

ADMINISTRATIVE SUPPORT SERVICES

The role of service centres in redesigning administrative service delivery

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What does the report do?



Studies the experience of 8 organizations in considering and **developing service centres**



Examines how inter-agency **cooperation** at the global level reflects the **messaging** from member States



Motivation for the report



The Secretary-General's proposal to develop a **global service delivery model** for the Secretariat



Member States call for **reduced administrative footprints** in the context of operational activities for development



The JIU 2009 report on **off-shoring** in the early period of global service centre initiatives

Basic dynamic

1. Consolidate transactional functions and relocate them to centres in **lower cost locations**.
2. Logical extension of **ERPs capabilities** that allow certain functions to be carried out anywhere.



Drivers for change

1. It is important **not to oversimplify** – cost reduction is a key, but not the only driver.
2. Other drivers: **improved quality**, standardization, specialization, **reduced risk**, and enhanced mission focus.
3. Intergovernmental bodies dwelt heavily on **savings**.

Findings and conclusions

1. Overall policy, leadership and governance

United Nations system organizations are heading in the **right direction** by considering shared (consolidated) services, service centres and placing them in lower-cost locations.



Varied engagement of legislative bodies in considering these initiatives, from very hands-on to hands-off. A **uniform approach is not realistic** but governing bodies need a good handle on administrative reform results.

Key success drivers are **sustained leadership** and **effective change management**. This takes investment and time; a focus on short-term savings can be counter-productive.



Virtually non-existent systematic **inter-agency cooperation** on global service centres, although ad hoc cooperation among service centres is beginning to develop.

Three governance type challenges related to **further inter-agency progress**:

1. 2nd / 5th Committee roles
2. The connection between cooperation at the country level and global level service delivery
3. Follow-up and accountability, on implementing legislative direction on administrative consolidation and harmonization

2. Analysis and planning

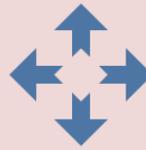
Three constituents to efficiency and effectiveness gains, which must be analyzed in different ways:



Business process improvement



Consolidation of service delivery functions



Relocation

Efficiency targets often reflect what organizations think they can deliver rather than benchmarks.

Business cases are often **focused on labour cost savings** – labour arbitrage. The assumptions have generally held up – even exceeded.

Human resources challenges related to relocation:

1. High turnover, need for specific managerial capabilities
2. Deficiencies in the UN system contractual framework
3. Outdated policies on National Professional Officers



Recommendations



1. The legislative bodies should request their **technical advisory** bodies to examine the results of administrative service reform.
2. The General Assembly should **revise the policy** on NPOs.

The executive heads should:

3. Provide the tools and systems for **tracking customer service** and capturing business intelligence.
4. **Designate responsibility** for pursuing ongoing improvement and for making process changes and ensure that service centre governance and management arrangements make clear the related role of service centre managers.
5. Define **efficiency benchmarks** based on objective standards and ensure that performance targets are progressively adjusted to attain them.



An important **soft recommendation**: the CEB should **develop a work-stream** on global service delivery.