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UNITED NATIONS

Reforms Progressing, but Comprehensive Assessments Needed to Measure Impact

GAO

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Why GAO Did This Study

The U.N. Secretary General launched two reform agendas, in 1997 and 2002, to address the U.N.'s core management challenges—poor leadership of the Secretariat, duplication among its many offices and programs, and the lack of accountability for staff performance. In 2000, GAO reported that the Secretary General had reorganized the Secretariat's leadership and structure, but that the reforms were not yet complete. As the largest financial contributor to the United Nations, the United States has a strong interest in the completion of these reforms.

GAO was asked to assess the (1) overall status of the 1997 and 2002 reforms, (2) implementation of reforms in four key areas, and (3) potential challenges to reform.

What GAO Recommends

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 encourage the Secretary General to (1) report regularly on the status and impact of reforms; (2) identify short- and long-term goals and establish target end dates for remaining reforms; and (3) conduct assessments of the resulting resource implications.

We received comments from the Department of State and the United Nations, both of which generally agreed with our conclusions and recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-04-339.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Joseph Christoff at (202) 512-8979 or christoffj@gao.gov.

What GAO Found

As of December 2003, 60 percent of the 88 reform initiatives in the 1997 agenda and 38 percent of the 66 initiatives in the 2002 agenda were in place. In general, reforms under the Secretary General's authority were progressing more quickly than those requiring member states' approval. Since 1997, the Secretariat has implemented reforms to provide more unified leadership and coordination across departments and offices. However, the Secretariat has implemented other reforms, such as developing a written plan or establishing a new office, that are only the first step in achieving the Secretary General's overall goals.

Reforms in four key areas of U.N. operations are in various stages. First, the Secretariat has taken positive steps to strengthen its human capital management, but reforms in this area are ongoing and additional challenges remain. Second, the U.N. has begun to adopt results-oriented budgeting, but its monitoring and evaluation system does not measure program impact. Third, although the Secretariat reorganized its public information department, reforms of library management and publications are not fully in place. Fourth, the Secretariat's human rights office implemented the majority of its management reforms but does not have the authority to implement reforms outside the Secretariat.

U.N. reform faces several challenges. For example, the Secretariat does not conduct comprehensive assessments of the status and impact of U.N. reforms. In addition, the reform agendas lack clearly stated priorities, interim goals, and target dates for overall completion. Other challenges include resistance to change from program managers and possible resource constraints.

Status of Reforms in Four Key Areas of U.N. Operations

Area of Reform	Progress	Key Challenges
Human Capital Management	Developed strategy for reforming human capital management	Managing staff movement across organizations and geographic locations
	Implemented new recruitment and placement system and an electronic performance appraisal system	Decentralizing authority and accountability for personnel decisions
Performance-Oriented Budgeting	Adopted a budget that reflects a results-based budgeting format	Identifying obsolete programs and shifting resources to priorities
Public Information Activities	Streamlined Department of Public Information with focus on measuring results	Officials' and member states' reluctance to identify duplicative publications
	New internal committee aims to improve cost efficiency of library management	
Human Rights Program	Restructured human rights office with focus on improving financial, human capital, and program management	Heavy reliance on voluntary funding for core programs
		Secretary General's authority is limited to Secretariat reforms only

Sources: GAO; Nova Development and PhotoWire (clip art).

United States General Accounting Office

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Abbreviations

DPI	Department of Public Information
ECOSOC	Economic and Social Council
IASC	Inter-Agency Standing Committee
JIU	Joint Inspection Unit
OHCHR	Office of the High Commissioner for Human Rights
OHRM	Office of Human Resources Management
OIOS	Office of Internal Oversight Services
OPPBA	Office of Program Planning, Budget, and Accounts
UNCTAD	U.N. Conference on Trade and Development
UNDP	U.N. Development Program
UNFPA	U.N. Population Fund
UNICEF	U.N. Children's Fund

United States General Accounting Office
Washington, DC 20548

February 13, 2004

The Honorable Richard G. Lugar
Chairman
Committee on Foreign Relations
United States Senate

The Honorable Michael Enzi
United States Senate

The United Nations' regular budget for the 2004-2005 biennium exceeds $3 billion for the first time. U.N. officials, including the Secretary General, have stated that additional funding will be needed to upgrade U.N. security worldwide and expand current programs in Iraq. In light of these increasing demands, the Secretary General and member states have called on the Secretariat to better define priorities and eliminate outdated activities. These calls have also highlighted the need for more accountable leadership and improvements in key management practices. In 1997, the Secretary General launched a major reform initiative to restructure U.N. leadership and operations, develop a results-oriented human capital system, and introduce a performance-based programming and budgeting process. In May 2000,[1] we reported that, while the Secretary General had substantially reorganized the Secretariat's leadership and structure, he had not yet completed reforms in human capital management and planning and budgeting. To encourage the full implementation of the 1997 reforms and highlight reforms in public information activities and the human rights program, the Secretary General launched a second round of reforms in September 2002.

As the largest financial contributor to the United Nations,[2] the United States has a strong interest in the completion of these reforms. In response

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[1]U.S. General Accounting Office, *United Nations: Reform Initiatives Have Strengthened Operations, but Overall Objectives Have Not Yet Been Met*, GAO/NSIAD-00-150 (Washington, D.C.: May 10, 2000).

[2]The United States is assessed to pay 22 percent of the U.N.'s regular budget. The United States also is assessed 27 percent of the U.N. peacekeeping budget, and makes voluntary contributions to the United Nations and its specialized agencies that are primarily for humanitarian and development programs and activities. Overall, the United States contributed more than $3 billion to the U.N. system in 2002.

GAO-04-339 U.N. Reform

to your request, we assessed (1) the overall status of the U.N. reforms proposed in 1997 and 2002 by the Secretary General; (2) the Secretariat's efforts to implement specific reforms in four key areas:[3] human capital management, performance-oriented budgeting,[4] public information activities, and the human rights program; and (3) overall challenges facing the implementation of U.N. reforms.

To address these issues, we reviewed the Secretary General's 1997 and 2002 reform plans and interviewed senior officials from several Secretariat departments in New York City and Geneva, Switzerland. We met with officials from the Offices of the Deputy Secretary General, the Acting High Commissioner for Human Rights, the Departments of Management and Public Information, and the Office of Internal Oversight Services. In addition, we reviewed reports and bulletins of the Secretariat, relevant U.N. resolutions, and related budget documents. During the course of our review, we discussed the status of U.N. reforms with officials from the Department of State in Washington, D.C.; New York; and Geneva (see app. I for more information on our scope and methodology).

Results in Brief

The Secretary General launched two major reform initiatives, in 1997 and 2002, to address the U.N.'s core management challenges—poor leadership of the Secretariat, duplication among its many offices and programs, and the lack of accountability for staff performance. The 1997 reform plan consisted of initiatives that the Secretary General could implement on his own authority and those that required the approval of member states. As of December 2003, we found that, overall, 60 percent of the 88 reform initiatives in the 1997 reform agenda were in place. Of the 1997 reforms, the Secretary General implemented 70 percent of the reforms under his authority, while 44 percent of the reforms requiring member state approval are in place. In addition, we found that 38 percent of the 66 reform initiatives in the 2002 reform agenda—which did not differentiate between

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[3]We did not examine U.N. peacekeeping reform in detail other than to assess the status of specific reforms in the 1997 and 2002 agendas (see app. II). In September 2003, GAO reported on some U.N. peacekeeping reforms, including performance-oriented planning and programming. See U.S. General Accounting Office, *U.N. Peacekeeping: Transition Strategies for Post-Conflict Countries Lacked Results-Oriented Measures of Progress*, GAO-03-1071 (Washington, D.C.: Sept. 26, 2003).

[4]Performance-oriented budgeting is the process by which budgeted activities are linked to expected results, programs are monitored and evaluated regularly, and resources are shifted to meet new priorities.

the Secretary General's and member states' authority—are in place. Since 1997, the Secretariat has implemented reforms to provide more unified leadership and coordination across departments, programs, and offices. The Secretariat has also implemented other reforms, such as developing a written plan or establishing a new office, that are only the first steps in achieving the Secretary General's goals. However, it is the completion of additional efforts, such as providing staff and financial resources, and creating performance goals, that will contribute to building an effective department or office.

The United Nations is in various stages of implementing reforms in four key areas—human capital management, performance-oriented budgeting, public information activities, and the human rights program.

- Both U.N. officials and external observers have identified long-standing weaknesses in the Secretariat's personnel—or human capital—management, including the extensive time required to recruit and hire staff, and the need to hold managers and staff more directly accountable for their performance. In response to these concerns, the Secretariat developed a reform strategy that included a new recruiting and placement system, which decentralized hiring authority and, according to U.N. sources, significantly reduced the average time to hire staff. The Secretary General also introduced new accountability mechanisms, including annual performance agreements for senior managers and a new staff performance appraisal system. Further steps are needed, however, to implement other human capital reforms. For example, U.N. officials cited the need to develop a system to efficiently screen the increased number of applications received through the online hiring system.

- The United Nations recognized that it lacked a system to evaluate the effectiveness of its activities and eliminate programs that were obsolete and did not address immediate priorities. In response, it began to adopt performance-oriented budgeting in December 2000. A performance-oriented budgeting framework includes three key elements: (1) a budget that reflects a results-based budgeting structure, linking budgeted activities to performance expectations; (2) a system to regularly monitor and evaluate the impact of programs; and (3) procedures to shift resources to meet program objectives. The United Nations has the first key element in place but does not systematically monitor and evaluate program performance to determine the relevance of programs so that it can eliminate obsolete programs and move resources to priority programs. However, the Secretariat is implementing a strategy to strengthen program monitoring and evaluation. The General Assembly also adopted an initiative to strengthen the role of one of its oversight committees

responsible for program monitoring and evaluation, but the General Assembly does not evaluate the Secretariat's program results to reallocate resources to new priorities.

- Several internal and external management reviews concluded that the Secretariat should manage its public information activities—including the U.N.'s worldwide information offices, libraries, and publications—in a more efficient, cost-effective manner. The 2002 reform agenda called for the reorganization of the Department of Public Information, both at headquarters and in the field, to reduce duplicative activities, leverage cost-saving technology, and focus its staff on achieving and measuring results. These reforms are substantially in place. However, reforms to improve outdated library technology and streamline the Secretariat's duplicative publications are only partly in place. The success of the latter will depend on the willingness of Secretariat officials and the General Assembly to identify unneeded publications and discontinue duplicative mandated activities.

- Based on internal management reviews, the Secretary General called for reforms of the Secretariat's human rights office to improve its financial, human capital, and program management. Although we found that these reforms are substantially in place, the Secretary General does not have the authority to implement other human rights reforms outside the Secretariat. For example, the Secretary General called for improvements to the quality of reports submitted to the Commission on Human Rights by individuals and groups that monitor and report on human rights situations worldwide. In response, the Secretariat's human rights office requested and received funding for additional staff to assist these reporters. However, the Secretary General cannot implement other proposed improvements, such as setting selection criteria for the reporters or rating their performance in producing reports.

We identified several challenges that may impact the Secretariat's ability to meet the overall goals of the reforms. First, the Secretariat does not conduct periodic, comprehensive assessments of the status and impact of reforms. Without such assessments, the Secretariat cannot determine if it is meeting the Secretary General's overall reform goals or identify areas where further improvements are needed. Second, the 2002 reform agenda did not differentiate between short- and long-term goals. Setting implementation goals and a timeline is a key practice for organizations

engaged in change management initiatives.[5] Third, some managers have resisted implementing certain reforms, but their support is critical for the institutionalization of reforms in the long term. Fourth, several U.N. officials we spoke with stated that reforms were delayed because additional resources were not made available for their implementation. The Secretary General stated that departments would need to implement reforms within existing resources because additional funding would not be available in the regular budget.

This report makes recommendations to the Secretary of State and the Permanent Representative of the United States to the United Nations to work with other member states to encourage the Secretary General to (1) report regularly on the status and impact of the 1997 and 2002 reforms and other reforms that may follow; (2) differentiate between short- and long-term reform goals and establish expected time frames for completion of those reforms that are not in place; and (3) conduct assessments of the financial and personnel implications associated with the implementation of the reforms.

We received written comments from the Department of State and the United Nations, which we have reprinted in appendixes III and IV. Both State and the United Nations generally agreed with our findings and recommendations and commented on ongoing reform efforts.

Background

The United Nations comprises (1) the Security Council, the General Assembly, the Economic and Social Council, and other governing bodies of member states that set the work requirements, or mandates, for U.N. programs and departments; (2) the Secretariat, headed by the Secretary General, which carries out a large part of the mandated work; and (3) the funds and programs, such as the U.N. Development Program, which are authorized by the General Assembly to conduct specific lines of work. Many funds and programs have their own governing bodies and budgets (mainly paid for by voluntary contributions from participating nations). The Secretary General's reform initiatives do not apply to specialized agencies—such as the World Health Organization and the Food and

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[5]U.S. General Accounting Office, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 2, 2003).

Agricultural Organization—and programs that have their own governing bodies.

