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Notes for ECOSOC Panel  
Creating a common Back Office  
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A preface to any discussion of joint, integrated or any other kind of collaborative action in the delivery of administrative and support services is the need to confirm that it makes economic and operational sense. While I believe collaborative action offers a much greater harvest than has been reaped so far, the beneficial scope for this needs to be defined through analysis, not merely conviction. In addition to informing what organizations can do together or should do themselves, analysis should also look into what organizations should perhaps not do at all anymore, given the emergence of a range of alternative service providers and the opportunities automation and self-service approaches offer.

The reason I am here is that my first project as an Inspector was a review of the experience of UN system organizations in changing how they deliver administrative support services by developing service centres to provide services more or less on a global basis. Against the backdrop of the proposal of the Secretary-General to develop a global service delivery model for the Secretariat, we thought it timely to have an updated picture of the experience with analogous initiative in the UN system. The recently completed report is in the process of being published but is available now on the JIU website.

This was not a study of inter-agency cooperation. Quite the contrary-- we encountered organization-specific initiatives aimed at meeting the business needs of the seven organizations concerned. The basic idea the organizations pursued was the consolidation of service delivery from many units into one (generally one, not always one), and relocating the service delivery to low cost locations. In the lexicon used by UNDG/DOCO, these are sometimes referred to as vertical service centres, to convey the point that they are internal, rather than common service platforms.

Having examined this global, vertical service centre facet, we are now going to undertake a review of the scope for efficiency gains through interagency cooperation. That study will hopefully be an evidence based contribution to the theme under discussion today. But the study of the vertical centres generates insights germane to the current topic.

One key point is that United Nations system organizations that have moved away from maintaining separate administrative support structures in different parts of their organizations are moving in the right direction. Shared (consolidated) services, grouping such services in service centres and the placing of such centres in lower-cost locations, are well-established concepts that can generate, and have generated, meaningful efficiencies.

The requirement for organizations to develop operating models that are sustainable and affordable has often been a key driver, but it is rarely only about

money. Service quality enhancement is a frequently stated goal, but one that has often not received the focus required.

Another important finding is that embedding change and realizing benefits takes both investment and time. A focus on short term savings can be short-sighted and counterproductive. Related to this is the critical role of leadership in driving change in business operations. This was a key determinant of success in the initiatives we studied. I emphasize this because I doubt that the voluntary, bottom up approach embedded in the BOS can develop scale and corporate buy-in. A more directed engagement in working through what makes sense seems needed.

A singular focus on cooperation for country level business operations is not the right lens. Administrative support service delivery arrangements need to be looked at as a whole system. Organizations require a policy and philosophy on service delivery, including a view of what should be done globally, locally, and at levels in-between, with policies and systems configured accordingly. Carving out local operations rather than situating them in the larger system risks not only sub-optimal placement, but also marginalization of BOS type arrangements because they are not integrated into corporate service delivery thinking.

There are governance gaps. The operational activities for development, while an important legislative vehicle to address country level operations, may not be a sufficient. Where, for example, does the UN secretariat fit in as both participants in inter-agency collaboration and/or as a service provider, which our investment

in UMOJA may equip it to be? Can the General Assembly speak in a way that the most relevant parts of the Secretariat will listen without the voice of the 5th Committee, drawing on the advice of the ACABQ?

Also in terms of governance gaps, what echoes do these resolutions have in the governing bodies of funds and programmes, who are subsidiary bodies of the General Assembly, let alone those of specialized agencies? Is it time to move beyond lamenting about the disconnect between and among legislative bodies comprised of the same member states? Perhaps the review of governance arrangements requested in paragraph 45 of the QCPR will draw out some ambitious ideas to help address this matter. And perhaps, the GA and the ECOSOC should reflect on the consistency of their own messaging. The language and specificity on consolidation and integration in the recent resolution seems quite different from the detailed guidance provided at the 67<sup>th</sup> session.

A final point for now, particularly relevant to the ECOSOC in its coordination role, is its encouragement of the CEB and its machinery, including the UNDG, in developing and carrying out opportunities for optimizing business operations. With respect to the 2030 agenda, the CEB has expressed high ambition to deliver on the extensive horizontal cooperation required.

One of the 11 principles adopted by the CEB guide support for 2030 implementation is particularly relevant to business operations. Principle 9 highlights effective service delivery through global and integrated service delivery

approaches and policy platforms for joint and more efficient service provision to yield lower costs and support integrated programmatic action.

But what does this look like in practice? Without intruding into the internal nature of the CEB machinery, legislative bodies should maintain a keen interest in how the strategic plans and results frameworks being pursued by the CEB machinery translate into actions and results. One of the main lessons I take away from my JIU project is how difficult it is in our environment to carry out these kinds of changes. That is why the organizations, Secretariats, and inter-agency need more than policy direction from legislative and member states in general. Policy direction needs to be reinforced with sustained engagement and practical -- not just moral -- support.