

Framework for a global service delivery model of the United Nations Secretariat (A/70/323)

Introductory statement by Yukio Takasu, Under-Secretary-General for Management To the Fifth Committee of the General Assembly

27 October 2015

Good morning and thank you Mr. Chairman. Distinguished delegates,

I am pleased to introduce to you today the report of the Secretary-General on a "Framework for a global service delivery model of the United Nations Secretariat" (A/70/323). This report is submitted in accordance with resolution 67/246. I would like to take this opportunity to express our appreciation to the ACABQ for its thorough review.

Vision

The rationale for a global service delivery model is as straightforward as it is ambitious: The Secretariat needs to be better able to deliver on its mandates; peace and security, sustainable development, human rights and humanitarian activities. In order to do so, it has to be supported by more efficient and cost-effective administrative services.

In his report, the Secretary-General outlines the vision for an enterprise-wide approach that will deliver high-quality, timely and standardized administrative services across all Secretariat entities under one common set of Financial and Staff Regulations and Rules. As General Assembly, ACABQ, Board of Auditors all repeatedly stated, Global Service Delivery must be truly an organization —wide endeavour. At the same time, administrative support functions will be organized to put client needs, operational imperatives and results first, while also ensuring appropriate control, oversight and cost-effectiveness. Modular solutions will accommodate diverse business needs and the complexities of different operating environments at Headquarters and in the field.

The benefits that we are aiming for are substantial: With a global service delivery model, we will ensure a high quality of service that is timely and consistent and responds to client needs more effectively. We will ensure greater consistency and more transparency and accountability through

standardization and better oversight. Bundling service requests will also create efficiencies and economies of scale and allow us to redirect resources to new functions and programmatic work.

Building on experience

Global Service Delivery will only be possible with the advance in implementation of many enterprise-wide transformational initiatives that we have undertaken in recent years with your strong support, particularly Umoja. These also include Global Field Support Strategy, the ICT strategy, the IPSAS and Human Resources reforms, including mobility.

Moreover, we can build on good practices and expertise that are available in Offices Away from Headquarters, regional commissions and field missions that have a broad experiences, some even a long history, of supporting other entities with administrative services. We draw lessons learned from these shared services experiences, including from GFSS.

It is critical that we leverage the full potential of all these enabling initiatives and all the knowledge available as we are moving forward in our efforts.

Overall approach

The report elaborates the framework of how the Secretary-General proposes to achieve the vision for a client-focused and performance-driven service delivery model. While Umoja standardize and harmonize business processes, the global service delivery model, on that basis, will consolidate fragmented administrative structures within and across duty stations, as appropriate.

Building on what Umoja offers, the Secretariat intends to:

Simplify the administrative framework, functions and workflows;

- Specialize administrative responsibilities under distinct roles; and
- Consolidate location-independent functions in Service Centres and Centres of Excellence.

Over the 70-year history of the Organization, administrative processes have grown to be cumbersome and complex. Administrative set-ups and arrangements were organized location dependent, creating many administrative silos. We need to review our workflows and make them more results-oriented, fit-for-purpose, focusing on the **enabling and supportive role that the administration must play in the service of diverse business needs**.

Further, we need to realign the Organization's administrative architecture to better distinguish strategic from operational activities. A specialization and clearer division of labour and a re-profiling of functions will allow for greater concentration of expertise and consistency of administrative services.

• **Headquarters** function will include the strategic direction, policy formulation, oversight and leadership in stakeholder engagement.

- **Hub** functions will include the consolidated delivery of location-Independent processes at the global, regional or single-site level.
- **Local** functions will be the performance of location-dependent, non-transferable processes.

At the core of the global service delivery model are the administrative processes that can be delivered location-independent. For those processes, we have identified a significant potential for consolidation. Services that historically were rendered in each duty station separately can be performed for a larger group of clients under shared service arrangements in the future, in so-called hubs, either at the global, regional or single site level.

Depending on the nature of the service, transactional processes can be provided through service centres that can support a global, regional or site-specific group of clients. Expertise-based administrative services will be provided by centres of excellence that can offer highly specialized guidance and knowledge.

We have carefully reviewed administrative processes to define a preliminary scope of the processes with "hub potential". Out of 347 processes, some 142 are deemed to be location-independent. As the analysis continues, we will undertake an even more detailed assessment, also building on the experience and business intelligence that Umoja will provide us once it is stabilized.

A critical paradigm shift that will underpin the global service delivery model is the **transition to a more holistic, end-to-end delivery of services**. Rather than handling human resources, finance or central support processes separately, a shared service environment manages related administrative activities jointly across different parts of the Organization in order to achieve better results and create greater synergies.

Equally important is the **close collaboration with clients**, both during the design phase of the model and in its day-to day-operation. Service-level agreements will define the exact parameters of services. Key performance indicators will ensure that agreed standards are met and scorecards will allow for active performance management.

To ensure that we are responsive to different client needs, we will have to provide sufficient flexibility to address different requirements in very diverse operating environments. One way to do so is to **deliver services under different modalities and modules**. Some examples include:

- **Functional clusters** consolidate location-independent processes and comprehensively deliver them by one entity.
- **Service lines** integrate processes that span different administrative areas.
- Customized client portfolios are a one-stop shop under a unified structure that assists a particular client or group of clients in all of their administrative support needs.

To work effectively and reliably, the Global Service delivery model will need to have a solid and predictable funding arrangement that allows for stable core staffing to ensures that services can be delivered according to agreed service levels. It must be scalable in a business-appropriate timeframe to address fluctuations in workload.

Mr. Chairman,

I would like to briefly describe the roadmap and the way forward. The report before the Committee is entitled "framework". It includes the vision and guiding principles, expected benefits and a preliminary scope as well as an implementation roadmap. On consideration of the report by the General Assembly, a detailed business case with location options could be presented in the 71st session, drawing on the framework and on critical data that will become available with the stabilization of Umoja.

To prepare the business case, the report includes a request for resources to establish a small temporary project team and secure expert consultancy. Subject to approval by the General Assembly, we will reflect detailed proposal of the Global Service Delivery Model in the Proposed Programme Budget 2018-2019.

The phased approach is a very deliberate one. It was chosen to ensure that we establish a common understanding of key parameters that will guide us as we embark on the further development of the model that will impact the Organization in a very significant manner.

The framework is presented in full recognition of the unique structures of the United Nations that have evolved under the direction of Member States, the universal nature of the Organization, its complex operating environments, institutional history and the knowledge that has been accumulated by its staff.

We do not intend to pursue change merely for the sake of change. Only when we can demonstrate clear benefits, we put forward detailed proposals. Our point is to strengthen the Organization's ability to deliver on its mandates.

We look forward to guidance of the Assembly on the direction of the Global Service Delivery Model.

Thank you, Mr. Chairman.		