



Governing Body

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GB.309/PFA/4

Programme, Financial and Administrative Committee

PFA

FOR DEBATE AND GUIDANCE

FOURTH ITEM ON THE AGENDA

Implementation of the revised field structure

Overview

Issues covered

This paper, and its annexed table, summarizes progress made so far in the implementation of the revised field structure following the Governing Body's decision in March 2009. Details of actions already taken or those that are under way at the time of writing are followed by information on next steps foreseen in the course of further implementation during this biennium.

Policy implications

To be determined.

Financial implications

None.

Action required

None.

References to other Governing Body documents and ILO instruments

GB.304/PFA/5

GB.304/PFA/5(Add.)

GB 304/8/1(Rev.2)

GB.309/SG/DECL/2

Introduction

1. At its 304th Session (March 2009), the Governing Body authorized the Director-General to implement a two-tier ILO field structure. Under the revised structure, all country offices would report directly to regional offices, replacing the three-tier structure which included subregional offices. Decent Work Technical Support Teams (DWTs) would be established in the regions and there would be expanded use of national coordinators in countries where the ILO has no offices, where its activities warranted a stronger presence and where resources permitted.¹
2. The revised field structure is intended to strengthen the ILO's capacity to service its Members globally, in regions and in countries, in line with the ILO Declaration on Social Justice for a Fair Globalization. It is also intended to respond to the rapidly evolving development and operational framework within the United Nations system at the country level.
3. This report provides an update on progress in implementing the revised structure. It presents a summary of actions taken or that are under way at the time of writing, and those foreseen in the course of further implementation. It also highlights the links and coherence of this change exercise with other measures which are intended to strengthen operational effectiveness, improve transparency and accountability and ultimately enhance the delivery of services to the ILO's tripartite constituents.
4. While the focus of this report is on the management and operational steps taken to support the implementation of the revised structure, the Committee may also wish to note that measures have been introduced aimed at enhancing the substantive technical quality of the services that the ILO delivers to constituents in keeping with the ILO Declaration on Social Justice for a Fair Globalization.² These measures include the adoption of a more integrated approach to the achievement of the ILO's four strategic objectives and to ensuring that ILO policy and action at headquarters and in the regions are based on a coherent and consistent approach to the implementation of the Decent Work Agenda. Progress towards attaining these goals will be measured, inter alia, through the set of performance indicators which will be reported on in the ILO programme implementation 2010–11.

Implementation of the revised field structure: Actions taken or under way

5. The changes to the field structure have been implemented in a systematic and measured manner to ensure a smooth and effective transition. Summarized below are the main steps taken, or under way, during the preparation for change, management of change and reinforcement of change.

Leading and managing the change exercise

6. To ensure timely and effective implementation, the overall role in driving these changes was assigned by the Director-General to the Senior Management Team; the Executive

¹ GB.304/PFA/5, GB.304/PFA/5(Add.), GB 304/8/1(Rev.2), paras 58–129.

² GB.309/SG/DECL/2.

Director for Management and Administration was responsible for managing this change exercise and a senior official was appointed to support and coordinate the exercise at the operational level.³

Collaboration between headquarters and the regions: Working together for change

7. The change exercise has been undertaken as a joint effort involving several headquarters units including the Human Resources Development Department (HRD), the Bureau of Programming and Management, the Financial Services Department, the Office of the Legal Adviser (JUR) and the regions, particularly Africa and Asia and the Pacific.⁴ Through this approach, the Office was able to ensure that: (i) the regions owned the process of translating the high-level proposals approved by the Governing Body into concrete plans to meet their specific needs; (ii) staffing and other considerations flowing from the plans were managed in a consistent manner across all regions; and (iii) the management and administrative modifications to support the new structure were tailored by the relevant units at headquarters to meet the needs of the regions, thereby enabling continuity of services to constituents after the changeover to the new structure, with minimal disruptions. A six-month transitional period was designated after the changeover date of April 2010 to accommodate the needs of specific offices and individual staff members who were directly affected by the changes.

