United States General Accounting Office

GAO

Report to Congressional Requesters

May 2000

UNITED NATIONS

Reform Initiatives Have Strengthened Operations, but Overall Objectives Have Not Yet Been Achieved

GAO

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United States General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-285245

May 10, 2000

The Honorable Jesse Helms
Chairman, Committee on Foreign Relations
United States Senate

The Honorable Rod Grams
Chairman, Subcommittee on International Operations
Committee on Foreign Relations
United States Senate

As you requested, this report assesses the status and impact of reforms to improve the United Nations. Specifically, we assessed whether the United Nations had put into place the three core elements of the Secretary General's 1997 reform program and whether they are improving U.N. management and performance as intended.

We are sending copies of this report to appropriate congressional committees. In addition, we are sending copies of the report to the Honorable Madeleine K. Albright, the Secretary of State and the Honorable Kofi Annan, the Secretary General of the United Nations. Copies will made available to others upon request.

If you have any questions about this report, please contact Mr. Harold J. Johnson or Mr. Tetsuo Miyabara at (202) 512-4128. Major contributors to this report are listed in appendix V.

Henry L. Hinton, Jr.
Assistant Comptroller General

Executive Summary

Purpose

In July 1997, the Secretary General of the United Nations reported that the organization had become fragmented, duplicative, and ineffective in some areas; it risked becoming irrelevant if it did not more effectively carry out its missions. In response, he proposed a reform program consisting of three core elements—(1) restructuring U.N. leadership and operations to unify organizational efforts to accomplish core missions, (2) developing a performance-based human capital system, and (3) introducing programming and budgeting processes focused on managing program performance. The Secretary General stated that these three core elements formed an integrated program and all were necessary to create a United Nations that achieved results and continuously improved. He set the end of 1999 as the target date to put the reforms in place.

The Chairmen of the Senate Committee on Foreign Relations and of its Subcommittee on International Operations asked GAO to assess the status and impact of the U.N. reform program. Specifically, GAO assessed whether the United Nations had put into place the three core elements of its reform program and whether U.N. management and performance were improving as intended.

Background

The United Nations is comprised of (1) the Security Council, the General Assembly, and other governing bodies of member states, which set the work requirements or mandates for U.N. programs and departments; (2) the Secretariat, headed by the Secretary General, which carries out much of the mandated work; and (3) the programs, such as the U.N. Development Program and the U.N. High Commissioner for Refugees, which are authorized by the General Assembly to conduct specific lines of work. The General Assembly also authorized many of the programs to have their own governing bodies and budgets. Thus, while the Secretary General functions as the U.N.'s chief executive officer, he does not have direct authority over some programs. Furthermore, the Secretary General's reform initiatives do not apply to specialized agencies–such as the World Health Organization and the Food and Agricultural Organization–that work closely with the United Nations but were established by separate international treaties and have their own charters and governing bodies.

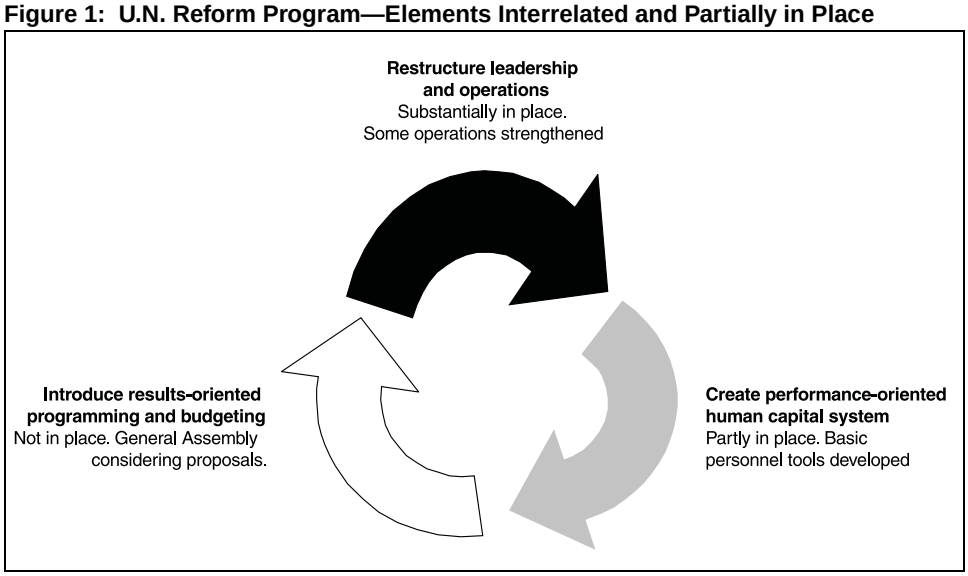
The 1997 reform program consisted of initiatives that the Secretary General could implement on his own authority, and recommendations, particularly those related to changing the program planning and budgeting process, that required the approval of the General Assembly. Of the three reform

elements, only the initiatives to restructure leadership and operations applied to the entire United Nations. Initiatives to reform the human capital system and implement performance-oriented management applied only to the Secretariat, over which the Secretary General has direct authority. Nonetheless, the Secretary General intended all reform elements to provide the model for a U.N.-wide reform process.

Results in Brief

The United Nations has substantially restructured its leadership and operations and partly implemented a performance-oriented human capital system. However, the United Nations is still considering initiatives that would focus its program and budgeting on managing the Secretariat's performance. Thus, the goal of creating an organization with a results and continuous improvement orientation has not yet been achieved and will require continued advocacy by the United States and other member states. As figure 1 illustrates, U.N. reform is an interrelated program and requires that all core elements be in place to succeed.

Figure 1: U.N. Reform Program—Elements Interrelated and Partially in Place



Source: GAO.

Initiatives to restructure the organization are substantially in place and have provided more cohesive leadership for the United Nations. In sharp contrast with the past, where senior managers and program heads operated with great autonomy, the organization is now structured to integrate their efforts. As a result, the United Nations conducts more coordinated and thorough planning for peacekeeping operations and integrates human rights considerations into all U.N. programs. However, these initiatives have not fully penetrated to the working and field levels of the organization. Moreover, the initiatives do not address all organizational issues, such as the capacity of the United Nations to undertake the scale of its current peacekeeping responsibilities.[1] The Secretariat is also putting in place a performance-oriented human capital system. For example, it has fully implemented a merit-based appraisal system that ties staff expectations and ratings to results in achieving U.N. goals. Nonetheless, the Secretariat's performance cannot be systematically assessed because the General Assembly has not yet adopted initiatives to focus and clarify the Secretariat's work objectives or approved performance-oriented budgeting. The General Assembly is still considering these proposals and is reviewing a draft of the U.N.'s primary planning document, which includes performance indicators for all programs. The Secretariat also has not developed a system to monitor and evaluate program results and impact.

Principal Findings

U.N. Leadership and Operations Substantially Restructured

The United Nations has substantially implemented initiatives to build a more cohesive leadership structure and has partly integrated the activities of U.N. agencies in the field. Notable actions include the establishment of (1) a senior management group, composed of the Secretary General, under secretaries general, and the heads of the programs and (2) executive committees on peace and security, development assistance, humanitarian relief, and economic and social affairs. These committees are composed of the senior officials of the departments and programs with activities in these areas. Table 1 shows the status of some major initiatives to restructure the U.N. leadership and operations.

[1]In March 2000, the Secretary General appointed a panel to review all aspects of peace operations, from the doctrinal to the logistical, and to make recommendations that are acceptable politically and make sense operationally.

Table 1: Status of Initiatives to Restructure U.N. Leadership and Operations

Objective	Status of major initiatives
Create unified leadership and management structure	• Deputy Secretary General and senior management group established. Group meets weekly to decide on U.N. policy and direction. • Secretariat's work reorganized around four core missions (human rights is a cross-cutting mission); four executive committees established to ensure all U.N. organizations unify plans and action.
Restructure U.N. operations to improve effectiveness	• Humanitarian relief and human rights programs restructured and strengthened. • Six Secretariat departments consolidated into two departments.
Consolidate and integrate U.N. activities at the country level	• U.N. activities in countries coordinated through the resident coordinator. • U.N. development assistance frameworks established to integrate U.N. activities in 21 of 95 countries.

Source: Compiled by GAO from U.N. information.

GAO analysis indicates these efforts have improved U.N. operations. Leadership by the senior management group and executive committee on peace and security enabled various U.N. units to integrate their peacekeeping efforts and has resulted in better operational plans for new missions. For example, the plan for the East Timor mission in 1999 included all anticipated activities, considered overall logistical needs, and, according to U.N. field reports, resulted in deploying the mission more quickly and with fewer problems than past operations of comparable size and complexity. While these initiatives have helped unify policy and integrate planning, they do not address the overall capacity of the United Nations to manage, logistically support, and finance changing demands to the number and scope of peace operations it is required to undertake. As of April 2000, there were 15 peacekeeping missions and 8 special political missions that were straining U.N. capabilities, according to member states and U.N. officials. Consolidating the U.N.'s human rights activities into a single unit has focused U.N. efforts and resulted in human rights considerations being included in U.N. programs, such as development assistance and humanitarian relief. The establishment of overall frameworks for U.N. development assistance in several countries has helped coordinate the actions of U.N. agencies in the field. In Guatemala and Mozambique, U.N. agencies jointly developed overall U.N. programs under the direction of resident coordinators. This coordination contrasts

with past practices in which U.N. agencies operated independently and often in competition.

Despite such improvements, GAO still found barriers to effective cooperation at the working level on peace and security issues and among U.N. agencies in the field, such as when trying to jointly implement projects and fully coordinate humanitarian actions. About one-third of the U.N. officials interviewed in the field did not have a job expectation of cooperation with other agencies. According to these officials, their careers are not advanced by working on cooperative development assistance with other U.N. partners.

Human Capital Reform Underway

The Secretariat's overall plan to reform its human capital system contains the basic elements used by leading public and private sector organizations, and the Secretariat has partly put into place basic tools to manage its human capital. Five years ago, the U.N. Secretariat did not have a computerized data system on its staff, a merit-based appraisal system, or a code of conduct. The Secretariat has now developed and put these basic tools into place. Consistent with the intent of leading organizations, the human capital reforms are an integral part of the overall effort to create a results-oriented organization. For example, the merit-based appraisal system requires that specific expectations for individual staff support the achievement of program objectives. Performance ratings are then based on how well staff achieve their expectations. However, some fundamental tasks are still left to be done, including strengthening the U.N.'s capacity to plan for long-term human capital needs, developing an efficient recruitment and placement system, and ensuring managers are given authority to implement their programs and are held accountable. Table 2 presents the status of key efforts to reform the U.N.'s human capital system.

Table 2: Status of U.N. Efforts to Develop a Performance-Oriented Human Capital System

Objective	Status of major initiatives
Implement merit-based appraisal system aligned with U.N. objectives	• Merit-based performance system now applied to entire Secretariat. • Ratings show a broader range of relative performance.
Develop human resource planning capability	• Personnel database in place; however, headquarters lacks on-line access to regional offices. Annual planning done for each program. • Staff skills inventory not completed. Long-range planning not begun.
Delegate authority to managers and ensure accountability	• Line managers slowly obtaining delegation of authority to effectively run their programs. Personnel manual being updated and computerized. • Code of conduct applied to all staff working for Secretariat. Some gaps in accountability for human resource management, such as holding accountable managers who consistently make poor judgments.

Source: Compiled by GAO from U.N. information.

Performance-Oriented Programming and Budgeting Proposals Not Yet Adopted

To set clear and focused objectives for which the Secretariat could be held accountable, the Secretary General proposed that the General Assembly limit the number of work requirements or mandates passed each year and clearly state what it expected the Secretariat to do. These initiatives were not adopted. For 1997 and 1998, the most recent 2-year period for which information was available, GAO found that the number of new tasks mandated by the General Assembly increased from 246 to 587 and that 20 percent of these mandates had vague or open-ended expectations.[2]

The Secretary General also proposed revising the budget process to focus on performance. He proposed that budgets would specify not only program costs, but also expected program results and performance indicators. Member states could thus hold the Secretariat accountable for results. The Secretary General further proposed intermediate steps to prepare for and build confidence in this results-based approach, such as developing acceptable and reliable performance indicators; incorporating qualitative information in the performance measures; revising existing regulations on

[2]All resolutions and reporting requirements from the 54th General Assembly (1999) were not available for analysis at the time this report went to print.

personnel, planning, and budgeting; and pilot-testing proposed changes. The General Assembly is considering these proposals but has not yet approved them. Some member states are concerned that performance-oriented budgeting is a tactic to cut the U.N. budget. Other members believe the adoption of results-based budgeting should be implemented slowly. Although the General Assembly has not yet approved these proposals, it authorized the Secretariat to specify expected program accomplishments and performance indicators in its primary program planning document—the medium-term plan. The Secretariat completed a draft of the plan in March 2000, and it included performance indicators for each program. The General Assembly will review these plans in the fall of 2000.

Member states were also concerned that the Secretariat lacked a system to monitor and evaluate program results and impact. Currently, numerous U.N. departments monitor their programs, and over 20 U.N. departments and offices have their own evaluation units. However, in the absence of results-oriented budgeting, monitoring largely involves counting outputs, such as the number of conferences held or staff years spent. Evaluations do not systematically provide information on program impact and whether objectives have been met. Furthermore, the United Nations has not developed a centralized strategy to improve monitoring and evaluation. Presently there is no centralized strategy that identifies limitations or gaps in existing efforts, employs guides to help provide some consistency and reliability in evaluation, or creates an approach to unify monitoring and evaluation functions to support performance-oriented budgeting.

Recommendations

To help ensure that the United Nations maintains momentum in its overall reform efforts, GAO recommends that the Secretary of State report annually to the Congress on the status of the Secretary General's reform plan, including an assessment of whether U.N. agencies and departments are effectively coordinating efforts at the country level, effectively implementing a results-oriented human capital system, and effectively implementing a performance-oriented management system.

Additionally, to support the United Nations in transforming the organization into one that is performance oriented and continuously improves, GAO recommends that the Secretary of State and the Permanent Representative of the United States to the United Nations work with other member states to

- take intermediate steps at the Secretariat to implement results-oriented budgeting, such as setting measurable goals and performance indicators for each section of the budget and introducing pilot tests on these measures and
- require the Secretariat to develop an organizational strategy for monitoring and evaluating the results and impact of Secretariat activities.

Agency Comments

The Department of State and the U.S. Mission to the United Nations provided joint written comments on a draft of this report; the United Nations also provided written comments. The agencies generally agreed with the report and its recommendations and commented on certain aspects of U.N. reform. Their comments are reprinted in appendixes III and IV.

State and the U.S. Mission commented that the report provided a helpful guide to the challenges and accomplishments related to the U.N.'s reform agenda. They endorsed GAO's findings that steps to restructure and consolidate leadership and operations had strengthened operations but that much improvement was still needed, particularly in the area of peacekeeping. They further agreed that the establishment of a merit-based performance system was contributing to the development of a results-oriented culture at the United Nations. In response to GAO's recommendations, they stated they would report regularly to the Congress on the status of the Secretary General's reform plan and would continue to work to improve the U.N.'s planning, budgeting, and evaluation systems. They considered it a top priority to ensure the reforms were enacted to enable the United Nations to meet future challenges.

The United Nations commented that GAO's overall assessment demonstrated the serious efforts undertaken to reform the United Nations, that progress had been made in unifying and coordinating the organizational structure, and that efforts to reform human resources were aimed at promoting a performance-based culture. The U.N. comments also acknowledged that monitoring and evaluation needed to be strengthened and that the reforms were not complete and were ongoing.

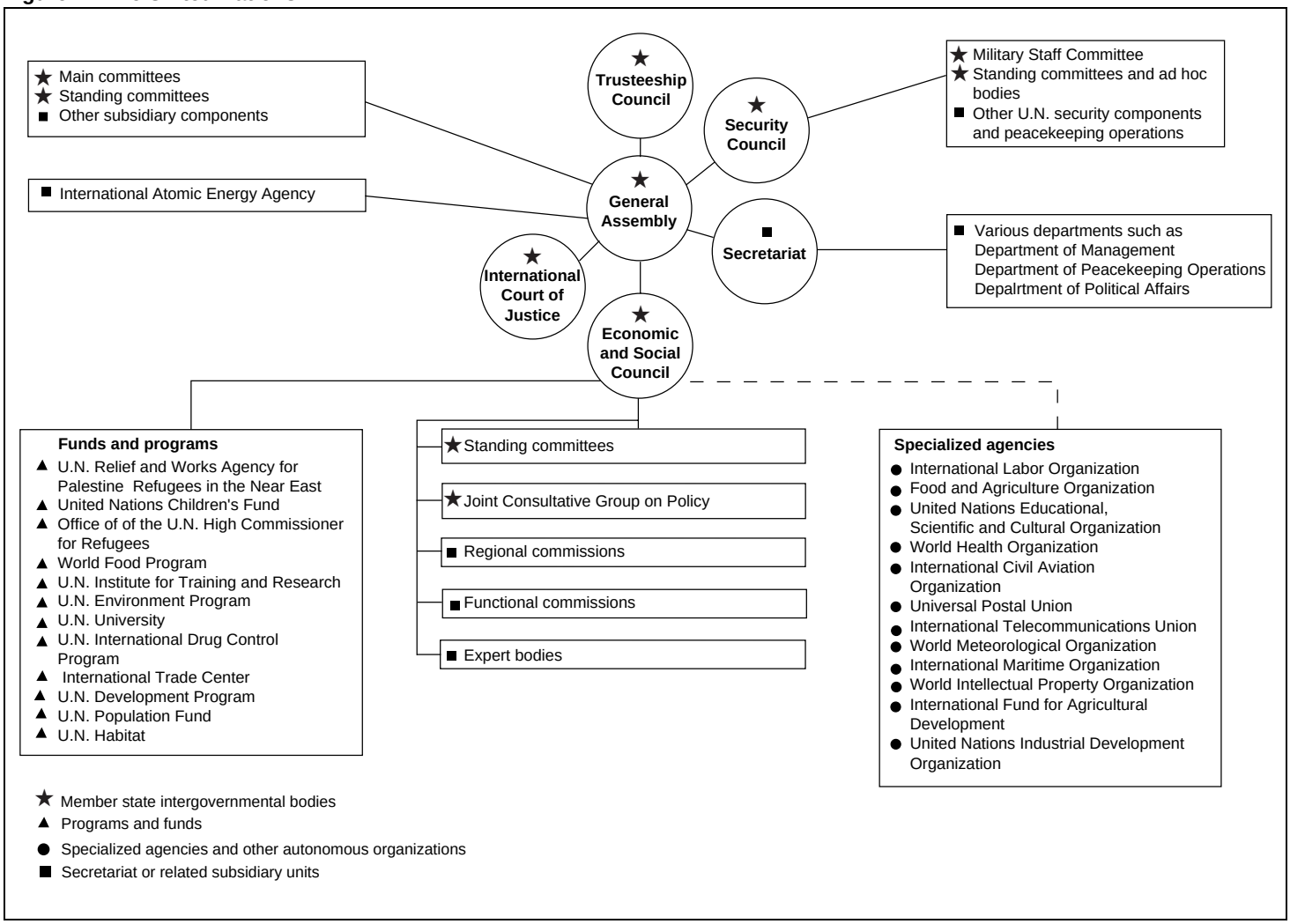
Introduction

The United Nations carries out a wide range of activities, including peacekeeping in locations such as Kosovo, East Timor, and the Congo; humanitarian and refugee operations in Sudan and Tajikistan; and thousands of development, economic, social, and human rights projects worldwide. Organizationally, the United Nations is comprised of three types of entities.

