

**MOVE GROUP OF EXPERTS**

**STUDY ON THE REORGANIZATION OF THE UPU  
INTERNATIONAL BUREAU**

**FINAL REPORT**

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The members of the group extend their sincerest thanks to the staff and management of the UPU International Bureau for the spirit of cooperation and openness which has prevailed throughout their mission, and for sparing the time to attend the hundred or so working meetings held between January and June 2000. Naturally, any errors or inaccuracies which may remain in this report are the responsibility of the authors alone.



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## SUMMARY

### I. Background

1 The aim of the study, which lasted six months (January–June 2000), was to propose a more efficient organizational structure for the IB which:

- enables the Bureau to best fulfil the missions resulting from the policies adopted by the Beijing Congress;
- responds better to the expectations of "customers" of the IB, but also of its staff;
- can be implemented quickly (beginning of 2001);<sup>1</sup>
- respects the budgetary restrictions (ceiling of 151 posts financed out of the regular budget)<sup>2</sup> and administrative restrictions (compliance with the rules of the United Nations common system) placed on the IB.

2 In preparing their report, the experts embarked on a major consultation process, both internal and external, involving a large number of postal administrations<sup>3</sup>, and certain international organizations. They also benefited from invaluable input from the Chairmen of the two Councils and from the HLG Chairman.

### II. Facts established

3 The first part of the study, devoted mainly to analysis of the current organization of the IB and the forces for change, allowed the following conclusions to be drawn:

- the tasks of providing secretariat and support services to the Councils and their project teams still make up the bulk of most IB sections' work; member countries said they were looking for more "added value" and a clearer apportionment of responsibilities within the IB (eg, with regard to quality of service);
- the current apportionment of functions between the divisions and sections is the result of successive adjustments, the logic of which was not always clear, and this has led to a certain lack of coherence. Better identification in the organizational chart of activities geared mainly towards operators (POC) compared with those geared mainly towards governments and regulators (CA) appears desirable. On the other hand, an excessively clear-cut separation would lead to needless duplication and waste<sup>4</sup>;
- despite the progress made in recent years, the current organizational structure remains too hierarchical; resulting in too much decision-making power being concentrated at General Management level, and a "compartmentalized" method of operation;
- the emergence of cooperatives has led to the setting up of units (PTC and EMS) with an operational method differing significantly from that of the rest of the IB (particularly as regards recruitment). This specific nature is viewed both as an asset by member countries (more flexibility and efficiency) and as a source of concern by some staff members;

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<sup>1</sup> On the understanding that a further set of organizational changes may be introduced at a later date to take account of any changes in the structure and missions of the Union.

<sup>2</sup> Cf recommendation CA 3/95.

<sup>3</sup> A summary document, entitled "Results of interviews conducted by the MOVE Group about stakeholders' needs and expectations with regard to the International Bureau" (CA HLG SG 2 2000.2–Doc 2), was presented to the High Level Group on 12 May 2000 and is in annex F to this report.

<sup>4</sup> For example, terminal dues, which come within the areas of competence of the CA *and* the POC.

- all parties (member countries, Chairmen of Councils, IB management, Staff Association) recalled that the quality of the work of the IB, whose salary costs make up some 80% of the budget, depended first and foremost on the value of its staff; the latter should therefore be involved in the preparation and implementation of the organizational change.

### III. Main orientations

4 The main orientations of the proposed organizational structure were presented to the IB general management, which endorsed them in April; they are intended to:

- coordinate the missions of the different IB teams by creating "competence centres" bringing together coordinated and complementary activities;
- flatten the organizational structure by giving responsibility for these competence centres to directorates, generally made up of several teams ("programmes"). The Directors report directly to the DG or DDG, so that two intermediate management levels can be eliminated throughout;
- make the Directors and Programme Managers more responsible by delegating responsibilities to them, particularly in budgetary matters;
- as far as budgets permit, develop and strengthen certain types of technical expertise, for example in the area of market research, strategic planning, legal advice, human resource management or internal communication;
- gradually introduce project-based work, particularly for technical cooperation activities.

### IV. Proposed organizational structures

5 On the basis of the above principles, the MOVE Group developed several organizational scenarios and tested their feasibility. MOVE's preferred scenario involves the creation of six Directorates (Operations and Technology, Economic and Regulatory Affairs, Communication and Postal Markets, Logistics, Human Resources and Finance, Development Cooperation), along with the Office of the DG/Strategic Planning (see organizational chart 1 on page 11).

6 Responsibility for the CA Secretariat would fall to the Economic and Regulatory Affairs Directorate; the POC Secretariat would be provided by Operations and Technology.

7 Under an alternative scenario, certain of these competence centres would remain separate (see organizational chart 2 on page 12); this would result in more Directorates (up to nine) and greater variation in the size of the different teams. Of course, it would be possible to adopt organizational solutions somewhere between these two scenarios.

8 MOVE also defined, for each Directorate, the number of staff which appear to be needed for its tasks to be carried out properly, together with the duties of the various posts. It was found that the ceiling of 151 posts financed from the regular budget was sufficient to carry out the tasks currently assigned to it (excluding PTC, EMS and DMAB). However, the future development of supplementary activities will call for new extrabudgetary resources and/or a re-examination of the duties of certain posts.

