General Assembly

Seventy-third session
Agenda items 126, 135, 136 and 150

United Nations reform: measures and proposals

Review of the efficiency of the administrative and financial functioning of the United Nations

Programme budget for the biennium 2018–2019

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Global service delivery model for the United Nations Secretariat

Report of the Secretary-General*

Summary

The General Assembly, in its resolution 72/262 C, requested a new proposal for a global service delivery model that can support the delivery of fit-for-purpose administrative support services to clients across the United Nations Secretariat, including through the establishment of global shared services. With administrative services delivered where, when and how they are needed, the United Nations Secretariat can become nimbler and work more efficiently and effectively to better support its normative and operational activities.

In his report entitled "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492), the Secretary-General stressed the urgent need to ensure more cost-effective and consistent administrative support by carrying out administrative transactions in a reduced number of locations. The challenging climate in which the United Nations currently operates means that new and innovative approaches are required in all areas of the Organization. It is not possible to achieve significant transformational change by continuing to do the same things the same way. The introduction of global shared services would allow staff to refocus on mandate delivery, while the priority of the proposed Global Shared Service Centres would be to provide high-quality, flexible and reliable services that meet the needs of their clients.

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* The present report was submitted late owing to the extensive process of obtaining inputs from other sources.

Please recycle

The global service delivery model, an important component of the Secretary-General's ambitious reform agenda, aims to improve the responsiveness, efficiency, transparency and accountability of service delivery. This is a complex task, but one that is urgently needed to ensure more cost-effective and consistent administrative support across the Organization. Within the United Nations, many funds, programmes and agencies have already moved towards similar models of service delivery. The Secretariat is in a unique position to benefit from lessons learned by others, as well as the recommendations of oversight bodies on business transformation.

Contents

I. Introduction

1. The global service delivery model is an important component of the Secretary-General's reform agenda. While the enterprise resource planning system (Umoja) standardized and automated business processes, the proposed global service delivery model will consolidate fragmented administrative structures into Global Shared Service Centres with the goals of improving service delivery and increasing efficiency. This model will enable services to be delivered with greater consistency and scalability, achieve economies of scale and reduce the Organization's footprint in higher-cost and higher-risk duty stations.

2. The present report builds upon the report on a framework for a global service delivery model of the United Nations Secretariat (A/70/323) and subsequent reports in which the model was further developed (A/71/417, A/72/801 and A/72/801/Add.1/Rev.1).

3. Pursuant to General Assembly resolution 70/248 A, the report contains a comprehensive proposal that includes an end-state vision, clear goals and objectives, a business case and a detailed cost-benefit analysis. It also outlines an increased number of processes to be incorporated into the scope of the project to increase efficiencies. A phased implementation plan is set out, according to which functions and clients will be transitioned into the Global Shared Service Centres from early 2020, as well as detailed budget implications.

4. The development of the global service delivery model has benefited greatly from the direction set by the General Assembly, the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions, the views of Member States and key stakeholders, the recommendations of oversight bodies on business transformation initiatives and, in particular, the experience gained and lessons learned from the implementation and use of shared services within the Secretariat and the United Nations system.

II. Case for change

A. Global service delivery model vision

5. The Secretary-General's vision for shifting the management paradigm is underpinned by a commitment to delegate decision-making to heads of entities, while taking full advantage of Umoja and the global service delivery model to improve the responsiveness, efficiency, transparency and accountability of service delivery.

6. The global service delivery model will support the Organization in realizing the full capacity of enterprise systems and free programme managers from transactional tasks by providing flexible, reliable and cost-effective administrative services to all clients. Programme managers will retain their full decision-making authority, enabling them to focus more on their mandates and strategic priorities.

7. The global service delivery model consolidates location-independent hub functions[1] into the Global Shared Service Centres, proposed to be established in the following four locations: Nairobi; Shenzhen, China; Budapest; and Montréal, Canada.

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[1] These are location-independent functions that are performed locally but have the potential to partially or fully consolidate, simplify, specialize and/or automate processes in a shared service environment, or functions that are led by United Nations Headquarters or offices away from Headquarters but can be performed in other locations.

8.   The Global Shared Service Centres will offer proactive client support, where performance levels are measured consistently to provide greater transparency of administrative cost, improved quality and timeliness, and a mechanism for continuous improvement underpinned by a performance management framework.

B.   Business case

9.   The present proposal offers an attractive cost profile in comparison with the current cost of providing administrative support services (also referred to as the "baseline"). Once the Global Shared Service Centres are established, there is estimated to be a $23.0 million annual cost reduction compared with the baseline (see figure I).

Figure I
Annual cost reduction

(Millions of United States dollars)

| Baseline annual cost | Annual cost reduction | Annual cost of the Global Shared Service Centres[*] |
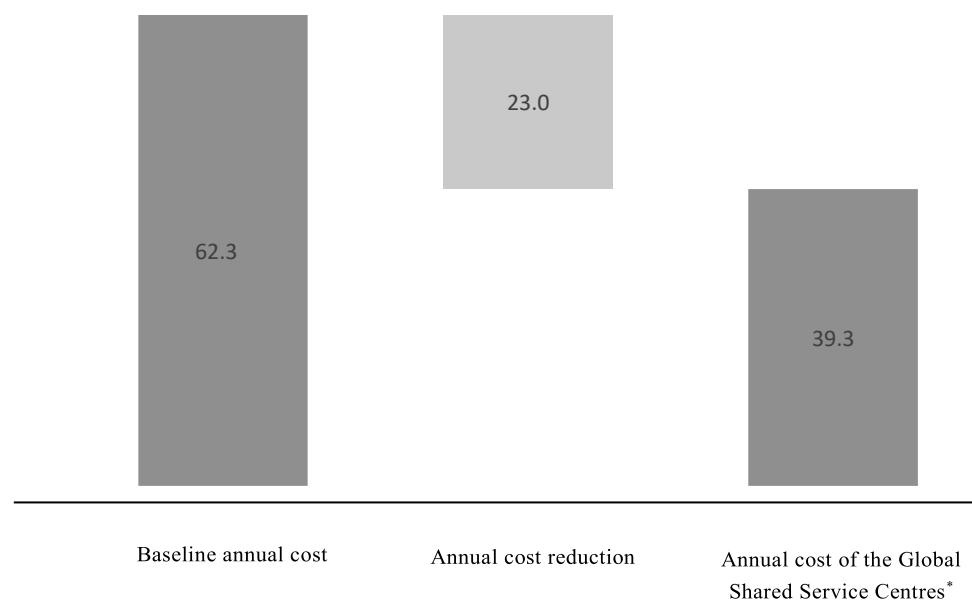
*   The annual cost of the Global Shared Service Centres is based on the estimated operating cost in the fifth year.

10.   This results in a cost reduction of an estimated $49.0 million over the first five years of operations,[2] breaking even[3] at the end of the third year (see table 1).

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[2] Comparing the estimated baseline cost of carrying out in-scope services in the present and future delivery models, including one-time costs associated with establishing the Global Shared Service Centres.

[3] The break-even point is the date on which the Organization will recoup its one-time investment in establishing the Global Shared Service Centres.

Table 1
Five-year cost reduction
(Thousands of United States dollars)

Year	Zero	One	Two	Three	Four	Five
Baseline cost	–	62 348	62 348	62 348	62 348	62 348
Operating cost of the Global Shared Service Centres	–	39 834	41 349	39 318	39 318	39 318
One-time cost of establishing the Global Shared Service Centres	35 895	24 612	3 047	–	–	–
Annual cost reduction	(35 895)	(2 098)	17 952	23 030	23 030	23 030
Cumulative cost reduction	(35 895)	(37 993)	(20 041)	2 989	26 019	49 049

Note: All figures are estimates. Years reflect the costs for the period from 1 July to 30 June, with year one beginning on 1 July 2020 to align with the projected average date of commencement of shared service provision across the Secretariat.

III. Comprehensive proposal

11. The present section describes all the elements included in the global service delivery model proposal.

12. The proposal is developed on the basis of the six-part methodology outlined in the report of the Secretary-General on the framework for a global service delivery model of the United Nations Secretariat (A/70/323). These steps are:

- **Step 1**: location-dependence assessment of administrative processes and categorization as headquarters, hub or local

- **Step 2**: assessment of the impact and difficulty of moving the process to a shared service centre

- **Step 3**: mapping of functional roles to the corresponding organizational structures in the Secretariat, in order to identify where functional roles are currently located and quantify the workload for each process

- **Step 4**: identification of potential sites for consolidated administrative services, taking into account qualitative and cost-benefit considerations (see sect. III.A)

- **Step 5**: development of a business case for the global service delivery model (see sect. II.B)

- **Step 6**: development of a risk framework to assess potential risks and articulate a risk mitigation strategy (see sect. IV.D)

A. Selection of shared service centre locations

1. Assessment criteria

13. The General Assembly, in its resolution 72/262 C, requested that the new proposal fully take into account paragraph 5 of the report of the Advisory Committee contained in document A/72/7/Add.50 and the comments, observations and recommendations of the Joint Inspection Unit, and that the Secretary-General consult with Member States and relevant stakeholders and consider the views expressed by them. In view of that request, a new assessment of the locations for the Global Shared Service Centres was conducted in 2018, using the evaluation criteria applied in the previous location assessment (A/72/801, para. 29). The criteria were endorsed by the

global service delivery model steering committee and listed in paragraph 5 of the report of the Advisory Committee contained in document A/72/7/Add.50. Figure II below sets out the location assessment scoring criteria.

Figure II
Location assessment scoring criteria

Cost **(40 per cent)**	**Qualified local workforce** **(40 per cent)**	**Location suitability** **(20 per cent)**
• Staff cost • Operational cost • One-time set up cost	• Availability • Quality • Language skills	• Quality of life • Country risks • Infrastructure

2. **Assessment approach**

14.   The locations that were evaluated in the new assessment included the 45 existing locations of the United Nations (including its funds and programmes) that deliver administrative support services. In addition, to further leverage the experience of administrative services of the United Nations system, the new assessment also included 11 headquarters and shared service centre locations of specialized agencies, related organizations and other entities that provide administrative support services. In response to the request of the General Assembly, in its resolution 72/262 C, that the new proposal be developed after consultation with Member States, the Secretariat also invited all 193 Member States to express their interest in hosting a Global Shared Service Centre. Consequently, 19 Member States[4] proposed a total of 22 locations as potential hosts of the Global Shared Service Centres. Of those 22 locations, 15 had already been included among the 45 existing locations or the 11 locations of specialized agencies, related organizations and other entities. The remaining seven locations were included in the assessment, resulting in a total of 63 locations being assessed (see figure III below).

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[4] The 19 Member States were Austria, Bangladesh, Botswana, Canada, China, Denmark, Egypt, Ethiopia, Germany, Hungary, India, Kenya, Mauritius, Mexico, Oman, Switzerland, Senegal, Thailand and Uganda.

Figure III
Locations included in the location assessment

Africa	Americas	Asia	Europe

a. 45 locations included in the previous assessment (see A/72/801)

Africa	Americas	Asia	Europe
1. Abidjan, Côte d'Ivoire	13. Kingston	22. Almaty, Kazakhstan	37. Bonn, Germany*
2. Addis Ababa*	14. Mexico City*	23. Amman	38. Brindisi, Italy
3. Cairo*	15. Montevideo	24. Apia	39. Budapest*
4. Dakar*	16. New York, United States of America	25. Bangkok*	40. Copenhagen*
5. Entebbe, Uganda*	17. Panama City	26. Beirut	41. Geneva, Switzerland*
6. Johannesburg, South Africa	18. Port of Spain	27. Dubai, United Arab Emirates	42. Istanbul, Turkey
7. Kigali	19. Rio de Janeiro, Brazil	28. Fukuoka, Japan	43. Rome
8. Lusaka	20. Santiago	29. Incheon, Republic of Korea	44. Valencia, Spain
9. Nairobi*	21. Washington, D.C.	30. Kathmandu	45. Vienna*
10. Niamey		31. Kuala Lumpur	
11. Rabat		32. Kuwait City	
12. Yaoundé		33. Manama	
		34. New Delhi*	
		35. Suva	
		36. Tashkent	

b. 11 locations of specialized agencies, related organizations and other entities

Americas	Asia	Europe
1. Montréal, Canada*	2. Chennai, India*	5. Bern
	3. Manila	6. London
	4. Tokyo	7. Madrid
		8. The Hague, Netherlands
		9. Hamburg, Germany
		10. Paris
		11. Turin, Italy

c. 7 new locations proposed by Member States

Africa	Asia
1. Ebene, Mauritius	3. Chengdu, China
2. Gaborone	4. Dhaka
	5. Duqm, Oman
	6. Hangzhou, China
	7. Shenzhen, China

 * Location proposed by Member State.

