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

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**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.