

**ORGIP/IM/GE/08/2: Annex IV**

**Organizational Improvement Program  
(OIP)**

**Presentation to the Audit  
Committee in December 2007**

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Note :To be developed. The resources will include those for the constituent projects and those required for managing the OIP through a structured project management approach. Resource requirements for some of the constituent projects such as ERP Implementation and Implementation of some high priority HR strategy projects/tasks have been submitted as proposals to the Program and Budget Committee and General Assembly.

# **THE ORGANIZATIONAL IMPROVEMENT PROGRAM :OBJECTIVES**

1. Improve performance and accountability with respect to delivery of program objectives and results as mandated by Member States through the Program and Budget process
2. Improve alignment of the Organization's resources and structure with the strategic goals established by Member States
3. Ensure more efficient and cost-effective utilization of resources of the Organization

# THE ORGANIZATIONAL IMPROVEMENT PROGRAM :OBJECTIVE 1

1. Improve performance and accountability with respect to delivery of program objectives and results as mandated by Member States through the Program and Budget process. Elements of accountability include :
  - Program Managers more accountable for achievement of Program objectives and results
  - Program Managers accountable for economic, efficient and effective utilization of resources allocated (better value for money)
  - Enhanced personal Accountability and Financial Liability of all employees for decisions within their roles and responsibilities
  - Accountability for compliance with relevant policies and procedures : Controller and Designated Certifying Officers responsible for legality and regularity of actions and activities
  - General Accountability of all employees as international civil servants as outlined in the ICSC code of conduct, and new WIPO specific ethics and integrity codes
  - Additional elements of accountability may be identified as the Program is implemented

# THE ORGANIZATIONAL IMPROVEMENT PROGRAM :OBJECTIVE 2

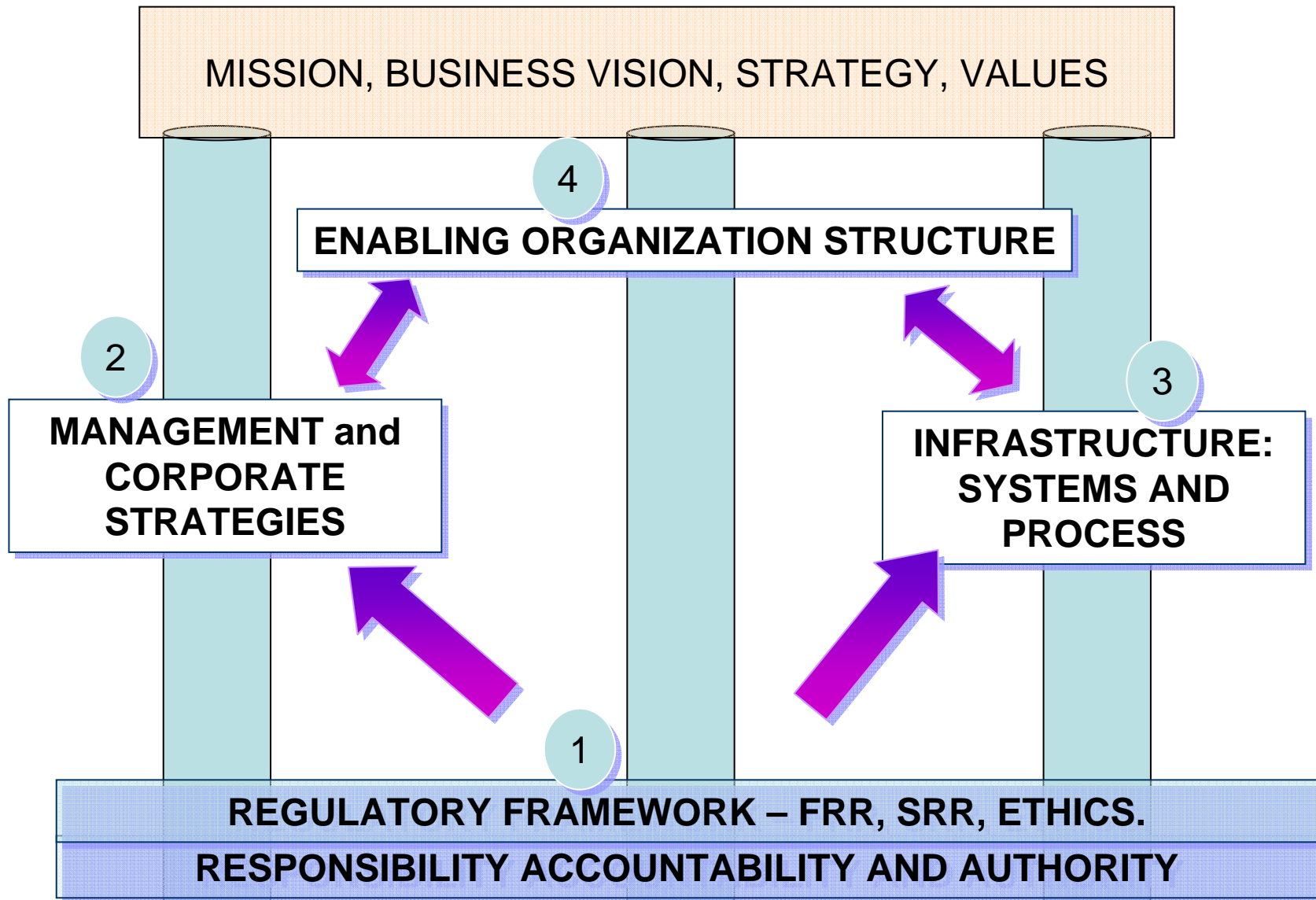
2. Improve alignment of the Organization's resources and structure with the strategic goals established by Member States. Elements of alignment include:

- Financial and human resources commensurate with workload and program requirements
- Skills and profiles aligned with program requirements
- Organizational structure aligned with Program and Budget Structure
- Establishment of policies that will ensure continuous alignment
- Mechanisms to respond to fluctuations in demand for services
- Strengthen senior management organization and corporate governance functions
- Consolidate management and administrative functions

# THE ORGANIZATIONAL IMPROVEMENT PROGRAM :OBJECTIVE 3

3. Ensure more efficient and cost-effective utilization of resources of the Organization. The key elements that would be addressed are:
  - Improvement in productivity through re-engineering, rationalization and automation of processes
  - Improved performance management
  - Value-driven sourcing and contracting
  - More modern internal control and corporate governance mechanisms
  - Quality management approach

# ORGANIZATIONAL IMPROVEMENT PROGRAM: THE SCOPE



# OIP AND THE DESK-TO-DESK RECOMMENDATIONS

- The Desk-to-Desk Recommendations were made under three major components:
  - Leadership and Management
  - HR Management
  - Organization Process and systems
- The OIP envisages initiatives under four clusters:
  - Regulatory Framework
  - Management Strategies
  - Infrastructure : processes and systems
  - Enabling Organizational Structure
- There is a clear link between the Desk-to-Desk recommendations and the OIP Clusters




# Desk-to-Desk Recommendations



# OIP Project Clusters

Leadership and Management




- MANAGEMENT and CORPORATE STRATEGIES
- REGULATORY FRAMEWORK – FRR, SRR, ETHICS.
- RESPONSIBILITY ACCOUNTABILITY AND AUTHORITY