15. To ensure an independent and expert analysis, an independent consulting firm was engaged to conduct the assessment. The assessment was based on the previously used criteria and included the following three steps:

(a) **Initial assessment against minimum requirements**. In this step, all 63 locations were evaluated against the minimum requirements, including:

(i) Security and stability;

(ii) Family duty station;

(iii) Health care, education and access, including reliable medical facilities, educational facilities and a nearby international airport with adequate connectivity;

(iv) Infrastructure, including reliable, modern information and communications technology;

(v) Availability of a qualified local workforce with the requisite skill profiles;

(vi) Adequate time zone coverage;

Of the 63 locations, 39 locations fully met the minimum requirements;

(b) **Evaluation against scoring criteria**. In this step, the 39 locations that fully met the minimum requirements were evaluated against the scoring criteria approved by the steering committee, as follows: cost (40 per cent), qualified local workforce (40 per cent) and location suitability (20 per cent) (see figure II);

(c) **Compilation of a shortlist of recommended locations**. In this step, the 39 locations were ranked and a shortlist was identified on the basis of the outcome of the evaluation against the scoring criteria.

3. Location recommendation

16. The results of the assessment indicated that Nairobi, Shenzhen, Budapest and Montréal were the highest scoring in their respective geographic regions (i.e., Africa, Asia, Europe and the Americas). Consequently, it is proposed that all four locations should each host a Global Shared Service Centre. This recommendation would fully address the requirements of the General Assembly pursuant to its resolution 72/262 C, including by providing the following:

(a) A "follow-the-sun" support model in which certain transactions, when required, can be passed between shared service centres in different time zones to increase responsiveness and reduce delays (resolution 72/262 C, sect. IV, para. 3);

(b) Adequate coverage for French-speaking staff (A/72/7/Add.50, para. 13). The evaluation indicated that Montréal would be capable of providing French language services. In addition, the other service centres will have access to a French-speaking workforce, which will enable time-sensitive services to be provided in French to clients in Africa, Asia and Europe;

(c) One shared service centre located in Africa (ibid., para. 12).

17. In addition, this recommendation would offer the following advantages:

(a) Strong host Government relations. The Governments of the four recommended locations have all confirmed their recognition of United Nations privileges and immunities, including work permits for third-country nationals to work for the Global Shared Service Centres as locally recruited staff and work permits for spouses of international staff. Each Government has also proposed additional contributions of support;

(b)   Full-time zone coverage across the worldwide operations of the Secretariat;

(c)   The possibility of facilitating future consolidation of shared service delivery for the United Nations system, where appropriate, thereby contributing to the "delivering as one" approach.

B.   Scope of services

18.   In accordance with section XIX of General Assembly resolution 70/248 A, the development of the global service delivery model is limited to the provision of administrative support services.

19.   As the first step of the six-part methodology (outlined in para. 12), an assessment of 386 administrative processes delivered within and outside of Umoja was conducted (see A/71/417). As a result, 201 processes were categorized as hub (i.e., location-independent), with potential for consolidation into the shared service centres. One additional process was subsequently included, bringing the total number of location-independent processes to 202.[5] The General Assembly, in its resolution 72/262 C, endorsed the request of the Advisory Committee, in paragraph 14 of its report contained in document A/72/7/Add.50, that increased efficiencies and cost savings be reflected in the present proposal.

20.   A more in-depth review of the 202 processes[6] was conducted in the second step of the methodology, in order to assess the impact of moving the processes to a shared service centre. The review identified the following:

(a)   **Processes expected to be offered by the Global Shared Service Centres in the first year of operations**. The majority of these processes fall under the following four primary areas: human resources administration, accounts payable, payroll and common services, including travel initiation for clients, and shipment and travel lump sum calculations. In the report of the Secretary-General contained in document A/72/801, processes related to bank reconciliation, travel and shipment lump sum calculations for all Secretariat staff and financial reporting for field missions administered previously by the Department of Field Support were included in the first year of operations. The inclusion of travel and cashier services for field missions formerly administered by the Department of Field Support is also considered in the present report;

(b)   **Processes that are not envisaged to be offered by the Global Shared Service Centres at this time**. These processes are either out of the scope of the global service delivery model at this stage or would benefit from co-location with other non-hub activities, and it is therefore recommended that they remain in their current locations for now. Future reviews of these processes will be conducted to ensure that the services offered remain in line with client requirements.

21.   The assessment (see figure IV) indicated that of the 202 location-independent processes, 80 processes are expected to be offered in the Global Shared Service Centres in the first year of operation (an increase of 33 per cent from the 60 processes identified in the report contained in document A/72/801), including 35 human resources administration processes, 39 finance processes and 6 corporate service processes. As part of the second phase, a review of all remaining processes will be

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[5] The total includes the "netting" process, which involves globally offsetting credits and debits between the Organization and its vendors as part of the group of finance processes.

[6] A detailed inventory of the 202 processes is provided in annex III.

undertaken, so as to develop a robust plan to increase the future scope of the shared service centres.

Figure IV
Process assessment
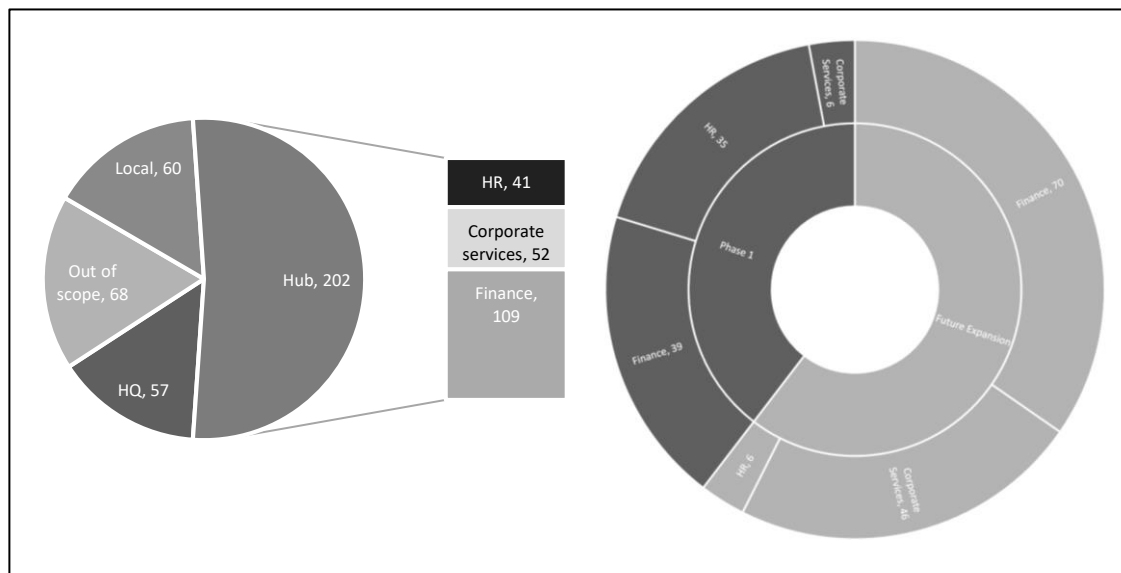
Abbreviations: HQ, Headquarters; HR: human resources administration

C. Global Shared Service Centre management structure

22. The Director, Global Shared Services, will report to the Under-Secretary-General of the Department of Operational Support, who will maintain close coordination and consultation with the Under-Secretary-General of the Department of Management Strategy, Policy and Compliance. This will ensure synergies between policies and the processes executed in the Global Shared Service Centres, and allow for the identification of improvement opportunities in policies and processes and the development of appropriate policies, as envisaged by the General Assembly resolution 73/281. A single management structure across the four shared service centre locations will provide strategic direction and oversight and ensure consistency across locations and functions.[7]

Office of the Director, Global Shared Services

23. The purpose of the Office of the Director, Global Shared Services, is to set direction and oversee shared service operations. It is proposed that the Office of the Director be co-located with the Global Shared Service Centre in Nairobi, as this centre hosts all major service centre functions and is in the same time zone as the majority of clients.

24. The Director, Global Shared Services, will have the following responsibilities:

    (a)   Setting near- and long-term executive direction for shared service delivery;

   (b)   Ensuring the consistency of service delivery across the centres;

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[7] The Joint Inspection Unit highlighted the critical importance of a sound management framework to champion and drive the success of shared service centre operations (see A/72/299, sect. VII).

(c)   Ensuring alignment with the Organization's objectives and direction;

(d)   Managing the operation of all service centre locations;

(e)   Providing leadership to the service centre chiefs;

(f)   Managing senior stakeholder engagements.

25.   The Office of the Director, Global Shared Services, includes two sections: the Performance and Process Optimization Section and the Client Services and Training Section (see figure V). These sections are responsible for increasing service maturity, building standardization and optimizing resources and costs. The Director and these sections are supported by a Senior Administrative Officer (P-5) and an Administrative Assistant (Other level) to coordinate administrative activities and projects, the recruitment and development of service centre staff and client site visits and to prepare reports to intergovernmental and expert bodies (including budgets and performance reporting).

Figure V
Organization structure: Office of the Director, Global Shared Services
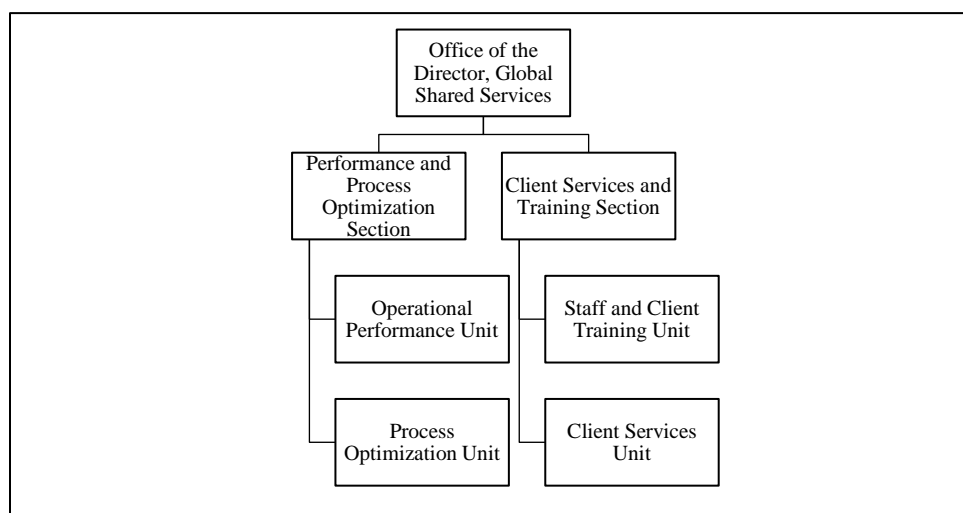
Performance and Process Optimization Section

26.   The Performance and Process Optimization Section comprises two units: the Operational Performance Unit and the Process Optimization Unit.[8] The purpose of the section is to manage operational reporting and drive process optimization. The section will be led by a Senior Programme Management Officer (P-5).

Operational Performance Unit

27.   The purpose of the Operational Performance Unit is to track the performance of the Global Shared Service Centres against service-level agreements and key performance indicators.

28.   The unit will have the following responsibilities:

(a)   Developing standard reporting mechanisms applicable to shared service centres by leveraging, as necessary, centrally provided business intelligence;

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[8] The establishment of the section is consistent with the recommendations of the Joint Inspection Unit in its report (ibid., recommendations 1 and 2).

(b)   Supporting centre and staff performance management;

(c)   Initiating and managing periodic client satisfaction surveys, identifying areas for improvement and using these as input into service-level agreement reviews;[9]

(d)   Consolidating global reporting against service-level agreements and key performance indicators;

(e)   In coordination with the Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance, providing support to policy leaders in monitoring delegation of authority;

(f)   Supporting audit requirements and compliance reporting as requested by policy and process leaders, oversight bodies and other relevant entities.

29.   The unit will be led by a Programme Officer (P-4), supported by a Programme Officer (P-3). Those officers will manage the workplan of the unit, provide business analysis and lead reporting and performance analysis. An Information Management Officer (P-3) will provide technical expertise to maximize the value of reporting tools and processes and provide high-quality reporting to clients, staff and external bodies. Significant work will be required to develop reporting platforms and integrate information from multiple sources into client and stakeholder portals. Five General Service staff will perform these activities.

Process Optimization Unit

30.   The purpose of the Process Optimization Unit is to drive process optimization to improve operational performance across the Global Shared Service Centres.[10]

31.   The unit will have the following responsibilities:

(a)   Supporting the identification, evaluation and prioritization of continuous improvement projects related to the shared service centres;

(b)   Developing and managing service projects aimed at improving user experience and establishing a common user experience across the shared service centres;

(c)   Contributing to process improvements and the implementation of process changes;

(d)   Providing input on matters that affect shared service processes and ensuring alignment with policies;

(e)   Maintaining effective working relationships between the shared service centres and the Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance, the Office of Information and Communications Technology and Umoja (until Umoja is mainstreamed);

(f)   Supporting the roll-out of Umoja enhancements and implementation for future phases across the shared service centres.

