



UNITED NATIONS BOARD OF AUDITORS

Compilation of lessons learned from the Global Field Support Strategy

1 May 2017

Contents

	<i>Page</i>
I. About the Global Field Support Strategy	3
II. Lessons learned from the Global Field Support Strategy	4
1. Governance and project management	4
2. Client needs and performance management	5
3. Resources: budget and staffing	6
4. Change management	6
III. Conclusions and actions taken by the Administration	8
IV. Moving forward	10

**BOARD OF AUDITORS
NEW YORK**

**Compilation of lessons learned from the
Global Field Support Strategy (GFSS)**

1. In its resolution 70/286, the General Assembly requested the Advisory Committee for Administrative and Budgetary Questions (ACABQ) to ask the Board of Auditors to issue a compilation of lessons learned from the Global Field Support Strategy (GFSS) for publication. To provide an answer to this specific request the Board has considered which lessons the Department of Field Support (DFS) has learned from GFSS and which conclusions DFS has drawn and actions taken to better support field missions.
2. The DFS implemented GFSS from 2010 to 2015. During GFSS implementation the Secretary-General, the ACABQ, and internal and external auditors addressed the GFSS approach in several documents. DFS reported annually to the General Assembly. The United Nations Board of Auditors (the Board) considered GFSS implementation in its annual report on peacekeeping operations A/70/5 Vol. II. The Board has based its compilation on these documents.

I. About the Global Field Support Strategy

3. In 2010 the Secretary-General launched the GFSS to modernize and adapt field support to bridge the gap between complex demands in the field and the United Nations' capabilities to respond to them effectively and efficiently. The aim was to create a new way of doing business that allowed the United Nations to respond more rapidly and flexibly to both new and existing requirements. In addition to that, this new way of doing business should serve their personnel in the field in a responsive, consistent and client-oriented manner, all while taking advantage of economies of scale and bolstering transparency and accountability in the management of scarce resources.
4. The GFSS provided a five-year strategic agenda to reshape and strengthen support to United Nations field missions. The Strategy served as a framework for delivering sustained and significant change during a period of intensive growth in the number, scale and complexity of United Nations field missions. Against this operational backdrop, the GFSS set out to strengthen field support and address contemporary challenges. The Strategy was translated into sets of specific actions that were based on four pillars. An end state vision with targets and key performance indicators was established for each pillar:
 - a) A **human resources pillar** to ensure that the right personnel with the appropriate skillsets are staffed when and where they are needed and to improve conditions of service in the field.
 - b) A **strategic resourcing and financing pillar** to standardize the financing of missions to better anticipate and plan for resource requirements in new missions.
 - c) A **supply chain and modularization pillar** to implement an integrated approach so that goods and services can flow effectively and efficiently from source to clients.
 - d) A **shared services pillar** to provide standardized and streamlined administrative and operational support to field missions from global and regional service centres.

To a limited extent, the GFSS also aimed to improve the safety and quality of life of staff, better utilize regional and local resources and to reduce adverse environmental impacts of field missions.

5. While the final Board Report (A/70/5 Vol. II) acknowledges the 'substantial progress' achieved under the GFSS, the full aspirations of the end-state targets were not entirely fulfilled. Two pillars: 'Strategic Resourcing and Financing' and 'Shared Services', made strong progress. The 'Human Resources' work stream also advanced well. During the implementation period, the 'Supply Chain Management' pillar did not progress as expected; neither did the efforts in the environmental area.

II. Lessons learned from the Global Field Support Strategy

6. DFS encountered a number of challenges while implementing the GFSS, which helped to determine course corrections throughout the implementation period, but also lessons learned for future endeavors of change both in the field and at the Secretariat as a whole. The listing below shows the key lessons learned that emerged while the GFSS was being implemented.

1. Governance and project management

7. When the GFSS was designed, a key intention was to articulate a vision, strategic agenda and change process for improving the performance of field services. During its implementation, however, stakeholders and staff often associated the GFSS with specific projects only, such as modularization or shared service centres. To ensure the GFSS remains relevant for all, future approaches should prioritize the use of a balanced set of performance indicators resonating with the demands of diverse stakeholders and driving results. New initiatives should be assessed with respect to the contribution they are expected to make to clear performance goals and objectives of the Organization.