HR Management



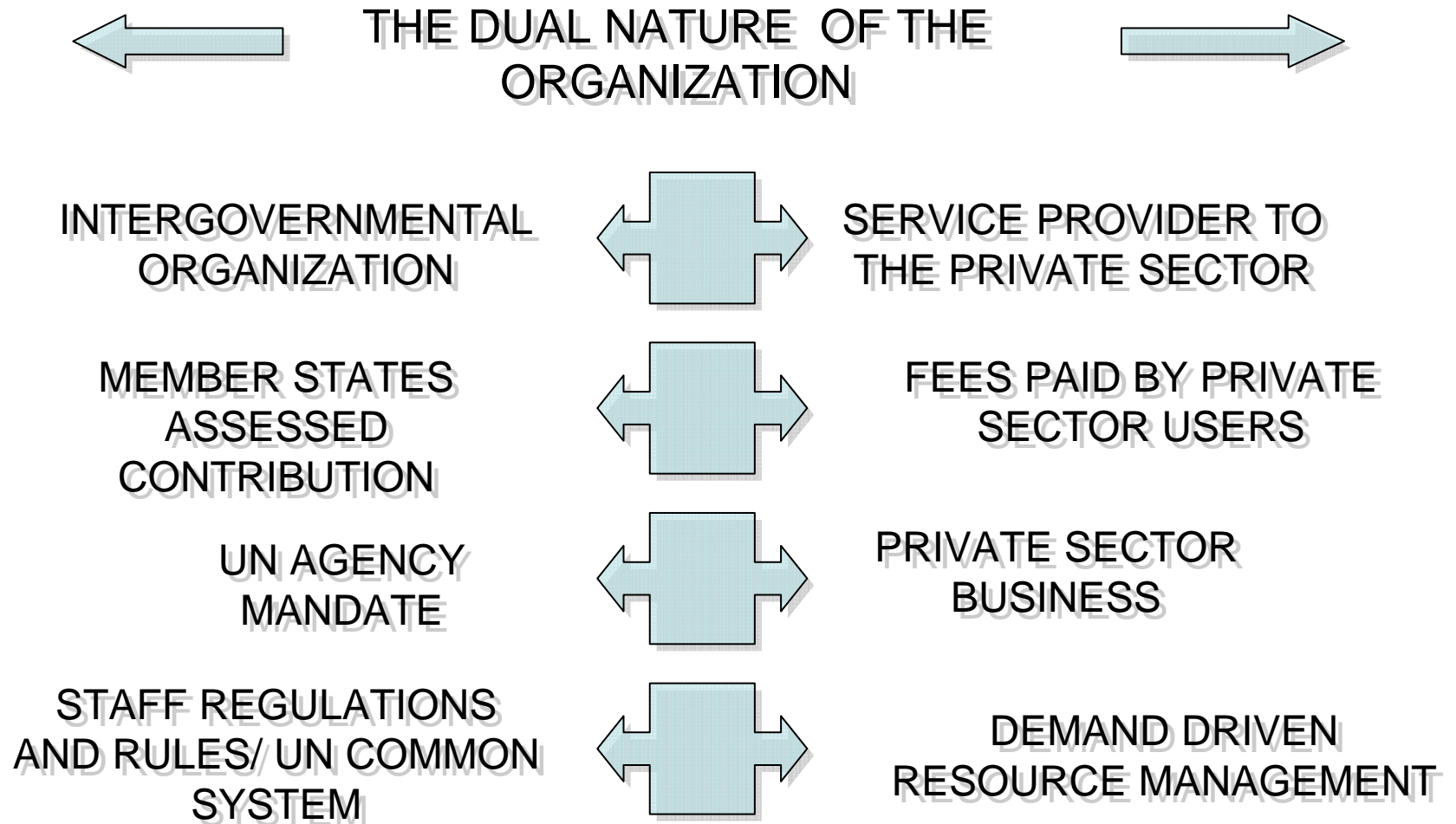
- MANAGEMENT and CORPORATE STRATEGIES
- INFRASTRUCTURE: SYSTEMS AND PROCESS

Organization, Processes and Systems

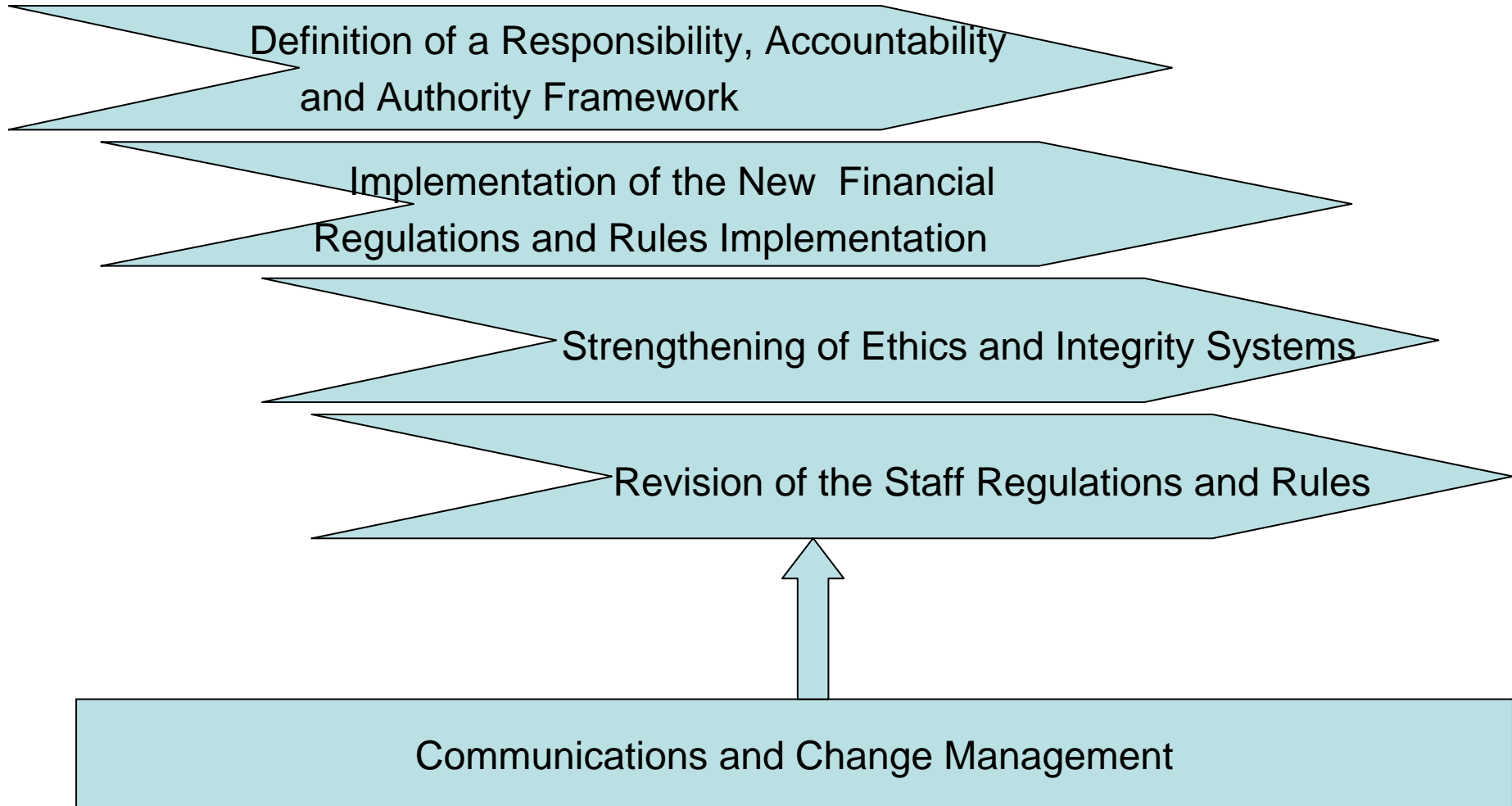


- MANAGEMENT and CORPORATE STRATEGIES
- INFRASTRUCTURE: SYSTEMS AND PROCESS
- ENABLING ORGANIZATION STRUCTURE

# THE CHALLENGES



# REGULATORY FRAMEWORK: KEY PROJECTS CLUSTER 1



## **Definition of a Responsibility, Accountability and Authority Framework**

Responsibility for development of a proposal : OIPC

### **KEY QUESTIONS TO BE ADDRESSED**

- From whom does authority flow to whom?
- What is the purpose for which authority flows?
- To whom are they accountable?
- What is their responsibility in exercising the authority?
- What are the overarching principles that drive the framework?
- How should the roles and responsibilities be defined?
- Is the distinction made between programmatic authority versus administrative authority to implement managerial decisions?
- Does the internal framework derive clearly from the overall governance and oversight of the Organization?
- What are the independent assurance mechanisms that will be established to ensure compliance?
- Are contractual arrangements consistent with the framework?
- Are the systems and reporting required in place?