32.   The unit will be led by a Programme Officer (P-4) responsible for business process and systems improvement. The section requires three Programme Officers (P-3) to drive continuous improvement cycles, working to implement methodologies such as Lean Six Sigma in service centre operations. Three Associate Programme Officers (P-2) will

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[9] The need to carry out frequent client satisfaction surveys is based both on the experiences of existing service providers and on the recommendation of the Joint Inspection Unit (ibid., para. 78).

[10] The Joint Inspection Unit refers to the importance of insights being fed into organizational processes for improving business operations (ibid., para. 77).

serve as process experts to ensure that process development is sound and in alignment with policy and best practice and meets the operational needs of clients.

Client Services and Training Section

33. The Client Services and Training Section comprises two units: the Staff and Client Training Unit and the Client Services Unit. The purpose of this section is to ensure consistent approaches to client support, staff and client training and documentation across the global shared service structure.[11] The section will be headed by a Senior Programme Management Officer (P-5), who will also provide global oversight of the client support units located in each shared service centre.

Staff and Client Training Unit

34. The unit will have the following responsibilities:

(a) Developing and maintaining client training materials and sharing knowledge and materials for distribution;

(b) Planning and facilitating staff learning and development activities;

(c) Working with client support units to understand common user queries and implement measures to support training activities;

(d) Promoting the adoption and use of knowledge management in the Global Shared Service Centres and managing capacity-building within the centres;

(e) Maintaining a library of standard operating procedures and client-facing documentation.

35. The unit will be led by a Human Resources Officer (P-4), supported by two Human Resources Officers (P-3) and a Human Resources Assistant (Other level).

Client Services Unit

36. The purpose of the Client Services Unit is to ensure that communication between service providers and clients is clear, timely and relevant.

37. The unit will have the following responsibilities:

(a) Developing and coordinating the implementation of the shared service centre communication strategy;

(b) Managing the shared service centre intranet and Internet pages;

(c) Drafting and disseminating regular intranet campaigns, email broadcasts, information circulars, fact sheets and frequently asked questions/answers;

(d) Managing external outreach activities;

(e) Developing and managing client engagement events, newsletters, town hall meetings and walk-in clinics;

(f) Organizing client visits.

38. The unit will be led by a Public Information Officer (P-3), supported by two Public Information Assistants (Other level).

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[11] The section will provide a change management function for clients, as recommended by the Advisory Committee (A/72/7/Add.50, para. 20) and endorsed by the General Assembly in its resolution 72/262 C.

D. Shared service centre service delivery structure
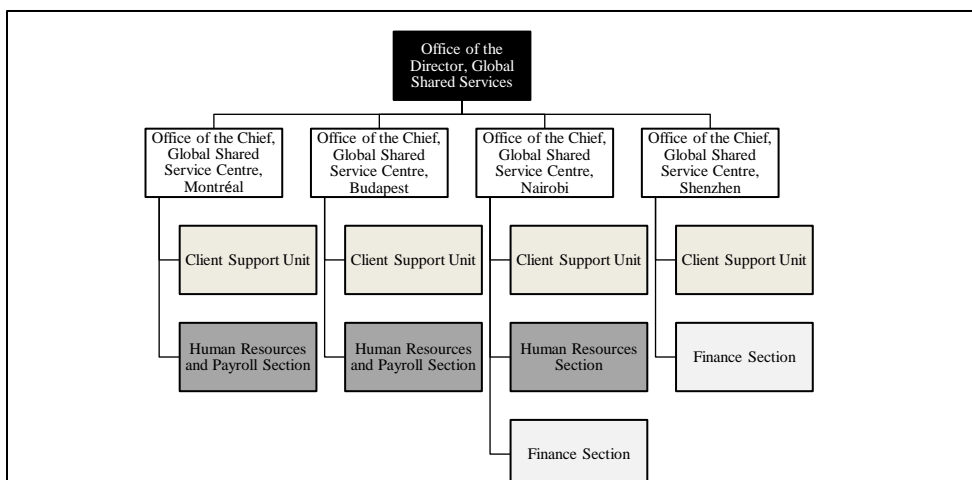
39. The four centres will be coordinated by the Office of the Director, Global Shared Services, located in Nairobi. Total staffing across the four centres will be 780 staff in the first two years of operation, reducing to 684 staff from the third year as efficiency gains and process improvements are realized. The distribution of these posts is summarized in figure VI below.

Figure VI
Distribution of staff, by centre
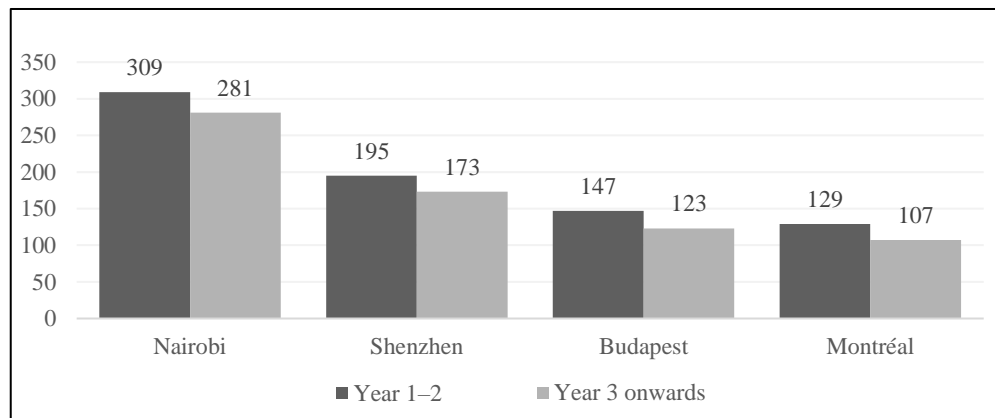
40. The chiefs of the individual shared service centres will report directly to the Director, Global Shared Services (see figure VII), and be responsible for day-to-day operations.

Figure VII
Organization structure: individual shared service centres

Office of the Chief

41. Each shared service centre will maintain a small administrative unit to ensure that its own administrative needs, such as recruitment and budgeting, are met. The proposed roles in the office are explained in table 2.

Table 2
Proposed roles in the Office of the Chief

Role	Purpose of role
Chief of Service Centre (D-1)	Responsible for administrative operations of the shared service centre, including staffing and client relationships
Administrative Officer (P-4)	Responsible for the coordination of administrative matters and the provision of support for human resources planning, budget and financial management (including funding and cost recovery)
Human Resources Officer (P-3) and Human Resources Assistant (Other level)	Responsible for overseeing recruitment and placement, local administration of entitlements, human resources planning, staff development and performance management
Information Systems Officer (P-3) and Information Technology Assistant (Other level)[a]	Responsible for maintaining and/or upgrading information systems in the shared service centre, troubleshooting and providing user support, ensuring data security and access control, assisting users in acceptance testing and training staff in assigned systems
Finance Officer (P-3) and Finance Assistant (G-5)	Responsible for providing financial operations for the shared service centre, including support for the medium-term plan, programme budget and peacekeeping budget proposals, the administration of approved budgets and programming and budgetary practices (including cost recovery activities)

[a] The shared service centre in Africa will have access to information and communications technology services provided by the United Nations Office at Nairobi and will budget these costs according to the standard rates applied for information and communications technology clients.

Client support

42.   The purpose of the client support units is to provide standardized and efficient handling of queries.

43.   The units will have the following responsibilities:

(a)   Following up on staff queries, including the reassignment of cases to transactional staff;

(b)   Escalating unresolved or incorrectly resolved issues;

(c)   Maintaining round-the-clock support for exceptional circumstances or crisis situations;[12]

(d)   Providing basic problem solving and limited policy guidance related to transactions;

(e)   Monitoring the progress of cases and keeping end users informed of progress.

44.   As a transitional measure, a local client support structure will be established at Headquarters, offices away from Headquarters and the regional commissions. These resources will be under the management of the Global Shared Service Centres.

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[12] To ensure a "follow-the-sun" approach, some client support staff will receive training to perform transactional support in urgent and priority cases.

Service delivery

45.   The purpose of the service delivery sections is to provide transactional processing services. Table 3 outlines the services to be delivered in each shared service centre.

Table 3
Service delivery by shared service centre

	Global Shared Service Centre			
Function	Montréal	Budapest	Nairobi	Shenzhen
Human resources administration	Yes	Yes	Yes	No
Payroll administration	Yes	Yes	No	No
Accounts payable and travel finance	No	No	Yes	Yes
Field finance	No	No	Yes	No
Field travel	No	No	Yes	No
Special global operations	No	No	No	Yes

46.   The human resources and payroll administration sections will be located in the Global Shared Service Centres in Montréal and Budapest, with an additional human resource section to be based in the Global Shared Service Centre in Nairobi. This provides time zone coverage for more than 95 per cent of United Nations staff and individual uniformed personnel. The section based in Montréal will provide French-speaking services to clients in Africa, in line with the recommendation of the Advisory Committee (A/72/7/Add.50, para. 13).

47.   Accounts payable and other finance transaction services will be provided from the Global Shared Service Centres in Nairobi and Shenzhen. The Global Shared Service Centre in Nairobi will host one accounts payable unit, and the Global Shared Service Centre in Shenzhen will host the remaining units. Accounts payable units will also be responsible for the "netting" process and will absorb this work without additional staff.

48.   The Special Global Operations Unit will deliver expertise-based administrative services that are not time critical, benefit from being carried out by a team located in one location and require special attention to ensure quality. The following processes will initially be included within this scope: bank reconciliation and the calculation of travel and shipping lump sum payments. The unit will be established in the Global Shared Service Centre in Shenzhen.

49.   As requested by the Advisory Committee (ibid., para. 14) and endorsed by the General Assembly in its resolution 72/262 C, the structure of the proposed centres has been re-evaluated for the new proposal to obtain greater efficiencies and cost savings. The average span of control (i.e., the number of individuals supervised by the manager) in service delivery and client support has been increased from 1:11 to 1:18. This has been achieved largely by using senior assistants at the G-7 level (Principal level) to ensure that Professional officers have additional support to deal with larger teams. Table 4 includes an overview of required posts and positions for the first year of service centre operations, including the ratio of team leaders to staff.

Table 4
Client support and service delivery unit staffing levels

Service	General Service staff	Associate officers (P-2)	Team leaders (P-3)	Chiefs of unit (P-4)	Chiefs of section (P-5)	Total
Client support	97	0	4	4	0	**105**
			(1:24 ratio)			
Human resources and payroll administration	272	5	16	9	3	**305**
			(1:17 ratio)			
Finance[a]	276	7	16	10	2	**311**
			(1:17 ratio)			
Total	**645**	**12**	**36**	**23**	**5**	**721**
			(1:18 ratio)			

[a] Includes accounts payable and travel payments, field finance, field cashier, field travel and special global operations.

E. Other operating elements

1. Performance management

50. The purpose of service-level agreements for the Global Shared Service Centres is to articulate the minimum, expected and agreed quality and timeliness of the service provided to clients. Reporting on service centre performance will be available on a dedicated reporting platform. The management of service-level agreements will include communication mechanisms to facilitate the collaborative resolution of problems and the identification of opportunities to improve effectiveness.

51. Service-level agreements will be measured against mutually agreed key performance indicators to quantify performance in terms of cost, quality and time. Target performance levels will be established for each key performance indicator, enabling the objective measurement of shared service centre performance against expectations.[13]

52. The United Nations Secretariat has implemented a client relationship management application, composed of a "client-facing" (i.e., involving direct interaction with clients) catalogue (Unite self-service portal) and a tool to manage requests for use by service agents (iNeed). The global service delivery model project team and the Office of Information and Communications Technology have developed a service catalogue that will be implemented for the Global Shared Service Centres. Further development, including multilingual support, is planned. Performance reporting will be based on enterprise data integrated from both Umoja and iNeed, supplemented by post-service reviews and client satisfaction surveys.

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[13] In line with the performance management recommendations made by the Joint Inspection Unit (see A/72/299, recommendations 1 and 2), the global service delivery model performance management framework will: (a) provide the tools and systems required to support efficient tracking of client service and the capturing of business intelligence for performance measurement and further improvement and comparison with benchmarks; and (b) define efficiency benchmarks based on objective standards and ensure that performance targets are progressively adjusted to attain them.

2. Process improvement

53. To ensure the success of the global service delivery model, dedicated working groups comprising subject matter experts, policymakers, technical experts and clients from across the Organization have made significant progress towards streamlining in-scope processes, including by standardizing processes, in accordance with best practices, and re-engineering them towards optimal standards. The Office of the Director, Global Shared Services, will be responsible for improving internal processes, working with partners in the Department of Operational Support and contributing to efforts to ensure that policies developed by the Department of Management Strategy, Policy and Compliance respond to operational needs, in particular in the field. The Global Shared Service Centres will embrace new technologies and innovation in administrative services, in particular in the areas of business analytics, process improvement and automation.