- First are the member states' governing or intergovernmental bodies, such as the Security Council, the General Assembly, and the Economic and Social Council, which set U.N. objectives and mandate activities in accordance with the U.N. Charter.
- Second is the Secretariat, the central working unit of the United Nations, which carries out work mandated by the governing bodies. The Secretariat consists of the Secretary General, whom the U.N. Charter specifies as the chief administrative officer of the United Nations, and the staff necessary to carry out the mandated work.
- Third are the U.N. programs and funds, which the General Assembly authorized to address specific areas of work of continuing importance. Examples of the programs and funds are the U.N. Children's Fund, the U.N. Development Program, and the U.N. High Commissioner for Refugees. (In addition to the programs, specialized agencies, such as the World Health Organization and the Food and Agricultural Organization, are considered part of the U.N. system and have agreements on cooperation with the United Nations. These organizations were established by international treaties and have their own charters, governing bodies, and funding sources.)

Although U.N. programs are under the authority of the General Assembly, many are authorized to have their own governing bodies and budgets (paid for by voluntary contributions from participating nations). Consequently, while the Secretary General is the U.N.'s highest-ranking official and his reform proposals influence these programs, he does not have authority to direct the programs to undertake reforms. Nor does he have authority to direct the specialized agencies to undertake reform. Figure 2 presents an organization chart of the United Nations.

Figure 2: The United Nations



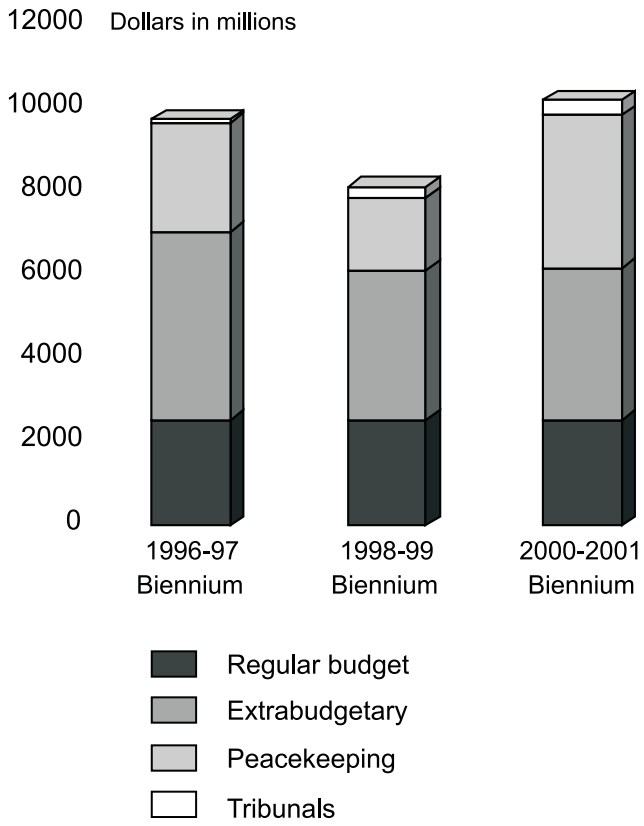
Source: Compiled by GAO from U.N. documents.

The expenses of the Secretariat are funded through regular budget assessments of the U.N. member states. The U.N. regular budget for the biennium 2000-2001 is $2.5 billion, of which the U.S.' contribution is assessed at 25 percent.[1] Member states are assessed separately for U.N. peacekeeping activities. For 2000-2001, the cost of U.N. peacekeeping operations is estimated to be $3.6 billion, of which the United States is to contribute 25 percent.[2] Member states are also assessed for the costs of international tribunals on war crimes and genocide. Finally, the United Nations receives voluntary, or extrabudgetary contributions for the funds and programs—estimated to be $3.7 billion for the 2000-2001 biennium; the United States has historically paid about 25 percent. Figure 3 shows U.N. budgets for the last three bienniums.

[1]Members' assessments for the regular budget are determined by a scale of assessments approved by the General Assembly on the basis of advice from the Committee on Contributions. Each member has a single vote in the General Assembly regardless of its assessment.

[2]U.N. peacekeeping is assessed on an annual basis. The U.S. share of U.N. peacekeeping is currently 30.4 percent; the U. S. Congress has capped U.S. contributions at 25 percent since 1994.

Figure 3: U.N. Budgets, 1996-2001

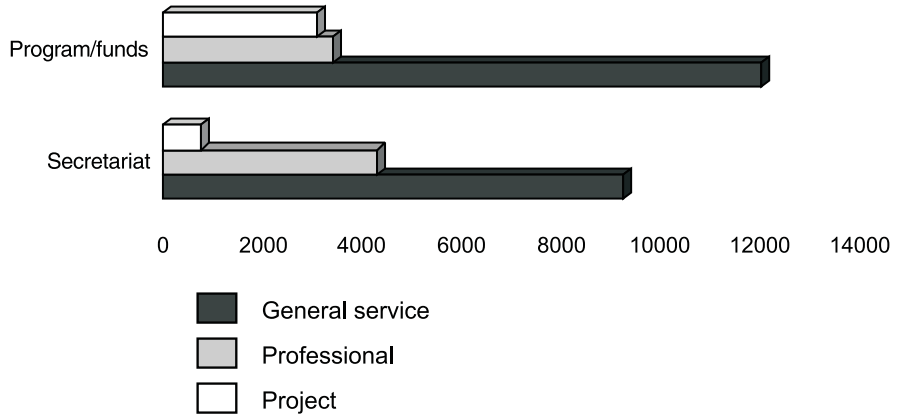


Note: Voluntary or extrabudgetary amounts are U.N. estimates. Peacekeeping amounts combine two annual budget cycles and are estimates for 2001.

Source: U.N. budget documents.

As of August 1999, the U.N. Secretariat staff with a contract of 1 year or longer and paid out of the regular budget numbered 7,394; there were 6,925 Secretariat staff funded by voluntary (or extrabudgetary) contributions. The programs and funds had a total of 18,537 staff. Figure 3 shows the composition of the U.N. staff categorized by professionals, general service (clerical and administrative), and project (personnel assigned to a specific development or other project).

Figure 4: Staff of the United Nations, August 1999



Note: The number of authorized Secretariat posts funded under the regular budget numbered 8,800; as of June 1999, the actual workforce consisted of 7,394 staff funded from its regular budget and 6,925 staff funded from extrabudgetary resources.

Source: U.N. documents.

The 1997 Reform Plan

For the past 25 years, U.N. member states have tried to reform the United Nations, citing problems such as bureaucratic rigidity, poor performance, and duplication and rivalry across its many programs. In 1994, the Secretariat itself identified a crisis in the procurement system and a human resources system that failed to respond to challenges.[3] The Secretary General further stated that the United Nations had become fragmented, inflexible, and, in some areas, irrelevant. These problems and demands by member states culminated in the Secretary General's July 1997 reform plan, which was approved by the General Assembly in December 1997.

The plan and supporting documents laid out the U.N.'s core challenges and listed 29 reform actions the Secretary General could take on his own authority and 15 recommendations for the governing bodies to consider approving. Additional reform initiatives were included in related documents that elaborated on the reform. The overall goal was to transform the United Nations into an efficient organization focused on

[3]The U.N. Office of Internal Oversight Services was created in 1994 in response to concerns such as these. See *United Nations: Status of Internal Oversight Services* (GAO/NSIAD-97-59, Apr. 9, 1997).

achieving results in carrying out its mandates. In order to achieve these goals, the reforms were organized under three core elements—(1) realignment of the organization; (2) reform of the Secretariat's human capital system; and (3) development of performance-oriented planning, budgeting, monitoring, and evaluation tools. Taken together, these three elements create an ongoing, mutually reinforcing reform process necessary to transform the organization now and in the future. Table 3 summarizes major initiatives within each of the U.N.'s three core reform areas. (App. I summarizes the status of all reform initiatives we studied.)

Table 3: U.N. Core Reform Initiatives

Core reform areas	Initiatives
Restructure leadership and operations	• Create senior management group and four executive committees consisting of the heads of programs and Secretariat senior managers. • Consolidate Secretariat departments and offices to streamline operations and improve effectiveness and efficiency. • Integrate U.N. operations at the country level in order to reduce duplication, eliminate programming gaps, and lower costs.
Create performance-oriented human capital system	• Institute a new performance management system that sets expectations, rates staff performance, and links performance to U.N. goals. • Implement a staff development and training program linked to core competencies. • Develop a human capital planning capacity to reliably forecast Secretariat short- and long-term workforce requirements. • Reform recruitment and placement so the organization can ensure it has the right person in the right place at the right time. • Delegate authority to managers and staff so they can do their work and be held accountable for results.
Introduce results-oriented programming, budgeting, monitoring, and evaluation systems	• Focus and clarify the Secretariat's priorities and objectives by focusing General Assembly mandates on a limited set of priorities and clarifying what it expects the Secretariat to accomplish. • Adopt results-based budgeting and sunset provisions, with the objectives of (a) formulating program budgets on the basis of objectives linked to the medium-term plan and against which actual performance would be measured and (b) reviewing programs and justifying them before renewal. • Develop a system to monitor and evaluate the impact of U.N. programs in achieving specified objectives.

Source: Compiled by GAO from U.N. documents.

Objectives, Scope, and Methodology

At the request of the Chairman of the Senate Committee on Foreign Relations and the Chairman of the Senate Subcommittee for International Operations, Committee on Foreign Relations, we assessed whether the United Nations had put into place the three core elements of its 1997

reform program, including (1) restructuring U.N. leadership and operations to achieve unity of action among U.N. agencies, (2) developing a performance-based human capital system, and (3) introducing programming and budgeting processes to manage the Secretariat's performance. We also assessed whether U.N. management and performance were improving as intended. Throughout our work we obtained broad cooperation from Secretariat and agency staff members and were provided access to official information (including file information) at the headquarters, regional, and country levels.

The scope of our work includes the U.N. Secretariat and programs and funds. It does not cover the U.N. specialized agencies. (We did, however, collect data, as noted in the report, on some of the specialized agencies with regard to their participation on the executive committees and adoption of some elements of the Secretary General's reform agenda.) We analyzed the Secretary General's reform initiatives listed in appendix I. However, we did not systematically analyze each initiative for its impact on operations. Rather, we selected the core reform initiatives that the Secretary General identified as essential for the overall reform, conducted in-depth analysis on these, and report on them throughout chapters 2-4.

We employed two basic methodological approaches in doing our evaluation. First, to determine whether core reform elements were in place, we tested the individual initiatives comprising each core element and rated them as (1) in place or substantially so, (2) partly in place, or (3) not in place. (Table 4 illustrates the definitions we used.) This was a basic test of how well the core reforms had become an institutional part of U.N. operations. Second, to assess whether the reforms were having an impact on operations as intended, we used a series of indicators, such as case studies of specific actions, written reports on the reforms, interviews with line officials, and analysis of available data and compared this information with criteria in the Secretary General's 1997 reform plan and related documents about the reform objectives.

Table 4: Definition of Ratings Scale for Reform Status

Rating	Status
In place/substantially in place	Reform initiative has been formally approved, there are procedures/rules for the initiative's key elements, and there is evidence the elements are operational.
Partly in place	Reform initiative has been formally approved, but some key elements are not in place.
Not in place	Reform has not been formally approved, or most key elements are not in place.

Source: GAO statement.

We conducted work at U.N. headquarters in New York City and U.N. offices in Geneva, Switzerland. We also collected data from and interviewed officials at the headquarters of eight U.N. agencies, at U.N. operations in Guatemala and Mozambique, and at peacekeeping missions in the Middle East. At U.N. headquarters in New York, we interviewed the Deputy Secretary General and senior and line officials from the senior management group; the four executive committees—(1) Peace and Security, (2) Humanitarian Affairs, (3) Economic and Social Affairs, and (4) Development Operations—the Departments of Disarmament Affairs, Economic and Social Affairs, Management, Political Affairs, Peacekeeping Operations, and General Assembly Affairs and Conference Services. We also conducted work at the Office of Public Information and the Office for the Coordination of Humanitarian Affairs. We interviewed officials from the Department of State and the U.S. Agency for International Development in Washington, D.C., and officials from the U.S. missions to the United Nations in New York and Geneva who have day-to-day contact and responsibility for managing U.S. government affairs with the United Nations.

To assess the status and impact of U.N. efforts to restructure leadership and operations, we used the criteria set forth in the Secretary General's 1997 program for reform and related documents and compared them to internal reports on the status of U.N. reform activities, reported data from the offices and departments, and evidence we gathered in the field. We also obtained and analyzed planning and reporting documents, meeting agendas, organizational bulletins, budgets, and some work products for U.N. units for evidence of increased coordination and more integrated work products. We also examined official reports by the Secretariat, the Office of Internal Oversight Services, and the General Assembly and other

governing bodies on issues that would be affected by reform initiatives, such as jointly sponsored activities.

To determine whether reforms have led to increased cooperation and coordination among U.N. agencies at the country level, we conducted fieldwork in Guatemala and Mozambique. We selected these two countries because they had several years' experience with the development assistance framework—the U.N.'s initiative to unify and coordinate its country-level development activities. In each country, we met with the U.N. country team members and examined their reform efforts and work outputs, including the development of common country assessments and development assistance framework plans, and actions to reduce operational costs. In Guatemala, we observed firsthand joint development activities conducted by U.N. agencies. To gather evidence on the effectiveness of U.N. country-level reforms, we interviewed officials from the host governments, U.S. embassy and U.S. Agency for International Development missions, the World Bank, and other donor governments.

To determine the status of the Secretariat's human capital management reforms, we first obtained the Secretary General's 1998 human resources management reform plan, which provides the human capital framework for the 1997 U.N. reform plan. We compared the U.N.'s human resources plan with our self-assessment checklist on human capital.[4] (App. II describes this comparison.) Our self-assessment guide provides a framework for looking at an organization's human capital practices and is based upon the principles, values, and actions that are characteristic of high-performance organizations. To collect data on the U.N.'s progress in implementing its plan, we met with officials from the Office of Human Resources Management who are planning and implementing the office's reform initiatives. We examined internal and publicly distributed U.N. human resource documents detailing the composition of the Secretariat, annual training plans, staff development programs, needed reforms in recruitment and placement, and competencies and skill requirements for the Secretariat as an international civil service. Secretariat officials also provided us demonstrations of their databases, allowing us to determine their capabilities to generate data on Secretariat staff. To determine the status and impact of human capital reform initiatives in the field, we met with the chief personnel officer for the U.N. Geneva Office. In addition, we

[4] *Human Capital: A Self-Assessment Checklist for Agency Leaders* (GAO/GGD-99-179, Sept. 1999).

met with personnel officers of the Office of the High Commissioner for Human Rights, the U.N. High Commissioner for Refugees, and the World Health Organization to discuss the status and problems of human capital reforms in their organizations.

To assess U.N. efforts to implement reforms of its planning, budgeting, monitoring, and evaluation systems, we met with officials from the U.N.'s Department of Management, including the staff of the Office of Program, Planning, and Budget. We analyzed the last four U.N. biennium budget documents (1992-93, 1994-95, 1996-97, 1998-99) to determine baseline programming and spending levels and subsequent changes in budget allocations. We also examined individual department budgets and budget-related documents prepared by the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions and analyzed the transcripts of committee proceedings and statements by member states related to results-based budgeting proposals. We examined the U.N.'s medium-term plan (1998-2001) to determine work priorities and coherence of programming activities. We examined 1997 and 1998 U.N. General Assembly resolutions to determine the number of mandates and reports required and whether mandates provided clear direction to the U.N. Secretariat. We also analyzed the structure and content of the General Assembly's agendas for 1997-99 for evidence of increased clarity of focus. We met with officials from the U.N. Office of Internal Oversight Services, including officials from the offices of the Central Evaluation Unit and the Central Monitoring Unit. We examined all comprehensive program evaluations conducted by the Office of Internal Oversight Services from 1997 through 1999 to determine whether the reports provided decisionmakers with information on program impact and results. We also analyzed a judgmental sample of nine evaluations from individual departments and agencies.