## **Implementation of the New Financial Regulations and Rules**

**Responsibility: Controller**

### **KEY WORK SEGMENTS :**

- Enactment of the new FRRs
- Alignment of the internal structure of the Secretariat to the requirements of the new FRRs
- Issuance of Statements (Designations)
- Define processes, develop forms and procedures
- Implement high priority IT system modifications
- Develop and implement a comprehensive training plan
- Elaborate an investment policy for the Organization
- Mechanism for rotation and appointment of External Auditors
- Integration of IPSAS and Flexibility Mechanism into FRR
- Revise Staff Regulations and Rules
- Modernize internal control
- Monitor, Manage and Mitigate Risks
- Strengthen internal and external oversight mechanisms
- Improve financial management and performance



## Revision of the Staff Regulations and Rules

Responsibility: Director HRMD

- Not a separate initiative or project
- Staff rules will need revision as the Organizational Improvement Program is implemented
- Some of the projects that will necessitate revision of staff rules are :
  - FRR Implementation
  - Ethics and Integrity System Implementation
  - Strengthen Internal Administration of Justice
  - Responsibility, Authority and Accountability Framework Implementation
  - Revision of current HR Policies or establishment of new HR Policies

## **Strengthening of Ethics and Integrity Systems**

Responsibility : Director IAOD

### KEY WORK SEGMENTS :

- Develop WIPO “VALUES” and improve organizational “CULTURE”
- Review of Staff Regulations and Rules
- Provide input to strengthen administration of internal justice systems
- Develop codes of ethics, conduct and practice
- Develop and evaluate options for the management of the ethics function (eg. Ethics Officer)
- Improve capacity of WIPO to manage disciplinary and work place dispute cases more effectively and quickly
- Implement a Financial Declaration and Disclosure System
- Develop a Whistle Blowing/Hot Line system
- Communication and training of staff on ethics and integrity issues

# MANAGEMENT AND CORPORATE STRATEGIES :KEY PROJECTS CLUSTER 2

Continued development and implementation of Results Based Management

Development of an Integrated Resource Management Strategy

Implementation of the Human Resource Strategy

Develop ICT Long-term Vision and Strategy

Develop a Risk Management Strategy

Links with Clusters One and Three



## **Continued development and implementation of Results Based Management (RBM)**

**Responsibility : Executive Director- Office of Strategic planning  
Policy Development and World Wide Academy**

### **CURRENT STATUS**

- For 2008/9 the Program and Budget is well aligned with the 5 WIPO Strategic Goals and priority activities
- The WIPO strategy and objectives will be kept under regular review
- WIPO Organizational structure is now much better aligned for the delivery of the strategic objectives
- Managers are becoming more accountable for results and impacts and lessons learnt are fed back into plans for future activities
- The development of the ERP system will support RBM
- The ERP and RBM will help enhance monitoring and management of projects and activities and improve program design and management
- Program performance measures are better developed for 2008/9
- A WIPO Evaluation Policy was approved by the Director General in 2007; and evaluation will become a key and normal part the management of programs, activities and projects

### **FURTHER ACTIONS:**

- Review of the RBM process of WIPO
- Create an RBM focal point
- Validate the reliability of performance information



## **Development of an Integrated Resource Management Strategy**

**Responsibility: Controller**


The strategy shall address:

### Resource Allocation

- How are human and financial resources allocated to meet requirements derived from the Program and Budget of the Organization
- Does the allocation integrate the lessons learnt from internal and external oversight and evaluation?
- Is the allocation between posts and temporary resources aligned with the Program and Budget requirements?
- Is there a clear baseline for the allocation of posts and other human resources among various Programs of the Organizations? Is this baseline consistent with the priorities established by Member States?

### Human Resources (linked with HR Strategy)

- How are posts managed? What is the policy in place for post management?
- Does the policy provide guidance in respect of establishment, discontinuation, and transfer of posts? How does the Organization balance the prerogative of the Member States with respect to allocation of posts with the need for minimum management flexibility required to meet demand for services?
- How are temporary resources managed?
- Do contractual arrangements offered enable establishment of new job profiles and release of resources no longer aligned with the Organizational needs



## **Development of an Integrated Resource Management Strategy**

**Responsibility: Controller**

### Financial Resources

- Financial resources being determined by Member States through the Program and Budget process- are there budgetary flexibilities to meet program requirements?
- Considering that the Organization has large reserves, how are its funds invested?

### Extra-budgetary Resources

- How are extra-budgetary resources mobilized and managed?
- Are the programming and utilization of extra-budgetary resources coordinated with those of the regular budget?

### Sourcing

- Is the procurement of goods and services adequately monitored to ensure that the Organization obtains best market prices?
- What is the overall policy or strategy for outsourcing and the business model for evaluating outsourcing opportunities?
- Does the Organization monitor opportunities for outsourcing certain categories of services? Is this consistently tied in with the evolution of business models in use?

### Process, Roles and Responsibilities

- What policies and procedures are in place to ensure consistent management of resources?
- Are the different roles and responsibilities (in particular for decision making) properly and clearly defined and communicated?
- Is the resource management process and the decision making process transparent?

# Implementation of the HR Strategy

Responsibility : Director HRMD

Reference Document : WO/GA/34/14

## Key Elements

- **I: Targeted career and staff development**, to realize technical, managerial, and leadership potential in WIPO and extend these competencies across the Organization;
- **II: Integrated performance management**, to promote a performance-driven culture in WIPO;
- **III: Optimum alignment of staff with WIPO's strategic goals**, to align, organization-wide, the operational functions, the competencies of staff, the organizational structures, and the administrative tools to the strategic goals of WIPO in a framework of accountability and responsibility;
- **IV: Flexible contractual arrangements**, to strengthen WIPO's capacity to react flexibly, and in a timely manner, to operational developments, particularly to the dynamics of the market-oriented sector and the constantly changing needs of its players;
- **V: Stimulating and equitable work environment**, to attract and retain high caliber staff and fully engage them professionally.