9 MOVE has not proposed any structural changes to three of the IB's current teams:

- Section E (Logistics), whose reorganization had just been decided upon by the IB Management, following a study by the internal auditor whose conclusions were in line with the MOVE's lines of thrust;

- the EMS Unit and the PTC, mainly funded from extrabudgetary resources, which gives them more autonomy in their organizational decisions.<sup>5</sup>

## **V. Key factors in successful organizational change**

10 The support of the whole management, and also of the staff and member countries, for the main lines of the reorganization as it will be proposed by the IB Management is a prerequisite for a successful change.

11 MOVE recommends that the organizational change must go hand in hand with reforms in the internal operation of the IB, particularly in the following two areas:

*a human resources, through:*

- a switch, for vacant posts, from recruitment on permanent contracts to recruitment for a renewable fixed term of three years; this practice, in force in many United Nations agencies, guarantees better future adaptation of IB expertise and staff to its evolving missions;<sup>6</sup>
- an invitation to member countries, through the HLG or CA of the Union, to study the best ways to broaden the staff recruitment base; publication of calls for applications on the UPU website and promotion of "cross fertilization" of expertise between the IB and other international organizations such as the WTO or the World Bank;
- establishment of a system of personalized career management, which takes better account of training needs and internal mobility opportunities;

*b management, through:*

- transformation of the current Management Committee into a real IB Management Board meeting every two weeks;
- the launch of a project to prepare and accompany the change in the IB aimed at coordinating essential tasks such as the drafting and classification of new job profiles, appointment or recruitment of new managers (firstly, the Directors) and reform of certain procedures to allow genuine delegation of budgetary responsibilities;
- the setting up of projects, in particular for the various categories of activities coming under development cooperation.

## **VI. Conclusions**

12 MOVE believes its proposals will enable the IB to go through a new – and important – stage in the ongoing process of adapting to the needs of member countries and postal administrations.

13 The establishment of competence centres:

- responds to the need for clarification and professionalization which administrations have themselves called for;
- contributes in particular to strengthening the IB's credibility and that of its staff in respect of its various postal sector partners;

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<sup>5</sup> MOVE did, however, feel that the question of relations between these bodies and the rest of the IB came within its remit.

<sup>6</sup> Only about 40% of Professional (P) and General Service (G) staff in the United Nations common system and WTO are employed on a permanent contract basis, compared to more than double that number at the IB.

- does not conflict with the tactics of the Programme and Budget 2001–2002 currently in preparation;<sup>7</sup>
- facilitates team work.

14 Furthermore, limiting the number of management levels and delegating responsibilities as a result:

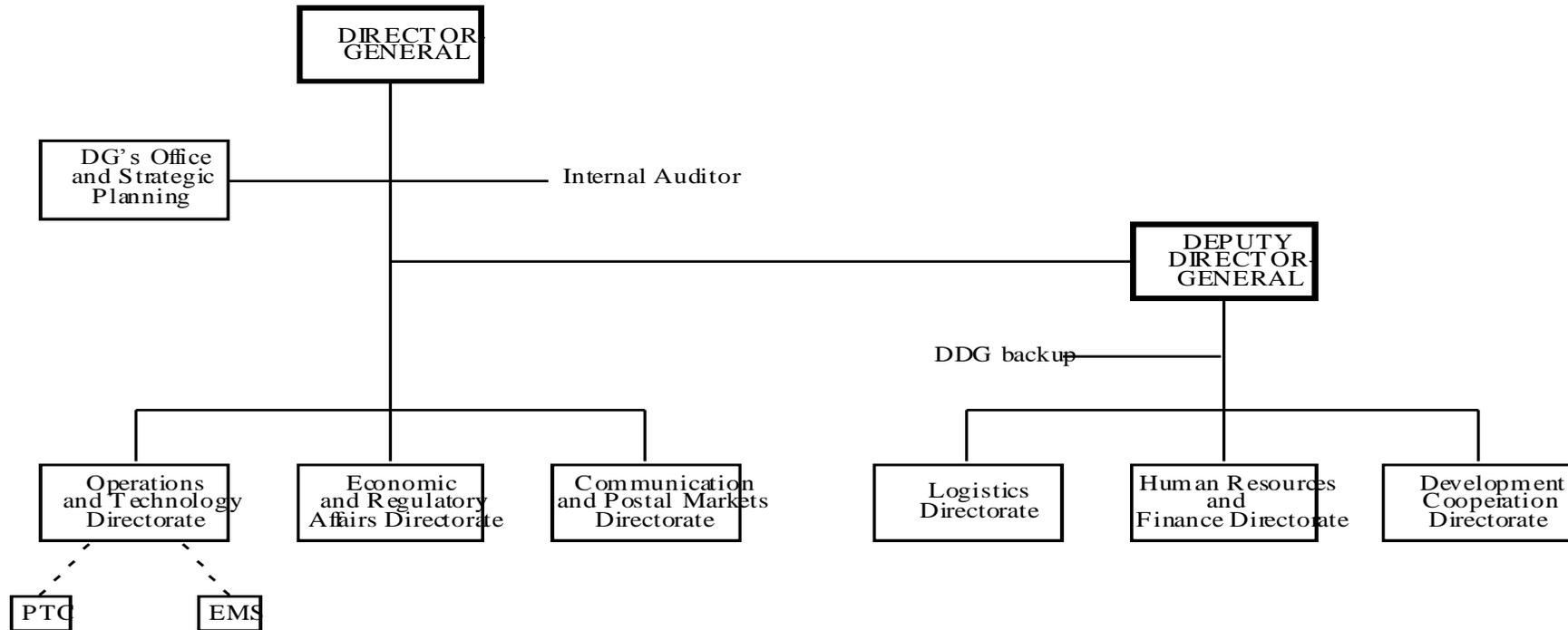
- allow the DG and DDG to concentrate more fully on their leadership, strategic policy and external relations functions;
- should help to enrich managers' work – one of the key wishes of the staff;
- should increase the IB's capacity to react and take initiatives – qualities which member countries keenly wish to see developed.