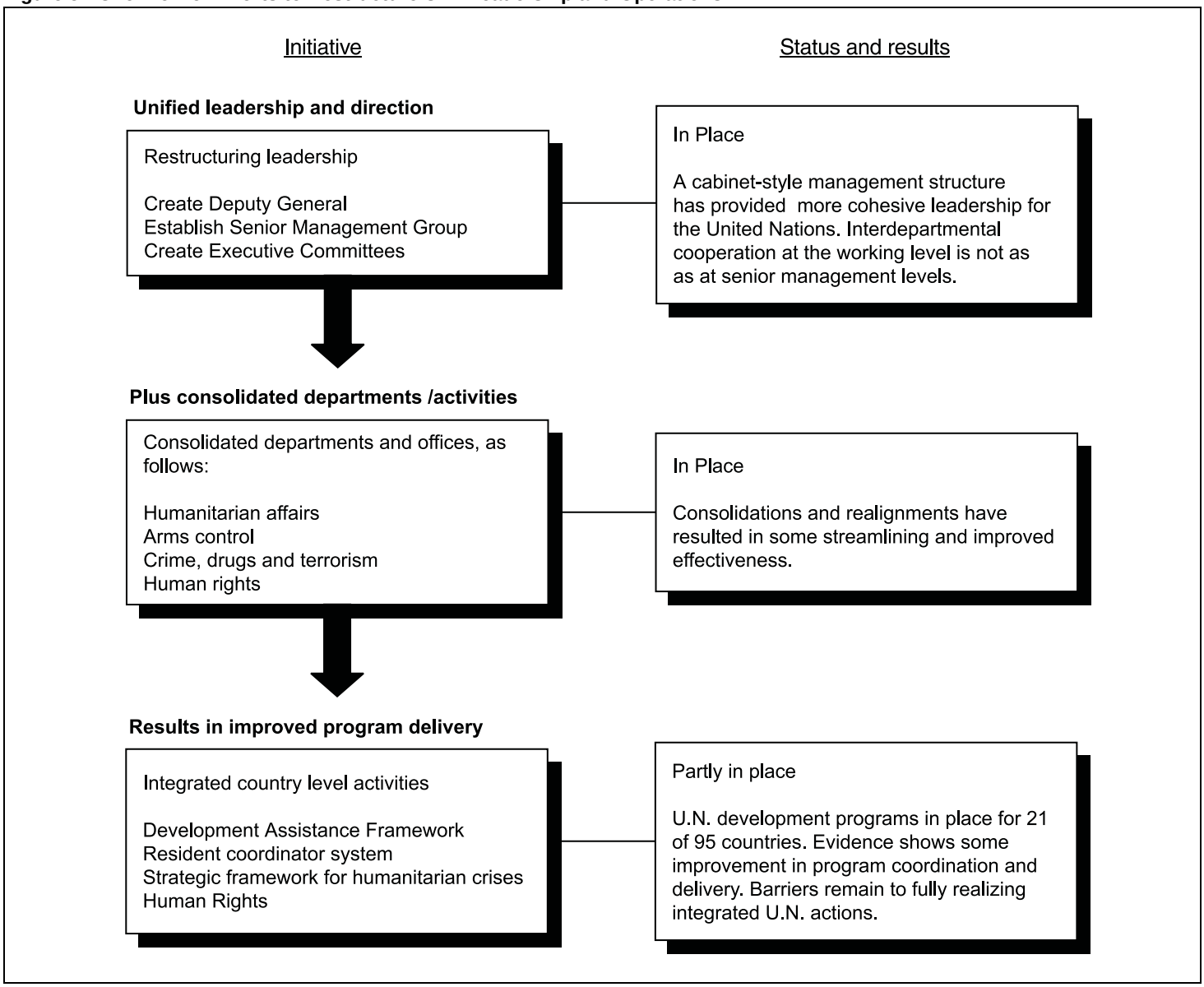
We conducted our work from July 1999 through April 2000 in accordance with generally accepted government auditing standards.

U.N. Leadership and Operations Substantially Restructured

Member states and the Secretary General have substantially restructured U.N. operations since 1997, and this has provided more unified leadership across departments, programs, and offices. The restructuring has also begun to reduce competition among the various U.N. agencies and to foster more coordinated actions at the country level, where services are actually delivered. Despite these improvements, U.N. agencies do not fully coordinate their activities at the working levels and in the field, where the reforms are still in the process of being implemented.

Some specific steps the United Nations has taken to restructure include the (1) establishment of a senior management group and executive committees, which has helped provide unified direction for U.N. operations; (2) consolidation and realignment of Secretariat units, which have streamlined some operations; and (3) introduction of mechanisms to coordinate U.N. development and humanitarian assistance activities, which has improved the effectiveness of some country-level operations. Figure 5 provides an overview of the intent and results of the restructuring.

Figure 5: Overview of Efforts to Restructure U.N. Leadership and Operations

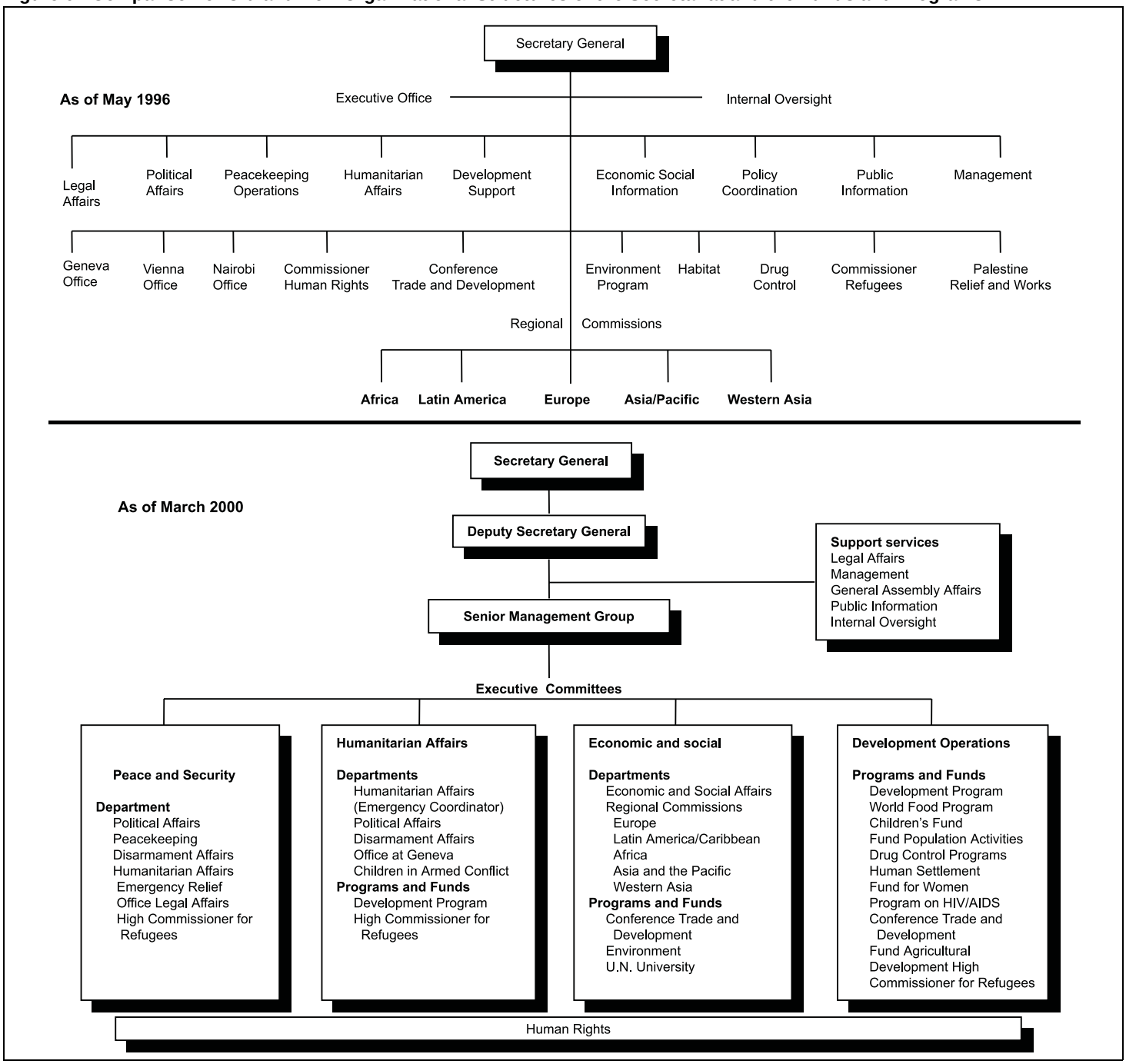


Source: GAO analysis of U.N. data and documents and interviews with U.N. officials.

New Structure Provides More Unified Leadership and Improved Coordination

To provide unified leadership and increase coordination across all U.N. activities, the United Nations (1) established the position of Deputy Secretary General to ensure a top-ranking U.N. official would be available at the Secretariat to coordinate action, (2) established a Senior Management Group to provide overall direction, and (3) focused the work around four core missions led by four executive committees. The promotion of human rights was identified as an integral part of all core missions, and its broad inclusion in U.N. programs has strengthened U.N. operations, according to senior U.N. managers. Figure 6 compares the U.N.'s new organizational structure with the old one and illustrates that the current structure provides more unified direction from senior managers and facilitates cooperation across U.N. agencies.

Figure 6: Comparison of Old and New Organizational Structures of the Secretariat and the Funds and Programs



Source: GAO analysis of U.N. and U.S. documents with various U.N., U.S., and other officials.

Deputy Secretary General Helps Coordinate U.N. Operations

As part of building a new leadership structure, the General Assembly approved the position of Deputy Secretary General in December 1997. This position is the second-highest ranking in the United Nations after the Secretary General, and a diplomat, with extensive executive management experience, was appointed to the post in January 1998. Prior to the creation of the position, the Secretary General was the only official with the authority to coordinate activities among U.N. agencies, and he could not adequately handle this task while also dealing with pressing world issues, according to U.S. and U.N. officials.

Since her appointment, the Deputy Secretary General has functioned as the U.N.'s chief operations officer, ensuring that one of the two highest-ranking U.N. officials is available on a day-to-day basis to coordinate operations. According to senior U.N. officials, she chairs the senior management group (discussed in the next section) in the Secretary General's absence to ensure continuity on U.N.-wide policy issues. She also acts for the Secretary General in many operational situations that require broad U.N. cooperation, ranging from shaping the response to humanitarian needs in Afghanistan to holding meetings on peace operations in Kosovo. One example that illustrates the coordinating function of the Deputy Secretary General is her work on the U.N. code of conduct. The Secretariat and the programs each have their own personnel rules and regulations, but a single code was necessary for the United Nations. In 1998, the Deputy Secretary General led discussions and negotiations in the senior management group and with departments and the staff association to develop a consensus on a draft code of conduct. Using her position and influence, she convened meetings and worked with all U.N. agencies to gain broad acceptance of the code. This ultimately led to the General Assembly's approval of a code of conduct for the entire United Nations in December 1998.

Senior Management Group Improves Policy Coordination and Information Sharing

The senior management group was established in September 1997 to set a single policy direction for the United Nations on major issues such as operations in Kosovo and the integration of U.N. development activities worldwide. The members of the group include all senior managers of the United Nations, including the under secretaries general of all U.N. departments and the heads of U.N. programs and funds. Chaired by the Secretary General, the group has met weekly (more frequently during crises) since September 1997. According to several under secretaries general, communication and coordination has improved considerably, and they now learn about related initiatives that each department and office is undertaking. Before the group's establishment, U.N. senior managers and

the program heads had no regular mechanism for discussing U.N. policy and regularly exchanging information, let alone setting a single policy direction. Some met with each other only once a year at the General Assembly.

According to the Deputy Secretary General and the Assistant Secretary General who takes the meeting notes, the group discusses all issues of significance to the United Nations and agrees on courses of action to ensure there is a single U.N. position. For example, during the unfolding events in Kosovo in mid-1999, the High Commissioner for Refugees would regularly report to the group through video-conferencing and provide real-time information on the situation on the ground. Since the Secretary General, the Emergency Relief Coordinator, the High Commissioner for Human Rights, and other top-level managers were members of the group, the United Nations was able to create a unified response to the crisis. One agreement was that the High Commissioner's office would lead the U.N.'s immediate response to the Kosovo crisis with help from the Emergency Relief Coordinator. A selection of meeting agendas we examined shows that other issues addressed by the Senior Management Group ranged from the status of human rights in the world, to the situation in East Timor, to publicizing the U.N.'s role in reducing world hunger.

Executive Committees Improve U.N.-Wide Cooperative Effort

As illustrated in figure 6, the Secretary General grouped all offices, departments, and programs into four core issue areas—(1) peace and security, (2) humanitarian affairs, (3) economic and social affairs, and (4) development operations. Human rights issues were designated as cross-cutting and were integrated into the work of the four core issue areas. The Secretary General also created executive committees to lead each group in integrating the activities of the departments and programs. Consisting of the senior managers of the offices and departments with programs in each area, the four executive committees have improved U.N. coordination, according to our analysis, through actions ranging from integrating U.N. development assistance activities to better planning of peacekeeping operations. Nonetheless, we found evidence that collective efforts were not yet institutionalized at the working level. Table 5 summarizes our findings on the status of each executive committee and some significant initiatives they have undertaken to coordinate U.N. programs. (Directly following the table are brief examples of initiatives taken in the areas of peace and security, economic and social affairs, and human rights. More detailed discussions of humanitarian affairs and development operations are in following sections of this chapter.)

Table 5: Status of U.N. Executive Committees and Initiatives Undertaken

Executive committee	Status	Examples of initiatives to coordinate U.N. actions
Peace and Security Affairs	• Committee meets every 2 weeks (more frequently during crises). • Serves as the main forum for decision-making about peacekeeping, special political missions, and post-conflict peace building.	• Strengthened interdepartmental information sharing and decision-making at senior levels. • Ensured integrated planning for recent U.N. operations, such as East Timor. • Developed and approved directive on the authority for Special Representatives of the Secretary General. • Increased focus on human rights issues.
Humanitarian Affairs	• Committee meets monthly (more frequently during crises). • Serves as the main forum for consultation and decision-making among humanitarian agencies.	• Initiated Strategic Framework to improve U.N. response to humanitarian emergencies. • Strengthened consolidated appeals process to set common priorities and mobilize resources. • Negotiated humanitarian access in crisis countries.
Economic and Social Affairs	• Committee meets monthly. • Serves as the U.N.'s normative and operational body for economic and social issues.	• Developed an online database to coordinate activities of its 12 members. • Conducted study to identify duplication in major studies of its members.
Development Operations	• Committee meets monthly. • Serves as main forum for consultation and decision-making among development agencies. • Provides policy/program support to more than 150 countries; provides over $5 billion to promote sustainable development and end poverty.	• Launched U.N. Development Assistance Framework to integrate U.N. agencies' development activities in individual countries. • Strengthened the resident coordinator system. • Established integrated service delivery arrangements in the field to cut administrative costs. • Increased focus on human rights issues.

Source: GAO analysis of U.N. and U.S. documents and discussions with various U.N., U.S., and other officials.

Peace and Security

According to senior officials of the U.N. Department of Political Affairs, prior to the creation of the Executive Committee on Peace and Security, the departments and programs that make up the committee operated independently from each other, set their own priorities, and did not coordinate their work when engaged in the planning or implementation of peacekeeping operations. When the committee first convened, there was a reluctance to share information and strategies with each other, but over time cooperation and coordination increased. For example, in developing plans for the U.N. operation in East Timor in 1999, the Under Secretary General for Political Affairs provided the group a full and candid assessment of the political situation and strategies for conducting the referendum, according to members of the executive committee. According to a senior political officer in the Department of Political Affairs, his openness with his priorities and plans paved the way for unified strategy and planning among his department, the Department of Peacekeeping

Operations, the Human Rights Coordinator, and others on the committee. As a result, the plan for the East Timor peacekeeping operation included contingencies for political situations and humanitarian concerns, and incorporated logistics into all recommendations. The plan was more comprehensive and better integrated than other U.N. peacekeeping plans we have examined in our past work, such as the plan for the operation in Cambodia, which did not include logistics, and the initial plans for the U.N. Protection Force in Bosnia, which did not integrate humanitarian elements into operations. Due to improved planning, the United Nations was able to deploy the East Timor operation in record time.

Although the Senior Management Group and Executive Committee on Peace and Security have helped unify policy and integrate planning for the U.N.'s peace operations, these reform initiatives do not address the overall capacity of the United Nations to manage, logistically support, and respond to rapid changes in the demand for and scope of peace operations required by member states. During 1999, four peace operations—Kosovo, Sierra Leone, Congo, and East Timor—were expanded or begun. These operations significantly increased the scope and scale of U.N. operations. For example, the mandate for the operation in East Timor authorized the United Nations to exercise all legislative and executive authority in restoring the country. The United Nations is currently undertaking 15 peace operations and 8 special political missions, and has 28,000 peacekeepers and thousands of U.N. staff in the field. According to U.N. officials and member states, the United Nations does not have the capability to manage this scope and scale of activity. According to the Secretary General, this problem goes beyond the scope of his reforms on peace and security and he commissioned a special panel to study the situation and recommend practical and politically feasible solutions.

