in different ways, and in new roles. The global management system will introduce automation that will significantly reduce, and in some cases eliminate, routine clerical work. It will also substantially cut time spent on routine processing, allowing administrative staff in both headquarters and regional offices to focus more on providing advisory and analytical support to technical programmes. Information on, and analysis of, management issues will be improved, and this should lead to better managerial decisions. The processing of administrative transactions will be streamlined and done by staff dedicated to this work in the global service centre. As a result, administrative support to technical programmes should be improved. It is foreseen that the Organization will require fewer people to do the same amount of work, and that administrative processing will be less costly.

11. The global management system will enable appropriate technical staff at all levels to implement programmes with fewer delays through a fully integrated system of programme management, human resources and finances, in which all updated information will be available in real time. Technical staff in country and regional offices and headquarters will use the system on line as part of their daily work. The resulting improved response time will require technical staff to adapt to a different way of working.

12. The above moves will require reorganization of the existing work in the following areas: programme management and administration in country offices and technical units throughout the Organization; advisory and specialist management support in headquarters and regional offices by general management staff; administrative processing today done in headquarters and each regional office; and global management policy and support services carried out in headquarters.

13. The changes will be greatest for staff in administrative roles in headquarters and regional offices. Staff members there will be supported throughout the transition to their new roles and responsibilities.

14. In order to manage this transition a systematic approach is required. The process will be supported by sustained change-management measures, including human resources support to managers and staff members concerned; staff reprofiling; training of all staff members affected by the changes; full communication with all those involved; coordinated staff planning, including retirement

and attrition, in order to maximize opportunities for redeployment either to other offices or as vacancies arise in other functions; and specific measures as necessary.

15. The net effect of introducing a consolidated service centre supported by the global management system is estimated to reduce administrative costs by several million United States dollars a year. The investment costs involved in the implementation of the centre are included partly in the budgeted expenditures for general management functions at headquarters in 2006–2007 and partly in the budgeted expenditures proposed for strategic objective 13 (to develop and sustain WHO as a flexible, learning Organization, enabling it to carry out its mandate more efficiently and effectively) in the Proposed programme budget 2008–2009.

16. The aim of the global management system is to enable the Organization to manage the programme budget better and provide services in the most cost-effective and efficient manner.

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