Consultations with constituents

8. Joint headquarters/regional office missions were undertaken to some of the offices targeted for a change in their functions (Addis Ababa, Cairo, Dakar, Harare, Manila, Pretoria and Yaoundé). The missions to Dakar, Harare and Manila provided opportunities to discuss the planned changes with tripartite constituents and respond to their concerns regarding any implications of the proposed changes on future service levels. Informal briefings were also provided to regional groups in headquarters ahead of the 306th Session of the Governing Body (November 2009). The changes were also communicated to the constituents by the respective regional offices.

Assessing the staffing implications

9. Missions to Addis Ababa, Harare and Manila were particularly valuable in discussing the concerns of staff regarding the staff implications of the new structure. They provided an opportunity for the mission team to brief staff on the planned changes. Individual meetings were also held with staff to understand their professional and personal situations and to ascertain their preferences in the event that redeployment or other measures became necessary. The information obtained during these missions was used to prepare consolidated staff plans for each office and provided a basis for the staffing decisions mentioned in paragraphs 18 and 19 below.

³ ILO: *Managing change: Enhancing delivery of ILO services*, Director-General's Announcement, IGDS No. 87 (version 1) of May 2009.

⁴ Much attention was focused on the Africa and Asia and the Pacific regions, where there was a planned consolidation of technical capacity: in Africa six subregional offices were converted into four DWTs, and in Asia and the Pacific three subregional offices were converted into two DWTs (see para. 18 below).

10. The Staff Union Committee at headquarters was regularly briefed on developments and consulted on the staffing proposals. Meetings were also routinely held with the local Staff Union representatives in each location as an integral part of the abovementioned missions.⁵
11. The regional offices of Africa and Asia and the Pacific also undertook consultations with managers, staff and Staff Union representatives in their respective regions regarding the implementation of the change proposals approved by the Governing Body.

Communicating with managers and staff

12. Briefings were provided for line managers at headquarters and in the regions on the planned changes to the ILO field structure as an essential component of the follow-up to the ILO Declaration on Social Justice for a Fair Globalization. These briefings were undertaken within the framework of the monthly line managers' meetings at headquarters and meetings of directors in the regions (Africa, Asia and the Pacific, Europe and Central Asia, and Latin America and the Caribbean).
13. These briefings served to clarify the functions of different types of offices, including their relationship with headquarters. They have also underscored the indispensable leadership roles to be played by managers at headquarters and in the regions in delivering on ILO goals and outcomes.⁶ As mentioned in paragraph 4, one imperative is the adoption of more integrated and collaborative ways of working across the ILO in the spirit of the ILO Declaration on Social Justice for a Fair Globalization. These briefings were intended to ensure that managers have a full understanding of the new measures introduced by the Office and of their own role in promoting greater cooperation and cohesion across the ILO and improving the quality of services offered to constituents. The briefings also highlighted the interlinkages between various measures introduced by the Office and their expected contribution to the overall change agenda: outcome-based work planning as a means of facilitating better coherence, integrated resource use and teamwork; the strengthening of the accountability framework to drive performance and delivery; the introduction of the new performance management system focused on the achievement of results against predetermined expectations; and an increased focus on knowledge management and sharing to support evidence-based planning.⁷
14. More general briefings have been held with staff in all categories including presentations to all the staff of the Bureau for Workers' Activities; the staff in Bangkok; and in Cairo, Dakar, Pretoria and Yaoundé in the context of change management workshops. These provided the opportunity for Office management to better understand the practical challenges faced by staff in the implementation process and to explore practical solutions.

Recruitment and selection procedures for national coordinators

15. The recruitment and selection procedures for national coordinators have been clarified and formalized with a view to promoting independence and compliance with ILO values and

⁵ GB.304/8/1(Rev.2), para. 128(d).

⁶ These roles have been clarified by the Office as mentioned in para. 23 below.

⁷ The Director-General's Programme Guidance Letter, Programme and Budget for 2012–13, May 2010.

principles among national coordinators. As of April 2010, a set of clear, transparent and coherent procedures are in place, which provide, inter alia, for national tripartite constituents to be consulted at the final stages of the recruitment process.