Calls to reform the United Nations began soon after its creation in 1945. Despite cycles of reform, U.N. member states have had concerns about inefficient operations; problems of fragmentation, duplication, and poor coordination; and the proliferation of mandates. As one of the 191 member states, the United States played a significant role in promoting U.N. reform, calling for financial, administrative, and programmatic changes. The State Department and the U.S. Mission to the United Nations actively promoted these reforms such as establishing inspector general's offices, many of which have been implemented. The State Department continues to promote further reforms and reports on the status of major reform initiatives to the U.S. Congress (see fig. 1).

In July 1997, the Secretary General proposed a broad reform program to transform the United Nations into an efficient organization focused on achieving results as it carried out its mandates. Although the Secretary General does not have direct authority over specialized agencies and many funds and programs, the reforms at the Secretariat were intended to serve as a model for U.N.-wide reforms. In May 2000, we reported that the Secretariat had substantially restructured its leadership and operations and partly implemented a performance-oriented human capital management system. However, performance-oriented programming and budgeting proposals had not yet been adopted.

Figure 1: Major U.N. Reforms and U.S. Legislation, 1945 to the Present

1947 The U.S. Senate Expenditures Committee initiated the first review of U.N. management and administration, finding serious problems of overlap, duplication of effort, weak coordination, and proliferating mandates and programs.

1985 The U.S. Congress passed the Foreign Relations Authorization Act, which placed a 20 percent ceiling on U.S. contributions to the United Nations and its specialized agencies until the United Nations adopted weighted voting, which would give larger financial contributors more decision-making authority over the budgets.

1986 The United Nations adopted a consensus-based budgeting system.

1994 To strengthen internal oversight and improve management, the United Nations established the Office of Internal Oversight Services, which is the U.N.'s audit and internal evaluation unit, as an independent office reporting directly to the Secretary General.

The U.S. Foreign Relations Authorization Act introduced legislative requirements placing a 25 percent ceiling on U.N. peacekeeping payments.

1997 The Secretary General introduced his first reform package centered around three core elements: (1) restructuring U.N. leadership and operations to improve management and cost-effectiveness; (2) developing a performance-based human capital system; and (3) adopting performance-oriented budgeting to measure program performance.

1999 The Helms-Biden U.N. Reform Act of 1999 made payment of U.S. arrears contingent on benchmarks related to U.N. financial, administrative, and programmatic reform.

2000 The General Assembly reduced the U.S. contribution to the regular budget from 25 to 22 percent and revised the process for determining peacekeeping assessments, reducing the U.S. contribution from 30 to 27 percent.

The Report of the Panel on United Nations Peace Operations, commonly referred to as the "Brahimi Report," made recommendations to the Secretary General to improve the strategic direction, planning, organization, and conduct of peacekeeping operations.

2002 The United Nations met the last of the Helms-Biden benchmarks in 2002, prompting the U.S. Congress to release the third and final installment to pay more than $1 billion in dues to the United Nations.

The Secretary General released a second reform agenda, organized under five core elements: (1) continuing reform of the Secretariat's human capital system; (2) improving the planning, budgeting, monitoring and evaluation process; (3) improving public information activities; (4) strengthening the human rights system; and (5) enhancing coordination among U.N. departments and programs and civil society.

Source: GAO analysis of U.N. documents and U.S. legislation.

In September 2002, the Secretary General released a second set of reform initiatives with 36 reform actions, some expanding on previous reform initiatives introduced in 1997 and others reflecting new priorities for the organization. The overall goal was to align U.N. activities with the priorities defined by the Millennium Declaration[6] and the new security environment.

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[6]In 2000, the General Assembly adopted the Millennium Declaration, which contains a set of priorities and specific time frames for meeting development goals. The Millennium Declaration and the Secretary General's Road Map toward implementation of the U.N. Millennium Declaration provide the overall priorities for all U.N. activities.

Implementation of U.N. Reforms Has Advanced in Recent Years, but Further Actions Are Needed to Complete Reforms

As of December 2003, 60 percent of the 1997 reforms and 38 percent of the 2002 reforms were fully or substantially in place—or 51 percent overall (see app. II for the status of U.N. reforms). The Secretary General set a target date of 1999 for the implementation of reforms in the 1997 agenda, which consisted of initiatives that he could implement on his own authority and those that required member states' approval. Of these reforms, the Secretary General implemented 70 percent of those reforms under his authority, while 44 percent of reforms requiring member states' approval were in place. However, the outputs of many reforms, such as developing a written plan or establishing a new office, are only the first step in achieving the Secretary General's overall reform goals. Although many of these reforms are in place, departments and offices in the Secretariat are still institutionalizing these new plans to improve U.N. operations in the long term.

Secretariat Is Implementing Reforms, but Those Requiring Member State Approval Take Longer to Implement

Since our May 2000 report, the United Nations continued to implement reforms from the Secretary General's 1997 reform agenda and began to implement initiatives from the 2002 agenda (see fig. 2). We found that 60 percent of the 88 reform initiatives in the 1997 agenda were in place, compared with 38 percent of the 66 reform initiatives in the 2002 agenda. Overall, 51 percent of reforms from the 1997 and 2002 agendas were in place. We identified a total of 154 reform initiatives from the 1997 and 2002 reform agendas. This number differs from U.N. figures because many of the Secretary General's reform action items had several components that we identified and counted as separate initiatives. To determine the implementation status of these reforms, we interviewed senior U.N. officials and reviewed relevant reports, bulletins, and resolutions. We then rated the reforms as

- in place or substantially so—that is, the reform had been approved and most key and minor elements were in place;

- partly in place—that is, the reform had been approved, and some key elements, as well as some or most minor elements, were in place; or

- not in place—that is, the reform had not been formally approved and minor elements could be in place, but no key elements were in place (see app. I for a more detailed description of our methodology).

Figure 2: Overall Status of U.N. Reforms

Status of 1997 Reforms

24% 16% 60%

Overall Status of 1997 and 2002 Reforms

14% 35% 51%

Status of 2002 Reforms

12% 50% 38%

Not in place

Partly in place

In place or substantially so
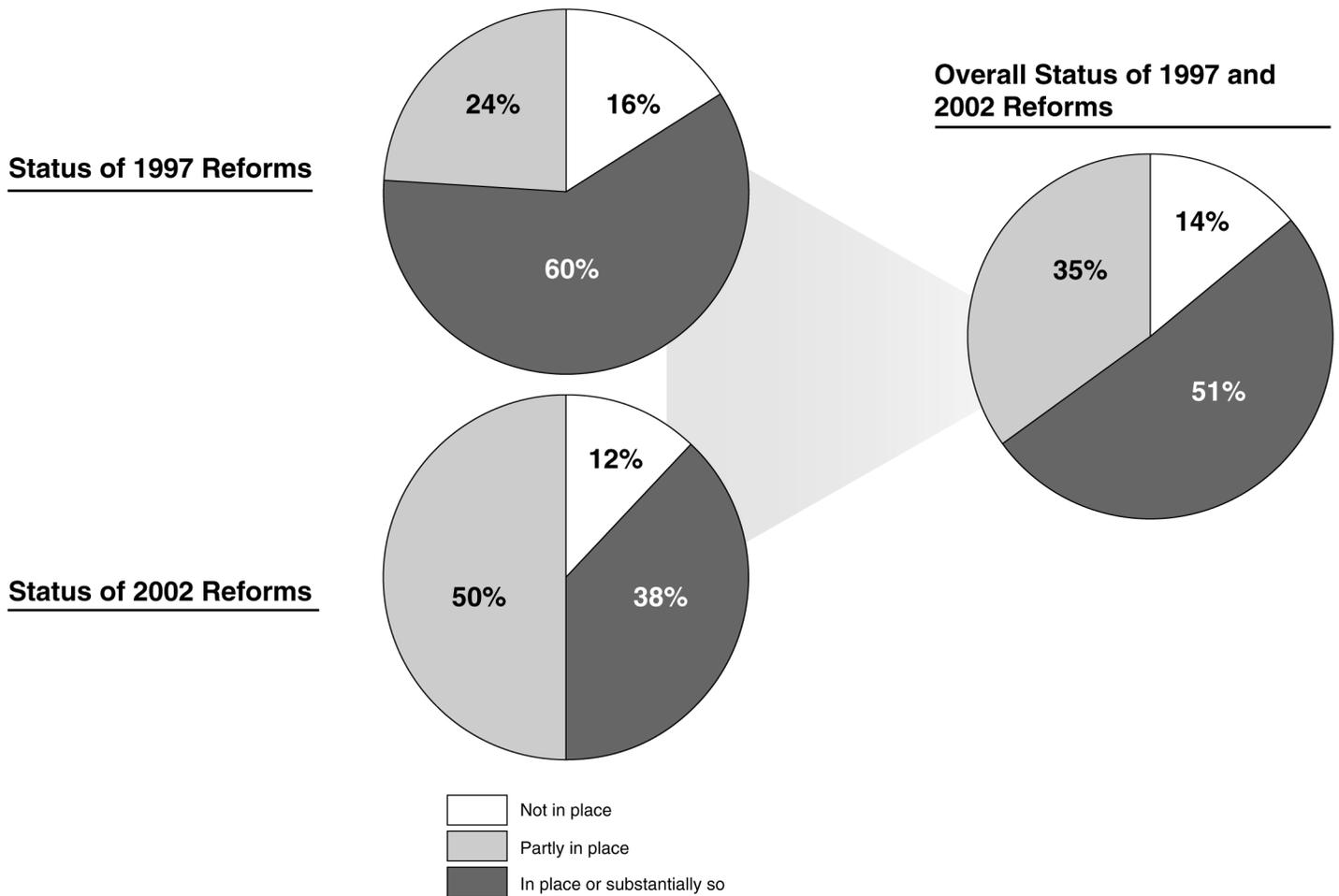
Source: GAO.

The implementation of reforms under the Secretary General's authority advanced faster than those under the authority of the member states. We found that 70 percent of the 56 reform initiatives in the 1997 reform agenda under his authority are fully or substantially in place, compared with 44 percent of the 32 initiatives requiring member state approval (see fig. 3). The 2002 agenda did not differentiate between initiatives that the Secretary General could implement on his own authority and those that required member states' approval.

Figure 3: Breakdown of 1997 Reforms

1997 Reforms under the Authority of the Secretary General

1997 Reforms under the Authority of Member States

- Not in place
- Partly in place
- In place or substantially so
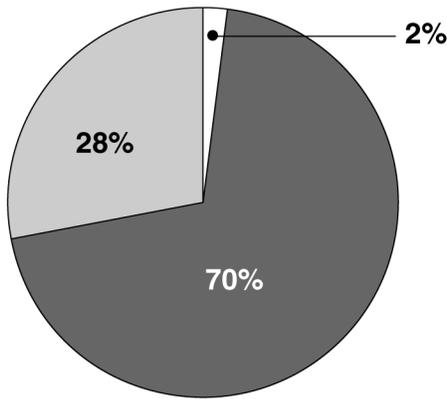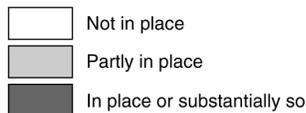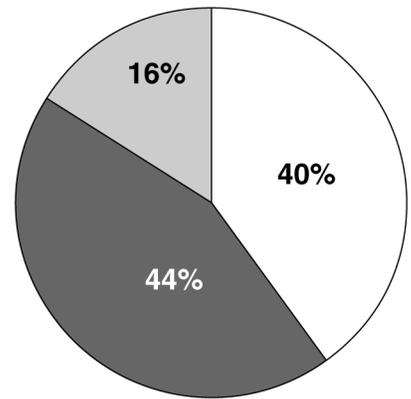
Source: GAO.

In particular, the Secretariat made the most progress on the 1997 reforms to

- restructure U.N. operations to provide more unified leadership and coordination across departments, programs, and offices;

- institute a new human capital management system that sets expectations and rates staff performance; and

- adopt results-based budgeting.

However, the General Assembly did not adopt many reforms, such as those to

- further shorten the length and reduce the cost of its annual meetings;

- focus the assembly's yearly debates on a few priority areas; and

- institute time limits, or sunset provisions, for all new U.N. programs.

Delays in acquiring member state approval are due, in part, to the longer time needed for the General Assembly to reach agreement. To pass resolutions in favor of most specific reforms, the General Assembly generally requires a majority vote from the 191 member states.[7] Although the Secretary General acknowledged that these reforms would take longer to implement, he set the end of 1999 as the target date to complete the 1997 reforms. However, we found that approximately 40 percent of these reforms are not fully in place.

Secretariat Will Need to Take Additional Steps to Achieve the Secretary General's Overall Goals

More than one-quarter of the Secretary General's completed reforms, such as developing a written plan or establishing a new office, only represent the first steps in achieving longer-term and more important goals. The Secretariat's departments and offices must then use these new plans and offices to improve U.N. operations for the long term. For example, the Secretary General directed the Secretariat to develop a plan to improve its information technology systems. We found that the Secretariat implemented a plan to upgrade software programs, enhance inter-office communication between headquarters and the field, and train staff in the use of these new systems. However, member states must continue to invest the necessary resources for the plan's implementation to ensure that the technology does not become obsolete and to have an impact on U.N. operations in the long term.