F. Funding model

54. The proposed initial funding for the establishment of the Global Shared Service Centres is set out in section V. It is proposed that the centres be jointly financed by the regular budget, the peacekeeping budget and extrabudgetary resources and that the distribution of resource requirements across the three funding sources be based on percentages derived from current workload indicators for the services provided by funding source.

55. Subsequently, in order to respond to changes in client size and the complexity of tasks, a request for additional resources or the reporting of reduced resource requirements, based on the standard costs for each main category of services would be included in relevant budget proposals or cost plans of entities being serviced by the Global Shared Service Centres. For example, if a revised estimate, statement of programme budget implications or budget proposal for a field mission is submitted to the General Assembly, the standard cost for the provision of human resources administration and payroll services will be proposed in the same document, commensurate with the increase or decrease in the number of personnel in the proposal, to be funded from the same funding source as the field mission. This approach would ensure that the resources for the service centres meet changes in workload (both increases and decreases).

56. Every year, the proposed programme budget fascicle for Section 29D, Global Shared Service Centres, will contain an overview of the overall resource requirements of the Global Shared Service Centres, as well as the proposed distribution by funding source, which will be based on the most recent available workload indicators. The General Assembly will be requested to approve, in the context of the proposed programme budget, the overall resource requirements of the Global Shared Service Centres, as well as the resources to be funded by the regular budget. The resources to be funded from other assessed sources of funding will be reflected in the respective budget proposals, for approval by the General Assembly in the context of the review of these proposals.

57. The proposed funding model would be as follows:

(a) Transparent to both Member States and those that receive services;

(b) Accountable, with the required authority for the management of resources through the establishment of a dedicated budget;

(c) Predictable, so as to ensure that services can be delivered according to established service-level agreements;

(d)   Scalable, so as to meet changes in workload and ensure that resources are available when needed;

(e)   Efficient to administer;

(f)   Funded from sources that are consistent with the activities for which administrative support services are provided.

58.   In view of the need for the Global Shared Service Centres to be scalable to accommodate both increases and decreases in workload, scalability is an inherent part of the proposed funding model. The shared service centres must be flexible enough to augment resources in a timely manner to meet increased demand and, conversely, to reduce resources based on decreased workload.

59.   The scalability model for the future resource requirements of the Global Shared Service Centres is as follows:

(a)   It is data driven and based on key metrics of workload for the services in scope;

(b)   It incorporates appropriate drivers and variables, such as transaction volume by process (e.g., number of invoices or number of personnel), client size and complexity;

(c)   It includes baseline assumptions in building the model, namely, working days in the calendar year and productive hours;

(d)   It includes different workload indicators for servicing different categories of personnel (including international staff, national staff and individually supported uniformed personnel).

60.   As is the practice for many service providers, standard costs will periodically be calculated for the services provided by the Global Shared Service Centres and reviewed against actual costs and industry benchmarks. The methodology for the calculation of standard costs will be determined based on the services to be provided. For example, in the case of human resources administration and payroll services, standard costs would be applied for each type and number of personnel by respective funding source. For other types of activity such as accounts payable, the standard cost would be calculated based on volume and respective funding source. The standard costs will be reviewed by the Controller.

61.   As the Secretariat provides services to other entities of the United Nations system, the Global Shared Service Centres will similarly provide these services to non-Secretariat entities on a cost-for-service basis using the standard costs.

62.   As services are also provided to entities that are not part of the Secretariat, discussions with these entities will continue during 2019 to gain a better understanding of the costs for the related service provision, the existing agreements between current service providers and the Secretariat and non-Secretariat entities supported by them, the feasibility of the Global Shared Service Centres initially taking over the existing agreements and transitional arrangements, as necessary.

IV.   Implementation proposal

A.   Implementation approach

63.   The General Assembly, in its resolution 72/262 C, endorsed the recommendation of the Advisory Committee, in paragraph 20 of its report contained in document

A/72/7/Add.50, that the present proposal contain information on key elements of the project, including an implementation plan and associated change management.

1. Guiding principles

64. The Global Shared Service Centre implementation plan has been developed in line with the following principles:

(a) A phased approach with incremental integration of functions and client groups;

(b) A roll-out sequence that minimizes the risk of disruption, while at the same time moving to the establishment of the Global Shared Service Centres as quickly as possible;

(c) A minimum of one month between each client group transition, with lessons learned captured after each transition;

(d) The sequencing of client transitions using a collaborative approach and based on the relative size of the client, the complexity of the processes and services required, interdependencies with other clients and other people/change matters;

(e) An overlap period between existing service provider staff and shared service centre staff, with existing staff providing back-up capacity during the transition and the handover/resolution of residual cases.

2. High-level implementation plan

65. The Global Shared Service Centres will begin implementation in early 2020 (see figure VIII).

66. The implementation plan will be supplemented by a transition plan for each client, containing a checklist of specific activities that will help to manage the transition, minimize the impact on people and operations and optimize available resources.

67. The implementation plan will be continuously monitored with the following aims:

(a) To identify risks and associated mitigation strategies, including contingency measures for any delays;

(b) To identify dependencies with other organizational initiatives;

(c) To incorporate communications and change management strategies that are consistent with other organizational initiatives.

Additional change management strategies are outlined in section IV.D.

Figure VIII
Phased implementation plan

	Go-live of Global Shared Service Centres in Nairobi and Budapest	Go-live of Global Shared Service Centres in Shenzhen and Montréal	
Payroll	Africa-based offices away from Headquarters,* economic commissions and clients of the Kuwait Joint Support Office	Field clients	
		All other clients	
Human resources	Africa-based offices away from Headquarters,* economic commissions and clients of the Kuwait Joint Support Office	Regional Service Centre in Entebbe, Uganda (field missions and stand-alone)	
		All other offices away from Headquarters* and economic commissions (serviced across two locations: Nairobi and Montréal)	All other clients
Accounts payable, travel claims and netting	Africa-based offices away from Headquarters,* economic commissions and clients of the Kuwait Joint Support Office	Regional Service Centre in Entebbe (field missions and stand-alone)	
	Capacity support to the Global Shared Service Centre in Nairobi	All other offices away from Headquarters* and economic commissions	All other clients
Field functions	Field finance	Field finance (Regional Service Centre in Entebbe)	
	Field travel	Field travel (Regional Service Centre in Entebbe)	
	Field cashier	Field cashier (Regional Service Centre in Entebbe)	
Travel and shipment lump sum calculation		Travel and shipment lump sum calculation	
Bank reconciliation		Bank reconciliation	

* Offices away from Headquarters are transitioned with their existing clients.

Global Shared Service Centre, Nairobi Global Shared Service Centre, Montréal Global Shared Service Centre, Shenzhen Global Shared Service Centre, Budapest

3. Transition support

68.   A detailed learning plan has been developed to ensure the availability of the critical skills and behaviours necessary to enable shared service centre staff to work effectively. To ensure adequate capacity development in the centres, teams of experienced transactional staff will be assigned in each location for a period of 12 to 24 months. The experienced staff will provide training and on-the-job coaching to new staff. Some of the experienced staff will be retained for the second year of operation to ensure that the centres retain the capacity to manage complex cases and to support the development of nationally recruited staff (see table 5).

Table 5
Subject matter experts to support the transition

| Function | Global Shared Service Centre staff Years one and two[a] | | Implementation staff |
	Locally recruited staff (General Service and National Professional Officers)	*International staff (P-2 and P-3)*	*Subject matter experts (experienced staff on temporary assignment) (P-2)*
Human resources administration	200	15	27
Payroll	72	6	14
Accounts payable	168	7	14
Total	**440**	**28**	**55**

[a] Global Shared Service Centre staffing in years one and two corresponds to the staffing levels for General Service and team leader staff shown in table 4.

B. Organizational impact and alignment

69. In line with the recommendations of the Advisory Committee (A/71/666, para. 43, and A/72/7/Add.50, paras. 20 and 22) and as endorsed by the General Assembly in its resolution 72/262 C, the present section presents the impact of the current proposal on the United Nations Secretariat structures which currently provide support functions, outlines how the new proposal takes into account the decisions of the General Assembly on management reform and provides information regarding the alignment of the new proposal with other organizational initiatives, such as the development system reform, the information and communications technology strategy and Umoja.

1. Impact on existing support functions

70. The duty stations most affected by the implementation of the Global Shared Service Centres include New York, Entebbe, Kuwait, offices away from Headquarters and the regional commissions. The global service delivery model will move only location-independent transactional services to service centres. Substantive offices will retain their full decision-making authority and be further enabled to focus on mandate implementation.

71. As an example, the Regional Service Centre in Entebbe, Uganda, will continue to perform functions not within the scope of the global service delivery model, including regional information and communications technology services, regional training and conference services and transport and movement services. In addition, the Entebbe Support Base logistics hub for the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo hosts the Global Procurement Support Section (previously known as the Regional Procurement Office), the Civilian Predeployment Training Team, the Regional Ombudsman, the Office of Internal Oversight Services and the United Nations Mine Action Centre. It also hosts liaison offices and functions of neighbouring peacekeeping operations, including the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic, the United Nations Interim Security Force for Abyei and the United Nations Mission in South Sudan, which will continue to be performed

in Entebbe. As a result, 545 staff and contractors would remain in Entebbe to perform such functions.[14]

72. A total of 747 posts are affected as a result of the implementation of the global service delivery model. Further information on the breakdown of posts by each current service-providing entity is outlined in annex IV. The specific posts that will be abolished will be determined locally for each service-providing entity as part of the implementation process. Further details regarding staff mitigation measures are outlined in section IV.C. Incumbency status will be monitored as part of the implementation process.

2. Alignment with management reform

73. The global service delivery model is a critical component of the Secretary-General's reform strategy. Under the new management paradigm, the Department of Operational Support is the operational arm of the management architecture and the client-facing interface for operational support matters. A key function of the Department is to support the implementation of decisions through operational support, including shared transactional services, to allow entities across the Secretariat to focus on their strategic priorities and the implementation of their mandates.

74. For those transactional services within scope of the global service delivery model, the primary entry point for clients will be the shared service centres. The Operational Support and Advisory Service in the Department of Operational Support will serve as the primary entry point and point of contact for clients for services not within the scope of the global service delivery model. For cases requiring exceptional policy clarification, the Department of Operational Support will seek the guidance of the Department of Management Strategy, Policy and Compliance. Together, this provides the full spectrum of consistent, standardized and timely client service.

75. The implementation of the global service delivery model will be coordinated through the Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance to ensure alignment with other reform initiatives.

3. Alignment with development system reform

76. The Secretary-General has received a mandate from Member States to institutionalize the function of development coordination through a reinvigorated and strengthened system of resident coordinators. This includes establishing the Development Operations Coordination Office as a stand-alone coordination office, reporting to the Deputy Secretary-General as Chair of the United Nations Sustainable Development Group Office.

77. Critical aspects of the repositioning process will be operational in 2019, and by 2020 it is envisaged that the Secretariat will administer the Development Operations Coordination Office. The Global Shared Service Centres will carry out administrative transactions for the staff.

78. The global service delivery model project will continue to be involved and aligned with the initiative of the United Nations Sustainable Development Group Office to establish common back offices for operational and administrative functions, in particular by helping to define and assess location-independent services for possible consolidation into shared service centres.

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[14] This comprises 204 international civil staff and 341 national staff and contractors. It does not include staff of agencies, funds and programmes in Kampala.

4. Alignment with extensions of the enterprise resource planning system (Umoja)

79. Umoja has paved the way for improved client service, business continuity and more rapid deployment by standardizing processes and enterprise roles that can be assigned to users in multiple locations. These benefits will be enhanced through the implementation of the global service delivery model.

80. Umoja Foundation and Extension 1 functionality has already been deployed and stabilized, and the impact has been factored into the present proposal. Umoja Extension 2 modules are currently being deployed.[15] Although this extension will not have an impact the global service delivery model in the first phase, the impact of Umoja on processes to be included in future phases will be assessed.

5. Alignment with the information and communications technology strategy

81. The technology requirements of the service centres will be closely aligned and integrated with the information and communications technology strategy for the United Nations. This includes utilizing enterprise solutions, such as Umoja and iNeed, as well as other collaboration and document management tools, to enable data sharing, protect data and information and ensure disaster resilience. Information and communications technology support to clients across the Organization will continue to be provided by the global Unite Service Desk, which supports Umoja and other enterprise applications. The Global Shared Service Centres will also leverage existing support infrastructure, operating on the same client relationship management platform as the Unite Service Desk.

82. The shared service centres will work collaboratively with the Office of Information and Communications Technology to ensure uniform data and information management that supports capacity development in analytics, to increase the availability of accurate and timely information for decision-making.