Implementing the changeover

16. The changes to the field structure took effect in April 2010 as mandated by the Director-General's Announcement *Enhancing delivery of services to constituents*.⁸ A description of the revised structure is presented in the appendix. It comprises five country offices (in Abidjan, Addis Ababa, Bangkok, Harare and Manila) converted from subregional offices; ten dual-role DWTs and country offices (in Budapest, Cairo, Dakar, Lima, Moscow, New Delhi, Port-of-Spain, San José, Santiago and Yaoundé) converted from subregional offices; one stand-alone DWT in Bangkok converted from a subregional office; a DWT established in Pretoria and combined with a multi-country office; and a DWT established for the Arab States.⁹
17. The revised field structure has been implemented within the resource levels allocated for 2010–11. One result is that the technical capacity in the regions has been maintained at the levels which pre-dated the changeover. The Office will assess what adjustments, if any, are required based on the initial experience in implementing the changes and this will be gradually reflected in future programme and budget decisions.

Staffing the new structure

18. The staff plans prepared by the regions in collaboration with HRD identified the staffing levels and profiles required to support the revised structure and made proposals for matching these with existing staff. In creating the DWTs in Africa and Asia and the Pacific, the existing technical capacity in these regions was consolidated so as to achieve greater critical mass. In the case of Africa, the expertise from six former subregional offices has been brought together in the four DWTs in Cairo, Dakar, Pretoria and Yaoundé; while in Asia and the Pacific, the expertise from the former subregional offices in Manila and Bangkok has been consolidated within the DWT in Bangkok. This process necessitated the transfer of some of the incumbent internationally recruited staff in the Professional category to new duty stations. It is envisaged that all such transfers will be completed by the end of 2010. No staff movements were required to establish the DWTs in the other regions.
19. Since national officers and General Service staff are not subject to geographical mobility, the matching process was managed differently and the Office has been able to avoid job losses. In Africa, where the conversion of the subregional offices in Addis Ababa and Harare into country offices resulted in a reduction in the number of administrative and support staff required, the plan is reassign local staff to duties in the regional office (in the case of Addis Ababa) and to technical cooperation activities (in the case of Harare).¹⁰ It is envisaged that these changes will be implemented by the end of 2010. The regular budget resources thereby released will be redirected to support the work of the new DWTs. In

⁸ ILO: *Enhancing delivery of services to constituents*, Director-General's Announcement, IGDS No. 150 (version 1), 13 April 2010.

⁹ The former Subregional Office in Bangkok was converted into two separate entities: a country office and a DWT.

¹⁰ Based on prepared staff plan.

Asia and the Pacific, where the subregional office in Manila was converted into a country office, three members of staff were reassigned to technical cooperation activities under agreed conditions, in keeping with the staff plans mentioned above.¹¹ As will be the case in Africa, the regular budget resources thereby released will be redirected to support the new DWTs and the new regional management structure.

National coordinators

20. As an initial step, four new national coordinators have been appointed, two in Asia and the Pacific (in Cambodia and Mongolia) and two in the Arab States (Syrian Arab Republic and Yemen). Decisions regarding the appointment of additional national coordinators will be determined by a number of factors, including established needs and resource availability. The location of all national coordinators is indicated in the appendix.

Supportive measures: Reinforcing change

21. A number of additional measures have been adopted aimed at reinforcing the changeover to the revised structure. These are summarized below.

Formalizing the ILO Accountability Framework

22. The Director-General formalized the ILO Accountability Framework in January 2010.¹² This action is in line with the requirement of the ILO Declaration on Social Justice for a Fair Globalization to review and adapt its institutional practices to enhance governance within the framework of continuing internal reform. It also responds to recommendations made by both the Chief Internal Auditor and the External Auditor. It is intended to improve organizational performance and to foster greater accountability among managers and staff across the Office as part of the overall effort to enhance governance.