In addition, the Secretary General created several new offices as part of his reform initiatives. These include a strategic planning office in the Secretariat, an office to coordinate emergency humanitarian relief programs, and an office in Vienna to manage the U.N.'s interrelated programs to combat crime, drugs, and terrorism. Although the establishment of any new office can be counted as a completed reform, it is only the first step toward impacting the effectiveness of U.N. operations and achieving the Secretary General's overall reform goals. GAO has previously reported that building an effective department that can meet overall objectives requires several components, including a staff, financial resources, and performance goals to measure progress toward objectives.[8]

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[7]Reforms to change the budgeting process require a two-thirds majority vote of member states.

[8]U.S. General Accounting Office, *Major Management Challenges and Program Risks: Department of Homeland Security*, GAO-03-102 (Washington, D.C.: January 2003).

Reforms in Four Key Areas of U.N. Operations Are Progressing, but Overall Impact Is Still Not Clear

We found that the U.N. has implemented many reforms in four key areas: (1) human capital management, (2) performance-oriented budgeting, (3) public information activities, and (4) the human rights program. Although numerous key initiatives are in place, other tasks are not yet complete, such as strengthening the U.N.'s monitoring and evaluation mechanisms to measure program impact and issuing additional guidelines on the new worldwide staff rotation, or mobility, policy. Therefore, the impact of these reforms on the effectiveness of U.N. operations is unclear.

Positive Steps Taken to Strengthen Human Capital Management, but Implementation of Reforms Is Ongoing and Additional Challenges Remain

In response to human capital concerns raised by U.N. officials and outside observers, including the extensive time required to recruit and hire staff, the Secretariat developed a reform strategy to address the key elements of human capital management. The strategy included the implementation of a new recruitment and placement system that decentralized hiring authority and, according to U.N. officials, significantly reduced the average time to hire staff. Additional steps are needed, however, to fully implement reforms and address remaining challenges. For example, U.N. officials cited the need to develop a system to efficiently screen the increased number of applications received through the online hiring system.

Secretariat's Reform Strategy Addresses Key Elements of Strategic Human Capital Management

The Secretary General's reform strategy called for changes to the Secretariat's human capital management to create a results-oriented organizational culture supporting high performance, increased training, and more effective management. The United Nations' human capital management had long been criticized by U.N. officials and external observers for the extensive time required for recruiting and hiring, the need for increased accountability for performance, and limited development and promotion opportunities. In his 1997 plan, the Secretary General stated that human capital management has been characterized by labor-intensive day-to-day staff administration and cumbersome rules and processes. He further stated that these rules and processes were seen as impeding program delivery and not maximizing staff contributions. The reform initiatives also attempted to bring human capital policies up to date with changes that had taken place within the organization, such as the move from being primarily headquarters-based to having an increasingly large field presence.

In 2000, the Secretariat expanded the reforms by developing a broader human capital reform strategy. GAO has developed a human capital model that highlights the steps that organizations can take in managing human capital strategically. This model encompasses four human capital

cornerstones that, when taken together, embody an approach to human capital management that is fact-based and focused on program results and mission accomplishment. We found that the Secretariat's reform strategy includes actions in the areas of GAO's four cornerstones of strategic human capital management—leadership; strategic human capital planning; acquiring, developing, and retaining talent; and results-oriented organizational cultures (see fig. 4).[9]

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[9]U.S. General Accounting Office, *A Model of Strategic Human Capital Management*, GAO-02-373SP (Washington, D.C.: Mar. 15, 2002).

Figure 4: Cornerstones of Human Capital Reform

Cornerstone 1:
Leadership

U.N. Actions:

- Secretary General emphasizes human capital reforms in his 1997 and 2002 reform plans
- Expanded role of human capital office in developing policies and providing guidance

Cornerstone 2:
Strategic human capital planning

U.N. Actions:

- Departments preparing human capital action plans
- Electronic tools providing data to identify current and future human capital needs

Cornerstone 3:
Acquiring, developing, and retaining talent

U.N. Actions:

- Implementation of new recruitment and placement system
- Increased emphasis on management training and improving conditions of service

Cornerstone 4:
Results-oriented organizational cultures

U.N. Actions:

- Secretary General holds senior managers accountable for accomplishing human capital goals through annual agreements
- Electronic performance appraisal system links individual performance to departmental plans

Source: GAO.

Leadership

Leadership is defined as the demonstrated commitment of top leaders to continuously improve human capital management and support efforts to integrate human capital approaches with organizational goals. Soon after taking office, the Secretary General developed the 1997 reform plan for the Secretariat. He established a new leadership and management structure and began overhauling human capital policies to align the organization's human capital capacity with its mission and structure. The Secretary General also established core organizational values and competencies to develop a results-oriented culture and has used this model to improve

recruitment, staff development, and performance management processes. The Secretary General's 2002 reform plan further emphasized the need for human capital improvements, including increased opportunities for staff mobility and expanded career prospects for support staff.

The leadership cornerstone also emphasizes that human capital professionals have an expanded role, beyond paperwork processing, to become more integrated in the work of the organization. The Secretariat's Office of Human Resources Management (OHRM) has begun to take on additional responsibilities, including developing human capital policies, monitoring compliance with these policies, and providing guidance on human capital issues. In addition, OHRM has begun to provide more automated services to employees. For example, the office has streamlined human capital rules and procedures and has made the Human Resources Handbook and personnel forms available online. U.N. employees reported in a survey that the streamlining of rules and procedures was the most successful human capital reform implemented since 2000.

Strategic Human Capital Planning

To improve strategic human capital planning, the second cornerstone, the Secretariat is developing its workforce planning activities through analysis of the demographic characteristics of Secretariat staff, while departmental staffing goals are being integrated with the organization's broader human capital objectives. The Secretariat's departments and offices also are preparing action plans, which incorporate human capital goals and indicators. OHRM holds planning sessions with the head of each department to develop measurable targets for achieving human capital goals, including targets for hiring staff from unrepresented or underrepresented countries. OHRM monitors the implementation of these action plans through semiannual reviews of the departments' progress in meeting their goals.

The Secretariat also is making increased use of information technology in implementing reforms. The electronic Human Resources Handbook, the online hiring system, and the electronic performance appraisal system are new technology tools that the Secretariat is using to manage human capital. Historically, the Secretariat had unique job profiles for most positions, but the new recruiting and placement system makes use of generic job descriptions in advertising job openings. U.N. officials stated that these generic job profiles have increased the accessibility and transparency of the application and hiring process and have facilitated staff's ability to move to positions in other departments or offices.

Acquiring, Developing, and Retaining Talent

To acquire, develop, and retain talent, the third cornerstone, the Secretariat introduced a new recruitment and placement system in 2002 that entrusts program managers with the responsibility and accountability for hiring decisions. U.N. officials stated that the new hiring system has streamlined the hiring process, contributing to a significant reduction in the average time to hire an employee. In addition, an online tool allows individuals to submit their applications through the Internet. U.N. officials stated that this tool provides information on the status of applications and on management indicators, such as the gender balance and geographic distribution of applicants.

The Secretariat also increased the emphasis on training and developing managers' skills. Although U.N. officials acknowledged that more resources are needed for training, the organization is providing mandatory people management training for supervisory staff. The Secretariat also has implemented a career development policy based on the newly developed core competencies for managers and staff. Under this policy, managers must demonstrate support for their staff's development and career progress. Finally, the Secretariat has implemented new initiatives to improve the work environment for staff. For example, employees now have more flexible work arrangements to address their personnel needs.

Results-Oriented Organizational Cultures

The key to developing results-oriented organizational cultures, the fourth cornerstone, is to create a clear link between individual performance and organizational success.[10] To do this, the Secretary General is holding senior managers accountable for accomplishing human capital goals through the use of annual performance agreements. On an annual basis, the Secretary General meets individually with department heads to discuss human capital priorities and goals for the upcoming year and to review indicators, such as the percentage of women in staff and management positions and the percentage of vacant positions. For these indicators, the managers' departments are measured against the Secretariat's overall average and their targets for the year. Program managers have been able to electronically track these and other indicators daily using a new tool developed by the Department of Management.

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[10]U.S. General Accounting Office, *Results-Oriented Cultures: Creating a Clear Linkage between Individual Performance and Organizational Success*, GAO-03-488 (Washington, D.C.: Mar. 14, 2003).

The Secretary General also implemented a new electronic performance appraisal system, introduced in 2002. Rather than having performance management take place once a year, the new system emphasizes regular conversations and feedback between staff and supervisors related to staff performance. Under the system, staff also are assessed against newly developed organizationwide competencies. Examples of the Secretariat's core staff competencies include communication, teamwork, commitment to continuous learning, and technological awareness. Managers also are assessed under additional competencies such as leadership, empowering others, and building trust. In addition, the new performance appraisal system links the individual's performance to departmental or team goals and provides mechanisms for dealing with poor performers. Staff that have not met performance expectations under the appraisal system may have their salary increases withheld or could face the termination of their employment contracts.

Secretariat Faces Challenges in Its Efforts to Achieve Its Human Capital Reform Goals

The Secretariat has made progress in implementing its reform agenda, but it must address additional human capital challenges if it is to meet the Secretary General's overall reform goals. Key challenges include (1) delegating increased authority and accountability for personnel actions to managers, (2) implementing the organization's staff mobility policy, (3) developing a long-range workforce planning capacity, and (4) screening the significant increase in applications received through the new recruiting system. In addition, although the Secretariat has an overall reform strategy in place, this strategy does not include specific time frames to complete reform actions. Establishing time frames at the outset provides a baseline for assessing the Secretariat's progress in implementing reforms and achieving its overall human capital reform goals.

First, U.N. officials we met with stated that OHRM has not gone far enough in delegating authority for personnel decisions to program managers, a component of the leadership cornerstone. For example, U.N. officials stated that offices and programs working on humanitarian or development assistance often needed to hire staff quickly during crisis situations around the world. However, according to these officials, U.N. rules and procedures have been a barrier to the hiring process. These officials pointed out that the delegated hiring authority is only for employees under regular budget positions[11] on longer-term contracts. Field-based programs and offices often hire staff under short-term contracts. U.N. officials stated

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[11]Regular budget positions are those funded from the U.N. regular budget.

that the authority to hire these staff has not been decentralized. In his 2002 reform plan, the Secretary General also acknowledged the need to further delegate responsibilities to managers.

Second, one of the Secretary General's major reform initiatives was the implementation of a staff mobility policy intended to facilitate the movement of staff within and between offices and duty stations. The policy establishes time limits of either 5 or 6 years for staff to occupy a position, depending on the staff's grade level. Although the human capital office is developing incentives for staff to move to hardship duty stations, U.N. officials have identified key challenges that may impede the successful implementation of the mobility policy when the requirements go into effect in 2007. U.N. staff, for example, are employed under different types of contracts, some of which place restrictions on the duration of employment and the type of work an employee can undertake. U.N. officials stated that the differences in employment contracts would make it difficult to move staff to certain positions or locations. Another barrier to staff mobility is spousal employment. Some countries place visa and work permit restrictions on hiring U.N. employees' spouses. The Secretary General has begun to negotiate with countries to ease the restrictions on the employment of U.N. spouses.

A related challenge is the need for further improvements in strategic workforce planning, linked to strategic goals and objectives. Long-range workforce planning will enable the organization to remain aware of and be prepared for its current and future needs as an organization. The Secretary General has recognized the need for building this capacity, emphasizing the need for more systematic succession planning to account for the expected increase in retirement of U.N. staff. Ultimately, the success of an organization's workforce planning process can be judged by its results— how well it helps the agency attain its mission and strategic goals.[12] We have reported that other countries' succession planning and management initiatives have addressed specific human capital challenges, such as retention and the identification of staff with critical skills.[13]

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[12]U.S. General Accounting Office, *Human Capital: Key Principles for Effective Strategic Workforce Planning*, GAO-04-39 (Washington, D.C.: December 2003).

[13]U.S. General Accounting Office, *Human Capital: Insights for U.S. Agencies from Other Countries' Succession Planning and Management Initiatives*, GAO-03-914 (Washington, D.C.: Sept. 15, 2003).

Finally, U.N. officials stated that the Secretariat's new recruiting and placement system has made screening the increased number of incoming applications a challenge. These officials stated that the organization now receives an average of approximately 1,000 applications for each vacancy announcement, compared with a previous average of about 100 applications per opening. U.N. officials have recognized that it will be a challenge to develop an electronic mechanism to effectively and accurately screen the growing numbers of applications received.

Performance-Oriented Budgeting Is Being Adopted, but Monitoring and Evaluation System Does Not Measure Program Impact and Results

The United Nations has begun to adopt performance-oriented budgeting, but it lacks an adequate monitoring and evaluation system to measure program performance and results. GAO has reported that a performance-oriented budgeting framework includes three key elements: (1) a budget that reflects a results-based budgeting structure, linking budgeted activities to performance expectations; (2) a monitoring and evaluation system; and (3) procedures for shifting resources to meet program objectives.[14] In December 2000, the United Nations adopted a results-based structure for its budgets. We found that this format at the United Nations has resulted in clearer linkages between program activities and expected results, but some performance indicators lack clear measures to assess results. We also found that existing U.N. monitoring and evaluation activities do not systematically measure program performance and impact. Consequently, the Secretariat has developed and is implementing a strategy to improve performance monitoring and evaluation. In December 2003, the General Assembly also adopted an initiative to strengthen the role of one of its oversight committees responsible for monitoring and evaluating programs, but the General Assembly does not evaluate the Secretariat's program results to reallocate resources to new priorities.