83. The shared service centres will make use of services provided through current voice and video systems, including Cisco telephony and Skype for Business. The detailed design of all other technology requirements and infrastructure (including servers, networks and interfaces) will be undertaken in the second quarter of 2019, in the lead up to the launch of the shared service centres.

C. Staff mitigation measures

84. The global service delivery model will affect existing staff to varying degrees. Once the shared service centres are established, some existing administrative capacity may become redundant, some functions may change, and there may also be new opportunities for staff.

85. The Organization's policy on managing restructuring, including downsizing, will guide decisions and actions that will be taken with regard to staff affected by the abolition of posts or the reduction of staff resulting from the implementation of the global service delivery model and who could be subject to separation from service or termination.

86. While ensuring that the Organization's operational needs are met during the transition period, mitigation measures to be considered include the following:

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[15] The modules include strategic planning, budget formulation and performance management, as well as supply chain management, in demand planning, supply network planning and transportation management.

(a)   Strengthening workforce planning, to identify suitable unencumbered positions to which affected staff members could be laterally reassigned within their duty station or, for internationally recruited staff, transferred between duty stations;

(b)   Freezing external recruitment for staff in the General Service category to prevent the potential number of separations or terminations required from increasing;

(c)   Giving priority consideration to internal candidates who are affected staff members when they apply to job openings, in line with the Organization's policy for staff in entities affected by downsizing;

(d)   Offering the possibility of temporary assignment for affected staff, where appropriate, for up to six months in accordance with the Staff Regulations and Rules of the United Nations;

(e)   Subject to the suitability of affected staff and the availability of positions, offering transfers to the newly established shared service centres to internationally recruited staff and those locally-recruited staff, including National Professional Officers, who are serving at the duty stations of the future service centres.

87.   To further minimize potential separations or terminations and their related financial implications, while ensuring that operational needs can be met during the transition, the Secretariat will also consider the following possible actions:

(a)   Not to retain staff members beyond the mandatory age of separation;

(b)   Not to extend secondments and temporary assignments from other entities;

(c)   Not to renew the contracts of temporary appointees and fixed-term appointees with service limitations;

(d)   To allow for the placement of affected staff on special leave without pay (in lieu of immediate separation or termination) for a period of up to two years to provide them with additional time to be chosen for a potential lateral reassignment or to be selected against a vacant position.

88.   If needed, the Secretary-General will consider offering a separation package to affected staff in accordance with the Staff Regulations and Rules to avoid involuntary separations and limit the risk of additional financial costs arising from potential protracted litigation.

89.   As outlined in previous reports of the Secretary-General (A/70/323, A/71/417, A/72/770, A/73/372 and A/73/372/Add.1), the Organization is committed to proceeding with the utmost consideration for staff, in accordance with the Staff Regulations and Rules. Throughout the transition period, management will stay engaged in a continuous and proactive dialogue with staff representatives to ensure the following:

(a)   Restructuring and downsizing are conducted in a transparent, fair and equitable manner and in compliance with the established regulatory framework;

(b)   The utmost consideration is applied to minimize the negative impact on staff, as agreed upon during previous staff management consultations;

(c)   Effective ongoing communication takes place between management and staff.

90.   Subject to the provisions of adequate resources, the Organization will also ensure that capacity is provided for the provision of stress and career counselling services to support staff during the transition period.

91.   Resources will be allocated to fund recruitment, training (as outlined in para. 68), reprofiling of positions and career transition, and the costs of separation and termination of currently serving staff, where unavoidable.

D.   Project management and governance

92.   The General Assembly, in its resolution 72/262 C, endorsed the recommendation of the Advisory Committee, in paragraph 20 of its report contained in document A/72/7/Add.50, that the present proposal include detailed information on key elements of the project, such as auditing and reporting, the designation of the project owner, governance arrangements, mitigation measures, risk management and change management.

1.   Auditing and reporting

93.   The global service delivery model project and the proposed Global Shared Service Centres will be subject to audits as necessary and appropriate. Subject to decisions of the General Assembly on the present report, annual progress reports on the status of the implementation of the global service delivery model are expected to be submitted to the Assembly from the seventy-fifth session until the stabilization of the service centres.

2.   Governance

94.   As outlined in paragraph 118 of the report of the Secretary-General contained in document A/71/417, an effective project governance model was established during the assessment phase of the global service delivery model project.

Project owner

95.   The detailed planning and execution of the project is the responsibility of the global service delivery model project team, which reports to the Under-Secretary-General for Management Strategy, Policy and Compliance as the project owner. The project team and the project owner work in close collaboration with the Under-Secretary-General for Operational Support, to whom the shared service centres will report once they are established.

Project steering committee

96.   The global service delivery model steering committee provides strategic guidance and project oversight. The specific responsibilities of the committee include the following:

       (a)   To serve and represent the interests of the Secretariat at large during the design and implementation of the global service delivery model;

       (b)   To monitor and review the project at regular steering committee meetings;

       (c)   To provide strategic perspective regarding project deliverables;

       (d)   To resolve project conflicts and disputes, reconciling differences of opinion and approach;

       (e)   To review major project milestones.

97.   The steering committee includes senior representatives from across the Organization, including from offices away from Headquarters, the regional commissions and other key stakeholders.

3. Risk framework

98. As proposed by the Secretary-General in his reports contained in documents A/71/417 and A/72/801, the risk assessment and management plan for the global service delivery model is guided by the methodology of the enterprise risk management framework of the Secretariat. It is tailored to reflect the context of the global service delivery model, drawing upon experience and knowledge within the Secretariat and upon lessons learned from United Nations system entities that have implemented shared service centres. The assessment identified five major risk areas and proposed mitigation measures as follows:

(a) **Stakeholder buy-in**. This addresses the possibility of a lack of buy-in among key stakeholders and a tendency to resist change, leading to delays in implementation. Mitigation measures include a comprehensive change management and communication strategy, including adequate training (as outlined in paras. 65–68 and 100–101);

(b) **Impact on staff**. The establishment of the Global Shared Service Centres will affect staff to varying degrees. Mitigation measures include workforce planning, reprofiling of positions, career support and staff training (as outlined in sect. IV.C);

(c) **Operational risk**. The Global Shared Service Centres must be resourced with the right composition and number of staff. Mitigation measures include an implementation plan that incorporates the following elements: double-incumbency periods; an experienced transitional support staff to support stabilization and capacity-building; and a focused learning strategy for shared service centre staff (as outlined in para. 68);

(d) **Implementation risk**. It will be critical to closely and collaboratively manage the implementation and transition of clients across the proposed timeline. To address and mitigate implementation risk, an implementation plan has been developed (as outlined in paras. 65–67);

(e) **Inadequate institutional performance of shared service centre operations**. This risk includes the inadequate performance of systemic mechanisms to manage and monitor performance and respond to client feedback. Mitigation measures include the establishment of performance management measures (as outlined in paras. 50–52).

99. An active risk management process will reassess the risk environment on a periodic basis. Comprehensive risk treatment and response plans will be developed and implemented for key risk areas, in consultation and collaboration with risk owners. Lessons learned will be identified to strengthen the application of the risk framework.

4. Change management

100. An overarching change management strategy for the global service delivery model will help to move towards a shared vision for the future delivery of administrative support services across the Secretariat. The strategy ensures that the right frameworks, measures and processes are in place to ensure the following:

(a) The global service delivery model vision is clear and compelling, communicated consistently and shared by all;

(b) The project retains a balanced emphasis on the people aspects (such as job design, training and communication) alongside those of process and technology;

(c) Wider transition activities are appropriately planned so that staff and resources are engaged at the relevant time;

(d)   Change is utilized as a positive force to engage staff across the Organization, highlight learning opportunities and encourage the cultural shift required towards increased self-service and client service orientation;

(e)   Stakeholders clearly understand the project goals, objectives, benefits and risks.

101.   The change management strategy includes a comprehensive communication plan to ensure appropriate buy-in to the new service delivery model. A regular review process will ensure the effectiveness of stakeholder engagement methods and enable continuous learning.

5.   Benefits realization

102.   In its resolution 71/272 A, the General Assembly requested the development of a clear benefit realization plan. To ensure that the required benefits are derived from the project, a plan has been developed in accordance with a combination of the benefit management principles of PRojects IN Controlled Environments 2 (PRINCE2) and input from other approaches currently used across the United Nations system. The plan (set out in annex V) provides an overview of the key benefits and how they will be tracked, including a baseline date for each measure and the subsequent frequency of measurement.

V.   Summary of budget implications

103.   The present section outlines the resource requirements for the implementation of the global service delivery model for 2019 and 2020. Specifically, it contains the resource requirements to support the establishment and ongoing operations of the Global Shared Service Centres, consisting of staff costs and operational costs derived from logistical requirements to operate the centres. In addition, one-time start-up costs would be required for the period from July 2019 through 2020 and early 2021 to enable the phased launches of the individual centres in 2020.

A.   Resource requirements

1.   Resource requirements for 2019

Recurrent resource requirements to support the ongoing operations of the global shared service centres

104.   Recurrent resource requirements amounting to $6,543,900 would provide for the costs of the proposed 404 posts for the Office of the Director, Global Shared Services, and the Global Shared Service Centres in Nairobi and Budapest for the period from July to December 2019 (see table 6). They would also include non-post resources for 52 general temporary assistance positions and other operational requirements in 2019 to support the ongoing operations of the Global Shared Service Centres.

Table 6
Recurrent resource requirements for 2019
(Thousands of United States dollars)

Object of expenditure	Amount
Posts	4 894.7
Other staff costs	171.9
Contractual services	195.0
General operating expenses	1 168.3
Supplies and materials	114.0
Total	**6 543.9**

105. Recurrent requirements amount to:

(a) **Office of the Director, Global Shared Services, located in Nairobi**. In accordance with the implementation plan, the amount of $1,403,400 would be required for 27 posts and non-post resources for ongoing operational requirements to support the operations of the office in 2019;

(b) **Global Shared Service Centre, Nairobi**. In accordance with the implementation plan, the amount of $3,624,900 would be required for 254 posts, as well as non-post resources for 28 general temporary assistance positions and ongoing operational requirements of the centre to support the operations of the centre in 2019;

(c) **Global Shared Service Centre, Budapest**. In accordance with the implementation plan, the amount of $1,507,900 would be required for 123 posts to be established starting from July 2019, as well as non-post resources for 24 general temporary assistance positions and ongoing operational requirements of the centre;

(d) **Global Shared Service Centre, Montréal**. In accordance with the implementation plan, the amount of $7,700 in non-post resources would be required in 2019 to support the establishment of the centre in 2020.

Non-recurrent resource requirements

106. Non-recurrent resource requirements amounting to $2,978,800 would be required in 2019 to support the start-up of the service centres (see table 7).

Table 7
Non-recurrent resource requirements for 2019
(Thousands of United States dollars)

Object of expenditure	Amount
Other staff costs	1 205.7
Consultants	210.0
Travel of staff	317.3
Contractual services	600.1
General operating expenses	552.0
Supplies and materials	93.7
Total	**2 978.8**

2. Estimated resource requirements for 2020

107. It is estimated that resources amounting to $50,948,500 would be required in 2020 to support the proposed implementation of the global service delivery model.

B. Distribution of resource requirements

108. As the global service delivery model encompasses administrative support services across the Secretariat, due consideration has been given to the appropriate sources of funding for the service centres. In this connection, it is proposed that the Global Shared Service Centres be jointly financed by the regular budget, the budgets for peacekeeping operations and extrabudgetary resources and that the distribution of resource requirements across the three funding sources be based on workload indicators for the services provided by funding source. Workload indicators are calculated on the basis of transactional volumes and established work effort standards for specific transaction types and may be reviewed periodically. Such an arrangement would ensure that the contributions from the regular budget, the peacekeeping budget and extrabudgetary resources reflect the overall level of services provided by the Global Shared Service Centres to the clients.

109. The estimated requirements as indicated in sections V.A.1 and V.A.2 would be distributed as indicated in tables 8 and 9.

Table 8
Summary of resource requirements for 2019
(Thousands of United States dollars)

Source of funds	Recurrent	Non-recurrent	Total
Regular budget	1 505.1	685.1	2 190.2
Budgets for peacekeeping operations	3 730.0	1 697.9	5 427.9
Extrabudgetary	1 308.8	595.8	1 904.6
Total	**6 543.9**	**2 978.8**	**9 522.7**

Table 9
Estimates of resource requirements for 2020
(Thousands of United States dollars)

Source of funds	Recurrent	Non-recurrent	Total
Regular budget	7 739.6	3 978.6	11 718.2
Budgets for peacekeeping operations	19 180.6	9 860.0	29 040.6
Extrabudgetary	6 730.0	3 459.7	10 189.7
Total	**33 650.2**	**17 298.3**	**50 948.5**

C. Resource impact on entities of the Secretariat

110. The proposed implementation of the global service delivery model will result in the transfer of administrative transactional functions and the related resources to the Global Shared Service Centres. A total of 747 related posts and general temporary assistance positions have been confirmed by client offices; these posts and positions will be abolished during the course of 2020 and 2021. Furthermore, additional costs

are expected in 2020 in relation to the staff affected by the abolished posts. Details of the post reductions by budget section and grade level are included in annex IV.