## Implementation of the HR Strategy

### Key Element I: Targeted Career and Staff Development

- Development of a new Training Policy
  - Launch of a Corporate Management Training Program
  - Targeted training activities in languages, IP and IT literacy
- Design of career models and and establishment of succession planning
- Development of exchange opportunities within the UN Common System and with IP Offices
- Increased investment in staff development activities



**Implementation of the HR Strategy**  
**Key Element II: Integrated Performance Management**

- Development of a new performance management and development system
  - Phased introduction of enhanced PAS system
- Promotions
  - Review of the guidelines for staff
  - Development of guidelines for temporary employees
- Development of a competency framework



## **Implementation of the HR Strategy**

### **Key Element III: Optimum Alignment of Staff**

- Review of Recruitment Processes and Practices
- Revision of current redeployment practices in context of the new Post Management system
- Development of a Job Design and Classification System
- Alignment of contract types with the nature of functional roles



## Implementation of the HR Strategy

### Key Element IV: Flexible Contractual Arrangements

- Streamlining of the current contractual arrangements in line with UN best practices
- Identification of flexible resourcing alternatives and related funding mechanisms
  - Development of new Internship program
  - Fostering of the Junior Professional Officer Program
  - Development of guidelines in respect of the HR impact of outsourcing of services
  - Creation of partnerships with IP Offices
  - Establishment of external “Expert Pools”



## Implementation of the HR Strategy

### Key Element V: Stimulating and Equitable Working Environment

- Revision of the current work-time and special leave related policies (eg. Sick Leave, Part-time and flexitime work)
- Strengthening the Internal Systems for the Management of Conflict Resolution
  - Establishment of a conflict resolution framework
  - Further professionalism of the administration of justice system
  - Strengthening of the informal system of conflict resolution
- Secure, Safe and Healthy Working Environment
  - Enhanced Social Security for temporary employees



## Implementation of the HR Strategy

### Enabling Elements

- Efficient and Effective Human Resource Management
  - Enhanced information tools for internal assessment of human resources
  - Reorganization of HRMD
  - Redesign HR process
- Appropriate Employment Framework
  - Revision of the Staff Regulations and Staff Rules
- Integrated and Comprehensive Human Resource Information Systems
  - Implementation of HRIS under ERP



**Develop ICT Long-term  
Vision and Strategy**  
Responsibility: IT Board

**CURRENT STATUS:**

- IT Board was appointed in December 2006.
- The Board oversaw the Assessment of the Core IT Program carried out by Sogeti, an external consultant.
- Sogeti delivered their report in May 2007; it has been reviewed by IT management and all IT section heads since.
- The Board has recently completed its own independent review of core IT Areas.
- The Board is now expected to review the results of the IT Assessment and its own findings to develop a set of recommendations to the Director General on the ICT long term vision and strategy
- In developing its recommendations, the IT Board will take into account the external auditors report.