U.N. Budget Reflects New Results-Based Focus, but Some Performance Indicators Do Not Measure Results

The Secretariat has implemented the first key element of the U.N.'s performance-oriented budgeting framework by adopting a budget that reflects a results-based budgeting format, which involves specifying program costs, objectives, expected results, and specific performance indicators to measure the results. GAO previously reported that linking

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[14]U.S. General Accounting Office, *Managing for Results: Agency Progress in Linking Performance Plans with Budget and Financial Statements*, GAO-02-236 (Washington, D.C.: January 2002); *Program Evaluation: Studies Helped Agencies Measure or Explain Program Performance*, GAO/GGD-00-204 (Washington, D.C.: September 2000); *Performance Budgeting: Opportunities and Challenges*, GAO-02-1106T (Washington, D.C.: Sept. 19, 2002).

funding to specific performance goals is a critical first step in supporting the transition to a more results-oriented and accountable organization.[15] Expected results and performance indicators are intended to allow the Secretariat to track the progress its programs make to meet objectives. By approving the budget, the General Assembly can hold the Secretariat accountable for meeting expected results.

The Office of Program Planning, Budget and Accounts, which prepares and reviews the Secretariat's budget, issued guidelines and provided training sessions to assist program managers and other staff in preparing budget proposals in a results-based format. This office also created a Web site, which is updated regularly, to post information on best practices and lessons learned. The Advisory Committee on Administrative and Budgetary Questions[16] noted an improvement in the clarity and detail of expected results and performance indicators between the 2002-2003 biennium budget, which was the first submitted in a results-based format, and the 2004-2005 budget.[17] Figure 5 compares the 2002-2003 performance indicators for the deployment of peacekeeping police units with those developed for the 2004-2005 budget. For the first time, the 2004-2005 budget includes specific performance targets and baseline data for many performance indicators that can help measure performance over time and could allow program managers to compare actual achievements to expected results. For example, the Department of Peacekeeping Operations plans to use baseline data at the end of the budget period to determine whether it will be able to deploy police units for peacekeeping operations more quickly.

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[15]U.S. General Accounting Office, *Managing for Results: Agency Progress in Linking Performance Plans with Budget and Financial Statements*, GAO-02-236 (Washington, D.C.: January 2002).

[16]The Advisory Committee on Administrative and Budgetary Questions reviews financial documents submitted by the Secretariat to the General Assembly.

[17]See *First Report on the Proposed Program Budget for the Biennium 2004-2005, Advisory Committee on Administrative and Budgetary Questions* (New York: United Nations, Aug. 5, 2003).

Figure 5: Summary of Selected Performance Indicators for Deploying Police Units for Peacekeeping Operations, 2002-2003 and 2004-2005

2002–2003	2004–2005
Objective	
▶ Quickly and efficiently deploy military and civilian police units for peacekeeping missions	▶ Quickly and efficiently deploy military and civilian police units for peacekeeping missions
Expected outcomes	
▶ Effectively position military and civilian police units for peacekeeping missions	▶ Effectively position military and civilian police units for peacekeeping missions
Indicators	
▶ Deploy military and civilian police units more quickly	▶ Reduce the time needed to deploy military and civilian police units ▶ **Baseline data estimate for 2002–2003: 150 days Performance target 2004–2005: 90 days**
▶ Increase the number of member states that contribute police units	▶ Increase the number of member states that contribute police units ▶ **Baseline data estimate for 2002–2003: 75 member states Performance target 2004–2005: 90 member states**

Source: GAO analysis of U.N. documents.

However, oversight committees[18] also reported that some programs still lack clear and concise expected outcomes and performance indicators. For example, the Secretariat established an indicator to measure increased coordination among U.N. agencies and programs, the Bretton Woods institutions, and the World Trade Organization, and called for "closer collaboration" to improve the delivery of economic assistance and development projects. The associated performance target consists of the estimated number of meetings among these institutions, but does not describe what these meetings are to accomplish or how they will improve coordination. The Advisory Committee on Administrative and Budgetary Questions reported that it cannot determine the impact of these activities, which would cost close to $10 million in the 2004-2005 budget period. It

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[18]In this report, U.N. oversight committees refer to the Committee for Program and Coordination, which reviews the U.N.'s planning and budgeting documents and the work planned under each program, and the Advisory Committee on Administrative and Budgetary Questions. These committees report to the Fifth Committee, which is the General Assembly committee responsible for financial oversight of the Secretariat.

recommended that indicators, such as "closer collaboration" or "full utilization of resources," should be replaced with more specific and concrete measurements. The vagueness of some of these indicators, however, stems from the fact that baseline information has not been collected or is missing due to inconsistent monitoring of program activities, according to officials from the Office of Program Planning, Budget and Accounts.

Secretariat's Monitoring and Evaluation Inadequate to Measure Program Impact, but Strategy Developed to Strengthen System

The Secretariat does not systematically monitor and evaluate program impact or results—the second key element of performance-oriented budgeting. U.N. regulations require that programs should be regularly monitored and evaluated to determine their relevance, effectiveness, and impact in relation to their objectives.[19] Program managers are responsible for monitoring and evaluating programs to assess their impact and to determine the extent to which changes are needed to meet expected results. However, in 2002, the Office of Internal Oversight Services[20] (OIOS) found that program managers and department and office heads were not complying with U.N. regulations. For example, both OIOS and oversight committees reported in 2002 that nearly half of program managers were not regularly monitoring and evaluating program performance. In addition, program managers were not held directly accountable for meeting program objectives because U.N. regulations prevent linking program effectiveness and impact with program managers' performance. U.N. officials told us that a more mature program monitoring and evaluation system is needed before program managers can be held responsible for program performance.

We found that there were a variety of problems related to the Secretariat's monitoring and evaluation of program results and impact. Most programs do not have comprehensive monitoring and evaluation plans and, in many cases, no systematic management review of evaluations. For example, department heads and program managers did not directly review the results of evaluation activities, consistent with U.N. guidance, in 13 out of 25 programs surveyed in 2001.[21] OIOS reported that, overall, evaluation

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[19]See *Regulations and Rules Governing Program Planning, the Program Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation* (New York: United Nations, Apr. 19, 2000).

[20]OIOS is the United Nations' audit and internal evaluation unit.

[21]Statistics are current as of Jan. 1, 2004. OIOS will review the Secretariat's monitoring and evaluation activities for the 2002-2003 biennium in 2004.

findings were not used to improve program performance. In some cases, such as with the Office of the High Commissioner for Human Rights, monitoring and evaluation responsibilities were assigned to low-level staff with minimal oversight from program managers. Further, adequate levels of staff time and other resources needed to conduct evaluations have never been assessed and programs were not regularly monitored and evaluated, according to the U.N.'s oversight office. For example, all U.N. programs supporting the economic and social development of Asia and the Pacific, which cost approximately $25 million for the biennium, were not evaluated in 2000 and 2001. Lastly, for the majority of programs, no resources have been specifically allocated for activities related to monitoring and evaluation.

To address these weaknesses, the Secretary General tasked the Monitoring, Evaluation, and Consulting Division of OIOS to develop a strategy to systematically monitor and evaluate program results and to introduce information systems needed to implement results-based budgeting. The division began to implement its strategy in 2002 and expects to have a complete system by 2006. As part of its strategy, OIOS introduced an Internet-based system that allows program managers to prepare periodic assessments of program impact against stated objectives. Program managers are required to submit performance assessments after 12 and 18 months, and at the end of the budget period. OIOS officials stated that this would allow them to adjust the direction of their program to meet objectives before the end of the budget cycle. In addition, OIOS is updating its guidelines on monitoring and evaluation, which describe new data collection methods, such as online surveys, to monitor results and evaluation methods to report on results.

General Assembly Lacks System to Evaluate Program Results to Shift Resources to New Priorities

We found that the final component of performance-oriented budgeting—procedures to review evaluation results, eliminate obsolete programs, and move resources to new priority programs—is not in place. The Advisory Committee on Administrative and Budgetary Questions reported in 2003 that it did not receive systematic information from the Secretariat on program impact and effectiveness to determine whether a program was meeting its expected results. The Secretariat's strategy to improve program monitoring and evaluation is part of an effort to provide the General Assembly with better program assessments. However, in 2003, the Secretary General reported that the General Assembly's oversight system was ill-suited to review the Secretariat's evaluation results and to determine how best to distribute resources.

In his 2002 reform agenda, the Secretary General proposed redefining the roles of U.N. oversight committees to focus on reviewing program results. In December 2003, the General Assembly passed a resolution changing the role of the Committee for Program and Coordination, the first step toward shifting the focus of oversight responsibility to assessing program impact. The committee now focuses exclusively on reviewing activities planned to meet program objectives and no longer reviews budgeting information. Although several committees review the U.N.'s planning and budgeting documents for the next biennium period, these committees do not systematically review programs to assess the impact of previous activities and determine the appropriate level of funding (see fig. 6).

Figure 6: General Assembly Oversight of U.N. Plans and Budgets

Functions	The Fifth Committee	The Advisory Committee on Administrative and Budgetary Questions	Committee for Program and Coordination	Specialized agencies and commissions	General Assembly committees covering substantive issues
Reviews U.N. plans for program activities	✔		✔	✔	✔
Reviews U.N. budgets	✔	✔			
Systemically reviews Secretariat's evaluations on program performance to make funding decisions					

Source: GAO analysis of U.N. information.

According to the Joint Inspection Unit,[22] the planning and budgeting review process was duplicative and redundant. In addition, the costs of preparing and printing documents, servicing close to 300 meetings, and staff time for this review have exceeded $20 million a biennium, with little emphasis placed on evaluating program performance. To shift the focus to evaluating results, the General Assembly in December 2003 required the Committee for Program and Coordination to submit a proposal on ways to

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[22]The Joint Inspection Unit is an investigative unit with broad authority to examine the efficiency of all U.N. organizations.

improve its ability to monitor and evaluate program impact. The Secretary General recommended that the committee assess the results achieved at the end of the budget period and establish priorities to guide the allocation of resources. This would support performance-oriented budgeting, according to Joint Inspection Unit officials.

In August 2003, the Advisory Committee on Administrative and Budgetary Questions concluded that the General Assembly could not eliminate programs and shift resources until it received evaluations that addressed program impact. Performance information is necessary for decision-making bodies to determine whether programs are meeting their stated objectives.[23] Program performance reports provided to member states focused on outputs (such as the number of staff recruited, reports issued, meetings held, or computers purchased), instead of measuring program impact. To address this concern, OIOS changed the format of the performance report, which now requires program managers to link resources to program activities and to use performance indicators to measure program impact. The program performance report for the 2002-2003 biennium, which will be submitted by March 2004, will be the first prepared using the new format.

In December 2003, the General Assembly approved the elimination of 912 outputs in the 2004-2005 program budget based on the Secretariat's review of program activities and more than 50,000 outputs. In addition, as a result of this review, the General Assembly has shifted resources from these activities—deemed obsolete and inefficient by the Secretariat—to more immediate U.N. priorities. In 2003, the Advisory Committee on Administrative and Budgetary Questions and the Committee for Program and Coordination recommended that program managers in the Secretariat continue to identify obsolete outputs in U.N. budgets in compliance with U.N. regulations. The committees also reported that many sections in the budget lacked justifications for continuing certain outputs.

Majority of Reforms of U.N. Public Information Activities Still in Early Phases

We found that the Secretariat had implemented some reforms related to U.N. public information activities, but most were still in the early phases. With a biennium budget of approximately $156 million, the Department of Public Information undertakes news coverage of U.N. events through radio, video, and the Internet in six official languages; manages the U.N.

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[23]U.S. General Accounting Office, *Performance Budgeting: Opportunities and Challenges*, GAO-02-1106T (Washington, D.C.: Sept. 19, 2002).

Web site; manages its overseas branch offices;[24] and oversees the Dag Hammarskjold library and coordinates with depository libraries worldwide.[25] Following a series of management reviews of U.N. public information activities, the Secretary General restructured the department to improve its ability to develop coherent, cost-effective communications strategies to promote the U.N.'s priorities. In addition, the Secretary General consolidated department branch offices in Western Europe into a regional branch office in Brussels, Belgium. However, we found that reforms of other public information activities are not yet in place. For example, reforms related to the Department of Public Information's program monitoring and evaluation and library management, as well as the Secretariat's publications oversight, are still in the early stages of implementation and have had a limited effect on the effectiveness of public information activities, according to U.N. officials.

Reorganization of Headquarters and Branch Offices Substantially in Place

Since 1948, internal oversight bodies and external groups have conducted at least seven periodic management reviews of public information policies and activities. However, these reviews resulted in few changes to the Department of Public Information's operations. Member states continued to criticize the department, claiming that it did not adequately assess the impact of its activities. In his 2002 reform agenda, the Secretary General highlighted that fact that the department suffered from fragmented programs because of too many mandates and missions.