111. The resource impact for the sections of the programme budget and for the special political missions would be reflected in the context of the respective proposed programme budgets for 2020.

112. In accordance with the implementation proposal (see sect. IV. A), the proposed reduction in staffing levels and associated post and non-post costs for peacekeeping operations resulting from the implementation of the global service delivery model would be reflected in the budget proposals for peacekeeping operations for the period from July 2020 to June 2021.

VI. Recommended action to be taken by the General Assembly

113. **The General Assembly is requested:**

(a) **To take note of the report of the Secretary-General;**

(b) **To approve the establishment and the locations of the Global Shared Service Centres effective 1 January 2020;**

(c) **To approve the total budget of the Global Shared Service Centres in the amount of $9,522,700 for 2019 inclusive of 684 posts as presented in annex IV;**

(d) **To endorse the funding model as presented in section III.F;**

(e) **To invite the Secretary-General to provide a progress report on the global service delivery model at the main part of the seventy-fifth session of the General Assembly;**

Programme budget

(f) **To appropriate an amount of $2,190,200 under the programme budget for the biennium 2018–2019 under section 29D, Global Shared Service Centres, representing the regular budget share until 31 December 2019;**

(g) **To note that the amount of $755,100 would be required under section 36, Staff assessment, of the programme budget for the biennium 2018– 2019, and that an additional appropriation would be required to be offset by a corresponding amount under income section 1, Income from staff assessment;**

(h) **To note that the resource requirements for 2020 for section 29D, Global Shared Service Centres, as well as the related abolishment of 160 posts and reduction in resources in the sections and special political missions affected by the transfer of functions to the Global Shared Service Centres, will be reflected in the context of the proposed programme budgets for 2020;**

Peacekeeping operations

(i) **To note that 391 posts will be proposed for abolishment in the respective budget proposals of the Regional Service Centre in Entebbe and other peacekeeping operations for the financial period from 1 July 2020 to 30 June 2021;**

(j) **To note that 24 posts funded under the support account for peacekeeping operations will be proposed for abolishment by 30 June 2021 in the context of the proposed budget for the support account for peacekeeping operations for the financial period from 1 July 2020 to 30 June 2021;**

(k)   To note that resource requirements in the amount of $19,948,200 for the costs of start-up and operationalization of the Global Shared Service Centres are to be included in the proposed budget for the support account for peacekeeping operations for the financial period from 1 July 2019 to 30 June 2020;

Extrabudgetary resources

(l)   To note that requirements in the amount of $1,904,600 would be funded from extrabudgetary resources in the period from 1 July to 31 December 2019 to support the non-recurrent and recurrent resource requirements for the Global Shared Service Centres.

Annex I

Lessons learned considered in developing the proposal for the Global Shared Services Centres

1.   The purpose of the present annex is to capture the lessons learned from similar projects within the United Nations Secretariat and other United Nations entities in a formal manner. The annex has been prepared on the basis of the relevant experience of key stakeholders, including heads of administration at offices away from Headquarters and the regional commissions, other United Nations organizations and service providers at Headquarters.

2.   United Nations entities that are considered in this analysis include the Food and Agriculture Organization of the United Nations, the United Nations Development Programme, the Office of the United Nations High Commissioner for Refugees, the United Nations Children's Fund, the United Nations Office for Project Services, the World Food Programme and the World Health Organization. Also taken into consideration are lessons shared by chiefs of shared service centres within the Department of Field Support (Regional Service Centre in Entebbe, Uganda, and Kuwait Joint Support Office) and recommendations from the Department of Field Support review of shared service support in October 2017. The table below also contains the findings from the Joint Inspection Unit report into the role of shared service centres in redesigning administrative service delivery (JIU/REP/2016/11).

3.   Key lessons learned and the consequent implications for the global service delivery model are summarized in the table below.

Category	Lesson learned	Implications for the global services delivery model
Change management	Stakeholder resistance to shared service concept, in particular from internal clients and policy leaders	Involve clients from early stages so they can assist and help to design the future state of affairs
		Targeted communication that stresses the gains in effectiveness and efficiency that will come from the change
		Targeted communication to senior managers to highlight that decision authority is not affected by the establishment of the shared service centres
		Incorporating representatives from future clients and current service providers in various working groups involved with designing the global service delivery model
Change management	The required focus on adequately resourcing the shared service centres, workforce planning, staff training and stakeholder communications as part of the transition to the shared service centre was underestimated	A solid change management strategy needs to be in place to manage the establishment, phasing and maturing of the shared service centres
		The change management strategy must include stakeholder analysis, including clients, staff and others
Governance	Independence of the shared service centre relative to its reporting structure (away from the client missions that it serves)	The shared service centre should be provided with an independent budget and have independence in the selection and management of staff

Category	Lesson learned	Implications for the global services delivery model
Governance	Any shared service centre steering committee should remain strategic, not operational. Operational level decisions should remain with the shared service centre management	A clear reporting structure for the shared service centre management should be established
		Authority and accountability among policy leaders and clients should be clearly delineated
Vision	Establishing shared services is a long process that takes years to stabilize and see lasting results	Requires strong, unwavering commitment from senior leadership (Under Secretary-General and Assistant-Secretary-General) to longer-term vision over shorter-term cost savings
		Consistent communication messaging to key stakeholders covering both long- and short-term priorities and establishing two-way dialogue on concerns regarding implementation and stabilization
Client service	Clients not satisfied by processing timelines, perceived lack of transparency and uncertainty about whom to contact in the shared service centre	Significant organizational shift in client service and a continuous improvement approach is required
	Establishing strong local client support units has resulted in higher staff satisfaction with services provided by shared service centres	Constant and frequent interaction with clients required, such as site visits and video/teleconferences
		Need for client service orientation training for shared service centre staff
		Introduction of client relationship management system as an important mechanism to support the effectiveness of the future service delivery model
Performance management	It is difficult to measure the difference in performance from previous operations owing to lack of baseline data	Report baseline performance data (where available from Umoja) and conduct a baseline client satisfaction survey before bringing the functions to the shared service centres
Performance management/ governance	Getting governance systems and performance management mechanisms, such as service-level agreements and key performance indicators, to work effectively has been challenging	Establish strong governance arrangements and sign the service-level agreements, including clearly delineating the roles and responsibilities between the shared service centre and its clients, before establishment
Performance management	The lack of investment in tools and systems to support business analytics and reporting has been a serious impediment	An end-to-end view of performance management is required, recognizing that stakeholders should be accountable for the parts of the process that they control
		Ensure that the reporting capability is built from the outset to avoid spending a lot of resources manually collecting performance data

Category	Lesson learned	Implications for the global services delivery model
Staffing	Recruiting and retaining local staff is a challenge reflected in high turnover rates and challenges in loss of institutional knowledge International staff are difficult to recruit and retain because shared service centre work can be perceived as a second-tier, lower-profile assignment "removed from the Organization's lifeblood"	Develop strategies for staff retention, succession planning and career options Consider developing mechanisms for exchange of local staff among United Nations organizations and entities in the same location and periodic rotation of staff between shared service centres and/or headquarters locations so that staff develop wider experience and perspective Location selection to include criteria on availability of skilled local workforce A knowledge management framework will be embedded into the change strategy to ensure that appropriate tools are deployed to capture knowledge as the project progresses
Staffing	The "right" workforce was not always transferred to the shared service centre In some instances, staff felt they were transferred involuntarily, resulting in lower morale and productivity, as well as staff seeking opportunities to return as soon as possible to their original location	For international staff, conduct a selection process that is open and transparent. There is a need to ensure that international staff selected to work in the shared service centre want to be there rather than be transferred there without their having any say in the matter
Staffing	Posts should be transferred to the shared service centre in a consolidated, well-planned manner	Facilitate appropriate planning, so that staff and resources are engaged at the relevant time throughout the roll-out
Staffing	Lack of sufficient skill development for staff who are preparing for new roles, including lack of consideration of cultural shifts to new ways of operating	Detailed training plan required for onboarding and developing shared service centre staff Training should not stop at initial roll-out, but rather be integrated into an institutionalized training programme covering relevant functional areas
Staffing	Frequent internal communication with staff and an open-door policy with shared service centre management helped to address issues quickly and take decisions fast	Ensure a strong leadership structure is in place and there is continued support for people management in the shared service environment Communication capacity to be included in the structure to facilitate both internal and external communication
Implementation planning	Consolidation of service delivery points and relocation to low-cost venues need not be carried out in a single step For example, phased addition of payroll and additional functions to the Kuwait Joint Support Office worked well (i.e. off-cycle payments, education grant processing)	Consider phased implementation approach to improve and standardize processes while building knowledge of staff Transition phases can be determined on the basis of function and/or geography

Category	Lesson learned	Implications for the global services delivery model
Implementation planning	Integration with other organization-wide initiatives must be carefully managed to ensure appropriate resourcing of shared service centre is maintained at critical times	Ensure that the global service delivery model is appropriately planned and positioned among wider reform initiatives
		Interdependencies with other United Nations initiatives, including their vision, mission and timeline, will be a key element of effective change management for the global service delivery model project
		Prioritization and sequencing of transformative initiatives should be considered
Client service	A focus on low-cost locations has tended to overshadow the opportunities available through business process improvement and consolidation of service delivery	Consider a range of criteria when considering shared service centre location, including opportunities for improved service quality, standardization of services, reduced risk and enhanced mission focus
Operations	Client office hosting shared service centre required to be more responsive to process and time frame for delivery of their services	If necessary, execute an operating level agreement with the client office, including assumptions underlying the provision of services
Process	Developing processes has been done in isolation from technology and/or excluding impact on staff roles and responsibilities	Fit-gap analysis required for implementation of process improvements
		Fractured service delivery with various splits in the processes between the centre and the clients receiving the services should be avoided
		Processes should be properly understood and tested

Annex II

Cost-benefit analysis methodology

Estimated baseline

1.   The estimated baseline cost includes staff costs, rental and maintenance of premises and other general operating expenses.

Table 1
Estimated cost of Global Shared Service Centres operations
(Thousands of United States dollars)

Year	One	Two	Three	Four	Five
Estimated cost of carrying out in-scope services	39 834	41 349	39 318	39 318	39 318

Note: 1 July 2020 is the projected average date of commencement of shared service provision across the Secretariat; operating costs incurred by the new centres prior to 1 July 2020 are included in the one-time costs detailed in table 2. This is to allow for a clearer comparison of like-for-like models for carrying out transactional work.

One-time establishment costs

2.   Implementation costs associated with the first three years of operating the shared service centres[16] include costs associated with workforce transition, set-up of the new locations/facilities, the downsizing of affected offices and other associated costs.

Table 2
One-time cost
(Thousands of United States dollars)

Year	Zero	One	Two	Three	Four	Five
One-time costs	35 895	24 612	3 047	–	–	–

Note: Year zero covers the 12-month period 1 July 2019 to 30 June 2020, i.e., the year prior to the average date of commencement of shared service provision across the Secretariat.

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[16] The date used in the cost-benefit analysis calculations as the start of service provision is 1 July 2020, which is projected to be the average date of commencement of shared service provision across the Secretariat.

Annex III

List of processes by administrative area

A. Phase one processes for Global Shared Service Centre implementation in 2020

Process owner	Umoja process	Processes for all clients	Processes for field only
Corporate services	Travel expenses	1	
	Travel initiation	1	4
Finance	Accounting for specific events and activities: internal orders		1
	Accounts payable	6	1
	Accounts receivable		3
	Asset accounting		9
	Bank management		1
	Cash and liquidity management	1	2
	General ledger		4
	Monthly, yearly and biennium activities	1	
	Overhead accounting: cost centre		1
	Overhead accounting: cost centre accounting		1
	Staff payroll	8	
Human resources	Customer relationship management	1	
	Leave management	3	
	Medical and life insurance	2	
	Personnel administration	29	
Total		**53**	**27**

B. Processes to be considered for the future expansion of the Global Shared Service Centres

Process owner	Umoja process	Processes for all clients
Corporate services		23
	Contract management	4
	Decommission and disposal	2
	Equipment maintenance and operations	1
	Planning and dispatching	2
	Requisition to purchase order	6
	Sales	1
	Service management	1
	Supplier collaboration	4
	Travel initiation	2
Finance	Accounting for specific events and activities: internal orders	5
	Accounts payable	2
	Accounts receivable	3
	Bank management	2
	Budget implementation	9
	Cash and liquidity management	3
	Grants management	37
	Investment accounting	2
	Taxes and insurance	2
	Treasury and risk management: investments	5
Human resources	After-service insurance	1
	Human resources policy	1
	Human resources services	3
	Medical and life insurance	1
Total		**122**

Annex IV

Resource requirements related to the proposed implementation of the global service delivery model

Overview of resources

1.   The overall resources proposed for the biennium 2018–2019 and estimated for 2020 for the establishment of the Global Shared Service Centres under the global service delivery model are presented in tables 1 and 2 and will be jointly funded from the regular budget, budgets for peacekeeping operations and extrabudgetary resources. The distribution of resources is reflected in the tables.