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<sup>7</sup> In most cases, tactics will simply be reassigned to the new Directorates or, in a few isolated cases, reformulated.

## MOVE – Draft organizational chart 1

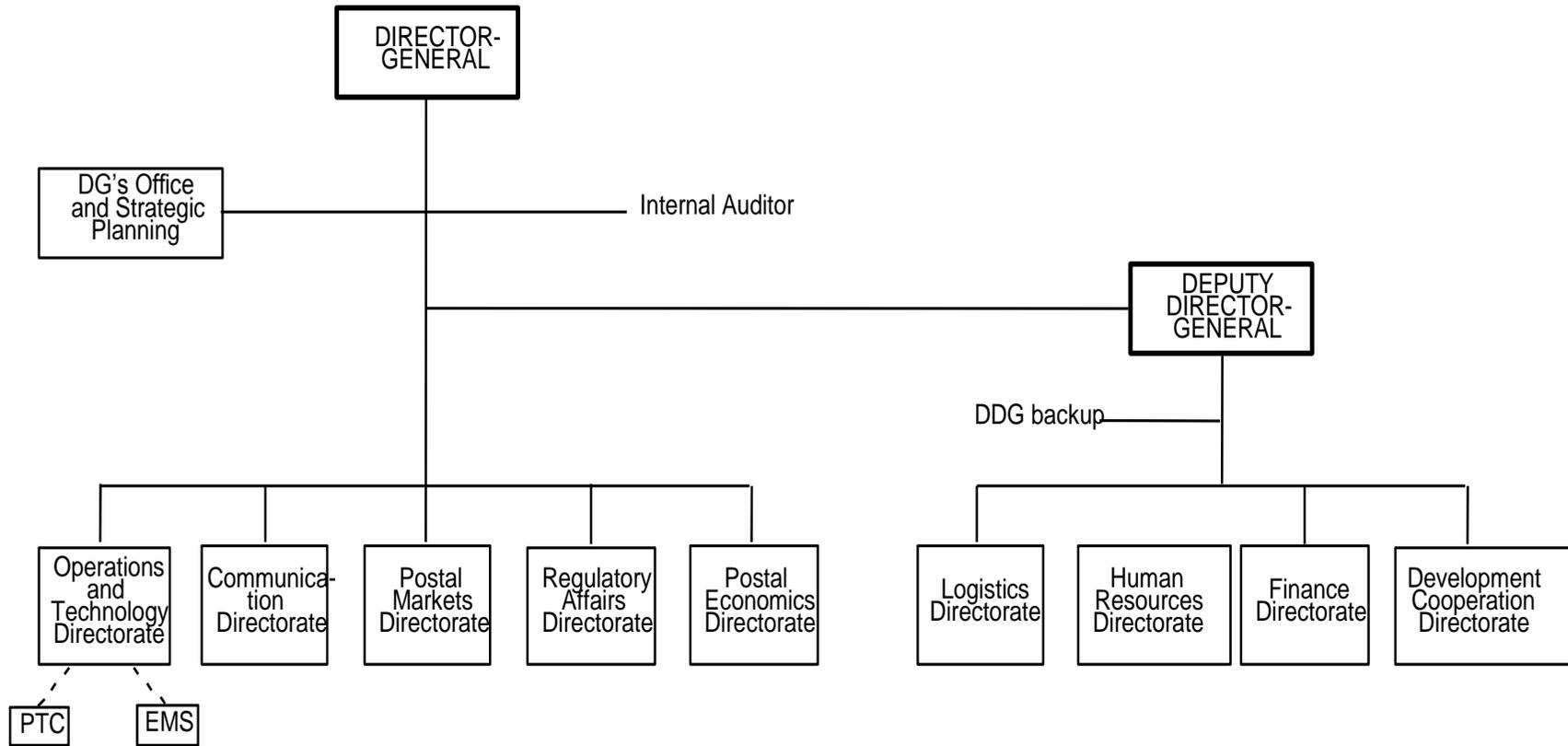
Competence Centres merged



Note: Responsibility for a “Directorate” corresponds to an operational responsibility rather than to a particular administrative grade: they will be headed by Directors of different grades, depending on the size and importance of the Directorate.

MOVE – Draft organizational chart 2

Competence Centres not merged



## **MOVE: SUMMARY OF PROPOSALS RELATING TO WORKING METHODS AT THE INTERNATIONAL BUREAU**

### **1 HUMAN RESOURCES POLICY**

#### *Contracts*

- HR 1:** Launch an internal debate on the various types of short-term contract at the IB: risks, opportunities, value of standardization. To this end, form an ad hoc project group.
- HR 2:** Clarify and better structure the current human resources situation at the IB:
- more detailed organizational charts and summary tables;
  - human resources charter.
- HR 3:** For staff posts which fall vacant, switch from permanent recruitment to fixed-term recruitment, so long as the rules of the game are clearly defined and known in advance:
- after three years, renew contracts once for a further two years or make the appointment permanent right away;
  - should the appointment not be renewed, inform the staff member more than three months, and preferably six months, before the contract expires.
- HR 4:** Remove the reference to "diplomatic" terminology from the titles of administrative grades of IB staff.