To better align the Department of Public Information's structure with its mandated activities, highlight priorities, and reduce fragmentation, the Secretary General reorganized the department into three divisions in November 2002: (1) the Outreach Division, which focuses on relationships with civil society, including outreach to educational institutions, and manages the Dag Hammarskjold Library in New York; (2) the News and Media Division, which aims to expand the United Nations' access to media organizations worldwide; and (3) the Strategic Communications Division, which develops the U.N's communications strategies in partnership with the Secretariat's departments and manages the network of overseas branch offices. Within this third division, the department created focal points that work across the Secretariat's departments in priority areas—

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[24]In this report, we refer to U.N. Information Centers as branch offices.

[25]The department also maintains relationships and establishes partnerships with media groups and civil society groups, including nongovernmental organizations and educational institutions, and organizes special events and exhibits with other U.N. partners.

including development, peace and security, Africa, human rights, Palestine, and decolonization—to identify communications strategies and reduce duplicative programs. In its spring 2003 session, delegates to the Committee on Information[26] commented that the department's new structure should help focus the department's activities and maximize the use of its resources.

To improve the cost efficiency of the department's field operations, the Secretary General proposed changes to the structure of public information branch offices. Branch offices in developed countries—including the United States, Japan, Australia, and the European Union—accounted for 40 percent of all branch office expenditures, as of September 2002. Therefore, the Department of Public Information was devoting a large amount of funding to information activities in countries where available technology permitted greater online access to its services in the field. In 2003, internal auditors concluded that the department should evaluate these offices and consider options such as consolidation, regionalization, or closure. Based in part on these findings, the Secretary General created a regional branch office in Brussels in January 2004 and consolidated offices in nine European Union countries as part of his 2002 reform agenda.[27] At its spring 2004 session, the Committee on Information will review a progress report on the implementation of the regionalization proposal to determine the feasibility of applying the initiative in other regions.

Additional Reforms of Public Information Activities Are Partly in Place

The Secretariat has begun implementing additional reforms of other public information activities, but we found that these initiatives are only partly in place. The Secretary General stated that the department had historically devoted minimal attention to assessing the impact of its activities and that a comprehensive evaluation of the impact of its activities had never been conducted. Therefore, in 2003, the Department of Public Information and internal auditors began a 3-year joint process to evaluate the effectiveness and impact of the department's activities through an annual review process.[28] As part of its efforts to promote monitoring and evaluation, the department provides ongoing training for staff in results-based

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[26]The General Assembly's oversight Committee on Information meets annually to examine the U.N.'s public information activities.

[27]The offices in Athens, Bonn, Brussels, Copenhagen, Lisbon, London, Madrid, Paris, and Rome were consolidated.

[28]The Department of Public Information will report the results from its first program impact review to the Committee on Information in 2004.

management within existing resources—a challenge, according to public information officials. Although these activities are still under way, an official from the Deputy Secretary General's office stated that the department had taken positive steps to implement reforms to improve its monitoring and evaluation mechanisms.

Reforms of U.N. libraries are also in the early phases. The United Nations has library collections in each of its headquarters offices and regional commissions, as well as libraries in many of the 62 branch offices and other depositories worldwide. The Secretary General reported in 2002 that the public information department needed to centralize library policy management and increase its use of technology in providing library services. In response, it established a steering committee in March 2003 to oversee the implementation of reforms, such as increasing the use of online archival systems for library collections and expanding information sharing among libraries to reduce duplication. The department plans to report to the Committee on Information in 2004 on its progress in implementing these reforms.

Lastly, the implementation of reforms of publications activities is still under way. The Secretary General directed all departments to identify outdated or duplicative publications from more than 1,200 produced annually. We reported in 2000 that a review of U.N. publications in the economic and social affairs area found considerable redundancy and overlap.[29] Publications activities are also extremely costly. For example, the U.N. Chronicle—a publication for teachers and students of world affairs—produced by the public information department—costs more than $1 million annually to publish. In his 2002 reform agenda, the Secretary General called for a review of the feasibility and cost of increasing online publications delivery, as opposed to printing certain publications. This review is not yet complete. To improve publications oversight, the relevant executive committees[30] must approve all new publications proposed by the Secretariat pursuant to the 2002 reform plan. Overall, officials stated that the implementation of publications reform will depend on the willingness

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[29]GAO/NSIAD-00-150.

[30]There are four executive committees—Peace and Security, Humanitarian Affairs, Economic and Social Affairs, and the Development Group—headed by Under Secretaries General, who oversee the activities of the Secretariat's departments and offices. For example, the Executive Committee on Peace and Security oversees the Department of Political Affairs. A representative of the High Commissioner for Human Rights serves on all four committees.

of Secretariat officials and the General Assembly to identify unneeded publications and discontinue duplicative mandates. On a positive note, in December 2003, the General Assembly approved the Secretary General's 2004-2005 budget proposal calling for the discontinuation of 192 publications and reports.

Reforms of the U.N. Human Rights Program Outside the Secretariat's Authority Are Incomplete

In recent years, management of the Secretariat's human rights office has been complicated by several factors, such as weak financial and program management and a heavy reliance on voluntary funding to administer core activities. In addition to technical assistance, training, publications, and human rights advocacy, the office provides support to other parts of the human rights program outside the Secretariat, such as the U.N. Commission on Human Rights. We found that the office has implemented reforms to address its management deficiencies. In addition, we found that the human rights office has implemented reforms to improve its support to the actors outside the Secretariat, including requesting funding for additional staff. However, the Secretary General only has authority over the management of the Secretariat's human rights office and cannot implement reforms across the entire U.N. human rights program, according to human rights officials.

Management of the U.N. Human Rights Program Is Complicated by Several Factors

Several factors affect the management of the Office of the High Commissioner for Human Rights—the Secretariat's human rights office. For example, in 2002, OIOS concluded that the human rights office had poor financial controls and human capital management, as well as weak internal oversight procedures. According to a senior human rights official, for example, the office did not accurately track its unused voluntary funding in the past.[31] According to the human rights office, this problem has been rectified and the office is tracking voluntary funding levels. In addition, the office relies heavily on voluntary funding to administer its core activities. Regular budget funding accounted for about 38 percent, or $24.2 million, of the office's activities in 2002, whereas voluntary contributions accounted for about 62 percent, or $40 million (see fig. 6 for funding trends for the human rights office). Human rights officials stated that the heavy reliance on voluntary funding poses management

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[31]Donors, including governments, foundations, and private companies, provide voluntary contributions toward activities outlined in the human rights office's annual appeals. Ten major donors provided 81 percent of the office's total voluntary contributions in 2002.

challenges, including the resulting uncertainty of funding for future projects and low morale among staff unsure about job security.

Figure 7: Human Rights Office's Funding Trends

U.S. dollars in millions
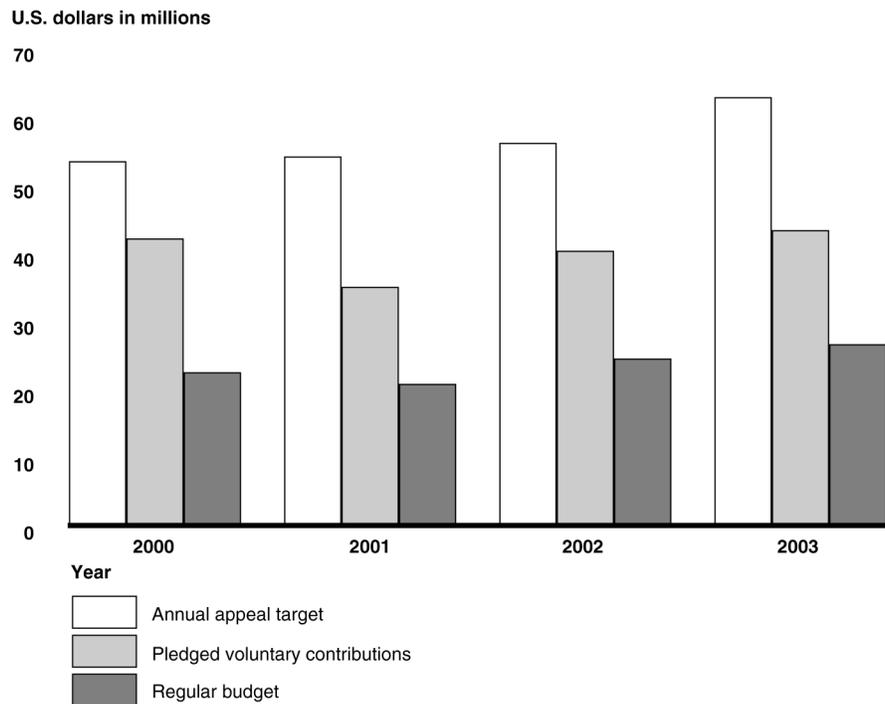
Source: OHCHR.

As shown in figure 8, the human rights office also provides administrative, technical, and substantive support to parts of the human rights program outside the Secretariat, including

- the U.N. Commission on Human Rights, which is a functional commission of the Economic and Social Council that meets annually to discuss human rights issues and standards and governments' adherence to them;

- independent reporters and working groups, appointed by the commission to examine, monitor, and publicly report on human rights situations in specific countries or territories or on major human rights themes—there

are reporters who focus on the right to education and on the situation of human rights in the Democratic Republic of the Congo;[32] and

- independent committees, established by international human rights treaties, comprising independent experts that monitor governments' compliance with treaty obligations.[33]

Figure 8: U.N. Human Rights Program
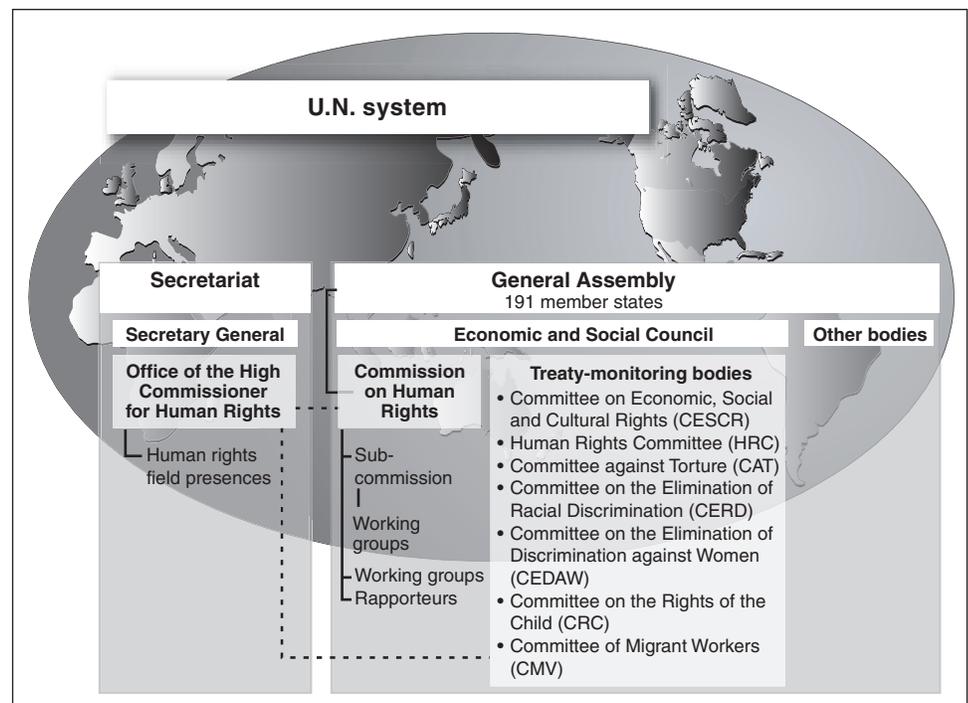
Sources: GAO; and Nova Development (clip art).

[32]The human rights reporters, or Special Rapporteurs, and working groups are known collectively as the Special Procedures of the Commission on Human Rights. In this report, we refer to them as human rights reporters and working groups.

[33]There are seven committees or treaty-monitoring bodies. The committee members are elected by national governments that are party to the treaties. The human rights office provides support to all the committees except the Committee on the Elimination of Discrimination against Women, which receives support from the Division for the Advancement of Women in the Department of Economic and Social Affairs in New York.

The workload generated by these independent groups affects the human rights office's management. For example, the office provides administrative support, such as report processing, to the monitoring committees and national governments to ensure compliance with treaty reporting requirements. As the number of signatories increases, the Secretariat's administrative burden increases. In addition, the Secretary General reported in 2002 that the more than 40 human rights reporters and working groups pose a management burden for the human rights office because they have grown in recent years in an ad hoc fashion and without clear rules for their responsibilities. The fragmentation and lack of clear working guidelines complicated the office's support to these individuals and groups in the preparation of reports to the commission. As an independent body, the Commission on Human Rights appoints new human rights reporters. However, OIOS reported that the General Assembly has not provided commensurate additional regular budget funding to the human rights office for their support. As a result, the office has increasingly resorted to using voluntary funding to recruit additional staff to fulfill its responsibilities to the commission and monitoring committees.