## **Develop an Enterprise Risk Management (ERM)**

### **Approach and Strategy**

Responsibility: Director IAOD

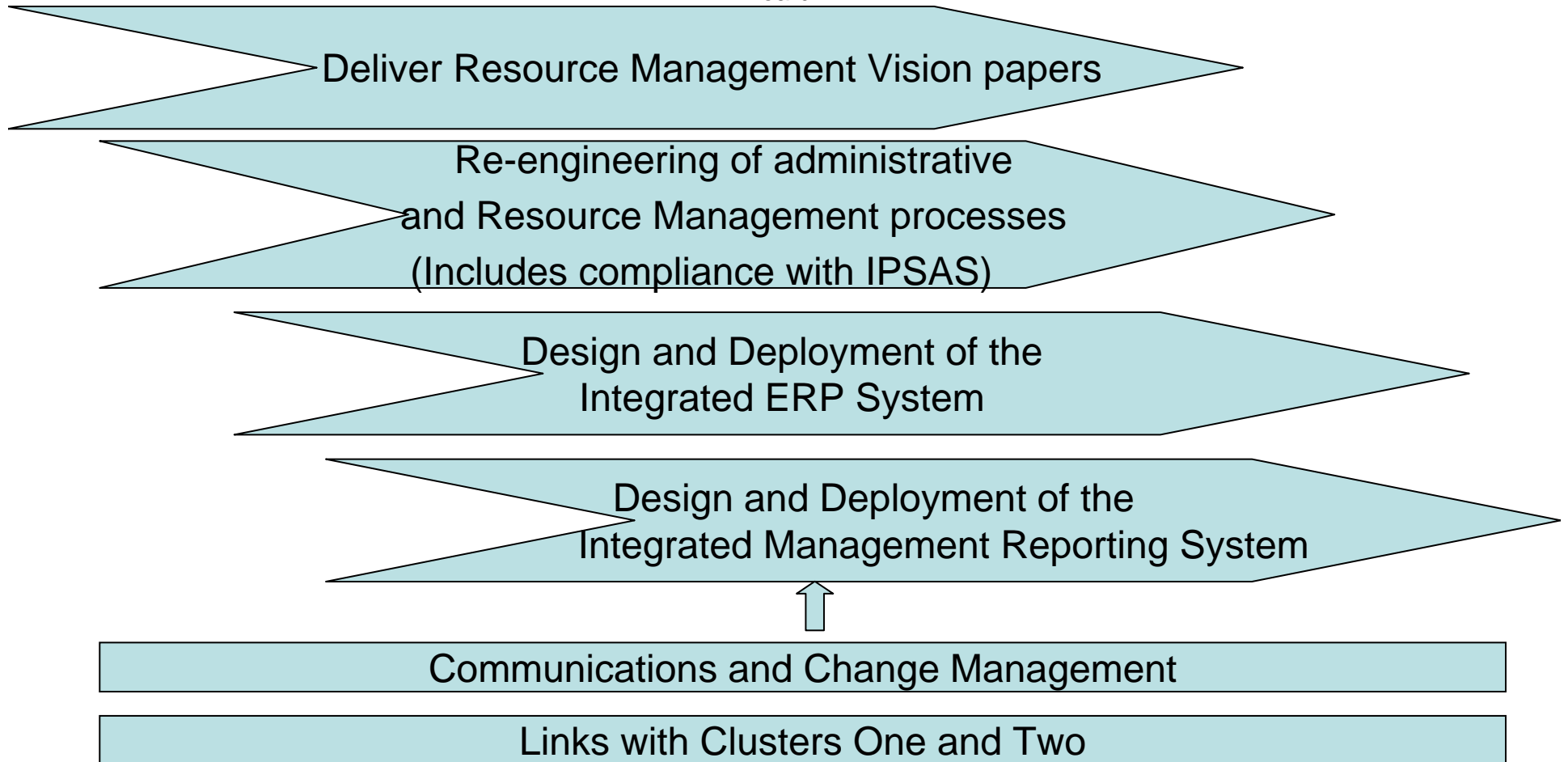
#### **KEY WORK SEGMENTS**

- Determine lessons learnt and standardize good practices identified in the risk registers and management process undertaken for the New Construction project and Procurement and Contracts Division
- Develop project for a Risk Register and a Risk Management process for risks to achieving WIPO Strategic Objectives
- IAOD will review and evaluate pilot project processes and identify good practice and lessons learnt
- Develop a WIPO ERM approach and strategy based on practical experiences as gained in the above projects. Train Program and other managers as needed.
- Institute on a phased basis a Risk Register and a Risk Management process for each Program

# INFRASTRUCTURE (PROCESSES AND SYSTEMS): KEY PROJECTS CLUSTER 3

Document Reference: A/43/15, WO/PBC/12/4©

Responsibility : ERP Project Sponsor who will chair the Project Board



# ENABLING ORGANIZATION STRUCTURE: KEY PROJECTS CLUSTER 4



Establish a Unified Financial Management Structure

Improve alignment of the Organization Structure with the Program and Budget Structure

Identify opportunities for further streamlining and consolidation of the organizational structure



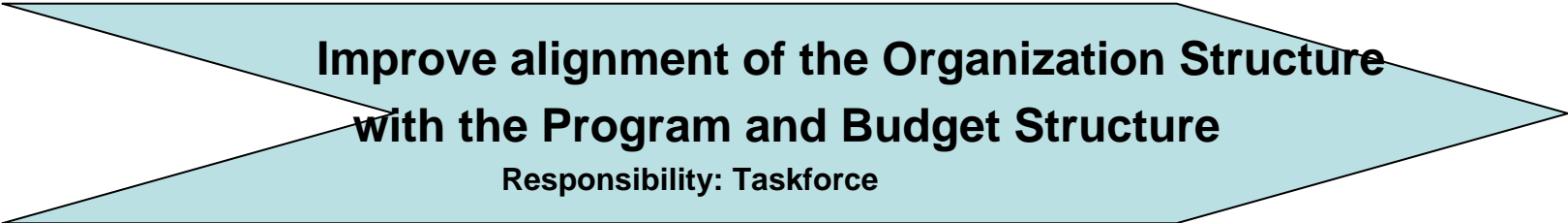
Links with Clusters One, Two and Three



## **Establish a Unified Financial Management Structure**

**Responsibility: Controller**

- Top-level restructuring completed and will take effect December 1. (Refer Office Instruction on the Internal Organization of WIPO no: 42/2007)
- Review the existing detailed structure and identify opportunities for rationalization, streamlining and consolidation within this structure
- Identify new roles and/ or changes to emphasis within existing roles e.g. Transaction approval versus Monitoring within the Budget Section
- Finalize the detailed structure of the unified financial management organization; prepare and publish organization chart
- Review job descriptions and titles of senior officers within the structure; issue modified job descriptions as appropriate
- Ensure consistency of job descriptions with the new FRRs




**Improve alignment of the Organization Structure  
with the Program and Budget Structure**

Responsibility: Taskforce

**WORK SEGMENTS:**

- Develop proposals to align the Organization Structure with the 2008/09 Program and Budget Structure and the Organizational Structure
- Prepare Office Instructions to implement the proposals





**Identify opportunities for further streamlining  
and consolidation of the organizational structure**

Responsibility for development of proposals  
to the Director general : OIPC

**WORK SEGMENTS:**

- Review recommendations made by PwC
- Compare WIPO's Organizational Structure with those of other UN Agencies
- Review best practices in relation to Organizational Design
- Evaluate options and develop a proposal for the consolidation of the management and administrative functions
- Identify other opportunities to improve the organizational structure (consolidation, elimination of overlaps, etc.) ,document rationale and determine benefits and implementation considerations