Table 1
Resource requirements for 2019
(Thousands of United States dollars)

Component	Total
Programme of work	
(a) Office of the Director, Global Shared Services	4 382.2
(b) Global Shared Service Centre, Nairobi	3 624.9
(c) Global Shared Service Centre, Budapest	1 507.9
(d) Global Shared Service Centre, Shenzhen	0.0
(e) Global Shared Service Centre, Montreal	7.7
Total	**9 522.7**

Note: Percentage of share: regular budget (23 per cent), budgets for peacekeeping operations (57 per cent) and extrabudgetary resources (20 per cent), as follows:
(a)   The total amount of $2,190,200, representing the regular budget share of the resource requirements of the Global Shared Service Centres for the biennium 2018–2019, would be reflected in section 29D, Global Shared Service Centres, under grants and contributions;
(b)   Resource requirements amounting to $5,427,900, financed exclusively from budgets for peacekeeping operations;
(c)   Resource requirements amounting to $1,904,600, financed from extrabudgetary resources.

Table 2
Estimated resource requirements for 2020
(Thousands of United States dollars)

Component	Total
Programme of work	
(a) Office of the Director, Global Shared Services	20 976.1
(b) Global Shared Service Centre, Nairobi	13 714.0
(c) Global Shared Service Centre, Budapest	5 588.6
(d) Global Shared Service Centre, Shenzhen	5 715.7
(e) Global Shared Service Centre, Montreal	4 954.1
Total	**50 948.5**

(Footnotes on following page)

(Footnotes to Table 2)

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Note: For 2020, the estimated amount of $50,948,500 is broken down into three funding sources: regular budget (23 per cent), budgets for peacekeeping operations (57 per cent) and extrabudgetary resources (20 per cent), as follows:
(a) $11,718,200, representing the regular budget share of the resource requirements of the Global Shared Service Centres for 2020, would be reflected in section 29D, Global Shared Service Centres, under grants and contributions;
(b) Resource requirements amounting to $29,040,600, financed exclusively from budgets for peacekeeping operations;
(c) Resource requirements amounting to $10,189,700 would be financed from extrabudgetary resources.

Table 3
Full post resources

Category	Office of Director, Global Shared Services	Global Shared Service Centre, Nairobi	Global Shared Service Centre, Budapest	Global Shared Service Centre, Shenzhen	Global Shared Service Centre, Montreal	Total
Professional and higher categories						
D-2	1	–	–	–	–	1
D-1	–	1	1	1	1	4
P-5	3	2	1	1	1	8
P-4/3	11	29	15	17	13	85
P-2/1	3	7	2	1	2	15
Subtotal	**18**	**39**	**19**	**20**	**17**	**113**
General Service						
Principal level	0	25	11	15	16	67
Other level	9	190	93	138	74	504
Subtotal	**9**	**215**	**104**	**153**	**90**	**571**
Total	**27**	**254**	**123**	**173**	**107**	**684**

Programme of work

Office of the Director, Global Shared Services (located in Nairobi)

Resource requirements: $4,382,200 (for 2019)
$20,976,100 (estimates for 2020)

2.   The Director, Global Shared Services, will be responsible for providing overall guidance and management oversight for operations across the Global Shared Service Centres. He or she will set near- and long-term strategic direction for service delivery and ensure alignment with objectives and business planning for shared services. He or she will also drive standardization of shared service operations and will be fully accountable for service quality and continuous improvement. In addition, he or she will serve as the leadership interfacing with senior management and policy owners and as the focal point for the integration of all aspects of the work of the Global Shared Service Centres. The Office of the Director, Global Shared Services, will be supported by the Performance and Process Optimization Section and the Client

Services and Training Section. The chiefs of the shared service centres will report directly to the Director, Global Shared Services.

Resource requirements

	2018–2019 estimate	_2020 estimate_	_Posts_
Post	1 225.0	2 721.0	27
Non-post	3 157.2	18 255.1	–
Total	**4 382.2**	**20 976.1**	**27**

3.   Total resources in the amount of $4,382,200 for 2019 would provide for 27 posts (1 D 2, 3 P-5, 3 P-4, 8 P-3, 3 P-2 and 9 Other level ($1,225,000)), starting from July 2019, in accordance with the implementation plan, as well as non-post resources ($3,157,200) to support the proposed implementation of the global service delivery model.

4.   Non-post resources for 2019 amounting to $3,157,200 include recurrent ($178,400) and non-recurrent start-up resource requirements ($2,978,800).

5.   It is estimated that resources in the amount of $20,976,100 would be required in 2020 to support the proposed implementation of the global service delivery model.

Global Shared Service Centre, Nairobi

Resource requirements: $3,624,900 (for 2019)
$13,714,000 (estimates for 2020)

Table 4
Resource requirements: Global Shared Service Centre, Nairobi
(Thousands of United States dollars)

	2018–2019 estimate	_2020 estimate_	_Posts_
Post	2 597.1	11 074.5	254
Non-post	1 027.8	2 639.5	–
Total	**3 624.9**	**13 714.0**	**254**

6.   Total resources in the amount of $3,624,900 for 2019 would provide for 254 posts (1 D 1, 2 P-5, 10 P-4, 19 P-3, 7 P-2, 25 General Service (Principal level) and 190 General Service (Other level) ($2,597,100)), starting from July 2019, in accordance with the implementation plan, as well as non-post resources ($1,027,800) to support the proposed implementation of the global service delivery model.

7.   It is estimated that resources in the amount of $13,714,000 would be required in 2020 to support the proposed implementation of the global service delivery model.

Global Shared Service Centre, Budapest

Resource requirements: $1,507,900 (for 2019)
$5,588,600 (estimates for 2020)

Table 5
Resource requirements: Global Shared Service Centre, Budapest

(Thousands of United States dollars)

	2018–2019 estimate	*2020 estimate*	*Posts*
Post	1 072.7	4 246.5	123
Non-post	435.2	1 342.1	–
Total	**1 507.9**	**5 588.6**	**123**

8. Total resources in the amount of $1,507,900 for 2019 would provide for 123 posts (1 D 1, 1 P-5, 5 P-4, 10 P-3, 2 P-2, 11 General Service (Principal level) and 93 General Service (Other level) ($1,072,700)), starting from July 2019, in accordance with the implementation plan, as well as non-post resources ($435,200) to support the proposed implementation of the global service delivery model.

9. It is estimated that resources in the amount of $5,588,600 would be required in 2020 to support the proposed implementation of the global service delivery model.

Global Shared Service Centre, Shenzhen

Resource requirements: $5,715,700 (estimates for 2020)

Table 6
Resource requirements: Global Shared Service Centre, Shenzhen

(Thousands of United States dollars)

	2018–2019 estimate	*2020 estimate*	*Posts*
Post	0.0	4 667.0	173
Non-post	0.0	1 048.7	–
Total	**0.0**	**5 715.7**	**173**

10. No resources will be required in 2019 for the Global Shared Service Centre in Shenzhen. It is estimated that resources in the amount of $5,715,700 would be required in 2020 to support the proposed implementation of the global service delivery model.

Global Shared Service Centre, Montreal

Resource requirements: $7,700 (for 2019)
$4,954,100 (estimates for 2020)

Table 7
Resource requirements: Global Shared Service Centre, Montreal

(Thousands of United States dollars)

	2018–2019 estimate	2020 estimate	Posts
Post	0.0	4 058.3	107
Non-post	7.7	895.8	–
Total	**7.7**	**4 954.1**	**107**

11.   Total resources in the amount of $7,700 would be required in 2019 to support the establishment of the Centre in 2020.

12.   It is estimated that resources in the amount of $4,954,100 would be required in 2020 to support the proposed implementation of the global service delivery model.

Table 8
Posts proposed for abolishment in 2020

Entity	Category	Number of posts
United Nations Office at Geneva	P-4	1
	P-3	2
	P-2	2
	PL	2
	OL	39
Subtotal		**46**
United Nations Office at Nairobi	P-5	1
	P-4	1
	P-3	2
	P-2	2
	PL	11
	OL	35
Subtotal		**52**
United Nations Office at Vienna	P-4	1
	P-3	1
	PL	1
	OL	18
Subtotal		**21**
Economic Commission for Africa	P-3	1
	PL	3
	OL	8
Subtotal		**12**

Entity	Category	Number of posts
Economic Commission for Latin America and the Caribbean	P-2	1
	PL	2
	OL	11
Subtotal		**14**
Economic and Social Commission for Asia and the Pacific	P-2	1
	PL	2
	OL	10
Subtotal		**13**
Economic and Social Commission for Western Asia	P-3	1
	PL	1
	OL	6
Subtotal		**8**
United Nations Truce Supervision Organization	FS	1
	PL	1
	OL	2
Subtotal		**4**
United Nations Assistance Mission in Afghanistan	P-5	1
	P-4	1
	P-3	2
	P-2	1
	FS	14
	GS	20
Subtotal		**39**
United Nations Assistance Mission for Iraq	P-4	2
	P-3	1
	FS	7
	GS	23
Subtotal		**33**
United Nations Regional Service Centre in Entebbe, Uganda	D-1	1
	P-5	5
	P-4	15
	P-3	18
	P-2	4
	FS	56
	NPO	29
	OL	215
	UNV	6
Subtotal		**349**

Entity	Category	Number of posts
United Nations Interim Administration Mission in Kosovo	FS	2
	OL	5
Subtotal		**7**
United Nations Peacekeeping Force in Cyprus	OL	1
Subtotal		**1**
United Nations Global Service Centre	FS	2
	OL	6
Subtotal		**8**
United Nations Disengagement Observer Force	OL	3
Subtotal		**3**
United Nations Interim Force in Lebanon	P-4	1
	P-3	2
	NPO	1
	OL	13
Subtotal		**17**
United Nations Mission for Justice Support in Haiti	FS	2
	OL	4
Subtotal		**6**
Total		**633**

Abbreviations: FS, Field Service; GS, General Service; LL, Local level; NPO, National Professional Officer; OL, Other level; PL, Principal level; UNV, UN Volunteer.

Table 9
Posts proposed for abolishment in 2021

Entity	Category	Number of posts
Department of Economic and Social Affairs	OL	4
Subtotal		**4**
Department for General Assembly and Conference Management	PL	2
	OL	7
Subtotal		**9**
Department of Management Strategy, Policy and Compliance	P-5	2
	P-3	1
	PL	6
	OL	55
Subtotal		**64**

Entity	Category	Number of posts
Department of Political and Peacebuilding Affairs	P-4	1
	OL	2
Subtotal		**3**
Department of Global Communications	OL	4
Subtotal		**4**
Department of Safety and Security	OL	3
Subtotal		**3**
Executive Office of the Secretary-General	OL	1
Subtotal		**1**
Office for the Coordination of Humanitarian Affairs	P-3	3
	OL	8
Subtotal		**11**
Office for Disarmament Affairs	OL	1
Subtotal		**1**
Office of Internal Oversight Services	OL	1
Subtotal		**1**
Office of Legal Affairs	OL	1
Subtotal		**1**
Department of Operational Support	OL	11
Subtotal		**11**
Office of Information and Communications Technology	OL	1
Subtotal		**1**
Total		**114**