Secretary General Does Not Have Authority to Implement Reforms of Human Rights Activities outside Secretariat

The Secretary General's reform agendas called for the Secretariat's human rights office to develop a strategy to strengthen its financial and human capital management and internal oversight procedures, among other things. We found that the office has developed and is implementing this strategy. For example, it established both the senior-level Management Board and Project Review Committee, in 1997 and 1998, respectively, to monitor the planning, budgeting, and implementation of the office's programs and to identify outdated or nonpriority activities. The human rights office reported that it strengthened its program oversight and planning throughout 2003. Officials stated that the 2004 annual appeal, for example, presented a more strategic work plan than in prior years, which resulted in a 12 percent decline in voluntary funding requirements for the 2004 annual appeal, from $62.5 million in 2003 to $54.8 million in 2004. In addition, the office established the Advisory Panel on Personnel Issues in March 1999 to evaluate the office's use of temporary staff and staff funded with voluntary resources and ensure the equitable geographic distribution of staff from member states. It also restructured its three main branches to reduce duplicative activities and leverage its personnel and financial resources.

We found that the human rights office has also implemented reforms that indirectly address areas of the U.N. human rights program outside the Secretary General's authority. For example, to help improve the quality of human rights reports, the office developed an induction kit for human

rights reporters and working groups. The kit is updated regularly and used to brief new reporters on their rules and procedures. In addition, the office is working to keep them informed about the latest General Assembly resolutions that may affect reporting procedures, such as page limits and submission deadlines. In December 2003, the General Assembly also approved the Secretary General's request for funding in the 2004-2005 budget for additional staff to improve the office's ability to respond to increasing demands from the Commission on Human Rights and its human rights reporters and working groups.

Nevertheless, the implementation of the Secretary General's proposals is incomplete because he does not have authority over human rights activities outside the Secretariat's human rights office. For example, because the majority of human rights reporters are selected by the chair of the Commission on Human Rights, the Secretariat's human rights office could only recommend that the commission consider developing criteria for their selection. Moreover, only the commission can determine standard entrance criteria for its reporters and working groups. Thus, any reform related to the human rights reporters is dependent upon the support of commission members. In addition, in his September 2002 reform agenda, the Secretary General stated that governments should be allowed to submit a single report to the monitoring committees summarizing their adherence to human rights treaty obligations. Given his lack of authority over the monitoring committees, the Secretary General requested that the human rights office consult with the committees on methods of streamlining the governments' various treaty-reporting requirements. The monitoring committees, however, resisted the concept of a single report, according to the human rights office. The proposal resulting from these consultations instead calls for an expanded core report containing standard information pertinent to all of the monitoring committees, with separate, more detailed reports going to individual committees.

Various Factors May Impede Full Implementation of U.N. Reforms

We identified several challenges that may impact the Secretariat's ability to meet the overall reform goals: (1) the Secretariat does not conduct periodic, comprehensive assessments of the status and impact of reforms; (2) the Secretary General did not differentiate between short- and long-term goals in the 2002 reform plan; (3) resistance from managers and staff has slowed the implementation of reforms; and (4) potential financial and personnel resource implications are associated with some reforms.

First, we found that the Secretariat does not conduct systematic, comprehensive assessments of the status and impact of the Secretary

General's reforms. Without such assessments, the Secretariat is not able to determine where further improvements are needed. In 1998 and 2003, the Secretary General issued reports on the status of the 1997 and 2002 reforms, respectively. These reports, however, did not include a comprehensive impact assessment.[34] We found that individual departments and offices within the Secretariat oversee specific reforms within their area of work; for example, the Office of the High Commissioner for Human Rights oversees the implementation of reforms of the U.N. human rights program. However, the Deputy Secretary General, who is responsible for overseeing the overall reform process, has only one full-time professional staff member dedicated to this effort. The Steering Committee on Reform and Management—comprising department heads within the Secretariat and chaired by the Deputy Secretary General—also tracks key reform issues and policy implementation. However, the Deputy Secretary General's office neither systematically assesses departments' performance in implementing reforms nor holds managers directly accountable. Furthermore, OIOS only monitors and evaluates the impact of select reforms and is not responsible for overseeing the implementation of the overall reform agendas.

Second, the Secretary General has not differentiated between short- and long-term goals in his 2002 reform plan, and he has not consistently established time frames or milestones for their completion. GAO has identified the setting of implementation goals and a timeline to build momentum and show progress as key practices for organizations undertaking change management initiatives. We found that a few reforms required departments and offices to conduct evaluations and report their findings to the Secretary General by a certain date, but many reforms did not specify time frames for completing these actions. For example, the Secretary General called for the Department of Public Information and OIOS to complete an evaluation of the impact and cost effectiveness of the department's activities within a three-year period (which started in 2003). However, when the Secretary General called for a review of the feasibility and cost of increasing the Secretariat's delivery of online versus printed publications, he did not specify a deadline. Without prioritizing efforts and establishing deadlines, it is difficult to hold managers accountable for completing the reforms.

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[34]Officials from the Deputy Secretary General's office stated that they were unsure if that office would issue additional status reports.

Third, according to budget and human capital officials, some program managers and staff have resisted implementing certain reform initiatives. Human capital officials stated that program managers, for example, have raised concerns about the staff mobility policy because they fear losing expertise when staff rotate to new positions. In addition, OIOS reported that about half of program managers across the Secretariat have not complied with U.N. regulations to monitor and evaluate the performance of program activities. The Secretariat lacks clear rules and procedures for conducting regular monitoring and evaluation exercises, according to OIOS officials. Some managers also stated that they lacked resources to support this work and were concerned that these evaluation requirements would detract time and money from their regular work responsibilities. Consequently, the Secretariat is providing training to all departments to assist managers and staff in conducting self-monitoring and evaluation exercises to comply with performance-oriented budgeting and overcome resistance. Managers' support is critical for the institutionalization of reforms in the long term.

Fourth, U.N. officials stated that they have encountered delays in implementing reforms due to a lack of available regular budget resources. For example, public information officials stated that their department did not have a specific budget for new monitoring and evaluation activities—a key aspect of public information reform. In addition, human capital officials stated that they developed the online recruiting and hiring system after receiving resources from another department in the Secretariat. The Secretary General stated that departments would need to implement reforms within existing resources because additional funding would not be available in the regular budget. He also stated that program managers should streamline operations and eliminate obsolete activities to make resources available to implement reforms. According to U.N. officials, the Secretariat did not complete a comprehensive assessment of the personnel and budgetary implications during the development of his 2002 reform agenda. Rather, departments have conducted resource assessments for individual reforms on a case-by-case basis as a part of the budget process.

Conclusion

In 1997 and 2002, the Secretary General proposed sweeping reforms of the United Nations in response to recurring calls to improve its efficiency and effectiveness in spending member states' contributions. Many reforms have been completed since our 2000 report, including key measures to improve human capital management, focus the United Nations on results-based management, and strengthen the management of the human rights program. However, the United Nations faces many challenges to

completing reforms, including potential resource constraints. Moreover, the Office of the Deputy Secretary General does not periodically and comprehensively assess the impact of reforms on the effectiveness of U.N. operations. Given that the Secretary General does not provide regular, comprehensive reports on the overall status and impact of reforms, it is difficult to hold staff accountable for implementing these reforms and their impact is unclear. In addition, the 2002 reform agenda did not specify short- and long-term goals or establish expected time frames for their completion—practices that increase the transparency and accountability of the reform process. Adopting key practices in management, oversight, and accountability for reforms, such as systematic monitoring and evaluation, could facilitate the achievement of the Secretary General's overall reform goals. As the U.N.'s largest financial contributor and a proponent of reform, the United States would also benefit from the adoption of these practices.

Recommendations for Executive Action

To promote full implementation and accountability of the Secretary General's overall reform actions, 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 encourage the Secretary General to

- report regularly through an existing U.N. reporting mechanism on the status and impact of the 1997 and 2002 reforms and other reforms that may follow;

- differentiate between short- and long-term reform goals and establish time frames for completion for those reforms that are not in place; and

- conduct assessments of the financial and personnel implications needed to implement the reforms.

Agency Comments and Our Evaluation

The Department of State and the United Nations provided written comments on a draft of this report (see apps. III and IV). State agreed with our recommendations, stating that it will continue to encourage the full implementation of all reform initiatives at the United Nations. In particular, State noted several efforts it is pursuing through the General Assembly, including further reforms related to human capital management and the Department of Public Information, among others. Moreover, State agreed with our conclusion that many reforms from the 1997 and 2002 agendas are first steps in achieving the Secretary General's overall reform

goals. State also said that the report provides a comprehensive analysis of the status of U.N. reforms and the challenges affecting their implementation. State noted that our report did not contain an in-depth analysis of reforms of the Department of Peacekeeping Operations—a point that we acknowledge in our scope and methodology (see app. I). In addition, State provided technical comments on our draft report, which were incorporated into the text, where appropriate.

The United Nations also provided written comments on a draft of this report. Although we did not make recommendations directly to the United Nations, it generally agreed with the report's findings. In particular, the United Nations acknowledged that the implementation of certain reforms is proceeding more slowly than others. The United Nations also provided observations regarding its efforts to implement its ambitious reform agenda. In addition, the United Nations provided technical comments, which were incorporated into the text where appropriate.

We are sending copies of this report to other interested Members of Congress. We are also providing copies of this report to the Secretary of State, the Permanent Representative of the United States to the United Nations, and the United Nations. We will also make copies available to others upon request. In addition, this report will be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-8979 or christoffj@gao.gov, or Phyllis Anderson at (202) 512-7364 or andersonp@gao.gov. In addition to the persons named above, Jeremy Latimer, Leland Cogliani, Lynn Cothern, Martin de Alteriis, Kathryn Hartsburg, and Monica Wolford made key contributions to this report.
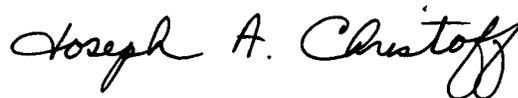
Joseph A. Christoff
Director, International Affairs and Trade

Appendix I: Objectives, Scope, and Methodology

At the request of the Chairman of the Senate Committee on Foreign Relations and Committee member Michael Enzi, we examined the status of U.N. reform activities to follow up on GAO's 2000 report.[1] Specifically, we assessed (1) the overall status of U.N. reforms proposed in 1997 and 2002 by the Secretary General; (2) the Secretariat's efforts to implement reforms in four key areas: human capital management, performance-oriented budgeting, public information activities, and the human rights program; and (3) the challenges facing the implementation of U.N. reforms.

We focused our work on the Secretary General's 1997 and 2002 reform agendas. These reforms applied to the Secretariat and member state governing bodies, including the General Assembly, the Economic and Social Council, and the Security Council. We did not include U.N. specialized agencies or funds and programs in our review. We did, however, meet with officials and collect information from the International Labour Organization, the United Nations High Commissioner for Refugees, and the World Health Organization to discuss their progress and challenges in implementing management reforms similar to those that the Secretary General is undertaking.

Overall, we identified 88 reform initiatives in the 1997 reform agenda and 66 in the 2002 agenda, for a total of 154 reform initiatives. This number differs from U.N. figures because many of the Secretary General's reform action items had several components that we identified and counted as separate initiatives. For example, one of the Secretary General's action items called for improving the information technology systems of the United Nations, which involved upgrading the U.N.'s Web site; modernizing internal systems that produce, store and disseminate documents; and adopting an information technology strategy for New York headquarters and field offices. We counted each one of those actions as separate initiatives, while the Secretariat grouped them into one action item.

To determine the overall status of the reforms, we developed a methodology to code them as (1) substantially or completely in place, (2) partly in place, or (3) not in place (see table 1 for our definitions). We discussed our methodology with U.N. officials, and they agreed to its utility for assessing the status of U.N. reforms.

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[1] GAO/NSIAD-00-150.

Table 1: Definition of Ratings Scale for Reform Status

Rating	Scale
Substantially or completely in place	The reform has been approved. Most key and minor elements are in place.
Partly in place	The reform has been approved. Some key elements, as well as some or most minor elements, are in place.
Not in place	The reform has not been formally approved. Minor elements may be in place, but no key elements are in place.

We defined a key element as one that is critical or central to the reform. We considered that reforms could not be implemented or institutionalized without these key elements (e.g., staff or budget). All other elements were considered as minor. We considered a reform to be in place if it had moved from the planning stage to implementation. Implementation should have been well under way, though it may not have been completed and the reform may not have been institutionalized. For reforms with more than one key element, we considered the following factors to determine whether some or most key elements were in place: (1) the number of elements, (2) the relative importance of the elements, (3) the relative difficulty of implementation, and (4) the degree of implementation of each of the elements.

To assess the status of the reforms, we reviewed the Secretary General's 1997 and 2002 reform plans and obtained and reviewed official reports of the Secretariat and the Office of Internal Oversight Services (OIOS), budget documents, General Assembly resolutions, Secretary General bulletins, Web sites, and statements from U.N. officials. We interviewed senior officials from U.N. departments in New York City and Geneva. Specifically, we met with the Deputy Secretary General and her staff, and officials from the Department of Management, the Office of Human Resources Management (OHRM), the Office of Program Planning, Budget, and Accounts (OPPBA), the Department of Public Information (DPI), and the Acting High Commissioner for Human Rights. We also met with officials from OIOS and the Joint Inspection Unit (JIU). During the course of our review, we also discussed the status of U.N. reforms with U.S. Department of State officials in Washington, D.C.; New York; and Geneva.