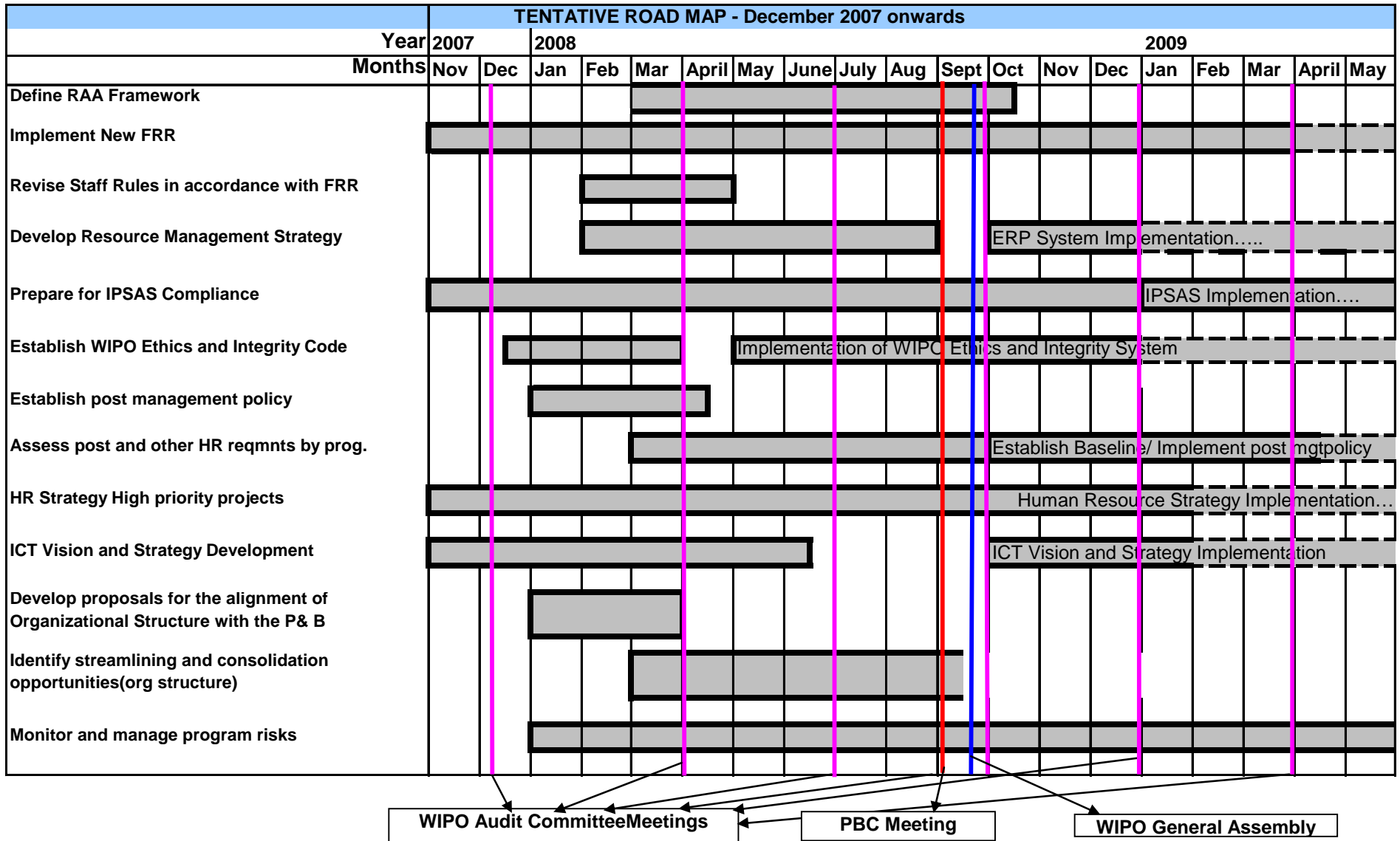
# Initial prioritization of projects

2008	2009	2010	2011
<p>Define RAA framework Implement new FRR Revise Staff Rules (for new FRR) Establish WIPO specific Ethics and Integrity Code</p>	<p><i>Implement RAA framework Implement new FRR Implement Ethics and Integrity Systems</i></p>		
<p>Develop Resource Management Strategy Establish Post Management Policy Assess requirements for Posts and Other Human Resources by Program</p>	<p><i>Develop Resource management Policies ERP: Vision papers, Re-engineering proposals (subject to Member State Approval of the ERP project in 2008) Establish baseline posts and other human resources</i></p>	<p><i>ERP Design and Deployment</i></p>	<p><i>ERP Design and Deployment</i></p>
<p>HR Strategy high priority projects: <b>See list on next slide</b> ICT Vision and Strategy Development Prepare for IPSAS compliance</p>	<p><i>Human Resource Strategy Implementation ICT Vision and Strategy Implementation Develop Organizational Risk Management Strategy Compliance with IPSAS</i></p>	<p><i>Human Resource Strategy Implementation ICT Vision and Strategy Implementation</i></p>	<p><i>Human Resource Strategy Implementation</i></p>
<p>Develop proposals for improving the alignment of the organizational structure with the Program and Budget structure Identify streamlining and consolidation opportunities</p>	<p><i>Align organizational structure with Program and Budget Structure Establish target streamlined and consolidated organization structure</i></p>		