Economic and Social Affairs

The Executive Committee on Economic and Social Affairs serves as the U.N.'s normative and operational body for economic and social issues. One of the major concerns related to U.N. programs in this area is the potential duplication and overlap of activities, conferences, and publications. The committee has attempted to reduce duplication in the studies published by its members. It commissioned a review of the major annual publications of committee members, such as *World Population Monitoring* and *The State of the World Population*.[1] The review found considerable overlap and redundancy and also found data in publications that was inconsistent. However, the committee did not recommend terminating publications or taking other steps to reduce the overlap because the publications served different audiences. The committee requested that its members consult with each other before issuing the publications to ensure that the data was consistent in all the reports. According to committee officials, the publication editors are now working on a protocol for reporting common data in their publications.

Human Rights

A key component of the Secretary General's reforms was to integrate human rights' concerns fully into the broad range of U.N. activities, including development operations and humanitarian affairs. The Secretary General's reforms have markedly improved the integration of human rights into U.N. activities over the past 2 years, according to U.N. officials. A representative of the High Commissioner for Human Rights serves on all four executive committees, which has helped ensure that human rights considerations form part of U.N. policy and guidance. For example, by participating in the work of the executive committee for development operations, human rights officials were able to include human rights training and programs in the guidelines for the U.N.'s development assistance framework. Similarly, the Executive Committee on Humanitarian Affairs included human rights guidance in the Emergency Relief Coordinator's strategic framework. According to Department of State officials, several U.N. agencies, which sit on the executive committees, including the U.N. High Commissioner for Refugees, the U.N. Children's Fund, and the U.N. Development Program, now integrate human rights considerations into their programming.

[1] *Review of the United Nations "Flagship"* Reports, Report submitted to the Executive Committee for Economic and Social Affairs (New York: U.N. Institute for Social Development, Dec. 1997).

Coordination Is Less Evident at Lower Levels

The improved policy coordination, decision-making, and information sharing apparent at the U.N.'s highest levels and on critical issues such as Kosovo, are less evident in day-to-day activities at lower levels, according to U.N. officials and documents. For example, a 1999 report by a Special Committee on Peacekeeping Operations called for efforts to "broaden and deepen" the improvements evident at higher levels throughout the working levels of the organization. The Committee specifically pointed to low levels of cooperation between the Departments of Peacekeeping Operations and Political Affairs.

Several U.N. officials who recently had worked both in U.N. headquarters and in field peacekeeping operations confirmed the need for increased interdepartmental coordination and cooperation on day-to-day policy and operational matters. During our fieldwork in the Middle East and Guatemala, senior- and mid-level peacekeeping and political officers told us that coordination between them remains at a low level and they are continuing their practice of following instructions respectively from both the Department of Peacekeeping Operations and the Department of Political Affairs. They do not see evidence from their instructions that these departments are coordinating their work on a day-to-day basis. On at least one field visit, officials from these departments visited the same mission at the same time but did not know of each other's visit in advance. According to a senior Secretariat official, when implementing peace operations and political missions, it is not possible to separate the Department of Peacekeeping's functions to provide logistics and personnel to missions from the Department of Political Affair's functions of reacting to changing political situations. Thus, cooperation is not enough; integration of efforts on a daily basis from these departments is necessary.

Consolidation Streamlines and Strengthens Some Operations

To streamline and improve the performance of the United Nations, the Secretary General's reform plan identified a number of consolidations and realignments of Secretariat departments and offices, including humanitarian relief, support services to the General Assembly and other governing bodies, human rights, and crime prevention. The plan also proposed the creation of a Department of Disarmament Affairs to merge U.N. disarmament efforts. These organizational changes are now substantially in place. For example, the Department of Disarmament Affairs has issued an administrative bulletin of the reorganized department, and its 2000-2001 budget was approved. It is currently conducting operations in five substantive areas—conference negotiations services,

weapons of mass destruction, conventional arms, monitoring and data collection, and regional activities. The Secretary General recommended several other consolidations, which are similarly in place. Table 6 summarizes the objective and results of a number of consolidations that resulted in improved operations and eliminated 90 positions, according to our analysis.

Table 6: Consolidation and Realignment of U.N. Units and Programs

Objective	Elimination or consolidation	New entity or other initiatives	Key results
Strengthen humanitarian relief efforts	Department of Humanitarian Affairs (eliminated)	Office for the Coordination of Humanitarian Affairs created Emergency Relief Coordinator heads unit (Some functions transferred, e.g., demining activities to the Department of Peacekeeping Operations)	• Initiated Strategic Framework to unify U.N. humanitarian, peace building, and human rights activities in countries engaged in or emerging from conflict • Strengthened appeals process, which provides a framework for U.N. agencies to set common priorities and mobilize resources • 25 positions abolished
Strengthen arms control and disarmament efforts	Conference on Disarmament (merged)	Department of Disarmament Affairs, headed by an Under Secretary General, established to strengthen and integrate U.N. efforts to address the proliferation of nuclear, biological, and chemical weapons; conventional weapons; land mines; and small arms	• New department created by the transfer of 40 posts from the Department of Political Affairs
Streamline support for legislative and inter-governmental bodies	3 support offices/ departments (merged)	Department of General Assembly Affairs and Conference Services established	• 9 positions abolished
	3 departments on development and social issues (merged)	Department of Economic and Social Affairs established	• 56 positions abolished
Strengthen U.N. human rights and anticrime capabilities	U.N. Center for Human Rights (merged)	Office of the High Commissioner for Human Rights incorporates all U.N. human rights activities	• Divisions reduced from 5 to 3 • Head of the High Commissioner for Human Rights' New York office upgraded to director level • Office of the High Commissioner for Human Rights transformed from normative or standard-setting body to operational agency with technical assistance and investigative components
	3 offices merged into one	Office for Drug Control and Crime Prevention established to consolidate and enhance U.N. efforts to combat crime, drugs, and terrorism	• Office merges activities into a single location and selects indicators to measure performance of program

Source: GAO analysis of U.N. and U.S. documents and discussions with various U.N., U.S., and other officials.

Descriptions of two particularly noteworthy streamlining and consolidation efforts follow.

- The United Nations restructured and streamlined humanitarian affairs operations by creating the Office for the Coordination of Humanitarian

Affairs and abolishing the Department of Humanitarian Affairs. Some of the old departments' functions, such as demining and demobilizing combatants in countries with U.N. peacekeeping missions, were passed on to other U.N. departments. The new office was streamlined to focus on three core issues—policy development for humanitarian affairs, coordination of relief programs, and advocacy for victims of humanitarian disasters. This has helped coordinate U.N. agencies in their funding appeal for humanitarian activities, known as the consolidated appeal process. In contrast to what U.S. and U.N. officials described as a prior practice of compiling "wish lists" of humanitarian relief projects for funding, U.N. agencies now present unified plans to donors that reflect realistic priorities.

- U.N. human rights activities were consolidated under the Office of the High Commissioner for Human Rights, and the number of organizational units was reduced from five to three divisions. This has led to a more assertive and responsive U.N. reaction to human rights violations. According to Department of State officials, the reforms have expanded the role of the Office of the High Commissioner for Human Rights from a normative or standard-setting body to an operational agency. For example, 5 years ago the Office of the High Commissioner for Human Rights had two operational staff. By increasingly focusing on action, the reforms have shifted emphasis so that there are now over 2,000 technical staff monitoring civil, political, social, and economic rights in the field. The Office has also concluded memorandums of agreement with most U.N. agencies to include human rights issues as a core element in their programmed activities.

U.N. Country-Level Programs More Integrated and Consolidated

For U.N. reform efforts to succeed, the United Nations must demonstrate improved results at the point of delivery—the country level. A major source of institutional weakness was that U.N. departments and programs—many with separate mandates, operating procedures, and funding sources—did not effectively coordinate their activities. We found initiatives, such as the executive committees, have begun to penetrate to the field level. This has (1) strengthened the delivery of development assistance programs and (2) ensured that human rights considerations are included in country activities. However, we also found that individual U.N. agencies have different priorities and administrative procedures that inhibit more integrated U.N. programming and coordination of U.N. humanitarian relief still remains a problem.

Approach for Development Assistance Programs Strengthened

A key objective of the Secretary General's 1997 reform program was to strengthen the U.N.'s development assistance efforts at the country level. To this end, the Executive Committee on Development Operations introduced development assistance frameworks starting in 1998 to integrate U.N. development activities in the field. The frameworks serve as the key planning document for U.N. development operations and as the basis for the U.N.'s cooperation with the host governments and other development organizations, such as the World Bank. The frameworks consist of (1) an analysis of a country's development situation, (2) a statement of common objectives and strategies for cooperation, (3) an outline for the use of program resources, and (4) plans for conducting monitoring and evaluation. The frameworks mark a fundamental departure from past U.N. practice, where U.N. agencies worked independently, accountable only to their own governing boards and guided by their own programming mandates. Table 7 shows the status of the development assistance framework initiative at the beginning of 2000.

Table 7: Status of U.N. Development Assistance Frameworks, 2000

Countries with U.N. presence	Countries eligible for framework[a]	Countries with frameworks in place	Countries planned for frameworks in 2000	Countries without plans for frameworks
156	95	21	44	30

[a]Sixty-one countries are too unstable or have too few U.N. activities for a development assistance framework.

Source: U.N. documents.

In countries where frameworks were established, there is evidence of improved coordination among U.N. agencies and between U.N. agencies and host governments. Under the frameworks, U.N. country teams have organized themselves into thematic groups (education, health, gender) to coordinate planning and decision-making. In contrast to the past, host governments now view the United Nations as a single entity with a single voice, rather than a collection of independent agencies.

For example, in Guatemala, the framework had improved the effectiveness of U.N. support for the 1994 peace accords and the government's development agenda by coordinating and integrating the work of

17 separate U.N. agencies, according to a senior host government official. As a result, the framework helped coordinate and integrate the U.N.'s successful efforts to demobilize combatants, which officials of the U.S. Agency for International Development described as a model for international cooperation. Under the framework, several U.N. agencies were for the first time engaging in joint programming and taking steps to avoid duplicative programming. For example, the U.N. Population Fund had incorporated reproductive health activities into the U.N. Children's Fund and the U.N. Development Program's development projects. In addition, the U.N.'s Guatemala country team produced a development report that included a candid section on human rights, developed a countrywide development assistance database on compact disk that has facilitated overall coordination of Guatemala's development efforts, and responded quickly and effectively to Guatemala's emergency needs after 1997 Hurricane Mitch. At the time of our visit, the country team was analyzing the country's development situation in preparation for producing a framework plan in early 2000.

Also, in Mozambique, the U.N. country team produced a framework plan in May 1998 that serves as the basis for the U.N. system's relationship with the government and other donors. As a result of the framework, host government and donor officials said they view the U.N. agencies as a unified system—a marked contrast from previous years when agencies operated independently, unaware of each other's activities. Before the introduction of the framework, for example, the U.N. Children's Fund and the World Health Organization both had health programs in the government's Ministry of Health but were unaware of the other's presence, according to U.N. officials. Under the framework, U.N. agencies have organized themselves into 10 thematic groups and have joint activities in areas like youth development, reproductive health, and work on acquired immunodeficiency syndrome. The U.N. country team's disaster management theme group effectively responded to and coordinated the international response to flooding in southern Mozambique. A senior Mozambican official told us that there is now better coordination of U.N. development activities, resulting in fewer reporting requirements and demands on host government officials' time.

Approach to Country-Level Leadership and Decision-making Strengthened

The Secretary General's reform plan highlighted the need to strengthen the resident coordinator system—the concept of a single U.N. official responsible for coordinating U.N. activities at the country level. The resident coordinator is the designated representative of the Secretary General and the leader of the U.N. country team. Traditionally, this post has

been occupied by the top official in-country from the U.N. Development Program. According to numerous U.N. officials we spoke with at the country level, the resident coordinator is the indispensable component of U.N. reform efforts. Without strong, capable leadership by a resident coordinator, it would be difficult to get the disparate U.N. agencies to cooperate.

In order to strengthen the resident coordinator system, the United Nations has taken the following steps:

- The United Nations has strengthened its selection procedures in order to instill greater rigor, transparency, and ownership, and has increased the number of resident coordinators appointed from outside the U.N. Development Program. In 1999, 35 new resident coordinators were selected under the new process. Out of 130 possible resident coordinator positions, 26 are presently held by individuals outside of the U.N. Development Program.
- The United Nations has revised the resident coordinators' performance appraisal process to include appraisals of both the resident coordinators and their country teams. The resident coordinator is responsible for providing team leadership and is now measured against a list of core competencies. In addition, the heads of agencies in-country are called upon to provide input into the resident coordinators' performance evaluation.

Efforts to Reduce Country Administrative Costs

The Secretary General's reform program called for consolidating U.N. country teams in common premises to reduce administrative costs and to encourage a daily habit of coordination and cooperation between U.N. agencies at the country level. Later renamed the "U.N. House" initiative, this project also called for establishing common services arrangements to reduce costs further. At the end of 1999, the United Nations had approved common premises and services arrangements for 36 countries. However, obtaining buildings large enough to accommodate all U.N. agencies has proven difficult or expensive, and this has limited the U.N.'s ability to establish common premises in some countries.

For the two countries we visited—Guatemala and Mozambique—a U.N. cost-benefit analysis showed it was not cost-effective for the U.N. country teams to obtain common premises. Nonetheless, both country teams were pursuing common service arrangements. In Guatemala, for example, the country team pursued cost-saving efficiencies in 16 functional areas. Acting in concert, the country team negotiated reduced prices with local suppliers

for banking, insurance, travel, and information technology support services. In Mozambique, the U.N. country team had formed an administrative group to identify operational efficiencies and had negotiated reduced prices for security and a standard 20-percent discount on travel services. In addition, the team had lowered operating costs by establishing a joint staff transportation system, uniform domestic per diem rates, and common salary rates for local hires and consultants. An accounting of cost savings was not available at the time of our visits.

Impediments to Strengthened Country Programs

Despite U.N. efforts, we found impediments to fully integrating country development activities. One key impediment is that, despite the frameworks, U.N. agencies tended to put their separate organizational interests before broader U.N. interests. In Guatemala, for example, the resident coordinator said it took the country team several months longer to produce a common country assessment because agencies fought to include development indicators in line with their own mandates and programming, rather than agreeing on overall indicators of U.N. success. In Mozambique, U.N. officials said that some of the country team's theme groups were largely inactive—such as education and water and sanitation—because officials were reluctant to spend time working on issues not directly related to their agencies' priorities.

A second key impediment is that some agency officials have not supported the framework process or, more generally, U.N. reform. About one-third of the U.N. officials we interviewed had no requirement or job expectation to participate in the framework. According to these officials, their career, promotion, and reward paths are through their parent organizations, and their work on the framework plan is considered an adjunct to their agency duties. We also found approximately one-half of the agency officials we spoke with were sent no or only general information about the U.N. reform process. In addition, these officials received no guidance from their agency leadership about how to operate or about their roles and responsibilities in supporting the U.N. country team and the development of the framework plan. According to a 1998 U.N. evaluation, a cultural change is required for the framework and reform to succeed—agencies and their employees must view themselves as part of a U.N. system, not just as representatives of particular agencies.[2]

[2] *Report on the UNDAF [U.N. Development Assistance Framework]: Assessment Workshop* (New York: U.N. Development Group, Sept. 28-30, 1998).

Another impediment is that agencies' incompatible administrative processes deter country teams from conducting joint programming. In Mozambique, for example, five U.N. agencies attempted to conduct a joint project to improve economic opportunity for women. However, agency financial rules and regulations prevented them from pooling their resources to pay project costs. Instead, the five agencies had to execute separate procurements, keep separate financial records, and conduct separate evaluations. Consequently, the project realized limited economies, and the U.N. country team has not attempted additional joint projects.

Human Rights Activities Integrated into Country-Level Programs

The efforts of the Secretary General and the four executive committees to integrate human rights considerations into all U.N. activities is having an impact at the country level. U.N. agencies are including human rights-based projects into their country programs. U.N. agencies have provided guidance to their field staff about the importance of including human rights programming in their activities, according to a senior official from the Office of the High Commissioner for Human Rights. Several U.S. and U.N. officials singled out the U.N. Development Program Administrator's strong guidance to the U.N.'s resident coordinators as a catalyst for energizing the U.N. system's response to human rights concerns. One U.N. official also noted that specialized agencies (which fall outside the Secretary General's reform program) are enthusiastically embracing human rights as a programming priority.

In Guatemala and Mozambique, we observed that the development assistance frameworks included human rights initiatives, such as training and outreach programs. In Guatemala, where U.N. programs support the implementation of the country's peace agreement, several agencies are supporting human rights objectives by conducting activities with indigenous populations previously excluded from the political and development process. In Mozambique, the U.N. country team had formed a group to consider and implement activities to support the government's priorities—empowering women and promoting gender equity. The first joint project in Mozambique, which involved five agencies, sought to expand economic and educational opportunities for women in one province.

Despite these positive developments, however, challenges persist. In general, some U.N. members do not support the inclusion of human rights considerations in U.N. activities because they view this issue as highly political. In several complex emergencies, political considerations took

precedence over human rights issues, according to State Department officials. In Sierra Leone, for example, the U.N.-sponsored peace agreement provides local amnesty for combatants who may have committed war crimes. In Afghanistan, the United Nations has not officially opposed the Taliban government's denial of basic rights to women. In East Timor, U.N. officials downplayed refugee conditions in West Timor and the actions of the Indonesian-backed militia to avoid upsetting negotiations with the Indonesian government, according to a senior U.N. official active in the East Timor relief operation. Department of State officials report that U.N. officials still downplay human rights considerations for political purposes in certain situations. For example, U.N. officials may hesitate to raise human rights concerns with host governments for fear of jeopardizing their access to host government officials and damaging their programs, according to a Department of State official.