8. In response to the performance challenges, a major emphasis was put on streamlining and standardizing shared service processes, and strong quality assurance and performance monitoring tools were developed. At the same time, significant additional work was required, in line with the continued implementation of the Enterprise Resource Planning tool (Umoja), to better standardize and realign residual administrative functions in client missions. There was insufficient focus on the re-engineering of the residual in-mission roles for human resources and finance to support the shared services model, and at times non-cooperation and even hostility towards the service centers.

9. As is typical for complex undertakings new developments and changing requirements during its implementation phase at Headquarters and in the field prompted DFS to adapt and evolve the GFSS. This has been evident in almost all aspects of the GFSS, including modularization, supply chain management and shared services, and should be anticipated in future strategic initiatives in complex field support environments. While implementation methodologies for strategies should provide rigour, they should not place a burden on the entire process. Strategic change efforts must be able to evolve within a clear framework. Complex change programmes – of which the GFSS contained several – should be administered by using a standardized programme management methodology that provides strong management and oversight and meets the complexity of the programmes. While the GFSS only partly relied on project management methodologies, DFS has since applied the “PRINCE2” and “MSP” approaches for new initiatives, such as the implementation of supply chain management.

Key lessons learned:

- Governance bodies should be established at an early stage and provide high-level direction as well as the required stakeholder engagement. Committee structures, while important for stakeholder engagement, should be used to support line management authority. Committees should meet as needed and be guided by definite milestones and upcoming decision points rather than be based on set schedules.

- Strong management commitment is needed at Headquarters and in all locations to continuously support efforts and reflect the goals, objectives, achievements and expectations of the change initiative clearly and consistently.
- Multitudes of formal and informal arrangements that have developed organically over time must be rationalized and streamlined to establish a coherent standard operating model.
- Standardized processes should be developed and put in place to ensure consistency of support and clear expectations about requirements and timelines.
- There is more than one approach to the structure of service delivery, and the GFSS' experience with service lines can provide insights into alternatives to the functional model.
- Governance systems should provide both needed accountability and authority, without impeding the ability to make critical business decisions. They should also focus on forming the future vision of the operations and not just function as a client board focused on performance.
- Strategy should focus on performance rather than projects.
- Continuous adaptation to changing demands is required throughout implementation. If requirements change, it is advisable to evaluate achievements against changed new requirement (if justified) and not against the original plan. Flexibility is needed both in internal management and external oversight.

2. Client needs and performance management

10. The GFSS highlighted the importance of support services for the success of United Nations field operations, and for the first time created direct, systematic and strategic dialogue between DFS and its stakeholders, particularly in field missions, introduced key performance indicators and client satisfaction surveys. Some of the lessons learned here, affect DFS's work today.

11. For example, key performance indicators for the GFSS were introduced belatedly. When key performance indicators were developed, some focused rather on activities and outputs than on overall improvements and outcomes. The relevant officials supported the delivery of the activities of the implementation pillars; however, when developing future performance tools, focus should also be on establishing indicators of outcomes and performance and not only on activities. The new core performance framework for field support, which is introduced in the 2017/18 budget, addresses these shortcomings.

12. Surveys are a useful tool not only to engage with clients in all missions, but to obtain vital feedback to use for decision-making. While originally the survey respondents were uniformed personnel, as a result of the valuable information gathered, the surveys were expanded to cover civilians as well. Surveys were conducted twice a year, but each time the methodology was further refined based on the lessons learned from the previous implementation and findings. In this survey, the focus was shifted from assessing awareness vis-à-vis the GFSS to client satisfaction. Through this process, DFS has now successfully institutionalized a standard-setting annual Global Client Satisfaction Survey. This survey serves as a sound, well-designed management tool to measure client satisfaction across key services in all missions and to prioritize efforts of improvement.

13. During GFSS implementation, tools to measure performance were not always sufficient, which at times hindered the ability to collect useful data and report on performance measurements. In some cases anticipated performance monitoring tools were delayed and reporting against indicators was not possible, which is highlighting the continuing need for enhanced performance monitoring and business intelligence tools as well as investment in personnel in order to increase their analytical skills. The introduction of Umoja will provide more tools for data analysis, and will require personnel with analytical capacities to produce actionable and timely analyses. This in turn should help DFS, as it strives to foster systematic, evidence-based management approaches.

