



## Governing Body

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Institutional Section

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FIFTEENTH ITEM ON THE AGENDA

## Report of the Director-General

### First Supplementary Report: Update on the internal reform

**Purpose of the document**

Report on progress made in respect of the implementation of the internal reform agenda.

**Relevant strategic objective:** Cross-cutting.

**Policy implications:** More effective use of human and financial resources to service the needs of Members.

**Legal implications:** The application of relevant ILO rules and regulations in implementing the reform measures.

**Financial implications:** None.

**Follow-up action required:** None.

**Author unit:** Office of the Deputy Director-General for Management and Reform (DDG/MR).

**Related documents:** ILO Declaration on Social Justice for a Fair Globalization and the accompanying resolution on strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization, International Labour Conference, 97th Session; Geneva, 2008. GB.317/INS/12/2; GB.319/INS/14/1; GB.320/PFA/13; GB.320/INS/14/1; GB.322/PFA/9; GB.322/POL/6; GB.322/INS/13/1; GB.323/INS/INF/2.



## Introduction

1. The implementation of remaining elements of the Reform Commitment was initiated while consolidation of action taken in earlier phases continued. The most significant development since the last report in March 2015 has been the launch of a major review of administrative business processes with a view to streamlining and simplifying them and achieving greater cost-effectiveness. In addition, the implementation of the decisions resulting from the Field Operations Review continues with a focus on improving field capacity and providing a more coherent system for service delivery to constituents. This involved action across the Office.

## Business process review

2. The scope of the Business Process Review calls for a review of selected administrative business processes in field offices and technical units. It is addressing gaps, duplications and overlaps to ensure that processes are as effective and efficient as possible and freeing resources that could be directed towards technical service delivery to constituents. The project is being implemented in five phases:
  - (a) data gathering;
  - (b) process analysis;
  - (c) process redesign and identification of options;
  - (d) review and approval of the new processes; and
  - (e) implementation.
3. The Office is adhering to the Reform Commitment principles of openness and transparency, with the participation and engagement of all staff in this Review.
4. Due to the size and complexity of the project, the Office sought the assistance of external consultants. Following an international competitive bidding process, a contract was issued to a globally recognized management consulting firm which began its assignment with the Office in July.
5. There have been some 75 in-depth interviews with staff members in the data gathering phase. Additional follow-up meetings were held with staff providing services during the process analysis phase. The business process redesign phase will involve staff who are both providers and users of the services. A detailed survey, open to all staff, has also been conducted.
6. The data gathering and process analysis phases have been completed. The outcomes enabled identification of areas where the implementation of reforms would have the greatest impact in terms of service quality and efficiency. The prioritization process considered the complexity, upfront costs and internal human resources required for implementation. Process redesign is currently under way. Options will be presented for consideration, and implementation of decisions will begin in 2016. Information will be shared, consultations undertaken or negotiations entered into, as appropriate, with the Staff Union.

## Field operations and structure review

7. Seventeen new technical positions are currently being deployed to the field, in addition to 22 new technical positions at headquarters provided for within the Policy Portfolio (including positions transferred from the International Institute for Labour Studies).<sup>1</sup> The Global Technical Teams (GTTs) established under this review will facilitate knowledge sharing and strengthening of the technical capacity of team members. Information sharing, collaboration and team building has also been facilitated by the introduction of a platform accessible to field office and headquarters directors.
8. The new Mobility Policy has been made fully operational. The Recruitment, Assignment and Mobility Committee (RAMC) has been active in giving effect to this policy by applying mobility criteria to the filling of vacancies and in advising the Director-General with regard to staffing trends, in particular concerning gender and regional diversity imbalances. A new initiative mobility policy permits colleagues to benefit from temporary assignments in the regions and headquarters.
9. Further information on the implementation of human resources reforms will be provided to the Programme, Financial and Administrative Section of the Governing Body in March 2016.
10. A new country policy diagnostic tool has been finalized and, together with an updated Decent Work Country Programme guidebook, will provide a solid framework for field offices to improve their services to ILO constituents.
11. At the global level, work has been ongoing on the development of five development cooperation “Flagship Programmes”, announced by the Director-General in February 2015. A full overview of this initiative is available in the document submitted to this session of the Governing Body.<sup>2</sup>
12. The adoption by the United Nations (UN) of the *2030 Agenda for Sustainable Development* has opened new prospects for cooperation and is expected to increase demand for country-level support and engagement in the multilateral system. Strengthened field presence and technical capacity will better equip the Office to take up these opportunities, contribute to the development of the envisioned national strategies and meet the challenges of playing a leadership role within the UN system.
13. Until the end of 2015, work will continue on the remaining few items of the Field Review implementation plan. This includes improving the Decent Work Country Programmes quality assurance and monitoring mechanisms, and a review of procedures and policies concerning the management of indirect costs and various funding modalities, with the aim of strengthening the ILO’s integrated resource framework.
14. Initiatives under the Field Review address several of the points that emerged in the evaluation of the ILO’s Technical Cooperation Strategy, the basic work for which was done before the field review measures were in place.

<sup>1</sup> The Director-General’s Programme and Budget proposals for 2016–17 (GB.323/PFA/1), para. 19.

<sup>2</sup> GB.325/POL/7.

## Conclusion

15. When combined with efforts to ensure that the organizational culture responds to the goals of the reform, the initiatives taken to date are producing positive effects in terms of efficiency, responsiveness and the quality of services. As full implementation of the Reform Commitment launched three years ago is approaching it will be appropriate to take stock of achievements and shortfalls and to identify further action required to secure continuous improvement. With this in mind, a reform monitoring framework with targets is being finalized.