Limited Implementation of Strategic Framework to Coordinate Humanitarian Relief

The Office for the Coordination of Humanitarian Affairs initiated a strategic framework concept in 1997 to unify U.N. humanitarian, peace building, and human rights activities in countries experiencing or emerging from conflict. This initiative was a response to growing unhappiness with the U.N.'s ability to react coherently and effectively to humanitarian emergencies in countries such as Rwanda and Afghanistan. U.N. officials began work on a strategic framework for Afghanistan in September 1998. U.N. officials intended to develop a framework for Sierra Leone but have not done so to date—nor have they developed frameworks for other countries with complex emergencies, such as Angola, Somalia, and Tajikistan.

The development of a strategic framework for Afghanistan has improved the coordination of U.N. activities in that country over the fragmented assistance program that existed in prior years, according to officials from the Department of State and the U.S. Agency for International Development. Nonetheless, some U.N. agencies engaged in humanitarian actions are reluctant to condition humanitarian aid based on political or human rights considerations. For example, in Afghanistan, some humanitarian agencies would not make aid conditional on the Taliban government's providing basic rights for women, as agreed to in the strategic framework document. A comprehensive 1999 Danish government report concluded that the Afghanistan framework helped shape coherent themes for humanitarian assistance and avoid a series of unrelated interventions but that agencies' mandates and institutional interests continued to frustrate coordination efforts.[3]

Agency Comments

The Department of State agreed with our findings on U.N. initiatives to restructure and consolidate its leadership and operations, and commented that much remained to be done, particularly to improve coordination and resource management in the area of peacekeeping. The United Nations commented that it had made progress in unifying and coordinating the organizational structure of the U.N. Secretariat and its funds and programs.

[3] *Evaluation of Danish Humanitarian Assistance to Afghanistan 1992-98* (Copenhagen, Denmark: Ministry of Foreign Affairs, Nov. 1999).

The Secretariat Is Striving to Develop a Results-Oriented Human Capital System

The Secretariat is taking steps to reform its human capital[1] system and transform the organizational culture into one that is results oriented, promotes high performance and continuous learning, and is responsive and accountable. Fundamental tasks remain to be completed, such as developing tools and a strategy to conduct long-term workforce planning. Nonetheless, in comparison to the situation in 1994 when the human capital system was in crisis, positive steps have been taken. For example, the Secretary General has provided leadership and clear support for the reform, such as actively helping develop a statement of U.N. core values and competencies and communicating it to all staff. Also, the overall plan for reforming the human capital system shares the elements and values that are common to high-performing organizations.[2] For example, a hallmark of high-performing organizations is that human capital procedures are directly linked to achieving organizational objectives. The Secretariat's plan for reforming its human capital management does this in several ways, such as requiring that the specific performance expectations for all staff support and help achieve U.N. objectives. (App. II provides a comparison of the Secretariat's plan with the elements and values of high-performing organizations.) The Secretariat plans to implement the reforms over the next 2-4 years. Table 8 shows the objectives of the human capital reform and the status of selected initiatives.

[1]Assessing an organization's management of human capital means determining whether (1) the organization treats its people as vital assets whose value can be enhanced through investment and (2) the organization designs, implements, and assesses its human capital policies by the standard of how well they support mission accomplishment.

[2]Our reports on human capital describe the approach that leading public and private sector organizations have taken. See, for example, *Human Capital: A Self-Assessment Checklist for Agency Leaders* (GAO/GGD-99-179, Sept. 1999).

Table 8: Status of Selected U.N. Human Capital Initiatives

Objective	Initiative	Status: Substantially in place[a]	Status: Partly in place[b]	Status: Not in place[c]
Create results-oriented workforce	• Implement merit-based appraisal system aligned with U.N. objectives	•		
	• Identify core competencies; communicate them to all staff	•		
Foster high performance	• Align training courses with core competencies		•	
	• Align expectations with continuous learning		•	
Increase responsiveness by planning human capital needs	• Develop real-time personnel database		•	
	• Conduct annual short-term human capital assessment	•		
	• Construct staff skills inventory			•
	• Undertake long-range workforce planning			•
Improve responsiveness through efficient recruiting and greater staff mobility	• Implement faster more efficient recruitment system for the Secretariat			•
	• Implement procedures for increased mobility			•
Promote initiative and ensure accountability	• Delegate authority to line managers		•	
	• Create a usable personnel manual			•
	• Issue a U.N. code of conduct	•		
	• Take other steps to strengthen accountability for delegations of authority		•	

[a]Defined as reforms that have been formally approved and key elements in place.

[b]Defined as reforms that have been formally approved, but some key elements not in place.

[c]Defined as reforms that have not been formally approved or most key elements not in place.

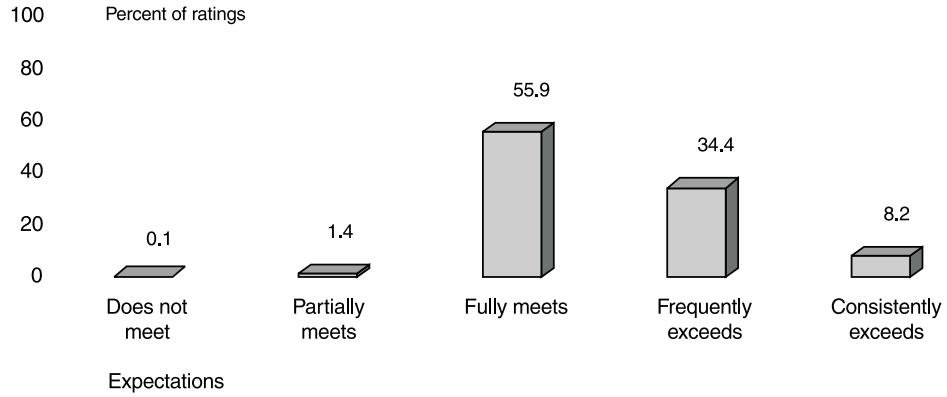
Source: GAO analysis of U.N. documents and data and interviews with U.N. officials.

The Secretariat Has Taken Steps to Create a Results-Oriented Workforce

The Secretariat has put into place a key component in building a workforce focused on achieving results: it has implemented a merit-based performance appraisal system that requires managers to link an individual's work expectations to the goals of the department or office. Managers are responsible for ensuring that their units' goals and objectives support and help achieve the U.N.'s core missions. Each individual staff member and managers are also required to develop measurable indicators of success in meeting the individual expectations. These measures are then used in rating the staff member annually on a 5-point scale, ranging from "does not meet performance expectations" to "consistently exceeds performance expectations." This performance appraisal system was first used in 1996 in 8 of 21 offices and departments at the Secretariat and was fully implemented for the entire Secretariat in the 1998 rating period.

According to officials of the Office of Human Resources Management, the new appraisal system provides meaningful feedback to staff on their performance, particularly in comparison to the old system. The old system did not set work expectations; the ratings were uniformly high, with about 80 percent of staff receiving the highest rating; and the Secretariat did not routinely compile statistics on staff performance. Secretariat officials also said the new performance system helps introduce a results-based culture to the Secretariat by providing honest ratings to staff, rather than the previously inflated ratings. While the new appraisal system is not intended to impose a mandatory bell curve, U.N. officials state that an honest appraisal helps differentiate staff. Figure 7 shows the distribution of ratings for the most currently available period and demonstrates that most staff are now rated as fully meeting expectations and that there is some dispersion in the ratings.

Figure 7: Distribution of U.N. Secretariat Staff Ratings



Source: U.N. documents.

Senior Leadership Supports a Results-Oriented Performance System

The Secretary General and the Office of Human Resources Management have actively engaged the departments and offices in improving the implementation of the performance management system. A human resources team meets with each department or office several times a year to coach the personnel officers and to ensure that staff expectations are being set so as to support the offices' goals. When action has been needed, top management has been responsive. For the 1998-99 appraisal cycle, the Deputy Secretary General sent letters to two departments that had ratings markedly higher than the other departments. The letters instructed the

departmental chiefs to counsel supervisors on the requirements for fair and well-documented ratings. The Deputy Secretary General also had letters sent to the promotion board informing them that the ratings in these departments were higher than those in the rest of the Secretariat. Finally, in November 1999, the Under Secretary General issued an administrative instruction that set out the consequences of receiving less than fully successful performance ratings, ranging from not receiving the annual salary pay increase to dismissal, depending on the length of time the staff member had not fully met expectations.

The Secretariat Has Identified Core Competencies for Staff

Another priority of the Office of Human Resources Management was to develop and communicate to all staff a shared view of what the United Nations considered its "core competencies. Core competencies were defined as the combination of knowledge, skills, attributes, and behaviors directly related to achieving successful performance. The Secretary General took a lead role in defining the core competencies and viewed them as standards that the United Nations was striving to achieve in transforming its work culture. In late 1999, the Secretariat issued to all staff a 5 inch by 8 inch spiral booklet entitled *United Nations Competencies for the Future*. The booklet described how the competencies were derived, provided examples of how they looked in action, and indicated how they would be applied to staff. Table 9 provides the U.N.'s core values and competencies from the booklet.

Table 9: U.N. Core Values and Competencies

Core values	• Integrity • Professionalism • Respect for diversity
Staff competencies	• Communication • Teamwork • Planning/organizing • Accountability • Creativity • Client orientation • Commitment to continuous learning • Technological awareness
Managerial competencies	• Leadership • Vision • Empowering others • Building trust • Managing performance • Judgment/decision-making

Source: United Nations.

According to Secretariat officials, the performance management system requires further work to function as intended. These officials stated that in the next phase of implementation, they would emphasize improving the quality and consistency of the system. For instance, the Office of Human Resources Management intends to monitor departments and offices to ensure that expectations for individuals with similar positions and job responsibilities are consistent. Additionally, the Office will use the newly

Status of Initiatives to Foster Continuous Learning

The Secretariat is taking steps to create a staff that performs at a high level by building training and continuous learning into the normal operations of the Secretariat. According to Secretariat documents, not only is a commitment to continuous learning one of the core competencies, but also it is part of staff career development. Human resources officials believe it will take some time before they can measure whether these steps have an impact on performance and continuing professional development. However, in comparison to past practice, the Secretariat has made progress. Prior to the recent human capital reforms, the Secretariat had no program of staff development. Once an individual was hired, no requirement existed for the individual to stay current in his or her field. According to Secretariat officials, managers received no training and were

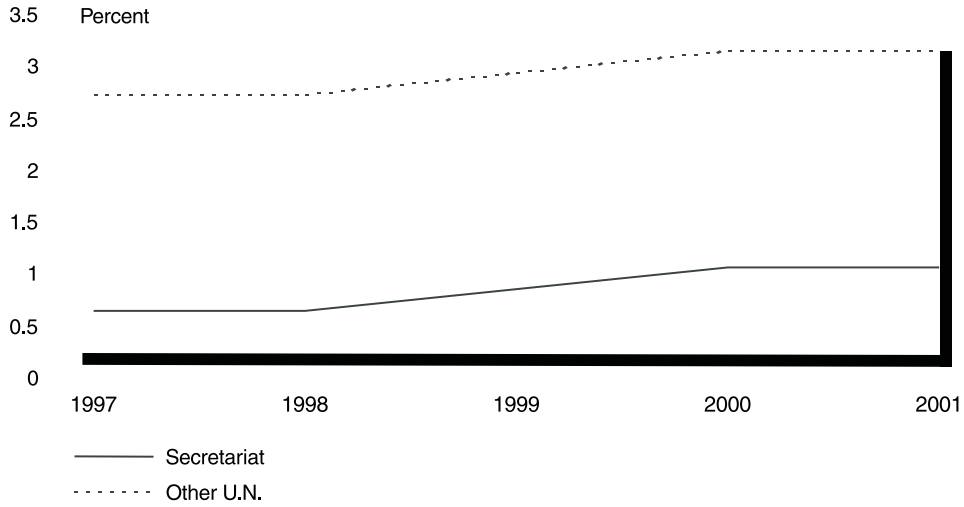
not accountable for how they used their staff except to accomplish assigned tasks.

As of December 1999, the Secretariat had taken the following three steps to improve staff development.

- The Secretariat established a requirement for staff to identify new learning objectives for professional growth and achieve them during the course of the appraisal year. These objectives become written expectations on the performance appraisal and now form part of the regular feedback sessions with managers.
- Managers are formally held responsible for staff development. Under the new appraisal system, managers are expected to assist their staff to develop skills, not just through training but also through coaching, work experience, and temporary assignments.
- The Office of Human Resources Management has aligned its training program with the development of the core competencies. Its training program now specifies the core competencies and links them with the training modules. For example, the training program has specific modules on leadership, management, and supervision; teamwork; communication; and financial resources management. Continuously upgrading substantive and professional skills is done through a training budget allocated by each department and office.

According to Office of Human Resources Management officials, one of the best indicators of how seriously the offices and departments take continuous learning is the amount of money they allocate to training. The Secretariat has increased its spending on training to about 1 percent of total staff costs. U.N. officials said they have not determined a desirable target but use 2 percent as a short-term goal because the U.N. funds and programs spend at least this percentage (see fig. 8).

Figure 8: U.N. Secretariat Training Budget as a Percent of Staff Costs, 1997-2001



Source: U.N. documents.

Secretariat Has Developed Planning Capabilities but Lacks Strategy for Long-Term Workforce Needs

To improve the Secretariat's ability to respond to current and future needs, the Secretary General set as a principal goal the development of a human capital planning system that could predict its long-term workforce needs. The Secretariat has not yet developed the capacity to conduct long-range workforce planning. However, it has taken steps to improve its basic capabilities and to plan for short-term needs, such as implementing its basic personnel information system and conducting annual human capital planning with each department. According to an official from the Office of Human Resources Management, this is a considerable advance from a few years ago when his office could not perform even rudimentary human resource planning. The office focused on the application of the staff rules and regulations, not on projecting human resources needs. Table 10 summarizes the steps that have been taken and some of the initiatives that still need to be implemented under the human capital reform plan.

Table 10: Status of U.N. Human Capital Planning Initiatives

Objective	Initiative	Status: In place	Status: Partly in place	Status: Not in place
Create a personnel information system to help plan human capital needs	• Implement basic personnel information system	•		
	• Link all overseas offices in real time		•	
	• Complete job classification data module			•
Meet annual short-term human capital requirements	• Conduct annual workforce and human capital planning	•		
Undertake strategic human capital planning	• Construct comprehensive staff skills inventory		•	
	• Develop strategy for long-range workforce planning			•

Source: GAO analysis from U.N. documents and data and interviews with U.N. officials.

The Secretariat Has Implemented Some Basic Tools for Short-Term Human Capital Planning

Beginning in 1999, the Department of Management extended the use of the Integrated Management Information System—the Secretariat's data system on budget, finances, management, and personnel—to the entire Secretariat. This provided the Office of Human Resources Management with basic data on all Secretariat staff with a contract of 1 year or longer, such as staff hiring date, current and past positions, work location and office, nationality, age, and gender. The office now provides member states and managers with regular reports of the Secretariat workforce, including projections of retirements by position, grade level, type of employment, and department.

The Office of Human Resources Management has also begun annual human capital planning as an integral part of the overall programming cycle. In this process, the Office of Human Resources Management meets with each of the 21 departments and uses statistics on total staff, job position, span of control, geographic representation, length of service, mobility, expected staff departures, and several other components to project critical staffing needs for each department. During the planning process, the departments and offices review their objectives in the medium-term plan (the U.N.'s 4-year statement of objectives and programs to implement them), compare them to retention and retirement projections, and formulate annual targets for training, staff development, hiring, and promotion. As part of this process, the Secretary General receives a report on how well each department performs in reaching its targets before meeting with the department heads. According to Secretariat officials, the annual planning focuses attention on the importance of human capital in meeting the

department's short-term objectives and on strategies for filling future needs well before vacancies actually occur.

The Secretariat Has Not Put Into Place Certain Management Tools

Although the Secretariat has made progress in developing its planning capabilities, it has not completed several initiatives needed to begin planning an overall strategy for its long-term human capital needs. Initiatives the Secretariat is working on but has not completed include the following.

- Link the information management system in real time with all offices. Currently, the Secretariat has real-time access to personnel data for 48 percent of professional staff—those located at headquarters in New York and at the offices in Geneva and Vienna. The office in Nairobi and five regional commissions are not linked real time but electronically provide data to the Secretariat on a periodic basis. The Secretariat plans to complete these links in December 2001.
- Complete the data module for the information system on job descriptions and classification. This information would provide data on the job positions at the Secretariat and the skills required for them, thus allowing an analysis of specific needs of the Secretariat over time.
- Complete the comprehensive inventory of existing skills and experience of staff. In 1998, the Office of Human Resources Management began assembling an inventory of staff skills for the Secretariat, based on a questionnaire. However, only about 41 percent of the 14,809 staff members responded to the questionnaire. According to Secretariat officials, a new survey has been prepared, and the Secretary General has issued a notice that completing the survey is required. Some staff, however, are concerned about how the information is to be used.
- Develop a long-range workforce plan. According to Secretariat officials, they have identified and are filling current critical needs and anticipated needs for the next 2-4 years. However, they have not begun developing a strategy for long-range planning because the Secretary General and the General Assembly plan to address the issue of the U.N.'s future role at the millennium assembly in the summer and fall of the year 2000.