Key lessons learned:

- Performance management mechanisms, such as service level agreements, key performance indicators and reporting to clients need to be put in place from the start.

- From the outset, it is critical to gather reliable baseline data to measure progress over time.
- Validation of data collected, its compilation and analysis is important for success of any strategy.
- Focus on clients and customers is a major concern, but must be further strengthened - not only in shared service arrangements.
- Lack of transparency in business processes, including who to contact and overall timelines, is an area of frustration for clients.
- Establishing shared services is a long process that takes years to stabilize and to yield lasting results.
- Client and stakeholder commitment is essential.

3. Resources: budget and staffing

14. Staff resources from client missions helped to quickly establish the Regional Service Centre in Entebbe. However, transfer of personnel and posts was still slower than anticipated and led to performance shortfalls, slowed the development of a coherent culture in the centre, and is cumbersome to manage. Workforce planning for shared service arrangements has to be done carefully to ensure, from the outset, that the service centres and other locations are staffed with the right personnel with appropriate skills. Posts were transferred only gradually over time, though the Regional Service Centre in Entebbe was held accountable for performance from the start. Notwithstanding these challenges, in addition to uniformed personnel, about 70 per cent of civilian field staff (representing 40 per cent of global Secretariat staff) is now clients of shared service arrangements, which is a significant achievement.

15. Reliance on resources contributed from within missions' funding also affected the visibility and oversight of resourcing. This leads to the need to create consolidated Regional Service Centre financial reporting for Member States as an annex to the annual overview report on peacekeeping financing. Through the establishment of a separate Regional Service Centre budget in 2016/17, based on a scalability model, DFS subsequently addressed these challenges.

16. The surge in field operations affected the available capacity for Strategy implementation, because mission, service centres, and Headquarters personnel had to manage burgeoning operational demands. At times, in the face of competing operational demands, departmental resources for planning, implementation and coordination of the GFSS were insufficient. That slowed design and implementation at times, particularly for supply chain management, shared services and environment interests.

Key lessons learned:

- The financing model of a service centre has a significant impact on management and performance, as well as on accountability.
- Deployment of personnel along with their posts did not always transfer the “right” workforce, thus resulting, among others, in lower morale and productivity.
- The service delivery model/centres should have their own budget and dedicated staffing.

4. Change management

17. One of the most critical elements of implementing such large shift in a business operating model is the effort which has to be put in place to help the organization and its people undergo the transition to the new way of doing business. This aspect is often underestimated and involves a lack of resources. The Strategy must highlight a clear and strong support for rigorous and comprehensive change management to help implement the initiative, including dedicated resources. Important factors in every change management process are the culture of the organization and its people. Moreover, the organizational environment is of considerable importance. A number of external and internal factors constrained the capacity to sustain change. Unforeseen crises and volatility in the mission portfolio consumed management capacity. Over the

course of five years, for example, over 20 field missions were newly established or substantially reconfigured. The global financial crisis also curtailed the ability to invest in change, and made cost-efficiencies a primary focus for the GFSS. Other internal reforms - including IPSAS and Umoja - had to be managed in parallel. Some important GFSS initiatives, such as shared services, proved challenging and delayed others. Dedicated resources to manage overall GFSS implementation remained limited. Major changes can be made smoother where working processes are systematically reviewed, data are synchronized, and knowledge management and communication platforms are established.

18. Change management primarily aimed at improving client services over time. Service quality has always been a challenge, since it involves changes not only to systems and processes, many of which are not within the delegated authority of DFS, but also to the broader organizational culture in the United Nations Secretariat as a whole. The DFS client surveys have identified the recruitment and claims and benefits processes as particular client priorities, both of which are owned or essentially designed by other Departments of United Nations Headquarters.

19. In many other cases, GFSS stakeholders might have needed more support for change management. During the individual phases of building up the Regional Service Centre, for example, much of the change management effort was devolved to the service centre itself. Given the challenges in having the service centre accepted by client missions and the fragmented transfer of people and functions, the level of leadership, resources and support for change management was not sufficient.