#### *Provident Scheme*

- HR 5:** The MOVE remit included a study of the consequences of a growth in fixed-term appointments on the financial equilibrium of the Provident Scheme. MOVE was informed that the Provident Scheme Management Board was preparing to launch studies which would deal in particular with this important subject, and so thought it best not to go into the matter, in order to avoid duplication.

#### *Development of expertise: making recruitment more professional*

- HR 6:** For each recruitment, the IB should make a direct assessment, in the most appropriate form, of the shortlisted candidates, to allow the committee of specialists (if any), the Appointment and Promotion Committee and the Director-General to make an informed final choice.

In general, use should be made of modern communication methods (eg, videoconferencing) in order to minimize travel costs for candidates shortlisted on the basis of their files.

For appointments at P 5 level and above, all shortlisted candidates should be interviewed in person by the IB Management; an independent assessment of their technical, managerial and linguistic skills should be carried out beforehand.

#### *Development of expertise: broadening the recruitment base*

- HR 7:** Full-time P posts should systematically be opened up to international recruitment.
- HR 8:** Member countries should be consulted on the advisability of:
- publishing job vacancies on the UPU website, specifying where appropriate that CVs should not be sent to the UPU, but rather to the "postal administration" of the country of origin;
  - studying practical ways to bring about real horizontal mobility between IB officials and those of other international organizations within the United Nations system (eg, ITU, UNESCO) and Bretton Woods (eg, World Bank, IMF, ITU, UNESCO).

**HR 9:** Improve "communication" with operators and regulators on the missions of the IB, its operations and the employment and career opportunities it offers, so as to promote a gradual increase in the number of high-calibre candidates applying for IB positions.

*Make training more effective*

**HR 10:** Make more effective use of the sums spent on training by strengthening the link between annual evaluation of performance and the earmarking of training funds (by ensuring that the training activities actually correspond to the needs of the post).

**HR 11:** Study, with the CA and POC, specific opportunities for sending certain IB managers to a "postal administration" for a limited period to update their knowledge of a field for which they are responsible or are to be given responsibility (for example within the framework of the activities of the CA or POC Project Team in which they are to participate or for which they are to provide the Secretariat).

**HR 12:** For staff members considered to need specialist training (for example in the context of a career change within the IB), study the various options for appropriate training (such as continuing training from Berne) offered by the postal training institutes.

**HR 13:** Develop training seminars at the IB which, depending on the field they cover, could target not only IB staff, but also the Regional Advisers and "postal administrations"; in other words, seek synergies between "internal" and "external" training.

**HR 14:** Encourage IB managers to associate more closely in the meetings held on UPU premises all the individuals involved in preparing these meetings.

**HR 15:** In association with the market research specialist of the Communication and Postal Markets Directorate, promote the continuous updating of knowledge and self-training by supplying all staff with a regular summary of postal sector press reviews produced by postal operators and regulators (or any other appropriate information medium).

**HR 16:** Compile one or more staff databases with exhaustive information on each individual's qualifications, expertise and professional experience and training already undertaken or wanted, and continue to consider career management at the IB.

## **2 RECOMMENDATIONS ON MANAGEMENT**

*Management Board*

**M 1:** replace the existing Management Committee with a new Management Board meeting every two weeks.

*Other committees*

- M 2:**
- change the composition of the APC (Appointment and Promotion Committee), which would in future comprise: the DDG, the Director responsible for the post to be filled (and, where appropriate, the Programme Manager or equivalent), the Director of Human Resources and Finance and two staff representatives;
  - eliminate the Coordination and Programming Committee, whose principal role is to comment on individual increases in grade, then proposed to the DG; this task could switch to the DDG, in liaison with the Human Resources and Finance Directorate and after consultation with the Directorates concerned. The other functions of the Coordination and Programming Committee could be transferred to the new Management Board;

- reflect, in the composition of the other Committees, the IB's new organizational structure;
- include in the list of permanent Committees the "Publications Board" recently established by the IB to develop and coordinate global policy for the promotion, distribution and marketing of UPU publications and ensure that this policy is implemented.

*Internal communication*

- M 3:** Launch a consultation process under the supervision of the DDG to draw up an "internal communication" action plan and set priorities in this area.

*Consistency between the organizational structure and the Programme and Budget*

- M 4:** Adapt the assigning of Programme and Budget 2001–2002 tactics to the new organizational structure and, if necessary, reformulate certain tactics accordingly.

*Project to prepare for change*

- M 5:** Prepare for the change in the organizational structure by setting up a special project.
- M 6:** As part of this project, form internal working groups to define the new procedures for:
- implementing delegation of responsibilities (for missions, recruitment, budget allocation, and more generally "authority to sign", etc);
  - rules for the operation of projects.

*Project to accompany change*

- M 7:** Accompany the change in the organizational structure by setting up a special project.



## CHAPTER 1: OBJECTIVES AND METHODOLOGY

### I. CONTEXT OF THE STUDY

The proposal to launch this study came from the Director-General of the International Bureau. Accepted by the Council of Administration in 1999, it was one of the proposals to improve the management of the Union's work submitted by the CA to the Beijing Congress, which approved them.<sup>8</sup>

#### 1 Previous in-depth studies

Over the past 15 years, a number of external consultants have looked at the organization of the International Bureau: Messrs Leavey and Midrouillet (in 1986), followed by a group of experts led by Mr Browne (1992), and finally Messrs Harding and Aka Brou, in 1995. In the context of their time, these studies helped to provide a better understanding of the International Bureau's strengths and weaknesses, and led to substantive reforms.