Efforts to Improve Recruitment and Staff Mobility

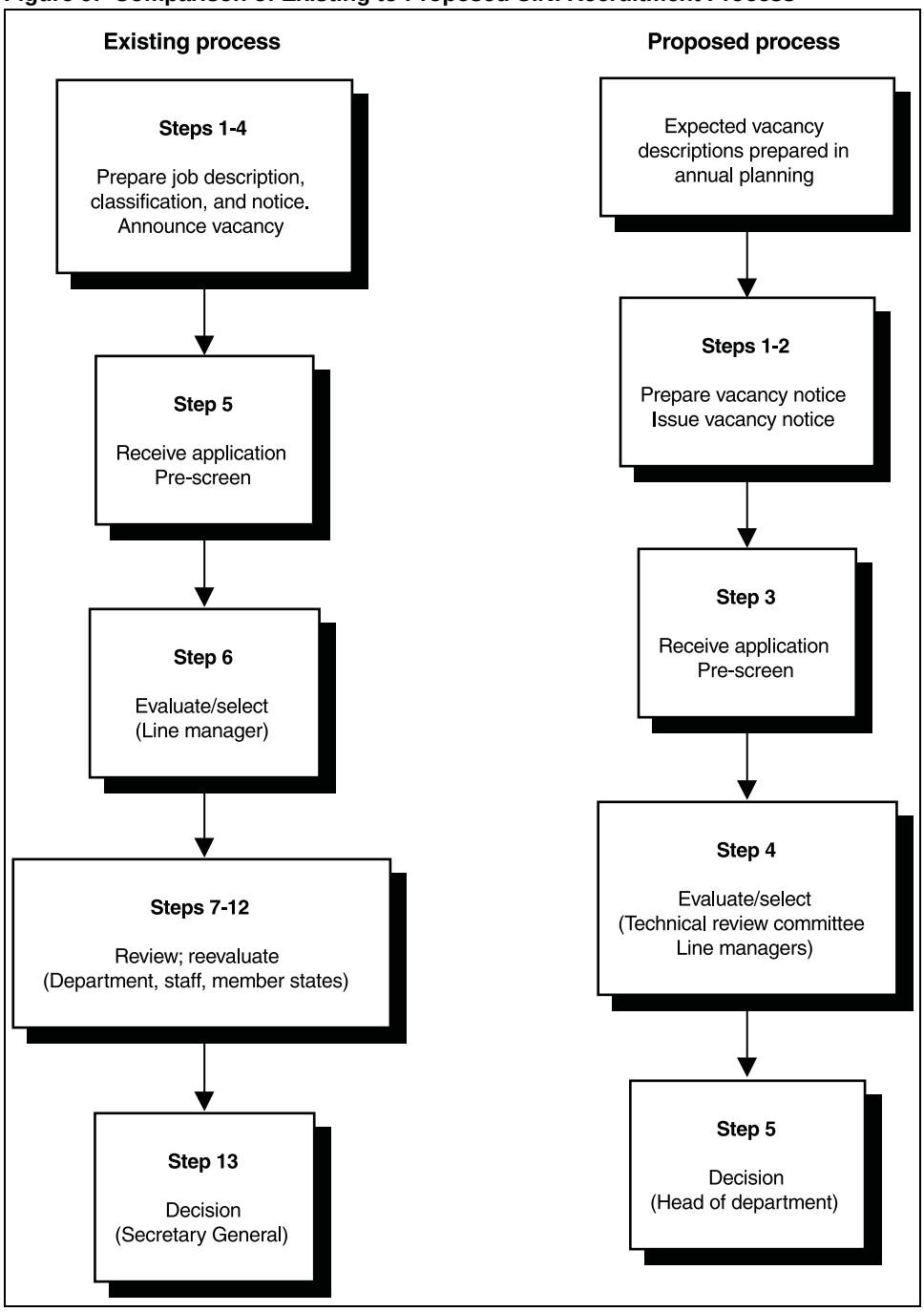
To ensure the Secretariat could respond to member state needs, the Secretary General set as an objective having the right person in the right place at the right time through a system of recruitment and placement that is timely and efficient. The current recruitment system cannot meet these objectives. For instance, the Office of Human Resources Management's statistics show that it takes the Secretariat an average of 8 months from the time a job opening is announced to the time the job is filled. A report by the U.N. Office of Internal Oversight Services estimated that it averaged over 15 months to fill a position from the time that it actually became vacant. [3] Further, the process for filling a position involves 13 steps of review or evaluation by program managers, staff oversight committees, and the Office of Human Resources Management.

Although the recruitment system cannot achieve the U.N.'s objectives, the Secretariat is taking steps to streamline the process and integrate it with the annual human resources planning process. In February 1999, a task force was appointed to review the recruitment system. The task force issued a report in March 1999[4] and, based on the report, the Office of Human Resources Management proposed major changes and discussed its proposals with the global staff/management committee (the U.N. committee representing both staff and managers on personnel issues). Figure 9 compares the existing process with the proposed recruitment process and illustrates that annual workforce planning will become an integral part of recruitment, while hiring authority will devolve to department heads.

[3] *Report of the Secretary General for the Activities of the Office of Internal Oversight Services, A/53/428* (New York: United Nations, Sept. 23, 1998).

[4] *Report of the Taskforce on Recruitment and Placement* (New York: United Nations, Mar. 25, 1999).

Figure 9: Comparison of Existing to Proposed U.N. Recruitment Process



Source: U.N. documents and data.

Impediments to Staff Mobility

As part of its ability to respond to the needs of member states, the Secretary General envisions U.N. staff as a versatile, experienced, and multitalented international civil service corps, committed to serving the organization where needed. However, Secretariat officials said that greater mobility is needed so that staff serve at a variety of geographical posts and Secretariat departments; this is particularly important for an international organization. During 1999, approximately 1.2 percent of U.N. Secretariat staff transferred to different departments and duty stations, and 6.2 percent, or about 885 staff, accepted assignments to peacekeeping missions. A Secretariat document shows the transfer rate is an improvement over past years, but it is still difficult to get staff released to serve on peacekeeping and other temporary duty assignments that are high priorities of the organization because managers are reluctant to authorize a leave of absence for possibly 2 years. There is also little tendency for staff to move from established positions in New York, Geneva, Vienna, or elsewhere because they have set up homes in these locations. Moreover, many professional career tracks are tied to specific geographical locations; for example, information and publications officers to the Department of Information at New York Headquarters, human rights professionals to Geneva, and drug program officers to Vienna. Finally, a General Assembly resolution restricts the Secretary General from reassigning staff, except those within his immediate office and at the level of Assistant Secretary General and higher.[5]

According to Secretariat documents, the Secretary General is committed to improving recruitment and mobility. The Office of Human Resources Management has developed a comprehensive plan on recruitment and mobility, which includes lateral moves, job exchanges, temporary assignments, and job rotation systems within departments and missions. The office discussed these proposals with staff committees during 1999 and plans to continue discussing the proposals through April 2000, as part of its policy to consider all staff views in its proposals on human capital reforms. At the end of April 2000, the Office plans to complete a report on the proposal and submit it to the General Assembly, which must approve any changes to staff rules and regulations needed to implement the proposal.

[5]General Assembly Resolution (A/RES/51/226) dated 25 April 1997.

Delegations of Authority for Human Capital Management Require Increased Accountability

To provide managers with the authority and flexibility to do their jobs, the Secretary General proposed giving them greater authority to manage their human capital needs. However, the Secretary General has decided to delay many of the proposals until the Secretariat can provide assurance that adequate procedures are in place to ensure accountability.

Currently, the Secretary General or the Assistant Secretary for Human Resources Management has authority to make most personnel decisions, ranging from routine administrative actions, such as approving allowances for staff dependents, to major human capital decisions, such as hiring permanent staff and taking disciplinary action. Officials of the Office of Human Resources Management proposed to give department and office heads broader authority to manage their human capital by allowing them to approve employee benefits such as education grants and special post allowances. They also proposed to allow managers to recruit and hire staff up to certain levels and to streamline personnel management by giving departments and offices control of routine personnel issues. For example, through 1998, department and office managers were given authority to approve 13 personnel actions that previously required review by the Office of Human Resources Management, such as granting exceptions to staff members to travel to a country other than their native country on annual leave. According to U.N. human resource officials, the Office of Human Resources will monitor compliance with personnel rules and regulations and consult with personnel officers in each department and office but should not be making managerial decisions for the departments and offices.

However, the General Assembly raised concerns about whether the Secretariat was maintaining accountability for personnel actions, given that decisions would be made in many locations. Some members were also concerned that the “streamlining” was really a means of delegating authority to department and field office managers, thus bypassing General Assembly oversight. According to U.N. human resource officials, no further delegations of authority in human resources will be made until a plan to strengthen accountability is submitted to the General Assembly.

Steps Taken to Improve Accountability for Human Capital

Member states have expressed concerns over several issues with regard to the human capital reforms, particularly (1) the Secretariat's not holding staff accountable for their actions and (2) the lack of clarity about staff responsibilities and lines of authority. Concern about the Secretariat's inability to hold staff accountable for its actions has been an issue for years.[6] Recently, the U.N. General Assembly requested the Secretary General to submit to it a report on the follow-up of management irregularities that caused financial losses to the organization. The Secretary General submitted his report to the General Assembly in March 1999,[7] but the General Assembly considered it incomplete. It did not explain what had been done since 1994 to develop procedures to deal with cases of fraud and other actions causing financial losses to the organization.[8] The Secretariat does have procedures for dealing with fraud, including dismissal of personnel and procedures for recovering funds lost. However, according to Secretariat officials, it has not developed procedures for determining gross negligence and what financial responsibility, if any, should be incurred by those who commit gross negligence.

Also, the Secretariat does not have mechanisms for dealing with poor performance, according to the Assistant Secretary General for Human Resources. It has not developed procedures to discipline managers who repeatedly make poor judgments. Commenting generally on the situation, an official in the Human Resources section said the Secretariat has not systematically and consistently held managers accountable for poor performance in part because there were no mechanisms to do so.

According to Secretariat officials, the Office of Human Resources Management is working to address these issues. It is developing a plan to strengthen the organization's accountability for human resource management and has taken the following steps.

[6]See *Alleged Cases of Fraud in the United Nations: Study of the Possibility of the Establishment of a New Jurisdictional and Procedural Mechanism or of the Extension of Mandates and Improvement of the Functioning of Existing Jurisdictional and Procedural Mechanisms,* A/AC.243/1994/L.3 (New York: United Nations, Apr. 4, 1994).

[7]*Management Irregularities Causing Financial Losses to the Organization*, A/53/849 (New York: United Nations, Mar. 3, 1999).

[8]*Management Irregularities Causing Financial Losses to the Organization: Report of the Advisory Committee on Administrative and Budgetary Questions, A/53/954* (New York: United Nations, May 11, 1999).

- In December 1998, the United Nations issued a code of conduct for its employees. The code clarified that the U.N. regulations and rules apply to all staff under the Secretary General's authority, including the funds and programs. The code also explained the basic rules and regulations to staff members and required that individuals at the assistant secretary general level and above file financial disclosure statements. The code also obligates staff to respond fully to requests for information from officials of the United Nations authorized to investigate possible misuse of funds, waste, or abuse. Finally, the code makes clear that failure to comply with the code's obligations and the U.N.'s standards of conduct will subject a staff member to disciplinary procedures.
- The Secretariat is revising and rewriting the personnel manual, which details fully the personnel rules and regulations. The existing personnel manual is not usable, according to human resource officials. It consists of a three-volume compilation of administrative instructions, information circulars, personnel directives and Secretary General's bulletins. It is inconsistent in format and has expired documents. According to Human Resources Management officials, new regulations were added without deleting or reinterpreting the old regulations. In 1999, task teams started to consolidate, update, and clarify the personnel manual and make it available online to all staff. As of January 2000, the revision was about 50 percent complete, and the team was on target for finishing in December 2000.
- In March 2000, the Secretariat established an accountability panel, composed of the Deputy Secretary General, the Under Secretary General for Management, the Assistant Secretary General for Human Resources, and several other senior managers. The panel is tasked with reviewing weaknesses in the Secretariat's internal controls and accountability mechanisms and developing a plan to strengthen accountability. One specific action taken under the panel was to implement a procedure, known as the compact. Under the compact, the under secretaries general have expectations set by the Secretary General, which includes a core section on the management of human capital and other resources within their departments. Their performance is then reviewed at the end of each year.

Agency Comments

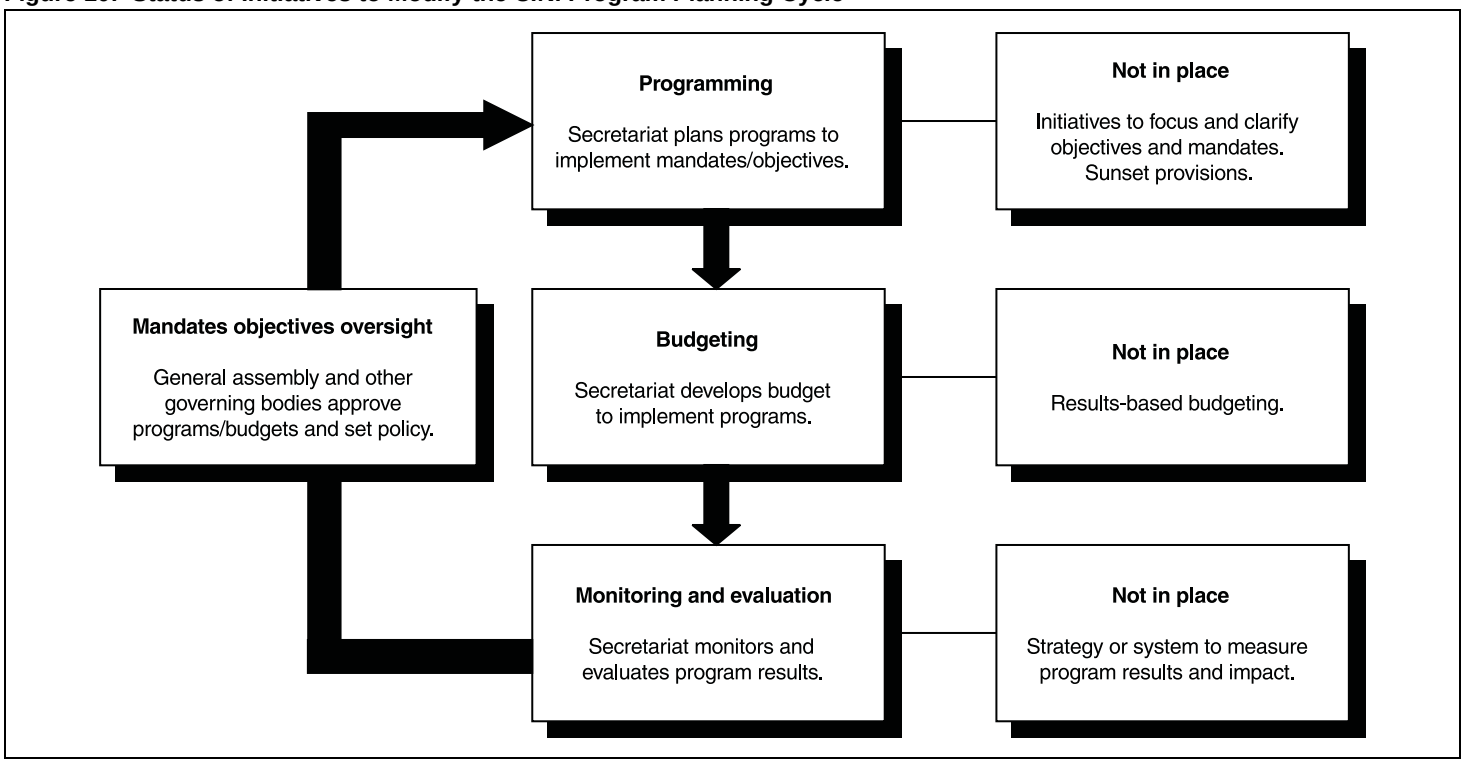
The Department of State commented that it actively supported the U.N.'s human capital reforms, and that the establishment of a merit-based personnel appraisal system had contributed to the development of a results-oriented culture at the United Nations. The United Nations commented that it was working to build an international civil service that is

more focused on achieving results and a system that promotes a culture of higher performance and continuous learning.

United Nations Has Not Yet Adopted Key Initiatives to Manage for Results

Initiatives enabling member states and senior officials to manage the Secretariat's performance and hold it accountable for results are key to the success of the overall reform because they institutionalize a shift in the organization's focus from carrying out activities to accomplishing its missions through a process of continuous improvement. However, these initiatives have not yet been put into place. Specifically, the Secretary General recommended that the General Assembly revise the U.N.'s program planning and budgeting process by (1) focusing and clarifying the Secretariat's objectives and (2) adopting performance-oriented budgeting, that is, linking budgeted activities with performance expectations and measures. The General Assembly is considering these initiatives, including the use of performance measures in the U.N.'s principal planning document—its medium-term plan. However, these proposals have not yet been adopted because some member states believe they are tactics to cut the budget. Another problem is that the Secretariat does not have an overall system to monitor and evaluate the results and impact of its programs. Figure 10 depicts the U.N. program planning cycle and the status of the initiatives to modify it.

Figure 10: Status of Initiatives to Modify the U.N. Program Planning Cycle



Source: GAO analysis based on U.N. documents and discussion with U.S. and U.N. officials.

