



SECOND ITEM ON THE AGENDA

Progress report on the Integrated Resource Information System (IRIS) in the regions

Background

1. In November 2007, the Information and Communications Technology Subcommittee requested a progress report on the IRIS field roll-out.¹ This paper summarizes related developments as well as the proposed operational model, the deployment strategy and associated benefits and costs.

Current status

2. IRIS activities in 2007 and 2008 have included several preparatory steps for the implementation of IRIS in the field.
3. One of the main prerequisites was met in August 2008 with the implementation of the upgrade to the latest version of Oracle. As a result field staff will be trained on the latest version. Improvements introduced through the upgrade, in particular a completely revised travel module, will improve functionality and reduce risks during roll-out. A centralized IRIS Service Centre started operations in August 2008 to coincide with the upgrade. It is a “one-stop shop” for all IRIS support and will play a key role in supporting the roll-out. Progress has been made in network connectivity in a number of locations.
4. The IRIS pre-pilot has been operating for over one year for the Jakarta EAST project, providing very valuable feedback and experience.
5. Field visits were undertaken to four regions to discuss operational needs. These sessions provided valuable feedback from field staff in offices of varying sizes. The visits also involved staff in some initial planning for the roll-out.
6. Following these visits, four working sessions were organized at headquarters for selected field staff from each region to review detailed business processes with the headquarters

¹ GB.300/PFA/8.

units concerned. These sessions facilitated a better understanding of field operational needs and ways in which IRIS can provide support.

7. IRIS functions related to personnel management, as well as viewer access to information on technical cooperation projects, have been implemented in the Regional Office in Bangkok.
8. Preparations continue for the pilot implementation of IRIS in the Subregional Office in Budapest. The first phase of the roll-out is planned to start in November 2008 with training for the following functions: all human resources functions except local payroll; all strategic management functions including programme allocation changes, technical cooperation monitoring and key reports. Taking into account the experience and lessons learned from the first phase of the roll-out, the remaining functions will be rolled out in 2009.
9. A so-called “conference room pilot” meeting will be held in 2009 for field staff from all regions. It will enable key field staff to experience field business processes and procedures in IRIS, including a demonstration of all field-specific functions. The meeting will draw lessons from all pilot activities including those in Budapest. It will also provide an opportunity to identify any remaining functional gaps and adjustments required prior to roll-out.
10. In preparation for the field roll-out, detailed internal documents were developed. The key components of these documents are summarized below.

Operational model

11. Determining the operational model is the foundation of a successful strategy for implementation. It addresses the responsibility and approval framework, integrated business processes and roles of staff in order to identify optimal ways to support the functioning of ILO offices. It also identifies organizational risks and mitigation measures.
12. The key principles of efficiency, timeliness, flexibility, accountability and proper internal controls were applied. Three essential capacities were examined:
 - *Local office capacity*: The overall ability of a field unit to operate IRIS effectively, even during periods of illness or leave. This includes “self-support” from local super-users who provide basic assistance to colleagues.
 - *Capacity to train and support*: The overall ability of the Office to respond to operational inquiries and issues in a reasonable time period and to ensure that staff are properly trained from the outset and in the long term.
 - *Connectivity*: Reliable access to the Internet, with sufficient capacity and at reasonable cost.
13. The resulting model has three complementary components that cover existing ILO operations and are sufficiently flexible to support UN reform and any changes that may result from the field structure review. It enables decentralization of authority while offering combinations of local, regional and central processing and services if needed. It includes three operating levels: full online IRIS operations; partial online IRIS operations; and offline IRIS operations.
14. The full online IRIS operations solution applies to locations that are able to perform daily activities in a largely self-sufficient manner, relying only on back-office headquarters

processes and support and established approval hierarchies. This requires adequate staffing, communications and support. Core processes such as procure to pay, hire to retirement, budget and reporting are performed at these locations.

15. The partial online IRIS operations solution applies to locations that only partially meet internal control principles or capacity criteria. In this case, some activities can be performed or initiated and approved in IRIS, but other servicing will be provided from a separate location.
16. The offline IRIS operations solution applies if the key criteria above are not met. The offline location will be provided with templates and procedural guidance in order to conduct daily operations, while a servicing location will process transactions in IRIS. If connectivity exists but the other criteria are not met, access could be provided to online reporting.
17. The operational model relies upon a solid support framework and a functioning servicing structure. The support framework will be multi-tiered: basic support will be provided locally, next level support regionally and final support in headquarters. The support structure will have to handle language and time zone differences.