Then, the consultant Arthur D Little, in its 1998 review of the organization of the Universal Postal Union, made a number of general proposals on how the International Bureau ought to be organized. In particular, it suggested:

- setting up project-based teams formed to lead specific projects in order to increase the flexibility of the IB's work;
- examining the possibility of eliminating one of the intermediate management levels.

On the basis of these proposals, ADL suggested a structural organization consisting of four divisions:

- new services, Postal Technology Centre and other initiatives;
- administration, including finance, logistics and legal affairs;
- two divisions exclusively dedicated to "project teams".

In the view of the IB Management and of the CA, these recommendations were too general in nature and were to be regarded as a starting point rather than as a finishing line. A further study was therefore needed in order to explore the subject in more detail.

#### 2 Consequences of the Beijing Congress

The decisions of the Beijing Congress (August–September 1999) came just at the right time to reinforce the need for a new study on the organization of the International Bureau.

- the Beijing Postal Strategy provides a stable (though not immutable) reference framework for the mission, objectives and strategies of the UPU, from which the missions and activities of the International Bureau directly stem. This is reflected in the emergence of areas such as "universal postal service" (BPS objective 1), "postal reform and development" (objective 5) or "cooperation and interaction among stakeholders" (objective 6);
- the new organizational structure given to the two Councils (Council of Administration and Postal Operations Council) is a precise reflection of the areas in which member states will work between now and the next Congress within specialized Committees or project teams. There are thus 70 or so different groups or subgroups working under the Postal Operations Council (POC) or Council of Administration (CA). Highly technical fields, such as E-commerce or postal cost modelling, have broadened the frame of reference of the Union's work, and hence of that of its International Bureau;

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<sup>8</sup> Congrès–Doc 69, §§ 36 and 37.

- several Congress resolutions specified the field of action, method of financing and mode of organization of development cooperation activities, which are another major avenue of the Union's work, to whose implementation the IB makes a significant contribution.<sup>9</sup>

The launching of a reorganization study, immediately after Congress, therefore provided an opportunity to better determine the nature of the technical expertise, the workload and the most appropriate organizational structure for the IB to accomplish its missions, particularly in:

- its Secretariat and support activities for the two Councils;
- the implementation of development cooperation.

### **3 High expectations amongst member countries**

A third factor in favour of launching the study was undoubtedly the growing wish of many Union member countries to see the International Bureau reorganize itself.

In the context of a regular budget stable at current prices, that is to say slightly decreasing at constant prices, many countries said they wanted to see an IB which, following the example of the postal administrations, adapted to its evolving environment and responded better to the needs of its "customers".

### **4 Reforms in the United Nations specialized agencies**

Over the past decade, United Nations specialized agencies have evolved in terms of their missions, their activities and their organizational structures, responding both to the needs of member countries ("customer"-oriented), to budgetary restrictions and to technological and regulatory developments. The United Nations General Secretariat stresses that change should be an ongoing process rather than a one-off event, and since 1999 has been recommending the introduction of more rigorous management methods such as results-based budgeting.<sup>10</sup>

We may also cite:

- the implementation of organizational reforms aimed at improving efficiency in agencies such as the WMO (since July 1999)<sup>11</sup>, or UNESCO (since the beginning of 2000), to take only two very recent examples;
- the elimination of 20% of the permanent posts at UNIDO in 1998, following a drastic cut in that organization's budget;
- the more general discussions taking place within the ITU or the World Food Programme<sup>12</sup> on their missions and structures, which are having or will inevitably have an impact on the organizational structure of these bodies.

Taking these various factors into account, the Director-General of the International Bureau decided to appoint a joint group of experts (drawn from postal administrations and the International Bureau) to carry out a study in the first half of 2000.<sup>13</sup> Following a call for applications issued by the IB to postal administrations, the Director-General selected:

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<sup>9</sup> See for example resolution C 27/1999 "Financing of UPU technical assistance activities", or C 26/1999.

<sup>10</sup> See "Results-based budgeting – Secretary-General's Report", General Assembly, doc. A/54/456 of 11 October 1999.

<sup>11</sup> See "Report on the Review of the WMO Secretariat", WMO, Geneva, 2000.

<sup>12</sup> cf "Strengthening the Governance of WFP", Blue Paper, Work in progress, January 2000.

<sup>13</sup> See annex A: memorandum of 23 April 1999 (ref 5000/A/K/S).

- five experts from the public postal operators of France, Hungary (Rep) and Senegal, and the regulators of Spain and Tunisia;
- two officials from the IB: Mr Pinheiro and Mr Valtot.

The working group was dubbed "MOVE" ("Modernizing the Organization, providing Vision and Empowerment").

## II. OBJECTIVES OF THE STUDY

### 1 The remit

As indicated in the "Terms of reference of the joint group of experts to be set up to study the reorganization of the International Bureau"<sup>14</sup>, the objectives of the study were to:

- 1 analyze the role of the International Bureau in terms of member countries' needs and the needs of the UPU bodies for which the Bureau acts as the technical and logistics body (secretariat);
- 2 propose an organization for the International Bureau calculated to enable it to fulfil its role in optimum fashion;
- 3 analyze all the consequences of the organizational changes proposed, in particular, the consequences at the level of human resources and to quantify the financial effects of the measures advocated;
- 4 propose solutions to all the human resource problems established, for instance:
  - changes to be made in staff recruitment procedures, bearing in mind the basic rules of the international civil service system,
  - post classification procedures at the International Bureau, in particular those for members of project teams and their leaders,
  - consequences for the UPU Provident Scheme stemming from increased fixed-term recruitment,
  - additional training that staff would need;
- 5 present its report to the Director-General of the International Bureau on 30 June 2000 at the latest.