Clarify Objectives Not Adopted

The General Assembly is the main deliberative body of the United Nations, and it sets the Secretariat's mandates and priorities through resolutions passed at the annual meeting. The mandates and priorities become the organization's objectives and are listed in the medium-term plan—the U.N.'s program plan covering a 4-year period.[1] However, the priorities are broad, and the mandates and related program objectives often do not specify what results are expected. For example, in the 1998-2001 medium-term plan, the priorities range from the promotion of sustained economic growth and sustainable development; to the development of Africa; to controlling drugs, preventing crime, and combating terrorism; to the promotion of human rights.[2] According to senior U.N. officials, the priority areas encompass virtually any activity, do not focus their work, and result in too many objectives. We counted over 1,000 program objectives in the medium-term plan, with numerous other subobjectives. Recognizing the organization's problem in having too many objectives, the past President of the General Assembly noted that there were too many U.N. activities, generated by too many resolutions and mandates. He said that where everything is a priority, nothing is in fact a priority.

The Secretary General recommended that the General Assembly use its annual meeting to help the Secretariat focus on priorities and clarify the objectives for which it could be held accountable. Specific recommendations included (1) limiting the agenda items and resolutions at the annual meeting, thereby allowing greater focus on the truly important mandates; (2) clearly expressing in the resolutions what the Secretariat was expected to accomplish; and (3) adopting sunset provisions to eliminate unneeded programs.

The General Assembly has not adopted these recommendations. As table 11 shows, the number of General Assembly agenda items, resolutions, and mandates has increased each year since the reform measures were proposed. Moreover, the annual meeting agendas for 1997-99 did not focus on a few areas of concern. They addressed a broad spectrum of topics,

[1]The medium-term plan is a translation of legislative mandates into programs. In this respect, the medium-term plan constitutes the principal policy directive of the United Nations.

[2]The other priorities include maintenance of international peace and security, promotion of justice and international law, furthering disarmament, and coordination of humanitarian assistance.

even within a single committee agenda. For example, at each annual meeting, the Committee on Economic and Financial Issues deliberated many broad agenda items, including trade and development, the external debt crisis, sustainable development, cultural development, global climate protection, biological diversity, desertification, eradication of poverty, population development, and at least 19 other topics. Additionally, even single agenda items had numerous subagendas. For example, under the agenda item for general disarmament, there were 19 individual subitems.

Table 11: General Assembly Actions, 1997-99

	52nd General Assembly (1997)	53rd General Assembly (1998)	54th General Assembly (1999)
Agenda items	162	169	172
Subagenda items	93	98	95
Resolutions passed	224	243	253
Mandated tasks	246	587	Not available
Reports required	83	186	Not available

Source: GAO analysis of U.N. documents and data.

In our examination of the General Assembly resolutions for 1997 and 1998 that required Secretariat action, we judged 20 percent in each year to be too open-ended or vague to determine what objectives the Secretary General was expected to accomplish. For example, some resolutions contained very general language, such as requiring the Secretary General to review conditions and take appropriate measures or enhance cooperation among regional organizations or take steps to end human rights abuses. These resolutions did not indicate what results the Secretariat was expected to accomplish. According to U.N. and U.S. officials, some resolutions are vague and open-ended because member states do not agree on what outcome is desired. A vague resolution is the compromise. For example, the priority placed on fostering sustainable development and sustained economic development in the medium-term plan is a compromise between industrial countries trying to maintain environmental standards and developing countries that seek rapid economic growth. Similarly, Security Council resolutions on Kosovo are ambiguous about whether the expected result for Kosovo is autonomy or independence.

Also not adopted was the Secretary General's recommendation that new programs or activities involving major commitments of funds be subjected

to specific time limits, or "sunset" provisions. Sunset provisions would require the General Assembly to review these activities for effectiveness and specifically mandate their renewal. Although sunset provisions were supported by U.N. donors contributing 70 percent of the regular budget, some member states fear that implementing sunset provision reform will result in the redirection or elimination of resources from activities they support but that may not yield immediate results, according to U.S. and U.N. officials.

Progress Toward Adopting a Performance-Oriented Plan for the United Nations

Although the General Assembly has not focused and clarified the Secretariat's objectives through its resolutions and annual meeting, it has taken steps in this direction by authorizing the Secretariat to prepare the medium-term plan for 2002-2005 to include expected accomplishments. The Secretariat completed drafts of the medium-term plan in late March 2000. These drafts encompassed every program of the Secretariat and also included

- objectives of the programs, as understood by the Secretariat in its interpretation of the governing bodies' resolutions and directives;
- expected accomplishments of the programs; and
- indicators of achievement to measure how well the expected accomplishments were achieved.

According to the Under Secretary General for Management, the medium-term plan will be discussed by the Committee on Program Coordination during the summer of 2000 and will be considered by the General Assembly in fall of 2000. If the draft medium-term plan is approved by the General Assembly, it will provide the framework for a performance-oriented budget.

Results-Based Budgeting Under Consideration but Not Yet Adopted by the General Assembly

To better focus the organization on priorities and address the impasse on unclear expectations about results, the Secretary General recommended that the United Nations adopt results-based budgeting. Under results-based budgeting, the Secretariat would specify a program's operational costs, objectives, expected results and impact, and specific performance indicators to measure results. By approving the budget, the General Assembly would formally approve the results against which it would hold the Secretariat accountable. Currently, the United Nations develops budgets based on projected salary and other associated costs needed to

produce a certain number of outputs, such as training, conferences, and reports.

At the General Assembly's request, the Secretary General produced several reports from 1997 to 1999 explaining results-based budgeting, outlining the steps to implement it, and analyzing the rationale for shifting to this approach.[3] Prototype results-based budgets were also prepared, including some for Secretariat programs whose performance was difficult to measure through indicators.[4] For example, table 12 illustrates elements of the prototype results-based budget for one section of the Secretariat's political affairs department and one section of its program planning and budgeting office.

Table 12: Examples of U.N. Prototype Results-Based Budgeting

Budget amount	Objective	Expected outcomes	Indicators
Department of Political Affairs: Prevention, Control, and Resolution			
$75 million	Strengthen U.N. capacity in peacemaking and peace building	Early identification of potential conflicts and recommendation for preventive action Reduction of conflict tensions	Number of impending conflicts alerted to Security Council Number of early warning situations resolved by preventive action team Number of situations where peace building undertaken and hostilities not resumed
Office of Program Planning and Budgeting			
$7.5 million	Facilitate review and assessment of the budget by governing bodies and committees	Improvement in budget presentation (conciseness, consistency, clarity) Improved timeliness	Satisfaction of member states and committee members measured by resolutions or surveys Percentage of documents submitted by date requested

Source: U.N. documents.

The Secretary General recommended that the General Assembly authorize the Secretariat to develop performance indicators for all budget programs, consider ways to incorporate qualitative data into the measures, pilot-test

[3]See, for example, *Report of the Secretary General: Addendum Results-Based Budgeting*, A/51/950/Add. 6 (New York: United Nations, Nov. 12, 1997); *Results-Based Budgeting*, A/54/456. (New York: United Nations, Oct. 11, 1999).

[4]*United Nations Reform: Measures and Proposals*, A/53/500/Add. 1 (New York: United Nations, Oct. 15, 1998).

some of the performance measures, develop a full-scale prototype budget, and develop information systems needed to implement results-based budgeting. The General Assembly is considering these measures but has not yet authorized them. In February 1998, a General Assembly resolution stated that U.N. budgeting must adhere to the current process adopted in 1987—a budgeting process based on program inputs (salaries and travel) and outputs (for example, the number of reports produced). In December 1999, the General Assembly's budget committee reiterated that the U.N.'s budget must be presented in strict accordance with existing procedure and that results-based budgeting was not yet approved by the General Assembly.

Members Concerned That Results-Based Budgeting Is a Tactic to Cut Programs

According to U.N. and U.S. officials, some member states believe that results-based budgeting is a tactic to cut the U.N. budget. For example, in 1998, the Group of 77, a group of over 130 developing countries, took the position that results-based budgeting was a radical departure from accepted practices. They stated there should be no predetermined ceilings on budgets and that any attempt to use results-based budgeting would be resisted.

Although some members are concerned that adopting results-based budgeting would result in cuts to their favored programs, Secretariat officials note that results-based budgeting is a neutral tool and has the potential to show why expected results were not achieved. A 1999 study by the U.N. Joint Inspection Unit (an investigative unit with broad authority to examine the efficiency of all U.N. organizations) found that 11 of 12 U.N. specialized agencies had adopted results-based budgeting or some of its techniques. None used it as a tool to cut funding or reduce staff. One organization reported that results-based budgeting had increased member state support for the organization, leading to increased funding. Other U.N. specialized agencies reported that, when faced with the need to reduce budgets, results-based budgeting helped demonstrate the potential consequences of cutting programs and assisted member states in deciding on priorities.

U.N. Monitoring and Evaluation Do Not Measure Program Results and Impact

Another reason member states did not approve results-based budgeting was their concern about the Secretariat's ability to monitor and evaluate results. Currently, the United Nations has numerous units and offices that conduct program monitoring and evaluation, but, according to senior U.N. officials and reports of the Secretary General, they focus on outputs, lessons learned, and management efficiency. The Secretariat does not have systematic information on program impact and effectiveness, nor does it have a strategy for transforming existing efforts into a system that could provide this information. Several U.N. entities, however, are taking steps to monitor and evaluate the results and impact of their work and provide examples of ongoing efforts.

Status of Monitoring

Under U.N. regulations, the Secretary General monitors U.N. programs. The Central Monitoring Unit, part of the Office of Internal Oversight Services, carries out this function by compiling data from Secretariat offices and departments and developing program performance reports, which are provided to member states within 3 months after completion of the budget period. These reports provide data on the number of reports, conferences, advisory missions, and other outputs produced by the Secretariat over the biennium—an average of about 8,000 per biennium. The Secretariat has increased the usefulness of this system by developing a standardized, online database, which 20 of 36 Secretariat programs now use to keep managers updated about the implementation of planned activities. The Central Monitoring Unit has also requested the Secretariat Departments to provide verbal information about programs' achievements.

Although the monitoring information provides a snapshot of activity, the current system of monitoring cannot support results-oriented budgeting because it does not report on program results. For example, a segment of the performance report on crime control states that 78 activities were implemented, including activities such as strategy and planning, crime prevention, and project collaboration. The evaluation narrative explains that an implementation rate of 77 percent was achieved, including over 70 advisory missions to member states. However, there were no indicators of what these activities achieved or whether or how the advisory missions helped the beneficiaries.

Some member states find the data to be of limited value because it does not provide information on whether programs are accomplishing their objectives. In 1994, for example, the Fifth Committee (the General Assembly committee responsible for financial oversight of the Secretariat) recommended that the monitoring system be eliminated because it did not provide useful information on program achievements. In 1998, during deliberations of the Committee on Programme Coordination, some members concluded the monitoring system no longer met the needs of the organization. The Committee decided there was a need to monitor and evaluate the quality of performance and recommended that the Secretary General report on ways to better monitor and assess the quality of mandated programs and report the results to member states.[5] The report recommended several options, one of which was for program managers to identify measurable results or achievements against which the program could be held accountable. The Committee rejected the recommendation as an attempt to implement results-based budgeting.

Status of Evaluation

U.N. regulations require that all programs be evaluated on a regular basis to determine their relevance, efficiency, effectiveness, and impact in relation to their objectives. The regulations state that evaluations should use baseline data and indicators of accomplishment to assess program impact. In addition, the Secretary General's proposal on results-based budgeting set expectations that a systematic process be established for evaluating program performance through performance indicators.

The United Nations, however, does not systematically evaluate program impact or results. According to the Secretary General and other senior U.N. officials, current evaluations are primarily management oriented, focusing on program planning and design, outputs, and timeliness.[6] They do not address the impact or the continuing validity of the programs. The U.N. Office of Internal Oversight Services also periodically surveys the status of evaluation in the United Nations through its Central Evaluation Unit. According to the Director of the Central Evaluation Unit, the

[5] *Report of the Committee for Programme and Coordination on the First Part of Its Thirty-eighth Session*, A/53/16, part 1 (New York: United Nations, July 8, 1998); *Report of the Secretary-General: Methodology for Monitoring and Reporting the Programme Performance of the United Nations*, A/46/173 (New York: United Nations, May 14, 1991).

[6] See for example, *Results-based Budgeting: Report of the Secretary-General*, A/54/456 (New York: United Nations, Oct. 11, 1999).

evaluation of U.N. programs has improved, and some evaluations are candid and critical of U.N. program results. He cited the Secretary General's reports on U.N. peacekeeping in Rwanda, the fall of Srebrenica, and the operation of the International Criminal Tribunal for Rwanda as evidence of a commitment to more critically examine U.N. activities. He said, however, that the United Nations still does not systematically evaluate program results and impact.

We reviewed a selected sample of 12 evaluations, including several from U.N. departments and all the in-depth evaluations of U.N. programs conducted from 1997 to 1999. We found that some evaluations on sector-specific development activities, such as U.N. health activities in Mali and forestry projects in Brazil, discussed program impact, including how activities met objectives with some data demonstrating results. Most evaluations, however, did not deal with impact and did not evaluate whether the programs were effective in achieving intended results.

No Central Organizational Strategy for Monitoring and Evaluating Program Results

The Secretariat has not developed a centralized organizational strategy to monitor and evaluate program results and impact. Evaluations are conducted by over 20 U.N. units, ranging from the Office of Internal Oversight's Central Evaluation Unit, which covers U.N.-wide activities, to offices in the Secretariat, such as the lessons learned unit in the Department of Peacekeeping Operations. In addition, agencies, such as the U.N. Development Program and the High Commissioner for Refugees, also have their own evaluation units. Some evaluation units report to the agency head and to the governing bodies. For example, the Central Evaluation Unit reports to the Undersecretary General for Internal Oversight Services and also to the Committee on Program Coordination. Its reports are made publicly available. Other evaluation units, such as the lessons learned unit, report to the Undersecretary for Peacekeeping Operations. Its reports are unofficial and not publicly distributed. Consultants also conduct some evaluations. Further, the United Nations does not know how many staff conduct evaluation or monitoring work. The U.N. Office of Human Resources reported that numerous staff are designated in evaluation or monitoring positions throughout the Secretariat. However, some staff designated as evaluation specialists do not work on evaluations, while others not designated as evaluation staff may be conducting such work.

The Secretary General and other senior officials recognize the weaknesses in the existing monitoring and evaluation efforts and have identified some steps that need to be taken, such as ensuring an integration of efforts to

monitor program results and to conduct broader evaluations of program impact. However, they have not developed an overall plan. For example, the Secretariat has not taken an inventory of the staff and resources currently doing monitoring and evaluation. Nor has it developed a strategy to best rationalize and focus the ongoing efforts (electronically or in some other way), identified the gaps and limitations in the efforts, or outlined steps to develop a systematic means of monitoring and evaluating program results. Finally, although the Office of Internal Oversight Services, through its Central Evaluation Unit, conducts training programs on evaluation for the Secretariat, it has not issued guides on monitoring and evaluation, which could help provide greater consistency to the ongoing efforts.

Improved Performance Monitoring and Evaluation Are Possible

In March 1999, a high-level meeting of the Consultative Committee on Administrative Questions[7] discussed the issue of performance indicators and results-based budgeting with a view to establishing clear methods for assessing organizational performance. While the committee recognized that establishing performance indicators is conceptually and technically difficult, it concluded that measurement and evaluation of impact and outcome were possible and necessary. The Secretary General further stated in an October 1999 report that while the noble purposes of the United Nations could not be achieved or assessed within a short time frame, activities undertaken by the Secretariat under the U.N. Charter should be able to produce measurable results within the Secretariat's sphere of influence and within specific time frames.

Despite the challenge of fairly monitoring and evaluating performance, some U.N. agencies and programs are moving forward in developing monitoring and evaluation systems that measure the impact of their activities. In our 1998 evaluation of the Joint United Nations Programme on Acquired Immunodeficiency Syndrome,[8] we noted that the program's Secretariat was slow to create and implement an evaluation framework

[7]This committee advises the Administrative Committee on Coordination on ways of improving and harmonizing U.N. system administrative practices and promoting efficiency and economy in administrative operations. The Administrative Committee on Coordination, established in 1946, includes the Secretary General and the executive heads of the specialized agencies, the International Atomic Energy Agency, and various U.N. funds and programs.

[8]See *HIV/AIDS: USAID and U.N. Response to the Epidemic in the Developing World* (GAO/NSIAD-98-202, July 27, 1998).

that employs performance indicators. After 2 years of work, the program has developed a logical framework for monitoring and evaluating its activities, six cosponsoring organizations, nongovernmental organizations, and other donors. Table 13 provides examples of other U.N. efforts to develop performance indicators and frameworks for evaluating program impact.

Table 13: U.N. Efforts to Develop Performance-Based Indicators

Program or activity	Initiative
The U.N. Statistics Division	Designed a database framework and developed a development indicator web site to harmonize indicators produced and disseminated by the United Nations.
U.N. Development Group	Conducted an assessment of its development assistance framework pilot phase and established the procedure for each country team to examine the extent to which the framework fulfilled its goals and objectives based upon specific, measurable indicators.
The U.N. Industrial Development Organization	Established a system of performance indicators that provided member states with data showing the extent to which the organization has met objectives in its business plan.

Source: U.N. documents.

Conclusions

The United Nations has not achieved its overall reform objectives of creating an organization focused on achieving results and continuously improving because it has not yet adopted key measures needed to focus its program planning and budgeting system on managing the Secretariat's performance and holding it accountable for results. This is the key component needed to put into place the reform framework for transforming the United Nations. Continued advocacy by the United States and other member states is necessary to ensure that the United Nations undertakes these critical reforms and maintains its reform momentum.