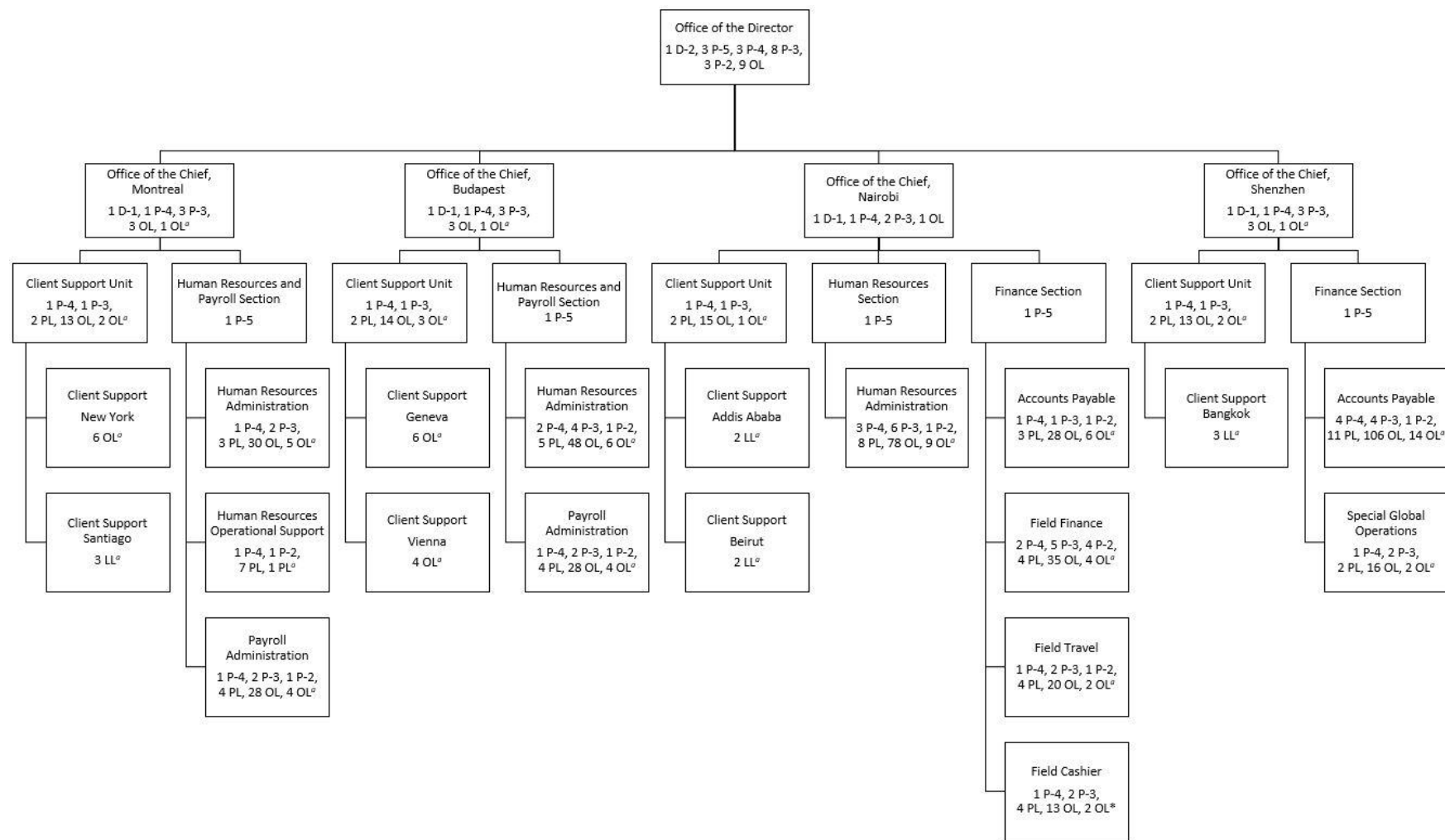*Abbreviations*: OL, Other level; PL, Principal level.

Table 10
Estimated annual resource reduction for existing entities
(Thousands of United States dollars)

Entity	Regular budget		Other assessed		Extrabudgetary		General temporary assistance funded from extrabudgetary resources		Total	
	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost
Department of Economic and Social Affairs	2	172.8	–	–	2	201.3	–	–	4	374.1
Department for General Assembly and Conference Management	9	814.9	–	–	–	–	–	–	9	814.9
Department of Global Communications	4	301.5	–	–	–	–	–	–	4	301.5
Department of Management Strategy, Policy and Compliance	37	3 386.5	14	1 409.2	13	1 571.8	0	–	64	6 367.5
Department of Operational Support	2	172.8	9	905.9	–	–	–	–	11	1 078.7
Department of Political and Peacebuilding Affairs	–	–	–	–	3	405.7	–	–	3	405.7
Department of Safety and Security	3	306.8	–	–	–	–	–	–	3	306.8
Economic Commission for Africa	12	576.7	–	–	0	–	0	–	12	576.7
Economic Commission for Latin America and the Caribbean	14	950.0	–	–	–	–	–	–	14	950.0
Economic and Social Commission for Asia and the Pacific	13	933.0	–	–	–	–	–	–	13	933.0
Economic and Social Commission for Western Asia	8	727.0	–	–	–	–	–	–	8	727.0
Executive Office of the Secretary-General of the United Nations	1	86.4	–	–	–	–	–	–	1	86.4
Office for the Coordination of Humanitarian Affairs	–	–	–	–	10	1 405.7	1	100.7	11	1 506.4
Office for Disarmament Affairs	–	–	–	–	–	–	1	100.7	1	100.7
Office of Information and Communications Technology	–	–	1	100.7	–	–	–	–	1	100.7
Office of Internal Oversight Services	1	86.4	–	–	–	–	–	–	1	86.4
Office of Legal Affairs	1	86.4	–	–	–	–	–	–	1	86.4
Regional Service Centre in Entebbe, Uganda	–	–	349	25 573.5	–	–	–	–	349	25 573.5
United Nations Assistance Mission in Afghanistan	39	4 055.5	–	–	–	–	–	–	39	4 055.5
United Nations Assistance Mission for Iraq	33	3 039.5	–	–	–	–	–	–	33	3 039.5

Entity	Regular budget		Other assessed		Extrabudgetary		General temporary assistance funded from extrabudgetary resources		Total	
	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost	Posts	Annual cost
United Nations Disengagement Observer Force	–	–	3	113.5	–	–	–	–	3	113.5
United Nations Global Service Centre	–	–	8	627.9	–	–	–	–	8	627.9
United Nations Interim Administration Mission in Kosovo	–	–	7	437.0	–	–	–	–	7	437.0
United Nations Interim Force in Lebanon	–	–	17	1 390.1	–	–	–	–	17	1 390.1
United Nations Mission for Justice Support in Haiti	–	–	6	397.7	–	–	–	–	6	397.7
United Nations Office at Geneva	14	1 947.8	–	–	18	2 694.2	14	1 194.1	46	5 836.1
United Nations Office at Nairobi	14	1 362.5	–	–	35	1 930.6	3	165.5	52	3 458.6
United Nations Office at Vienna	9	1 012.6	–	–	12	1 200.6	0	–	21	2 213.3
United Nations Peacekeeping Force in Cyprus	–	–	1	61.8	–	–	–	–	1	61.8
United Nations Truce Supervision Organization	4	341.0	–	–	–	–	–	–	4	341.0
Total	**220**	**20 360.1**	**415**	**31 017.5**	**93**	**9 409.9**	**19**	**1 561.0**	**747**	**62 348.5**

Proposed organization chart

Office of the Director
1 D-2, 3 P-5, 3 P-4, 8 P-3,
3 P-2, 9 OL

Office of the Chief,
Montreal
1 D-1, 1 P-4, 3 P-3,
3 OL, 1 OL[a]

Office of the Chief,
Budapest
1 D-1, 1 P-4, 3 P-3,
3 OL, 1 OL[a]

Office of the Chief,
Nairobi
1 D-1, 1 P-4, 2 P-3, 1 OL

Office of the Chief,
Shenzhen
1 D-1, 1 P-4, 3 P-3,
3 OL, 1 OL[a]

Client Support Unit
1 P-4, 1 P-3,
2 PL, 13 OL, 2 OL[a]

Human Resources and
Payroll Section
1 P-5

Client Support Unit
1 P-4, 1 P-3,
2 PL, 14 OL, 3 OL[a]

Human Resources and
Payroll Section
1 P-5

Client Support Unit
1 P-4, 1 P-3,
2 PL, 15 OL, 1 OL[a]

Human Resources
Section
1 P-5

Finance Section
1 P-5

Client Support Unit
1 P-4, 1 P-3,
2 PL, 13 OL, 2 OL[a]

Finance Section
1 P-5

Client Support
New York
6 OL[a]

Human Resources
Administration
1 P-4, 2 P-3,
3 PL, 30 OL, 5 OL[a]

Client Support
Geneva
6 OL[a]

Human Resources
Administration
2 P-4, 4 P-3, 1 P-2,
5 PL, 48 OL, 6 OL[a]

Client Support
Addis Ababa
2 LL[a]

Human Resources
Administration
3 P-4, 6 P-3, 1 P-2,
8 PL, 78 OL, 9 OL[a]

Accounts Payable
1 P-4, 1 P-3, 1 P-2,
3 PL, 28 OL, 6 OL[a]

Client Support
Bangkok
3 LL[a]

Accounts Payable
4 P-4, 4 P-3, 1 P-2,
11 PL, 106 OL, 14 OL[a]

Client Support
Santiago
3 LL[a]

Human Resources
Operational Support
1 P-4, 1 P-2,
7 PL, 1 PL[a]

Client Support
Vienna
4 OL[a]

Payroll
Administration
1 P-4, 2 P-3, 1 P-2,
4 PL, 28 OL, 4 OL[a]

Client Support
Beirut
2 LL[a]

Field Finance
2 P-4, 5 P-3, 4 P-2,
4 PL, 35 OL, 4 OL[a]

Special Global
Operations
1 P-4, 2 P-3,
2 PL, 16 OL, 2 OL[a]

Payroll
Administration
1 P-4, 2 P-3, 1 P-2,
4 PL, 28 OL, 4 OL[a]

Field Travel
1 P-4, 2 P-3, 1 P-2,
4 PL, 20 OL, 2 OL[a]

Field Cashier
1 P-4, 2 P-3,
4 PL, 13 OL, 2 OL*

Abbreviations: PL: General Service Principal level; LL, local level; OL, General Service Other level.
  [a] General temporary assistance positions.

Annex V

Benefits realization plan

The following table sets out the key indicators that will be measured and reported as part of the global service delivery model benefits realization plan. The benefits management lifecycle is envisaged as a five-year exercise initially (minimum time horizon), with updated scorecards to be submitted to the General Assembly annually.

Number	Benefit	Measurement	Frequency of measures	Baseline	Baseline date[a]
1	Cost-effectiveness	Cost avoidance versus as-is operations[b] [cost of Global Shared Service Centres operations] plus [one-time implementation costs] minus [cost of administrative service provision before Global Shared Service Centres launch]	Annually	Zero (no implied cost avoidance versus as-is operations before Global Shared Service Centre implementation)	Q3 2019 (start of year zero)
2	High-quality and client-oriented administrative services	Scoring on client survey for satisfaction with quality of work	Annually	Pre-global service delivery model implementation client satisfaction survey score	Q4 2019 (immediately prior to shared service centre operation)
3	Timely service delivery	Percentage of Global Shared Service Centre transactions completed within service-level agreement target	Monthly	First month's data from Global Shared Service Centre service provision and/or other relevant baseline data	January 2020 (first month of Global Shared Service Centre operation) or earliest available baseline date
4	Operational efficiency	Average transactional volume per staff member	Quarterly	Quarterly data from 1 year prior to the Global Shared Service Centres launch[c]	Q1 2019 (1 year prior to the Global Shared Service Centre operation)
5	Standardization and consistency	Number of processes provided using global service delivery model standard procedures	Annually	Zero	Q1 2020 (start of shared service centre operation)

Abbreviations: Q1, first quarter; Q3, third quarter; Q4, fourth quarter.

[a] All dates listed are subject to approval by the General Assembly of the proposed timeline for Global Shared Service Centre establishment (currently planned for the first quarter of 2020) and may be modified to align with actual implementation launch.

[b] Comparison of administrative service costs relates only to in-scope administrative services.

[c] There will be four quarterly measures taken prior to the Global Shared Service Centre launch for the transactional volume metric to ensure that any differences due to seasonality of work load can be fairly compared, e.g., education grant applications often surge during certain periods of the calendar year.

Annex VI

Glossary

Term	Definition
Administrative process	In this context, administrative processes are defined as end-to-end processes, starting from a request from a client and ending with the result, and often including sub-processes across different functional areas (human resources administration, finance, etc.).
Client	Refers to: (a) an entity of the United Nations system (including offices and departments) requiring administrative services for the performance of their mandates; and (b) a staff member or representative of an entity authorized to request administrative services to be performed either for herself/himself as a staff member of the Organization or on behalf of the entity.
Client relationship management	A set of policies, processes and tools to manage the interaction with clients to improve the relationship and increase customer satisfaction. A client relationship management software application is a tool to manage the interaction between service providers and their clients.
Enterprise resource planning	A system that provides an integrated suite of information technology applications that support activities such as finance and budget management, human resources management, supply chain management, central support services and other core functions.
Key performance indicator	A measurable value to monitor and evaluate the success of an activity. It will be compared against targets, past performance and benchmarks to drive meaningful and impactful adjustments and improvements in the performance of service delivery.
Service-level agreement	A formal, negotiated agreement which defines parameters and responsibilities for the delivery of a service. The purpose of such an agreement is to articulate the minimum, expected and agreed quality of the service provided to clients.
Shared services	Locally independent services that are common to (or shared by) individual client entities and can be provided from a location or locations independent from the clients' own locations. The resources performing such services are organized in shared service centre(s), which operate on the basis of standardized processes and utilize client relationship tools to manage the interaction with clients remotely.