20. Communication efforts are critical, but not always given sufficient attention. The findings of the global surveys supported the need for extending communication, and DFS has now implemented changes based on this lesson. More communication from the Under-Secretary-General for DFS and from Headquarters has been sent to missions. There has been push for more townhall meetings by the Under-Secretary-General for DFS to the missions, and the Under-Secretary-General for DFS has held them more frequently. All GFSS materials have been shared on multiple public platforms.

21. In the five-year implementation period, turnover at the Head of Department level among Directors of DFS, Directors of service centres and the GFSS team had an impact on continuity and momentum in the GFSS implementation. In large project management offices, continuity of key staff is desirable. Other mitigation efforts should be put in place to ensure that, if personnel continuity is not possible, online repositories of information are available. Technology tools for that purpose were increasingly used during implementation.

22. Implementation of other huge initiatives such as the simultaneous launch of the Enterprise Resource Planning System, Umoja, absorbed considerable staff resources in DFS, the service centres and the field missions. Gradual transfer of posts over time contrasted with the transfer of workload and performance accountability from the start. In particular, this significantly disadvantaged the shared service centre in its start-up phase. The timelines for phasing in the model and building up staffing needs to be commensurate with the accountability for agreed service levels. Setting up a new service model while implementing new organization-wide initiatives, such as IPSAS and Umoja caused significant stress for operational activities and diverted a large amount of time and capacity away from the strategic management focus.

Key lessons learned:

- Change management needs to be given due weight. Time, effort and resources need to be dedicated to workforce planning, training and communications and cultural change for all stakeholders and entities.
- Too many major reforms should not be implemented concurrently.
- Technology enablers are often not designed in concert with the development of processes and/or in sync with staff roles and responsibilities.
- For many business processes, DFS lacked the delegated authority to introduce necessary changes.

- Reliance on resources contributed from within mission funding also affected the visibility and oversight of resourcing.
- Sustained high operational speed has an impact on strategy implementation.
- Lacking continuity of key personnel affects the quality of overall implementation.

III. Conclusions and actions taken by the Administration

23. After June 2015, DFS has made a systematic effort to mainstream a strategic approach to continuous performance improvement, including a clear mission, vision, set of priorities, and portfolio of key performance indicators. The DFS has also put in place strategies to advance priorities such as supply chain or environmental management that were not sufficiently addressed during the GFSS period. In addition, the Secretariat also introduced a new financing model for the Regional Service Centre in Entebbe to support increased transparency, scalability, resource management and performance oversight.

Governance and project management

24. The Board has recommended that mainstreaming activities be monitored through documented regular meetings of the Strategic Project Oversight Committee and other institutional mechanisms to ensure timely and effective risk mitigation and mid-course corrections. The GFSS approaches and tools identified for mainstreaming be embedded in the relevant standard operating procedures and manuals to ensure that their benefits may be realized.

25. As a result, DFS has taken a more structured approach to the use of its management forums. Weekly Directors meetings now include systematic performance reviews, based on a widely-communicated annual schedule. These reviews focus on critical business processes. Decision notes and tracking of the implementation of decisions taken in the meeting are a regular occurrence. Moreover, the Strategic Project Oversight Committee meets to review, discuss and provide direction to departmental priority initiatives such as supply chain management, and environmental management. Additionally, DFS institutionalized a Client Board comprised of members of client Departments at Headquarters as well as representative Force Commanders, Police Commissioners and civilian Chiefs of Staff from the field.

26. In terms of mainstreaming the GFSS approaches, DFS has made further progress, for example, by introducing a harmonized performance framework for mission support components in the results-based budget for the 2017/18 financial period, institutionalizing the Global Client Satisfaction Survey, delivering a proposal on expanding shared-service coverage in the context of the Global Service Delivery Model, continuing the civilian staffing reviews, expanding options for enabling capacity via the United Nations Office for Project Services and others.

27. In terms of mainstreaming GFSS tools and guidance, existing guidance is being updated to incorporate GFSS aspects. Other guidance materials under development are based on GFSS outcomes; for example, the new interim guidance on centralized warehousing, the centralized warehousing operations manual, the environmental strategy, and the cost-benefit analysis guideline.