The Secretary General's proposal to implement performance-oriented budgeting would add clarity to what the Secretariat is expected to accomplish and allow member states to hold the Secretariat accountable for results. The Secretary General has recommended that intermediate steps be taken to build confidence in this budgeting approach, including the development of performance indicators for all budget programs, use of

qualitative measures in measuring performance, and pilot-tests of some of the performance measures. The General Assembly is considering these proposals but has not yet approved them. The General Assembly is also reviewing a draft of the organization's medium-term plan that includes program performance indicators.

A necessary component for successfully implementing a performance-oriented management system is a systematic and reliable means for monitoring and evaluating program results and impact. Although the Secretariat is more candidly and critically evaluating its programs, it lacks a results-oriented monitoring and evaluation system and does not have a centralized organizational strategy for developing one. For example, the Secretariat does not have a strategy to organize and focus existing monitoring and evaluation efforts on assessing the performance of its programs and activities; nor does it have guides that could help provide more clarity and consistency in conducting evaluations.

Recommendations

To help ensure that the United Nations maintains momentum in its overall reform efforts, we recommend that the Secretary of State report annually to the Congress on the status of the Secretary General's reform plan, including an assessment of whether U.N. agencies and departments are effectively coordinating efforts at the country level, effectively implementing a results-oriented human capital system, and effectively implementing a performance-oriented management system.

Additionally, to support the United Nations in transforming the organization into one that is performance oriented and continuously improves, we recommend that the Secretary of State and the Permanent Representative of the United States to the United Nations work with other member states to

- take intermediate steps at the Secretariat to implement results-oriented budgeting, such as setting measurable goals and performance indicators for each section of the budget and introducing pilot tests on these measures and
- require the Secretariat to develop an organizational strategy for monitoring and evaluating the results and impact of Secretariat activities.

Agency Comments

The Department of State commented that the United Nations had made progress toward making its program evaluation and budget processes more results-oriented over the past several years. One recent step in this direction was agreement that budget proposal should include clear statements of accomplishments expected to be achieved. State also stated that it would report regularly to the Congress on the status of the Secretary General's reform plan and would continue to work to improve the U.N.'s planning, budgeting, and evaluation systems.

The United Nations commented that, while results-based budgeting has not yet been approved and monitoring and evaluation need to be strengthened, the progress made thus far was not complete but reflects on-going work to ensure the organization effectively meets the needs of the international community of all member states.

U.N. Reforms Under the Authority of the Secretary General and the General Assembly and Their Status

Reform action	Authority	Status: In place or substantially so	Status: Partly in place[c]	Status: Not in place[d]
Realignment of U.N. Management and Operations				
Establish the post of Deputy Secretary General	GA	X		
Establish a senior management group to set and direct unified Secretariat strategies	SG	X		
Establish a strategic planning unit	SG	X		
Establish a U.N. development group comprised of UNDP, UNICEF, UNFP, and WFP	SG	X		
Improve the U.N. system's implementation of post-conflict peace-building initiatives	SG		X	
Strengthen peacekeeping operations by enhancing information sharing with member states, increasing rapid reaction capacity, and applying provisionally a model of status of forces agreement	GA		X	
Enhance policy and program coherence in economic and social fields	SG		X	
Extend and strengthen the role of the High Commissioner for Human Rights	SG	X		
Consolidate the High Commissioner for Human Rights and the Center for Human Rights	SG	X		
Develop a proposal to rationalize/reorganize the U.N.'s human rights activities	SG		X	
Establish an Emergency Relief Coordinator to lead and coordinate all U.N. action on complex emergencies; dissolve the Department of Humanitarian Affairs	SG	X		
Designate the Emergency Relief Coordinator as the U.N. Humanitarian Assistance Coordinator, and transfer natural disaster mitigation activities to UNDP	GA	X		
Consolidate crime, drug, and terrorism issues into a single office	SG	X		
Create a Department of Disarmament Affairs	SG	X		
Update, streamline, and rationalize work of the Disarmament Commission and the First Committee	GA			X
Reform the subsidiary bodies of the Economic and Social Council, including consolidations, review of mandates, and reporting processes	GA			X
Review the regional commissions vis-à-vis global bodies and other regional intergovernmental bodies for rationalization and consolidation	GA			X
Coordinate and rationalize research institute and UN activities in terms of governance and other arrangements	SG		X	
Develop plans to strengthen the U.N. Environmental Program and the U.N. Center for Human Settlements	SG		X	

Continued

Reform action	Authority	Status: In place or substantially so	Status: Partly in place[c]	Status: Not in place[d]
Discontinue the High-level Advisory Board on Sustainable Development	GA	X		
Reschedule Economic and Social Council meeting times, convene a panel of experts, and establish a trust fund	GA		X	
Make the Special Representative of the Secretary General the ranking U.N. country official	SG	X		
Strengthen country-level coordination through implementation of a development assistance framework and common premises/services arrangements	SG		X	
Develop a multi-year funding framework for UNDP and UNFPA	SG			X
Consider arrangements for closer integration of the governance oversight of UNDP, UNFPA, and UNICEF	GA		X	
Strengthen U.N. relationships and partnerships with civil society and business groups			X	
Management of Human Capital				
Promote continuous learning as an organizational priority through the performance appraisal system	SG	X		
Define core organizational values and competencies that all staff members are expected to practice	SG	X		
Implement an integrated system of human resources planning for the organization's short- and long-term	SG		X	
Create a simplified, flexible, timely, and cost-effective system of recruitment and placement	SG		X	
Encourage movement of personnel across functions, departments, duty stations and organizations of the United Nations system, allowing the organization to manage its resources on a global basis	SG		X	
Delegate limited authority to line managers in the areas of human resources and financial management	SG		X	
Streamline human resources policies, processes, and rules in the area of staff administration to reduce the time required to accomplish human resource tasks	SG		X	
Develop policies and mechanisms to ensure compliance and accountability for human resources management policies	SG		X	
Refocus the role of the Office of Human Resources Management to develop strategies and policies for the organization, and guidance to line managers	SG		X	
End the use of gratis personnel offered by member states	SG	X		
Establish a one-time training and redeployment program for staff affected by the reform process	SG	X		

Continued from Previous Page

Reform action	Authority	Status: In place or substantially so	Status: Partly in place[c]	Status: Not in place[d]
Establish an informal group of independent advisors to offer their views on senior-level appointments	SG	X		
Design conditions of service that are progressive and competitive	SG		X	
Planning, Budgeting, Monitoring, and Evaluation				
Focus, limit, and rationalize the work of the General Assembly through such measure ending the annual session by the end of November and limiting the agenda items	GA			X
Ensure sunset provisions are applied to all new programs	SG			X
Shift to performance or results-based budgeting	GA			X
Improve program evaluation and monitoring system, including the use of criteria and performance indicators for determining effectiveness and impact of programs	SG			X
Building on lessons learned in efficiency reviews, expand management reviews to all departments and offices	SG	X		
Establish a development account to be founded from savings from efficiency projects	SG	X		
Identify and implement common services arrangements to reduce costs and increase efficiency	SG		X	
Establish a new system of core resources consisting of voluntary contributions and negotiated pledges to be appropriated in multi-year tranches	GA			X
Create an electronic U.N. with internet site, home page, and common streamlined databases to support U.N. functions	SG	X		
Establish a $1 billion Revolving Credit Fund to provide liquidity as an advance on member states outstanding contributions	GA			X
Review all procurement, human resources, finance and other processes to simplify and reduce redundancies	SG		X	
Review all relevant rules and regulations of the U.N. for simplification, with the goal of reducing them to a minimum	SG		X	
Introduce “issue management” system method and technique at the inter-agency level	SG		X	

Continued from Previous Page

[a] SG denotes reforms the Secretary General can implement under his own authority. GA denotes those reforms requiring General Assembly approval.

[b] Substantially in place is defined as reforms that have been formally approved and key elements in place.

[c] Partly in place is defined as reforms that have been formally approved, some key elements in place but others are missing.

[d] Not in place is defined as reforms that have not been formally approved or most key elements not in place.

Source: GAO.

Comparison of the Secretariat's Human Capital Reforms to the Practices of High-Performance Organizations

Our work on human capital management issues has pointed to a number of principles, values, and actions that are characteristic of high-performance organizations. For example, we found that high-performance organizations (1) create a performance culture that ensures accountability and fairness for all employees and (2) foster a committed leadership team and continuity through succession planning. We found that the U.N. Secretariat has proposed and is trying to implement reform elements and values that are consistent with those of high-performing organizations. The status of these reforms varies from just underway in the area of succession planning to significant implementation in the area of performance culture. We did not attempt to assess the effectiveness of the Secretariat's activities because of the relatively recent start-up for much of the Secretariat's activities. However, we note that our experience in reviewing the implementation of human capital reforms in U.S. government agencies suggests that these reforms are difficult to implement and require the vigorous and ongoing support of top management to maintain their momentum.

Parameters for Human Capital Reforms Compared to the U.N. Secretariat's Program

In September 1999, we published *Human Capital: A Self-Assessment Checklist for Agency Leaders* (GAO/GGD-99-179). While there is no single recipe for successful human capital management, this document identifies a number of human capital elements and underlying values that are common to high-performance-organizations. It describes a five-part framework against which to measure human capital management systems.

- *Strategic planning*: Establish the agency's mission, vision for the future, core values, goals, and strategies.
- *Organizational alignment*: Integrate human capital strategies with the agency's core business practices.
- *Leadership*: Foster a committed leadership team and provide continuity through succession planning.
- *Talent*: Recruit, hire, develop, and retain employees with the skills for mission accomplishment.
- *Performance culture*: Enable and motivate performance while ensuring accountability and fairness for all employees.

In the following sections, we compare human capital steps the U.N. Secretariat has taken and is planning in the context of our framework.

Strategic Planning

The Secretary General has communicated a vision of the organization he wants the Secretariat to become. The vision is enunciated in several documents, including *The Status, Basic Rights, and Duties of United Nations Staff Members* (Dec. 1998), *The Report of the Secretary General: Human Resources Management Reform* (Oct. 1998), and *Renewing the United Nations: a Program for Reform* (July 1997). In these documents, the Secretary General sets the core missions for the United Nations: (1) maintenance of international peace and security; (2) promotion of economic development; (3) effective response to humanitarian disasters; and (4) progress in advancing world economic and social issues, such as gender equality and sustainable development. Advancing human rights is a key part of each of these missions. The vision also strives for a workforce that is results-oriented, accountable, and committed to continuous learning. These objectives are linked to the departmental human resource workplans, the performance appraisal system, and the Secretariat's training programs.

Organizational Alignment

The Secretariat has taken steps to integrate the human resource function into agency operations. The very top levels of the Office of Human Resources Management actively work with departmental management in identifying critical human resources needs and recruiting to ensure those needs are met. At lower levels in the Office of Human Resources Management, staff work with departments and offices to monitor and improve the functioning of the performance appraisal system. In workforce planning, the Secretariat has developed rudimentary capabilities to assemble and analyze basic information on its workforce. The Secretariat has not completed a comprehensive skills inventory for the workforce on hand or an inventory by position of required skills and experience needed to accomplish its work.

Leadership

The Secretariat has moved forward in numerous ways to provide direction and leadership in human capital management. With the adoption of core values, core competencies, and managerial competencies, the Secretariat has defined its general direction for the future and set the bar for anyone who wants to become a leader of the organization. The training programs for managers inaugurated in the last few years actively attempt to reshape current managers in line with the Secretariat's new direction and vision. The performance management system aligns with the organization's values and rewards those managers whose performance reflects those values. The

performance management system applies not only to line managers and staff but also to the assistant secretaries general and to the undersecretaries.

Talent

The Secretariat is taking steps to recruit, hire, develop, and retain employees with the skills for mission accomplishment. Training and staff development are aligned with the needs of the Secretariat through departmental training budgets for updating technical skills and centrally funded training tied to meeting core competency requirements. Additionally, the performance management system has introduced a culture of continuous learning. However, the training budget is insufficient by the Secretariat's own standard, and significant human resource management tools are not yet ready. Spending for staff training is relatively low. The Secretariat estimated it was at 1 percent of expenditures while noting that some private sector institutions spend as much as 5 percent on training. The U.N.'s own funds and programs spend in the neighborhood of 2 percent on training.

The Secretariat's recruitment system is not efficient at recruiting in a timely fashion to meet management's needs. The Secretariat is now drafting rules and regulations for the new system.

Performance Culture

Initiating reforms to develop a performance culture is the area of human capital reform in which the Secretariat has been working the longest and can point to numerous actions—implementation of a merit-based appraisal system, linkage of job performance to departmental objectives, instilling a culture of continuous learning, and reorienting the organizational culture to achieving results. Most recently, the Secretariat has issued instructions on linking performance appraisal to salary incentives. These changes are strongly backed by top Secretariat management.

Comments From the Department of State and the U.S. Mission to the United Nations

United States Department of State

Chief Financial Officer

Washington, D.C. 20520-7427

April 27, 2000

Dear Mr. Hinton:

We appreciate the opportunity to review your draft report "UNITED NATIONS: Reform Initiatives Have Strengthened Operations, but Overall Objectives Have Not Yet Been Achieved," GAO/NSIAD-00-150, GAO Job Code 711447.

Comments, signed by Department of State Assistant Secretary for International Organization Affairs, C. David Welch, and United States Representative to the United Nations, Richard C. Holbrooke, are enclosed for incorporation in the final report.

If you have any questions concerning this response, please contact Ms. Lynette M. Podolsky, Office of UN System Administration, Bureau of International Organization Affairs, at (202) 647-6396.

Sincerely,

Bert T. Edwards

Enclosure:

As stated.

cc:
GAO/NSIAD – Mr. Miyabara
State/IO/S – Ms. Podolsky

Mr. Henry L. Hinton, Jr.,
Assistant Comptroller General,
National Security and International Affairs,
U.S. General Accounting Office.

Department of State and USUN Comments on the GAO Draft Report,
"UNITED NATIONS: Reform Initiatives Have Strengthened Operations, but Overall Objectives Have Not Yet Been Achieved"
GAO/NSIAD-00-150
Job Code 711447

We welcome the report of the General Accounting Office on UN Management and Reform. The report is thoughtful and provides a very helpful guide to the challenges and accomplishments related to the UN's reform agenda. We appreciate this opportunity to highlight and comment on the GAO's findings on behalf of the United States Government.

The Department of State and the U.S. Mission to the United Nations have put a tremendous amount of effort in the last two years into promoting the Secretary-General's reform initiatives and applaud the substantial achievements made toward its implementation. We endorse the report's finding that the steps taken to restructure and consolidate UN leadership and operations have made UN activities markedly more effective. In particular, these reforms were critical to the UN's success in mid-1999 in deploying peacekeeping forces in East Timor in record time. Although much remains to be done to improve coordination and resource management in the area of peacekeeping in particular, the Secretary-General has undertaken significant steps to improve the overall operational effectiveness of the UN.

The U.S. has actively supported the reforms introduced by the Secretariat to develop a streamlined, performance-oriented human resources management system. We endorse the report's conclusion that the establishment of a merit-based personnel appraisal system linking job expectations to program objectives has contributed to the development of a results-oriented culture at the UN.

The United Nations has also made progress toward making its program evaluation and budget processes more results-oriented over the past several years. One recent step in this direction was the agreement made by Member States that budget proposals should include clear statements of the accomplishments expected to be achieved with the resources allocated for specific programs. In addition, the proposed Medium Term Plan for 2002-2005 for the first time provides strategic objectives, expected accomplishments and performance indicators to be used in evaluating progress made in achieving desired outcomes. These changes, coupled with continuing improvements in the Secretariat's program evaluation capacity and experience, make it clear that the UN is building performance-based management principles into its culture.

We agree with the thrust of GAO's recommendations, which is to sustain momentum for UN modernization and reform. To this end, we will continue to report regularly to the Congress, in the context of the oversight process, on the status of the Secretary-General's

reform plan. We will also continue working to improve the UN's planning, budgeting, and evaluation systems.

As we move into the new millennium, the United Nations remains critical to American national security policy. We have made it a top priority to ensure that necessary reforms are enacted to enable the UN to meet future challenges. We thank the GAO for its thoughtful insights which will serve as a highly useful tool in this effort.

C. David Welch
Assistant Secretary
International Organization Affairs
Department of State

Richard C. Holbrooke
U.S. Representative to the
United Nations

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Comments From the United Nations

UNITED NATIONS NATIONS UNIES

POSTAL ADDRESS—ADRESSE POSTALE: UNITED NATIONS, N.Y. 10017
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REFERENCE:

25 April 2000

Dear Mr. Hinton,

In reference to the GAO report on United Nations Reform initiatives, we are pleased to inform you that the positive comments that this report provides are most welcome.

Your overall assessment demonstrates the serious efforts that the Secretary-General has undertaken to reform the United Nations, to provide a more cohesive leadership structure, to improve its leadership and relevance to Member Sates and to enhance its operational efficiency. Progress has been made in unifying and coordinating the organizational structure of the United Nations Secretariat and its funds and programmes. Your recognition of our efforts to reform human resources which will lead to an international civil service that is more focused on achieving results and a system that will promote a culture of higher performance and continuous learning is also most welcome.

While results-based budgeting has not yet been approved by the membership, and recognizing that monitoring and evaluation need to be strengthened, it must be pointed out that the progress achieved to date is by no means complete but reflects the on-going work and determination to see that the Organization carries out its responsibilities and role effectively and efficiently to meet the needs of the international community of all Member States.

I would be grateful if these comments could be included in the final report.

Yours sincerely,

Joseph E. Connor
Under-Secretary-General for Management

Mr. Henry L. Hinton
Assistant Comptroller General
United States General Accounting Office
Washington, D.C., 20548

GAO Staff Acknowledgments

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