We selected reforms in the areas of human capital management, the performance-oriented budgeting system, public information activities, and

the human rights program to assess in more detail. In our discussions with
U.N. and U.S. officials, and in our review of U.N. documents, we
determined that these were key areas of the Secretary General's 1997 and
2002 reform plans. A detailed assessment of the reforms for peacekeeping
and improving the coordination among U.N. departments and offices and
between the U.N. and civil society was beyond the scope of this review.

To assess the status of human capital management reforms, we compared
the Secretariat's human capital reform strategy with criteria from GAO's
model of strategic human capital management.[2] This model provides a
framework for examining an organization's human capital practices and is
based upon the actions that are characteristic of high-performing
organizations. To collect information on the Secretariat's progress in
implementing its reform strategy, we reviewed internal and public human
resources documents detailing the new recruitment and hiring system, the
performance appraisal system, human resources action plans, and a
survey of U.N. staff views on human capital reforms. We discussed human
capital management reforms with OHRM officials who are planning and
implementing the office's reform initiatives. We also met with the chief
personnel officer for the U.N. Geneva Office, as well as personnel officers
at the Office for the High Commissioner for Human Rights, the U.N. High
Commissioner for Refugees, and the Internal Labour Organization, to
discuss the status and problems of human capital reforms in their
organizations. We did not evaluate the effectiveness of implemented
human capital reforms.

To assess the implementation of budgeting and monitoring and evaluation
reforms, we analyzed the last three U.N. biennium budget documents
(2000-2001, 2002-2003, and 2004-2005) to determine changes in the
budget's format after the adoption of a results-based budgeting format. We
also examined budget-related documents prepared by the Committee for
Program and Coordination and the Advisory Committee on Administrative
and Budgetary Questions. In addition, we examined Secretariat documents
on program monitoring and evaluation activities to determine the U.N.'s
ability to report on and assess program results and impact, as well as
strategies the Secretariat developed to strengthen the monitoring and
evaluation system. We discussed performance-oriented budgeting reforms
with OPPBA, JIU, and OIOS officials from the Monitoring, Evaluation, and
Consulting Division. We also met with budget officers at the International

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[2]GAO-02-373SP.

Labour Organization and the World Health Organization to discuss the
status and lessons learned from implementing performance-oriented
budgeting at their organizations.

To determine the status of reforms of U.N. public information activities,
including DPI's reorganization, the restructuring of the department's
branch offices, library management, and publications, we reviewed reports
from OIOS, the General Assembly's Committee on Information, and the
Secretary General. We also spoke with DPI officials, including the Under
Secretary General, the department's senior managers, and senior library
officials in New York. In addition, we interviewed officials from DPI's
branch office and U.N. library in Geneva to determine the extent to which
operations in the field have been affected by these reforms.

To determine the status of efforts to reform the U.N. human rights
program, we reviewed official reports from the Office of the High
Commissioner for Human Rights (OHCHR)— including annual appeals
and reports—detailing the steps the office is taking to implement these
reforms. We also reviewed internal audit reports and external reviews by
independent contractors highlighting the key management challenges
facing OHCHR and its efforts to improve in these areas. In addition, we
interviewed human rights officials in Secretariat offices in Geneva and
New York. To assess the Secretariat's efforts to improve the management
of the human rights program, we spoke with the Acting High
Commissioner for Human Rights and senior management officials
responsible for implementing the Secretary General's reforms. To
determine the status of reforms related to the monitoring committees and
human rights reporters and working groups, we analyzed relevant
Secretary General, General Assembly, and Commission on Human Rights
reports, resolutions, and other official documentation, and we spoke with
OHCHR officials. We did not review the work or membership of the
Commission on Human Rights or the performance of individual human
rights reporters.

To determine the challenges facing the implementation of U.N. reforms,
we reviewed reports and documentation of the Secretariat, General
Assembly, OIOS, and JIU. We also reviewed reports from outside
observers of the U.N. system, including nongovernmental organizations
and members of academia. In addition, we spoke with U.N. officials in
New York and Geneva. These included officials from the Office of the
Deputy Secretary General, the Department of Management, OHRM,
OPPBA, DPI, OHCHR, OIOS, and JIU. We also spoke with U.S. officials in
Washington, New York, and Geneva.

We conducted our work from June 2003 through January 2004, in
accordance with generally accepted government auditing standards.

Appendix II: Status of U.N. Reforms

Table 2: 1997 Reforms under the Authority of Member States and the Status of Their Implementation

Reform actions	Status		
	Not in place	**Partly in place**	**In place or substantially so**
New leadership and management			
Establish the post of Deputy Secretary General			X
Working methods of the General Assembly			
Increase the public's interest in and effectiveness of the General Assembly by deciding, 2 years in advance, the subject for a special high-level session of meetings on an important issue or theme	X		
Organize General Assembly meetings in the same fashion as U.N. conferences	X		
Identify an annual thematic focus for the work of each of the main committees	X		
Organize the agenda around the eight priority areas of the medium-term plan		X	
Issue recommendations to member states in the form of resolutions, while requests for reports by the Secretary General and other procedural work would be in the form of simple decisions		X	
Limit the General Assembly's annual sessions from extending beyond November	X		
Peace, security, and disarmament			
Member states establish the practice of providing information to the Secretary General to strengthen his efforts to deter conflicts	X		
General Assembly and Security Council consider measures to enhance the rapid reaction capacity of the United Nations			X
When establishing a peacekeeping operation, urge the Security Council to prescribe a time frame for the conclusion of a status-of-forces agreement with the host government; pending the conclusion of such an agreement, the model status-of-forces agreement would apply			X
Review the work of the Disarmament Commission and the First Committee to update and streamline their work			X
Economic and social affairs			
The Economic and Social Council (ECOSOC) considers holding its various sessions at different, preestablished periods during the year and extending the duration of the sessions to provide effective policy guidance to the different programs and funds	X		
Replace the Committee for Development Planning with panels of experts set up by ECOSOC	X		

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Extend the time allotted to discuss development work in informal discussions between ECOSOC and heads of U.N. funds and programs and establish a trust fund to encourage participation of officials from the least developed countries	X		
Establish the Commission on Sustainable Development, consolidating the Committee on New and Renewable Sources of Energy and Energy for Development and the Committee on Natural Resources			X
Make the Commission on Science and Technology for Development a subsidiary body of the U.N. Conference on Trade and Development's (UNCTAD) Trade and Development Board	X		
Consolidate the functions of the Commission on Crime Prevention and Criminal Justice and the Commission on Narcotic Drugs into a single commission, and the International Narcotics Control Board would report to this new commission	X		
Maintain the Intergovernmental Group of Experts on International Standards of Accounting and Reporting as an expert body reporting through the UNCTAD Commission on Investment, Technology and Related Financial Issues			X
Review the work of the Ad Hoc Group of Experts in International Tax Matters after it finishes its mandated activities	X		
The Committee on Economic, Cultural, and Social Rights should report to ECOSOC through the Commission on Human Rights	X		
ECOSOC should review the regional commissions to determine core competencies and the most appropriate division of labor for standard-setting and technical cooperation activities			X
Development cooperation			
Convene joint meetings of the U.N. Development Program (UNDP), U.N. Population Fund (UNFPA), and U.N. Children's Fund (UNICEF) executive boards to discuss issues and matters of common concern			X
Establish a new system to finance U.N. funds and programs consisting of voluntary contributions and negotiated pledges paid in multiyear tranches		X	
Environment, habitat, and sustainable development			
Discontinue the High-level Advisory Board on Sustainable Development			X

	Status		
Reform actions	**Not in place**	**Partly in place**	**In place or substantially so**
Humanitarian affairs			
Designate the Emergency Relief Coordinator to oversee U.N. humanitarian assistance and transfer natural disaster mitigation activities to UNDP			X
Establish a humanitarian affairs segment of ECOSOC			X
Enhancing support capacities			
Establish a revolving credit fund with up to $1 billion from voluntary contributions	X		
Retain any unspent balances under the regular budget			X
Review the mandate, membership, and procedures of the International Civil Service Commission		X	
Approve the Secretariat's Code of Conduct			X
Establish an account funded from savings in administration and other overhead costs			X
Adopt performance-oriented budgeting		X	

Source: GAO analysis of U.N. information.

Table 3: 1997 Reforms under the Authority of the Secretary General and the Status of Their Implementation

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
New leadership and management			
Establish a senior management group to set and direct unified Secretariat strategies			X
Establish a strategic planning unit			X
Peace, security, and disarmament			
Develop a plan to end the use of gratis personnel in the Secretariat			X
Make the Special Representative of the Secretary General the ranking U.N. country official			X
Make the Department of Political Affairs the focal point for postconflict peace building and the Executive Committee on Peace and Security responsible for the design and implementation of peace-building initiatives			X
Create a Department for Disarmament and Arms Regulation			X
Economic and social affairs			
Establish a secretariat, or staff office, for the Department of Economic and Social Affairs to better support the Economic and Social Council			X
Review activities shared by the Department of Economic and Social Affairs and UNCTAD in the macroeconomic area to increase cooperation and reduce duplication			X
Establish the Office for Drug Control and Crime Prevention, comprising the Center for International Crime Prevention and the U.N. International Drug Control Program, in Vienna, to consolidate crime, drug, and terrorism issues into a single office			X
Development cooperation			
Establish the U.N. Development Group; the Development Group Executive Committee will be composed of UNDP, UNICEF, and the U.N. Population Fund (UNFPA)			X
The Development Group Executive Committee will develop counterpart arrangements at the country level			X
Create a development assistance framework for developing countries to coordinate efforts at the country level		X	
Establish resident coordinators to coordinate activities of different funds and programs at the country level			X
Implement common premises, or "U.N. Houses," at the country level		X	

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Issue a proposal detailing ways to have more predictable and consistent financial contributions from member states to meet development goals			X
Establish an Office for Development Financing to seek new and additional resources for development programs			X
Environment, habitat, and sustainable development			
Develop plans to strengthen the U.N. Environment Program and the U.N. Center for Human Settlements			X
Humanitarian affairs			
Establish an Office of the Emergency Relief Coordinator to replace the Department of Humanitarian Affairs			X
Designate an Emergency Lead Coordinator to lead and coordinate all U.N. action on complex emergencies			X
Transfer responsibility for disaster prevention and preparedness to UNDP and for demining activities to the Department of Peacekeeping Operations			X
Strengthen the Inter-Agency Standing Committee (IASC) on humanitarian affairs and establish an IASC Steering Committee to coordinate its activities		X	
IASC will work to improve the consolidated appeal process for U.N. humanitarian affairs agencies			X
Give the Emergency Relief Coordinator authority to designate a lead agency to coordinate complex emergencies			X
Human rights			
Establish an Office of the High Commissioner for Human Rights (OHCHR)			X
Integrate human rights' concerns into the broad range of U.N. activities, including development operations and humanitarian affairs, and assign a representative from the High Commissioner's office to participate in executive committee meetings			X
OHCHR will issue recommendations to increase the coordination of human rights technical assistance activities provided to member states			X
Increase the representation of the High Commissioner's office at headquarters in New York			X
OHCHR will review human rights programs across the U.N. and recommend ways to simplify their work and improve their efficiency			X
Restructure OHCHR to provide better substantive and technical support to U.N. legislative bodies and monitoring committees.			X

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Partnerships with civil society and the private sector			
Meet with members of civil society to strengthen partnerships and enlist their support			X
Designate a nongovernmental organization liaison officer for all U.N. departments and offices; facilitate cooperation between the U.N., member states, and civil society; and add training programs for U.N. staff that involve cooperation with civil society			X
Establish a business liaison service to provide information to business groups on U.N. activities and on investment opportunities		X	
Increase participation of business groups in U.N. decision-making activities			X
Human resource and financial management			
Encourage movement of personnel across functions, departments, and duty stations		X	
Create a simplified, flexible, and cost-effective system of recruitment and placement		X	
Establish accountability standards for program managers to improve the efficiency of program delivery		X	
Strengthen the performance appraisal system to reward high-performing staff and provide accountability for performance		X	
Improve channels of communication between staff and management		X	
Give managers greater flexibility in making permanent and fixed-term staff hiring decisions		X	
Establish a one-time training and redeployment program for staff affected by the reform process	X		
Establish an informal group of independent advisers to comment on senior-level appointments			X
Issue specific savings targets for departments and offices to reduce administrative and other overhead costs		X	
Review management practices to implement program activities more efficiently, improve services to member states, and reach targets set to reduce overhead costs		X	
Delegate maximum authority to line managers in the areas of human resources and financial management		X	
Streamline administrative rules and procedures		X	
Simplify human resources and financial management policies, rules, and processes		X	

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Consolidate headquarters' procurement services by expanding the use of electronic procurement and organizationwide competitive contracts			X
Develop a unified management structure to provide information technology and telecommunications infrastructure and services on a cost-effective basis		X	
Establish one or more common service facilities at U.N. headquarters in New York, Geneva, and Vienna			X
Modernizing information technology			
Upgrade the U.N.'s Web site, home page, and other electronic postings			X
Modernize internal systems that produce, store, and disseminate documents			X
Enhance the use of the Intranet to facilitate internal communication and administrative simplification and streamlining			X
Adopt an information technology strategy for New York headquarters and field offices			X
Introduce methods to share information across agencies and identify lead agencies that would establish issue management networks			X
U.N. university, research institutes, and related bodies			
Improve coordination between the United Nations University and other U.N. research institutes			X
Coordinate activities of the United Nations Staff College and other U.N. research institutes when preparing courses for U.N. civil servants			X

Source: GAO analysis of U.N. information.