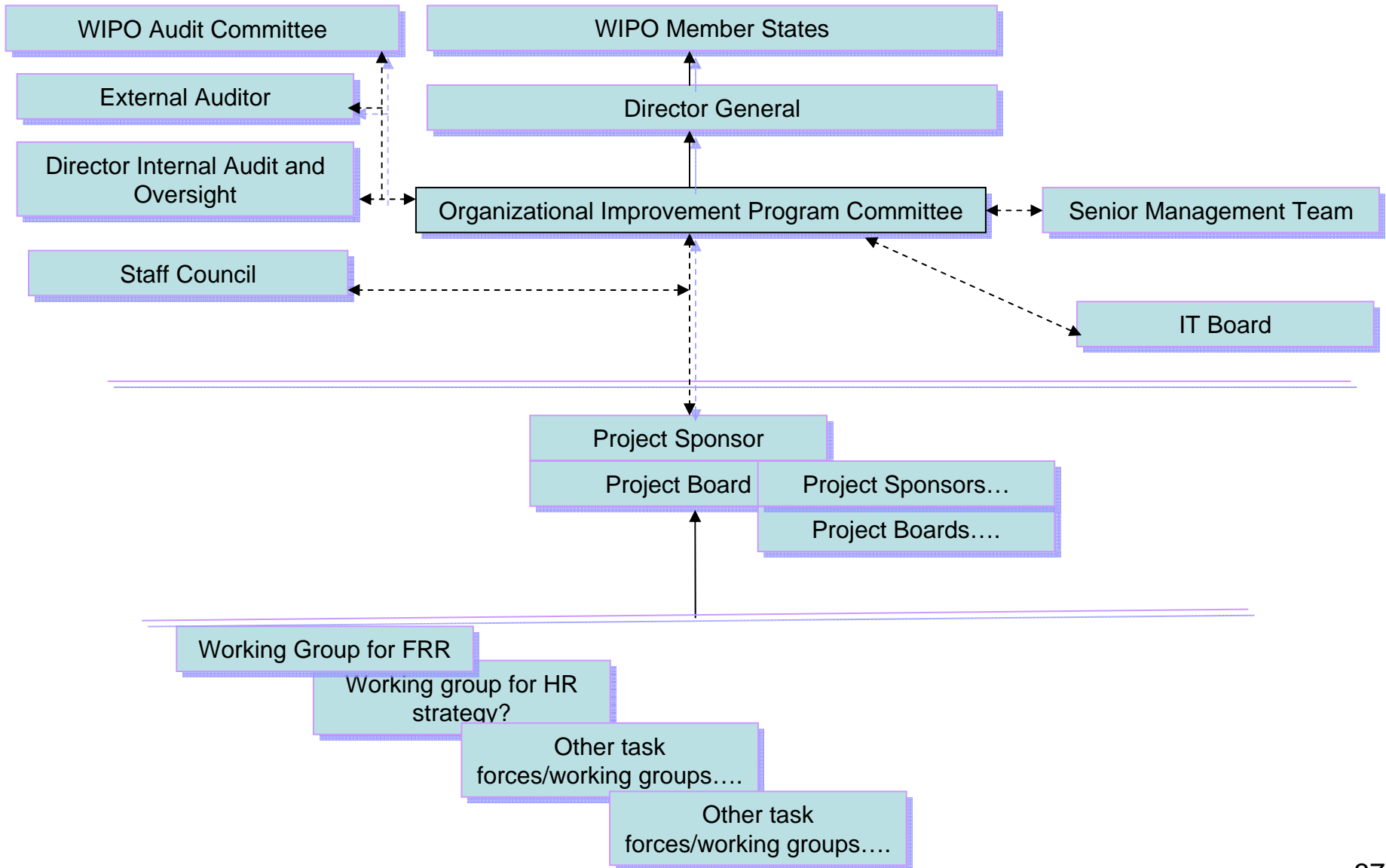
# HR Strategy Implementation: High priority projects/tasks for 2008

- Development of a new training policy
- Launch of a Corporate Management Training program
- Phase I of the enhanced Performance Appraisal System (PAS)
- Guidelines for promotion of regular staff and temporary employees
- Initiate development of a WIPO Competency Framework
- Review recruitment processes and practices
- Revision of the current redeployment practices in the context of the new post management policy
- Streamlining of current contractual arrangements in line with UN best practices (On-going)
- Strengthen the Internal Systems for the Administration of Justice and Management of Workplace Conflict Resolution.

# Tentative Road Map – Next 18 Months



# Program Organization and Reporting



# Program Organization and Reporting

## Governance and Oversight

- The OIPC shall report to the Director General
- The OIPC shall report progress to the WIPO Audit Committee; the OIPC shall follow up on any recommendations made by the WIPO Audit Committee
- The OIPC shall report progress, provide information to Member States on behalf of the Director General
- The OIPC will undertake informal consultations with the internal and external auditor as appropriate; the OIPC will follow up on any recommendations made by internal and external auditors

## Senior Management Involvement

- The proposals of the OIPC / other task forces under the OIP to the Director general will be based on input from concerned senior management team members/ program managers
- The OIPC shall regularly brief the Senior Management Team (SMT) and take input and guidance from the SMT in respect of the program

# Program Organization and Reporting

## Communications with Staff

- The OIPC will interact with the Staff Council, as required
- The OIPC conducts regular information sessions for staff

## Co-ordination and oversight of constituent projects

- Project Sponsors/ Managers/ Officials responsible for initiatives or tasks under this program shall report progress regularly to the OIPC
- The OIPC shall co-ordinate for the smooth running, integration and successful completion of the various projects and tasks

# Risk Register (Under Development)

Some Risk Categories under which these will be developed:

- Management
- Timeline
- Resources Cost and Budget
- Change Acceptance
  - Change acceptance – Senior management and staff
  - Change acceptance – Member States
  - Ability of the Organization to manage and absorb changes (several cross-linked initiatives will be undertaken simultaneously)

The risks will be analyzed for probability of occurrence and potential impact; those with a high impact and high probability of occurrence will be the most important risks to be monitored and managed

Risk Management will be an integrated part of the way in which the program will be managed

Annex V follows