### 2 Field of study

Through working meetings with the General Management, and with the Director-General of the IB in particular, the experts were able to ensure that they had understood certain parts of the mandate correctly, and set priorities for their work.

- a Regarding the objectives of the reorganization, it was confirmed that the aim was to simplify the organizational structure, and to study the conditions whereby a greater decentralization of responsibilities could be introduced. Regarding the proposals made by ADL, it was also indicated that these should be regarded as one approach amongst others.

It also emerged that the measures to be proposed should not be confined to the organizational structure; recommendations about working methods or management tools could be made. On the other hand, even a six-month study could not go into too much detail on the question of optimizing all workflows, given that any changes needed in the culture could only take place gradually.

- b Regarding the setting by the Group of a deadline for implementation of the recommendations, it was indicated that the latter should not only be realistic, but should be suitable for

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<sup>14</sup> Annex 3 to the memorandum of 23 April 1999 (ref 5000/A/K/S).

rapid implementation (2001). They would therefore take account of the IB's missions as defined in the decisions of the Beijing Congress, and not as they may be (re)defined in the future.

According to this hypothesis, a first evaluation of the new organizational structure could take place after two years (2003). On this basis, and depending on the conclusions of the work of the High Level Group reviewing the structure and mission of the Union, the usefulness of other changes would then be assessed.

- c Regarding the target staffing level of the International Bureau, MOVE was asked to determine the optimum number of staff needed in order for the International Bureau to carry out its missions, and in particular to seek synergies between activities. The objective would not be to bring about an overall reduction in the number of staff whose salaries are paid from the regular budget of the Union. The Management told the experts and all the staff that the restructuring of the IB would not result in redundancies. However, MOVE did have to take account of the budgetary restriction resulting from decision CA 3/1995, whereby the regular budget funds 151 posts.
- d Regarding the analysis of member countries' needs, it was decided to focus on the expectations of postal administrations (operators and regulators), which formed the first circle of International Bureau "customers", meaning they had an informed perspective on its operations and a clear idea of what they expected from it. Consequently, so as to avoid encroaching on the responsibilities of the specialized project teams dealing with these issues, private operators, representatives of postal customers and postal industry players were not directly consulted.
- e Regarding the Provident Scheme, the experts should limit themselves to an analysis of the financial consequences of measures such as an increase in the number of fixed-term contracts on the financial equilibrium of the Scheme; they should not deal with the question of how it operated.
- f Lastly, regarding the general conduct of the study, it was stated that the group of experts should strive for transparency in its work:
  - with respect to the staff, and the Staff Association in particular;
  - and with respect to the High Level Group, with which consultation should take place.

### **3 Methodology and timetable of the study**

#### **A. The three phases**

The study consisted of three phases:

- Phase one (January–March): analysis of the status quo;
- Phase two (April–May): feasibility studies on the various reorganization scenarios/validation;
- Phase three (June): preparation of recommendations and drafting of final report.

- **Phase 1 (analysis of the status quo) was in two parts:**

- a **gathering and analyzing available information** (previous studies, Beijing Postal Strategy, Programme and Budget, etc). This preliminary work, allowing the group to be "brought up to speed", took place in January;
- b **more detailed analysis of how the International Bureau operates**, through interviews with each International Bureau section and unit, and then with a large number of staff members; these interviews, lasting one to two hours, took place mainly in February and

March (with each P official); they were supplemented by meetings with about thirty members of the general service (G) staff category.<sup>15</sup> These aimed to:

- analyze the role of each team, and the responsibilities of each person within the team;
  - understand the relationships and distribution of activities between different teams (assignment of Programme and Budget "tactics" to each IB Section or Unit, "interdisciplinary" tasks requiring "horizontal" coordination);
  - identify areas of **satisfaction and dissatisfaction** amongst International Bureau staff and their **expectations**;
  - they also allowed shortcomings to be identified and a number of ways forward to be envisaged.
- c **gathering views and expectations of postal administrations**, and of the Councils. This element of the work led to about thirty face-to-face interviews held in February, during their meetings in Berne, with the Chairman and members of the High Level Group, the Terminal Dues Action Group and the Chairmen of the two Councils. A questionnaire had been sent to them in advance, for information.<sup>16</sup>
- d **comparative analysis of the operation, particularly in terms of human resources, of other international organizations**. In March, a mission to Geneva provided an opportunity for meetings with the ITU, IATA and WMO; PostEurop, International Post Corporation and the Division responsible for the postal sector in the "Internal Markets" Directorate-General of the European Commission were met in Brussels. Subsequently, there were direct contacts with the human resources managers of all the organizations in the United Nations common system, aimed at improving understanding of their recruitment policies.

This phase led to the preparation of an interim report which was:

- discussed by the Management Committee on 20 April, enabling the general lines of a proposed new organizational structure to be approved;
- disseminated by E-mail to all staff, in the form of a summary, on 2 May.

• **Phase 2 consisted of:**

- a defining various organizational scenarios within the framework of the general guidelines approved by the International Bureau Management Committee;
- b evaluating the feasibility of these various scenarios in terms of:
  - overall logic and consistency,
  - appropriateness to the needs of the Councils (Secretariat of Councils, support for Project Teams, etc),
  - advantages and disadvantages, for each area of IB activity, in comparison with the current situation,
  - budgetary feasibility in terms of required staffing levels,
  - probable level of difficulty of implementation/key factors for success;
- c refining the proposed organizational structures through discussions with most of the managers concerned and with the International Bureau Management.