Clarifying roles, responsibilities and functions

23. Clarity in roles and responsibilities is a prerequisite for effective accountability. To better meet this requirement, the Office undertook a review of the roles and responsibilities of key senior management positions at headquarters and in the regions. The resulting high-level framework is intended to ensure that each level of management clearly understands and can fulfil its role and responsibilities, while at the same time respecting the roles of others. It is also intended to provide the basis on which these managers can work together effectively and efficiently in delivering services to ILO constituents.
24. A related exercise is under way to define the functions of headquarters and each type of office in the regions. This is intended to minimize the overlap and ambiguity which have existed in the past and which have constrained performance. The Office is also taking steps, through adequate training, to ensure that these functions are well understood and respected, and can facilitate enhanced service delivery to constituents.

¹¹ Staff offered agreed terminations with terms consistent with the provisions of the Staff Regulations.

¹² Director-General's Announcement, *ILO Accountability Framework*, IGDS No. 137 (version 1), 15 January 2010.

Investing in training

25. Staff training and learning activities to reinforce the effectiveness of the revised structure have been of two types: those focused on improving operational and managerial efficiencies and those of a more specialized nature. With respect to the former, these have included topics related to roles, responsibilities and functions in the revised field structure; the new performance management system; the ILO Accountability Framework; and the ILO and UN reform. These programmes have been rolled out so far to the DWTs in Africa (Cairo, Dakar, Pretoria and Yaoundé). For the DWTs in Asia and the Pacific, the focus has been on results-based management and UN reform.
26. The latter have included some innovative activities, developed and conducted in collaboration with the International Training Centre of the ILO, Turin. Among them are:
- (a) a specially packaged programme for directors and technical staff in the Africa region intended to help improve performance in delivering services to the ILO's tripartite constituents. Topics covered include project-cycle management, resource mobilization, and results-based management. It is envisaged that this package will be adapted and implemented for country offices and DWTs in other regions; and
 - (b) a pilot workshop aimed at strengthening the ILO's analytical capacity on labour economics for development. The main objectives are to support the capacity of ILO staff to produce knowledge products and analytical work in support of the Decent Work Agenda; and to build a critical mass of researchers who are up to date with state of the art methodologies in the area of labour market and social policy analysis. The workshop brought together ILO staff engaged in economic research and related analytical and advisory work at headquarters and in the regions.¹³

Developing indicators to measure the performance of the field structure

27. Further to the Governing Body decision in March 2009 regarding changes to the ILO field structure, the Office was requested to “develop clear indicators to measure the performance of the field structure in meeting the strategic objectives and needs of constituents”.¹⁴ The development of the indicators has been undertaken through a consultative and collaborative process involving several headquarters units and the regions. The indicators will measure performance in the following five areas:
- quality of Decent Work Country Programmes;
 - resource management for Decent Work Country Programmes outcomes;
 - support to strengthened knowledge base;
 - management development; and
 - mainstreaming decent work in national development strategies.

¹³ *What are the labour market and social policies that perform in relation to overcoming the global jobs crisis?* A workshop for ILO staff, Turin, Italy.

¹⁴ GB.304/8/1(Rev.2), para. 128(b).

Separate indicators will measure the performance of offices in industrialized countries with respect to increased visibility and support for the ILO's Decent Work Agenda among partner organizations and the wider public.

28. The selection of these indicators was guided by three key principles. First, the measurement of indicators should "provide learning for improved performance". Second, the exercise should not place an undue administrative burden on the regions. Hence the focus is on a number of key high-level measures in selected areas. To avoid duplication of effort and double reporting, maximum use will be made of performance indicators which have been already defined in the Strategic Policy Framework 2010–15, the Programme and Budget for 2010–11, and the various management strategies for which baseline information is available or is being collected. These will be adapted for the purpose of this exercise. Third, the indicators, which are largely output indicators, should be specific, measurable, achievable, relevant and time-bound (SMART).
29. The regional offices, in collaboration with their respective offices and DWTs, are engaged in identifying the mechanisms for measurement. The actual measurement will commence in 2011 with initial results presented in the Programme Implementation report for 2010–11.