Cost-Benefit analysis and benefits tracking

28. The Board recognizes that the benefits of a business transformation strategy such as the GFSS may be both tangible and intangible. The intangible benefits would include the changing of set procedures and methodologies as well as approaches and work habits that would eventually lead to greater efficiencies and cost-effectiveness in the way that the peacekeeping operations are managed and executed. Such benefits take time to accrue in a manner that would be demonstrable and concrete. The Board does not dispute that the implementation of the GFSS has strengthened and improved support services to field missions in many respects. However, there should have been a benefits realization plan that captures the actual costs and realized benefits on the basis of a consistent and objective methodology that can be empirically verified.

29. The Board has recommended that DFS develops a cost-benefit analysis methodology, including benefits realization plans that can be empirically verified to provide assurance regarding the benefits that have accrued or are expected to accrue as a result of the implementation of the change initiatives. To help Member States and other stakeholders understand whether the GFSS was ultimately financially beneficial, DFS pursued a basic cost-benefit analysis (CBA). The CBA is an established, objective and well-documented method widely used in the public sector to assess ex-ante whether a programme should be launched and also to evaluate ex-post to what extent it has yielded the expected benefits. DFS considers that its application of the method was both appropriate and sufficient to provide assurance that the GFSS benefits have greatly exceeded its cost.

30. The Administration affirms that the initial projected GFSS benefits were designed to illustrate the potential of the Strategy to derive financial as well as operational benefits primarily in relation to the establishment of a regional service centre. Subsequent annualized GFSS benefits reporting attempted to provide annual estimates of benefits including anticipated cost avoidance, cost reductions and staffing review measures arising from decisions taken during GFSS implementation. In the absence of a Secretariat-wide methodology for calculation of cost-benefits estimates, the benefits reported under GFSS were based on estimates and assumptions. As a result, the reported net benefits may not have fully reflected the entire spectrum of cost avoidance, cost reductions or hard-to-value non-monetary benefits. The Board and the Office of Internal Oversight Services (OIOS) pointed out that costs, savings and cost reductions articulated by DFS were incomplete. It assumed that the shortcomings were mainly due to a lack of adequate tools and procedures to collate data provided by entities responsible for identifying and calculating the costs and benefits of GFSS.

31. Benefits reporting proved challenging due to the absence of strong baselines and/or benchmarks identified at the start of the GFSS implementation, as well as fluctuating operational demands year-on-year, and efficiency and effectiveness measurement has been difficult with existing tool. As a result, many benefits realized under the Strategy have been described qualitatively but have not been fully quantified financially. In the absence of a standardized Secretariat wide method for cost-benefit analysis and benefits realization, efforts had to be made each year to identify and try to quantify cost avoidance, cost reduction, economies of scale and efficiency dividends across diverse activity areas in a period of significant operational volatility affecting the portfolio of field missions.

32. Consequently, DFS has now developed a standardized cost-benefit analysis methodology, as well as guidelines on benefits tracking. The methodology will facilitate a uniform CBA approach moving forward and help create a shared understanding among internal and external stakeholders on how costs and benefits of reform initiatives can be empirically established and verified.

Implementation of the supply chain management

33. The supply chain and modularization pillar was to deliver an end state wherein field missions would be supported through improved goods and services sourcing including drawing on a range of deployable individual modules and enabling capacities, enhanced global asset management and an optimized material management system. A more efficient management of global assets, optimization of cargo and freight from centralized locations and robust acquisition planning and strategic deployment stocks enabling faster delivery of supplies was envisaged by the end of June 2015. To implement the supply chain management strategy, the Administration defined four priority projects.¹ During the GFSS period, the projects could not be completed.

34. In recent years the Board highlighted delays in various component activities in reforming the existing supply chain management system and recommended that soon steps be taken to set up a

¹ a) Analysis of the East Africa Corridor to identify opportunities to improve the movement of supplies in the East Africa region; b) Acquisition Planning to improve decision-making and sourcing, to establish adequate and relevant systems contracts and ensuring better predictability and improving management; c) International Chamber of Commerce rules for the use of domestic and international trade terms (INCOTERMS); and d) Centralized warehousing.

vision, strategy and road map for supply chain reforms. Concurring with the recommendation, the Administration had stated that an action plan would be in place by June 2015 on how to ensure the implementation and mainstreaming of supply chain management reform in policies and business processes. A strategy document for supply chain management and a road map were approved by the Administration in May 2015. However, this left no time for its implementation before the completion of the implementation period of the GFSS in June 2015, as had been originally envisaged. The Board noted that the delay was attributable mainly to the lack of delineation of roles and responsibilities in the beginning and no project coordinator being identified.