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<sup>15</sup> It was not, however, logistically possible to meet every member of the International Bureau staff individually. A list of the principal meetings organized by MOVE appears in annex B.

<sup>16</sup> A summary of these interviews is given in annex F.

- **Phase 3 comprised two major elements:**

- a drafting of proposals to improve the operation of the IB;
- b preparation of the final report.

## **B. Internal and external consultation**

- **Internal consultation**

- a *meetings with all the staff*

Three general meetings of this type were organized by the IB Management:

- on 14 January 2000 (presentation of methodology and timetable);
- on 30 May 2000 (presentation of results of the first phase of the work);
- on 26 June 2000 (presentation of final results).

- b *Staff Association Committee*

There were fruitful discussions with the Staff Association Committee during:

- a Joint Advisory Committee meeting on 30 March 2000;
- a meeting of the experts with the Staff Association Committee on 16 May 2000.

These allowed the Committee specifically to express its point of view on what the staff expected from the reorganization of the International Bureau.

- c *written contributions*

MOVE asked for contributions from staff and received a certain number of written comments following the distribution of the interim summary report and the meetings with all the staff.

- **External consultation**

MOVE attended meetings of the High Level Group, which invited it to successively present the objectives (in February), the first policy lines (in May) and (in July) the conclusions of its work.

The group of experts also benefited from advice from the Chairmen of the CA, POC and High Level Group. It reported on the progress of its work to the Coordination Committee for the Permanent Bodies of the Union (on 18 April) and CA Management Committee (11 May).

## **C. Conclusion**

The following diagram summarizes the timetable of the work; note that MOVE kept to the timetable envisaged for each phase, and was able to complete its work on time (by 30 June 2000).

## Timetable of the study on the reorganization of the IB

### Phase 1: Analysis of the status quo

**January**

Launch  
+  
Analysis of  
available  
information

**February**

- Meetings with P staff
- Gathering of views of "postal administrations"
- Analysis of operation of other international organizations
- Preparation of interim report: principles of the organization

**March**

### Phase 2: Feasibility

**April-May**

Validation and refinement  
of scenarios

Implications in terms of  
HR budget management

### Phase 3: Conclusions

**June**

Final  
Report/recommendations:

- organizational chart for the IB
- action Plan (to accompany change)

- HLG consultation
- Joint Advisory Committee

- HLG consultation
- Coordination Committee for the Permanent Bodies
- CA Management Committee
- IB Management Committee
- Staff Association Committee
- Meeting with all staff

- HLG consultation 13/7
- Meeting with all staff

- Meeting with all staff



## **CHAPTER 2: THE INTERNATIONAL BUREAU AND ITS ENVIRONMENT: FORCES FOR CHANGE**

### **I. THE EXISTING IB STRUCTURE: PRINCIPAL CHARACTERISTICS**

#### **1 Current organization**

At present, the IB is organized into thirteen distinct teams, nine of them attached to an Assistant Director-General within one of three Divisions, or to the DDG (Finance Section and Postal Technology Centre), or to the DG (Office of the DG and External Relations, and the EMS Unit).

At 1 May 2000, **235** persons worked for the IB in the broad sense;<sup>17</sup> of these, **153** were statutory officials of the IB, in the sense that they were salaried employees with an employment contract of the "United Nations" type, either fixed term or permanent.

The organizational chart of the IB, prepared by the Personnel Section, appears on the next page.

#### **2 Breakdown of activities**

The distribution of tasks between the various teams, as well as between the different Divisions, has been adjusted at various times over the years.

The underlying logic, however, remains clear:

- the Sections under Division I (Logistics, Personnel and, to some extent, Legal Affairs) and the Finance Section may be regarded as support sections, as may the Office of the DG and External Relations, to some extent; they therefore work mainly for "internal" customers;
- the sections of Division II are, as the name implies, geared towards "Postal Services", both from a regulatory viewpoint and from an operational one: the division is thus segmented according to product type (letter post, postal parcels, postal financial services);
- the sections of Division III are devoted to development cooperation (exclusively in the case of Sections F and G, and partially in the case of Section H);
- the PTC and EMS units enjoy a degree of autonomy by virtue of their particular mode of funding – mainly from extrabudgetary resources provided by members of the Telematics Cooperative and EMS Cooperative.

Practically all the sections of the IB have the shared role of<sup>18</sup>:

- providing secretariat and support services to the Councils and their various subgroups (Committees, Action Groups, Project Teams and Sub-Project Teams, etc – in all, more than 70 bodies). Almost half the professional staff (ie, thirty or so P-category staff members) are responsible, inter alia, for organizing and preparing meetings, overseeing work, reports, and where appropriate updating the Acts, preparing various guides or manuals resulting from this, and so on. This activity therefore remains a central avenue of the IB's work;

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<sup>17</sup> This figure includes staff of the PTC, the EMS Unit, the translation services, the Regional Advisers and the regional PTC supports; all contract types are included: permanent, fixed term, short term (less than one year), and staff seconded from "postal administrations".

<sup>18</sup> Annex C contains summary tables setting out the main activities of each section and unit of the International Bureau.



- in parallel, carrying out a number of operational activities, which will have a direct impact on the ability of member countries to provide universal postal services: PTC – deployment of IT applications and development of technical standards – EMS Unit, Sections B (POST\*Clear and IRC system), D (POST\*Code) or H (quality audits), etc;
- being in permanent contact with member countries, to which they disseminate information in various forms (newsletters, document dispatches, direct contacts, advice and opinions, etc);
- in the above three areas, carrying out tasks with high added value requiring technical expertise relating to a particular postal field, but also administrative tasks varying between the complex (eg, timetable of a POC session) and the routine (certain correspondence or circulars).