Table 4: 2002 Reforms and the Status of Their Implementation

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Strengthening human rights			
Strengthen human rights-related actions at the country level		X	
Develop recommendations to streamline reporting procedures to the treaty monitoring bodies by September 2003			X
Review human rights special procedures to find ways to enhance their effectiveness and report to the Secretary General by 2003			X
Develop a plan to strengthen the management of the Office of the High Commissioner for Human Rights			X
Enhancing public information			
Establish a Division of Strategic Communications in the Department of Public Information (DPI) to disseminate and evaluate U.N. messages around the world			X
Establish an Outreach Division in DPI to group together services for delegations, civil society, and the general public			X
Strengthen DPI's News and Media Division			X
Transfer DPI's Cartographic Section to the Department of Peacekeeping Operations			X
Conduct an evaluation of the impact and cost-effectiveness of all of DPI's activities		X	
Centralize U.N. information activities around regional hubs, starting with the creation of a Western European hub			X
The Dag Hammarskjold Library will set policy and coordinate the work of all U.N. libraries		X	
Develop a plan to integrate the library services of various U.N. locations		X	
Develop and implement a plan to improve electronic access to U.N. collections, move from paper-based to electronic-based files, and provide training to depository librarians		X	
Executive Committees will organize publications to reduce their number and improve their coherence and focus			X
Reestablish the Publications Board, which will establish standards and quality controls for publications			X
Review the feasibility and cost of online publications delivery		X	

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Discontinue publication of *The Repertory of Practice of United Nations Organs*			X
Streamlining reports			
Consolidate duplicative reports on related subjects		X	
Publish clearer and more focused reports with specific recommendations		X	
Adhere to mandated page limits		X	
Encourage the General Assembly to establish a system to review the relevancy of existing reporting requirements		X	
Managing conferences and meetings			
Strengthen the planning and management of General Assembly meetings and documentation		X	
Coordinating U.N. field activities			
Develop a plan to strengthen field coordination in developing countries		X	
Clarifying the Secretariat's leadership roles and staff responsibilities			
Prepare a document clarifying roles and responsibilities in the area of technical cooperation			X
Propose the addition of an Assistant Secretary General position in the Department of Economic and Social Affairs			X
Establish a policy planning unit in the Department of Economic and Social Affairs			X
Transfer resources allocated to the Office of the Special Coordinator for Africa and the Least Developed Countries to the Advisor for Special Assignments in Africa, who would coordinate the preparation of Africa-related reports			X
Promoting partnerships with civil society and the private sector			
Establish a panel to review the relationship between the U.N. and civil society and offer recommendations for improving their interaction			X
Establish a Partnerships Office to integrate the activities of the Global Compact Office and U.N. Fund for International Partnerships	X		
Improving the planning, budgeting, and monitoring and evaluation system			
Link the program budget to Millennium Declaration			X
Submit a shorter, more strategic medium-term plan, covering 2 years rather than 4, and submitted closer to the time of implementation		X	

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Submit a budget outline with the medium-term plan		X	
Prepare a shorter, more strategic budget			X
Give program managers greater flexibility to reallocate resources among programs and between program and personnel activities			X
Strengthen the program monitoring and evaluation system		X	
Assign responsibility for reviewing U.N. budgeting information to the Fifth Committee instead of both the Fifth Committee and the Committee for Program and Evaluation			X
Streamline and shorten peacekeeping budgets			X
Consolidate and reduce the number of trust funds	X		
Harmonize the rules and requirements for trust fund management and reporting	X		
Revise the system used to account for administrative and other overhead support costs	X		
Streamline procedures for accessing trust fund monies	X		
Human capital management			
Review contractual arrangements and benefits offered to Secretariat staff in field locations to make them comparable to those of the U.N. funds and programs		X	
Review mobility arrangements between the Secretariat and the U.N. funds, programs, and specialized agencies		X	
Create longer-term contractual arrangements for staff in field missions		X	
Identify special recruitment and reward incentives for duty stations with high vacancy rates		X	
Review arrangements between the Secretariat and the U.N. funds, programs, and specialized agencies to assist spouses of U.N. staff applying for posts in field locations		X	
Explore possibilities to renegotiate host country agreements to allow U.N. spouses to work in those countries		X	
Lift restrictions on the numbers of general service staff eligible for promotion to the professional category	X		
Review general service functions, responsibilities, and competencies		X	
Improve general service induction and career planning systems		X	
Provide more opportunities and incentives for staff mobility across functions, offices, and services in the field and peacekeeping missions		X	

Reform actions	Status		
	Not in place	Partly in place	In place or substantially so
Refer to all employees of the Secretariat as international civil servants			X
Introduce flexible working arrangements in Secretariat departments and offices			X
Increase opportunities of part-time employment for Secretariat staff	X		
Improve planning for replacing departing staff members		X	
Develop more targeted recruitment systems		X	
Enhance existing departure packages to include career placement assistance and transition arrangements	X		
Recommend a significant increase in resources allocated to training in the 2004-2005 biennium budget			X
Review flexibility given to program managers to manage resources		X	
Redefine the roles and responsibilities of the Department of Management and those of the executive offices to increase delegation of authority		X	
Provide more and better training for managers across the U.N.		X	
Implement fully the U.N.'s policy on HIV/AIDS		X	
Review the current system of internal justice to improve the system's efficiency, and to allow staff fair and due process		X	
Encourage the International Civil Service Commission to submit its proposals for a more competitive pay and benefits system		X	
Encourage an independent review of the operations and functions of the International Civil Service Commission		X	
Managing reform			
Assign responsibility for overseeing the implementation of reforms to the Deputy Secretary General			X

Source: GAO analysis of U.N. information.

Appendix III: Comments from the Department of State

United States Department of State

Assistant Secretary and Chief Financial Officer

Washington, D.C. 20520

FEB – 2 2004

Dear Ms. Williams-Bridgers:

We appreciate the opportunity to review your draft report, "UNITED NATIONS: Reforms Progressing, but Comprehensive Assessments Needed to Measure Impact," GAO-04-339, GAO Job Code 320202.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

If you have any questions concerning this response, please contact George Abrahams, Deputy Director, International Organization Bureau, at (202) 647-8270.

Sincerely,

Christopher B. Burnham

cc: GAO – Jeremy Latimer
      State/OIG – Luther Atkins
      State/H – Paul Kelly

Department of State and USUN Comments on the GAO Draft Report,
"**UNITED NATIONS: Reforms Progressing, but Comprehensive
Assessments Needed to Measure Impact**"
GAO-04-339
Job Code 320202

The State Department and the United States Mission to the United Nations
(USUN) welcome the report of the General Accounting Office on UN
Management and Reform. UN reform is one of the United States' highest
priorities and the U.S. has a longstanding history as a leading proponent of
the Secretary-General's reform initiatives. Overall, we find the report
comprehensive and insightful, providing a useful analysis of the challenges
faced by the UN in implementing its reform agenda, including the lack of
Member State consensus in implementing certain reforms, and we agree
with its recommendations.

The report highlights significant achievements reforming UN management
and operations while at the same time recognizing that reform is, as
Secretary-General Annan said, "a process, not an event" comprised of many
stages. We agree with the report's observation that the 1997 and 2002
reform initiatives have led to better coordination across departments, a more
unified leadership structure, and a results-oriented approach to resource
allocation. GAO correctly points out that many of the reforms implemented,
such as developing a plan of action, are the first step in achieving the UN's
longer-range goals.

To that end, the State Department and USUN will continue to push for
meaningful reforms and full implementation of all reform initiatives at the
UN, as is recommended by GAO in its report. This past fall, for example,
the United States was successful in negotiating a resolution improving the
budgetary process and strengthening program monitoring and evaluation.
As GAO points out, the UN lacks a mechanism to adequately measure
program impact and feed the results into future resource allocation decisions.
The improved program monitoring and evaluation process is aimed at
moving the UN toward becoming a genuinely results-oriented organization.

We note that the report does not address the reforms in the Department of
Peacekeeping Operations from 1999-2001. The restructuring of the

department responsible for peacekeeping and civilian police operations and the establishment of a UN base at Brindisi to store key supplies needed to stand up peacekeeping missions quickly and effectively represents a fundamental achievement by the UN.

Since the drafting of this report, the General Assembly adopted a budget for 2004-2005 that includes other noteworthy advances on the reform front. Of particular importance is the increased authority given to the Secretary-General to redeploy positions between and among sections of the budget to respond to priority needs. This measure should promote greater Organization-wide prioritization, which we hope will lead to a decrease in the number of posts requested by the Secretary-General in future budget proposals. The General Assembly also suspended recruitment of General Service (i.e., mainly administrative) posts with the intent of advancing a culture that stresses prioritization and efficiency in light of information technology benefits.

As a result of the savings realized from the consolidation of UN Information Centers (UNIC) in Western Europe, the General Assembly reduced the UNIC budget by $2 million. In addition, the membership requested that the Department of Public Information's three-year impact study be shortened to two years so that the results can be considered in 2004. The General Assembly has also requested an operational and management review of all UN libraries with a sharp focus on the libraries' staffing requirements in light of the increased investment in information technology.

To maintain momentum for UN improvements, the General Assembly also requested a variety of other studies, including: ways in which the performance of the Development Account may be improved; review of the Regular Program of Technical Cooperation; methods to improve the implementation of the UN's planning and budget regulations for greater prioritization of activities; the structure and function of all liaison offices; and the potential for reducing staffing costs through local recruitment of needed skills.

Further, this fall the General Assembly also approved a resolution as a first step toward revitalizing its work by reorganizing and reducing its agenda and documentation, creating mechanisms for closer collaboration with the two other main bodies of the UN – the Economic and Social Council and the Security Council – and improving its working methods.

The U.S. is pleased with the new recruitment and hiring system and a
revised performance appraisal system, both of which have made significant
strides in reforming the UN's human capital management. However, as
GAO points out, more could be done in managing staff movement across
organizations and geographic locations and in decentralizing authority and
accountability for personnel decisions. Furthermore, the UN needs to
develop a better system to screen the increased number of applications
received through its online recruiting and hiring system. This system should
also include a mechanism to inform/update candidates on the status of their
application, including whether they have been "short-listed."

We appreciate GAO's work in assessing the efforts made by the UN in
implementing its reform agenda.

Kim R. Holmes
Assistant Secretary
Bureau of International Organization Affairs
Department of State

John D. Negroponte
U.S. Representative to
the United Nations

United Nations 🇺🇳 Nations Unies

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REFERENCE: 4 February 2004

Dear Mr. Christoff,

Thank you for providing us with the opportunity to comment on the draft GAO report *United Nations: Reforms Progressing but Comprehensive Assessments Needed to Measure Impact* (GAO-04-339).

It is encouraging to note that the GAO's assessment of implementation indicates that 85% of the reforms proposed in the 1997 and 2002 reform packages are either fully or partly implemented. We acknowledge that implementation rates are somewhat slower in those areas requiring the consent of Member States. In addition, the full impact of the latest reform measures, launched at the Secretary-General's own initiative in September 2002, cannot be demonstrated until the 2004/2005 programme of work – one that reflects a major update and reallocation of resources - has been implemented.

We take special note of the observations made in four key areas of UN operations, namely, Human Capital Management, Performance-Oriented Budgeting, Public Information Activities and Human Rights Programme. The Steering Committee on Reform and Management, chaired by the Deputy Secretary-General, will continue to ensure that these areas receive due attention in 2004. Work has already begun on strengthening the UN's internal system of programme monitoring and evaluation. Ongoing reforms in the areas of human resources management and public information are also scheduled for 2004. Progress reports on these three areas will be submitted to upcoming sessions of the General Assembly.

On the GAO's assessment of the challenges to reform implementation and, in particular, on assessing the "status and impact" of UN reforms, we would like to point out that the Organization provides periodic updates to the General Assembly. The Secretary-General's report on the implementation status of the 2002 reform package is a recent example (ref A/58/351). Internally, reform progress is closely tracked through the Steering Committee on Reform and Management. Programme managers are held individually accountable for the implementation of reforms falling within their respective purview. It is hoped that a strengthened system of programme monitoring and evaluation will ensure that the Secretary-General can better demonstrate the impact of reforms to the General Assembly.

.../2

Finally, the report alludes to some resistance to certain reform initiatives from
programme managers and staff. This is to be expected in any organization undergoing
meaningful change. The reform agenda has been an ambitious one. We believe that the
UN has shown itself quite capable of adaptation and modernization over the last six years.
Yet we require that the development of a results-based culture is a longer-term challenge,
requiring a behavioural shift on the part of UN staff as well as member state representatives
in the General Assembly.

It would be appreciated if these comments could be included in the final report.

Yours sincerely,

Catherine Bertini
Under-Secretary-General
for Management and
Security Coordinator a.i

Mr. Joseph A. Christoff
Director
International Affairs and Trade
United States General Accounting Office
Washington, D.C. 20548

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