Deployment strategy

18. The field deployment strategy defines the approach for implementing the operational model. A number of criteria and challenges were examined, in particular the period over which implementation can be completed, the total cost and risk factors.
19. Key requirements considered were network connectivity, change management and role mapping, availability of local super-users to support daily operations and the capacity of the regions and headquarters to support operations on a daily basis, including time zone considerations.
20. A number of options were considered, such as implementing all offices at once or implementing one region or office at a time. The selected approach is to proceed region by region, starting in each region with the regional office. This option presents a manageable risk level and facilitates the establishment of a regional support structure prior to coverage of additional offices.
21. The deployment strategy calls for completion of IRIS field implementation during 2010–11, within the resource constraints identified below. Timelines will be regularly evaluated to identify ways to expedite the process.

Cost/benefit analysis

22. The overall decision to implement roll-out was confirmed through a cost/benefit analysis.
23. In view of the initial investment required, the possibilities of a custom-built solution or a global service centre were eliminated quickly from consideration. Simple paper or standalone solutions did not meet minimum operating requirements. The cost/benefit analysis therefore compares maintenance of the legacy solution (FISEXT) to IRIS.

24. In comparison to FISEXT, IRIS offers the following benefits:

- One source of information is used Office-wide, so that interactions on resources and results are based on a “single source of truth”. This reduces risks, promotes transparent and consistent reporting in a timely manner to various stakeholders, enhances collaboration and leads to better management decisions.
- One set of rules and procedures is applied throughout the Office. This facilitates application of rules and reduces risks, establishes internal controls at the point of data entry and processing, reduces ambiguity in the delivery of daily operations and generally enhances day-to-day efficiency, reduces reliance on individual interpretation of rules, enhances staff capacity to rotate among ILO locations, permits a common staff training approach and delivery method and facilitates peer interaction and common solution development.
- IRIS supports the linking of expenditure to results and permits more collaborative results-oriented work methods, whereas FISEXT carries only financial information.
- Interface and separate system maintenance is eliminated. This means that back-office support of IRIS technology is focused solely on IRIS and not on costly custom solutions or applications.
- IRIS establishes a technology platform that is positioned to meet changing operational and reporting needs so that the ILO can better react to changes resulting from, for example, business process harmonization under UN reform.

25. Through 2010, it will be necessary to maintain FISEXT. There will therefore be additional costs to roll-out at least until then. The three most significant cost components of implementing IRIS in the field are functional configuration; change management, training and support; and communications (connectivity). These cost components can be estimated in the light of the operating model and the deployment strategy.

26. Cost estimates can be summarized as follows:

- *Functional configuration:* This has been partly completed for pilot operations. The remaining work, including the conference room pilot, is already planned and budgeted for. A number of improvements to headquarters functionality will be delayed, but none that have major risk implications. Costs are divided almost equally between the functional support team, the technical support team and the user departments. These costs relate essentially to time of currently employed staff. Total costs are difficult to estimate precisely but amount to roughly of US\$1.6 million in staff time at headquarters and \$200,000 in the field, almost all in 2008–09.
- *Change management, training and support:* This will require \$1 million of headquarters staff time and some \$750,000 of local staff time, plus close to \$3 million in direct support to change management and training in some 50 locations. It is possible to cover the staff time within existing budgets and to fund the non-staff costs from staff development funds. However, this will put headquarters and local staff under some operational pressure. It will also require a large proportion of staff development resources through 2011 (some 20–25 per cent of the Office-wide total).
- *Communications (connectivity) costs:* IRIS is only one of the systems that will require improved network connectivity in a number of offices, particularly in Africa. Others include the electronic document management system and voice-over Internet communications. The cost of improving communications is falling over time, but currently estimated requirements substantially exceed budgets through 2011,

potentially by \$2 million or more, depending on the timing and extent of improvements. This could delay implementation of IRIS in some locations or require (partial) offline operations (see paragraphs 15 and 16 above). The Office is actively exploring less costly means of improving communications, in particular through collaboration with other UN agencies.

27. Implementation of the IRIS field roll-out will continue in accordance with the operational model and deployment strategy outlined above and within a framework of rigorous cost and risk control measures.

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Submitted for information.