Implementation of the revised field structure: Next steps

30. While this report has provided an overview of the steps taken during 2009–10 to implement the revised field structure, it would be premature at this early stage to try to assess the impact of the changes. Indeed, the transitional period for the changeover to the new structure is only now closing at the time of writing. Nevertheless, it is clear that the investment of time and effort, both at headquarters and in the regions, has laid a solid foundation for the next steps. The preparatory work undertaken for the implementation of the changes, particularly in so far as they impacted constituents and staff, ensured a smooth transition and implementation of this phase of the change process.
31. During the remainder of this biennium, the Office envisages strengthening and deepening the impact of these changes and embedding the revised field structure leading to measurable improvements in the quality of services to constituents. The following actions will be implemented in 2010–11:
 - (a) continued strengthening of the ILO accountability framework to ensure that it responds to evolving circumstances and takes into account best practices in the UN system. The goal is to have an accountability system in the ILO "which places increased focus on results and performance-based management, gives greater flexibility and autonomy to managers in order to achieve agreed results, and emphasizes transparency as an essential feature of accountability";¹⁵
 - (b) continued transformation of work methods, from the perspective of both methodology (cooperation and collaboration across headquarters and the regions) and coherence (implementing a more integrated approach to the achievement of the ILO's strategic objectives);
 - (c) continued development and adoption of new, smarter approaches to managing in an environment of increased demands for services and tight budgets. This will involve

¹⁵ ILO: *ILO Accountability Framework*, op. cit.

reform of business practices to lead to more efficient services and increased responsiveness linked to the roll-out of IRIS to the regions;

- (d) continued upskilling of managers and staff to improve operational efficiency and effectiveness and sharpen technical expertise;
- (e) greater empowerment of country offices so that they can better respond to constituents needs and priorities at country level and contribute more effectively to UNDAF processes; and
- (f) provision of guidance and support to the regions in implementing the measurement process for the performance indicators.

32. As requested by the Governing Body, the Office will undertake a “global and independent evaluation of the impact of the changes”.¹⁶ This evaluation will be carried out in 2013, and reported to the Governing Body in 2014.

Geneva, 19 October 2010

Submitted for debate and guidance

¹⁶ GB.304/8/1(Rev 2), para. 128 (c).

Appendix

ILO field presence by location and type of office (April 2010)

Region	Regional office	Country office	DWT ¹	ILO office ²	National coordinators	Other representations ³
Africa	Addis Ababa	Abidjan ⁴ Abuja Addis Ababa Algiers Antananarivo Cairo Dakar Dar es Salaam Harare Kinshasa Lusaka Pretoria Yaoundé	Cairo Dakar Pretoria Yaoundé			
Arab States	Beirut		Beirut		Damascus Sana'a	Jerusalem Kuwait
Asia and the Pacific	Bangkok	Bangkok Beijing Dhaka Hanoi Islamabad Jakarta Kathmandu Manila New Delhi Suva	Bangkok New Delhi	Tokyo ⁵	Phnom Penh Ulaanbaatar	Kabul Timor-Leste Yangon ⁶
Europe and Central Asia	Geneva	Budapest Moscow	Budapest Moscow	Ankara Berlin Brussels Lisbon Madrid Paris Rome	Astana Baku Belgrade Bishkek Chisinau Dushanbe Kiev Minsk Sarajevo Skopje Tirana Yerevan	
Latin America and the Caribbean	Lima	Brasilia Buenos Aires Lima Mexico Port-of-Spain San José Santiago	Lima Port-of-Spain San José Santiago			
Other				Washington, DC ⁷		New York ⁸

¹ Decent Work Technical Support Team.

² Office in an industrialized country.

³ Liaison officers, representatives.

⁴ Country coverage to be reviewed in 2011.

⁵ Reports directly to the Director-General.

⁶ Reports through ED/NORM.

⁷ Reports to the Director-General.

⁸ Reports to the Director-General through Partnership and Development Cooperation Department.