

**36<sup>th</sup> Meeting of the Standing Committee  
26-28 June 2006**

**Agenda Item 4  
Oral Update on UNHCR's Structural and Management Change Initiative**

**Summary**

**Introduction**

1. UNHCR's Structural and Management Change process is driven by several inter-related objectives, namely the need for UNHCR to: i) attain optimal responsiveness and effectiveness in meeting the needs of refugees and others of concern; ii) adjust its ways of working to meet today's complex challenges in relation to migration and forced displacement; and iii) ensure that its structures and working methods are sustainable and cost effective.
2. In working towards these objectives, the Director for Structural and Management Change is leading a Review to ensure that processes, structures and workforce are aligned with current needs and challenges.
3. Amongst the key outputs expected from the exercise are the following: increased operational effectiveness; more resources for beneficiaries; a leaner Headquarters; support functions closer to point of delivery; and administrative services located where they are most efficient and cost effective.
4. The review is being conducted in phases. The first months have been dedicated to stocktaking and analysis. The second phase, which is now under way, is focused on important aspects of organizational re-alignment.

**Work to date**

5. At the launch of the Review, the Director for Structural and Management Change established a Field Reference Group comprised of 18 country and regional representatives. The group serves as a sounding board for shaping the content and direction of the review and for ensuring that it is strongly informed and guided by the needs of the Field.
6. The analysis of UNHCR's previous structural and management change initiatives undertaken as part of the stocktaking phase of the Review has served a number of different purposes. It has helped to identify recurrent concerns and to ensure they are reflected on the change agenda. These include: policy and strategy formulation; priority setting; imbalance between Headquarters and Field; delegation and empowerment; need for a situational approach to operations; resource allocation; and human resources management.
7. The stocktaking has also served to highlight the steps already taken or initiated by the Office to enhance organizational performance, avoiding the impression that change began on 1 March 2006. And it has sharpened the Office's understanding of what is required to ensure successful change.
8. Benchmarking against other agencies has helped to situate UNHCR vis-à-vis a broader range of relevant practice and experience, including in relation to the management and location of administrative functions. The Director for Structural and Management Change traveled to New York in May to meet with UNDP and UNICEF. This was followed by a joint mission with the Director of Information Systems and Telecommunications to Chennai, India where the World

Bank has offshored a range of administrative functions and, under a separate arrangement, outsourced a major part of its work in the field of information technology. In Geneva, dialogue has taken place with IOM and ICRC.

9. In support of present efforts to develop a results-based management framework, the Change Team has worked with the Field Reference Group on ways to strengthen the process of objective setting and prioritization. A review of UNHCR's resource allocation process is also under way.

### **The second phase**

10. The second phase of the change process, which is now under way, involves a broader examination of structures, processes and workforce arrangements.

11. As part of this process all Headquarters functions are being systematically scrutinized with a view to eliminating redundancies and duplications as well as identifying any functions that might be better and more cost effectively performed at non-headquarters locations or closer to the point of delivery. The overall aim of this exercise will be to optimize the role of Headquarters as a support platform for the Field.

12. In parallel, a number of Field Review Working Groups are undertaking situation-specific studies with the aim of determining how field configuration, deployment levels, staff composition and implementing arrangements can be optimized. The aforementioned Field Reference Group will be closely associated with this process.

13. In the meantime, the change process continues to keep a focus on key elements of workforce strategy. The appointments and postings process is undergoing a revision to increase its responsiveness to operational needs, while a particular focus is also being placed on strengthening management through the introduction of more rigorous assessment and accountability mechanisms and tools.

14. By the end of September 2006, UNHCR aims to have in place a framework plan and budget, for implementation over a two to three year period.

### **Communicating change**

15. Various communication tools have been employed to ensure dialogue with staff on the change process. An intranet Forum, has been set up to allow staff to share their views on a range of topics relevant to the Review (e.g., staffing, resource allocation, management). Newsletters are also being issued at regular intervals; the first was published at the end of May and a second should be in circulation at the end of this month. The High Commissioner held an all-staff meeting on the process on 12 May 2006. This was followed on 14 June by the first of a series of open Food for Thought sessions, chaired by the Director for Structural and Management Change.