35. The Administration acknowledged that there had been an initial delay in taking forward the supply chain management pillar targets and the achievement of the end state. However, starting from June 2014, the Logistics Support Division had made efforts to rationalize the entire process. The Board observed that the delay in initiating concrete action at the commencement of the implementation period of the GFSS had resulted in the non-achievement of the originally envisaged end state under this pillar. While the Board acknowledges that since 2014 the Administration has taken steps to firm up the action plan and road map, it would be necessary to now carry it forward in a time-bound manner by establishing and monitoring target dates for various activities under the action plan. The Board had recommended that steps be taken to set up a vision, strategy and roadmap for supply chain reforms as soon as possible and to ensure the implementation of supply chain reforms in support of peacekeeping operations. This should include a plan to ensure mainstreaming the supply chain reforms in the business processes of DFS, its regional centres and field missions, even after the conclusion of the GFSS in June 2015.

36. Pursuant to the recommendations of the Board, the Administration delivered Supply Chain Policy papers including vision, strategy and high-level road map in May 2015 and issued a Blueprint in October 2016 that outlines the planned end-state of supply chain management for DFS, as well as the activities required of the organization to achieve that end-state. While the Administration accepted that there had been an initial delay and has taken measures, the Administration did not address the difficulties or reasons for the delays and partial non-achievement of the end state vision of the supply chain pillar. In the purpose of the lessons learned intention, an open-minded analysis of the aspects which led to the difficulties and non-achievements is advisable. This would help to assess, whether the developed supply chain management implementation framework and guidance is now clear and detailed enough to address identified weaknesses.

IV. Moving forward

37. The GFSS delivered major changes in the field service delivery model, including a refashioned division of labor between headquarters, new service centres and field missions. In the GFSS implementation period 2010-2015, new organizational structures and processes have been put in place. These steps towards an improved service delivery model will need to be stabilized in the following years. Approaches and tools will need to be refined and/or further developed. Valuable initiatives that were started during the GFSS implementation period have been enhanced and mainstreamed in long-term organizational structures. A core challenge for DFS in the future will be to ensure a sustained continuation of the commenced change process.

38. Experience shows, that change management is challenging to apply, even if its importance is widely understood. Organizations often lack capacity and skills. As the Secretariat acknowledged in response to observations made by the Board about deficiencies in the implementation of transformational initiatives, organizations need to assess whether they have the skills and resources required to embed new ways of working and continuously manage and improve day-to-day delivery. The implemented improvements will need to be consolidated and the approaches to be further refined. The DFS should further strengthen its efforts to govern, manage and oversee the service centres. The Department of Management should work with DFS on reviewing policies, procedures and the delegation of authority needed for the change processes and better performance in the field.

39. Initiatives to strengthen the United Nations field support needs to be sustained and coordinated across all United Nations Secretariat entities, including Departments at headquarters, service centres, field missions as well as through engagement of key internal and external stakeholders and clients. In this way, the approach shall be mainstreamed into the future work of each of these entities. The Secretariat should remain committed to maintaining the strategic dialogue developed with Member States to ensure that a balanced set of priorities is guiding further improvements in United Nations field support. It should ensure that:

- Lessons learned by DFS inform the management of Secretariat-wide change initiatives, such as the Global Service Delivery Model;
- Approaches introduced during and after the GFSS, including revised management forums, systematic performance reviews, client satisfaction survey, the core performance framework and stronger communication products are institutionalized in the long term;
- Governance, management and oversight of shared service centres at headquarters are further strengthened, given its importance for operational success, client services and satisfaction;
- The implementation of the supply chain management strategy and the environment strategy for field missions is prioritized within the United Nations Secretariat; and
- Recommendations for further strengthening of United Nations field support are prioritized by the United Nations Secretariat and its stakeholders.

40. Drawing on the lessons of GFSS, DFS should be committed to work with all partners on delivering further improvement in United Nations field support. The DFS has set internal foundations for the post-GFSS period. Senior management has agreed on new mission and vision statements, established mid-term priorities, and strengthened management processes for the regular review of support performance and priorities.