However, the equilibrium between these various elements varies widely from one section to another and, within each section, from one post to another, many professional staff also divide their time between these various types of activities: in a small organization, a degree of versatility is often essential.

### **3 Fundamental differences**

An external comparison of the activities of the sections and units highlights some significant differences between the sections:

- the varying sizes of the sections (for example: five posts for Section A, nine times fewer than for E, which has 47.5); however, this difference in size is not, in itself, a shortcoming, since the activities involved are in no way comparable;
- the fact that four teams report direct to the DG or DDG (Sections L, S, PTC, EMS Unit), in some cases at the request of member countries, is often justified by their strategic and/or innovative nature. This obviously means these teams gain one management level compared with the other nine teams; from the organizational chart, it may therefore seem that these activities are assigned a higher priority than others;
- the very extensive recourse of the PTC and EMS Unit to extrabudgetary funds and the fact that they are managed by Cooperatives (under POC supervision) sets them apart from the other IB teams:
  - these units (particularly the PTC) operate on a commercial basis as "business units", which invoice internal and external customers for their services; this way of working differs from the international administration approach which prevails elsewhere in the IB,
  - unlike the rest of the IB, they mainly make use of contract staff (since there is a certain correlation between regular budget and statutory staff<sup>19</sup>, and between extrabudgetary resources and contract staff);
- these differences prompt the question of the minimum degree of harmonization needed in order to maintain the cohesion of the organization consistent with maintaining the operational flexibility of these units, in particular:
  - in legal terms (regarding the provisions applicable to contract staff),
  - in the formalization of customer/supplier relationships between the PTC and the other IB sections;

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<sup>19</sup> In the sense that they are recruited according to the rules of the United Nations common system, set out in the Staff Regulations.

- from the organizational chart, it is not immediately apparent where the responsibility for essential "inter disciplinary" activities lies:
  - support for the Union's Councils (in fact, coordination of their secretariat comes under "Legal Affairs" – Section A – in the case of the CA, and "Modernization and Postal Financial Services" – Section D – in the case of the POC),
  - technical cooperation: how are responsibilities divided between Sections B, C, D, H, the EMS Unit and the PTC, which design and develop activities destined for developing countries and Sections F and G in Division III, which programme and implement them?
- certain sections are responsible for activities of very different kinds, whose common threads are not always obvious. For example, Section S (which combines the Office of the DG, external communication and strategic planning) and Division II, where:
  - Section B deals with subjects as diverse as terminal dues and transit charges, which assume highly specialized economic expertise, and postal security, which assumes very practical knowledge of postal operations,
  - Section C has become responsible for the development of markets (philately, direct mail) and marketing, but also covers a product activity (postal parcels),
  - Section D, which may be the most heterogeneous of all in terms of its missions, combines support for one of the Councils (the POC) with product expertise (postal financial services), an operational project concerning mail (POST\*Code) and the updating of the UPU Multilingual Vocabulary;
- in Division III, the situation is reversed, with the artificial separation of the complementary activities of programming and implementation of cooperation projects (Section F) and their administrative management, entrusted to Section G;
- there is no immediate relation between the six objectives of the Beijing Postal Strategy and the divisions between the various sections (objective 1 "Universal Postal Service" concerns at least four sections – A, F, G and H – and maybe others);
- finally, the letters given to the sections (devoid of any particular significance) and their names, some of which are obsolete or vague ("Rapid Services, Parcels and Marketing", "Modernization and Postal Financial Services", "Project Programming and Implementation of the Seoul Postal Strategy") conspire to make it difficult for an outsider to interpret the organizational chart.

#### In conclusion

The current organizational structure is too inconsistent in the way it assigns functions to most sections; this can make it difficult to determine a priori "who is responsible for what".

## II. IB OPERATIONS: POINTS TO BE IMPROVED

MOVE's interviews with each IB section and unit makes it possible to complete the analysis of the organizational structure. Without wishing to underestimate the progress already made, MOVE will focus on points in the current organization and operation of the International Bureau where there is room for improvement.

### *The over-hierarchical structure of the IB*

Overall, there are five or six management levels, which is a lot for an organization with around 200 people (an observation already made by various other consultants, such as ADL and Messrs Aka Brou and Harding):

- Director-General;
- Deputy Director-General;
- three Assistant Directors-General (Division Heads);
- eleven Section Heads and two Unit Heads;
- in some cases, assistant Section Heads;
- other professional category (P grade) staff;
- General service (G) category staff.

In all, there are 19 posts involving direct management of staff, out of a total of 66 "professionals", senior category staff and elected officials, and 96 "general services" posts.

The introduction, in 1999, of a system for classifying P and senior posts created tensions, since 19 of the 61 management-level staff involved now occupy a post which has been classified at a level below their own administrative grade, a situation which the individuals in question sometimes find it hard to accept.

Traditionally, scope for initiative, even at management level, has been fairly limited; according to this logic, the "Internal Rules", defining the procedures and hierarchical routes to be followed by different categories of document or correspondence, must be respected. On the other hand, the current hierarchical system contributed – and is still contributing – to the quality, both in terms of content and form, of the documents published by the IB.<sup>20</sup>

Attempts to decentralize certain tasks (limited delegation of authority to sign) and the use of direct, informal decision-making channels have brought about certain improvements, without however shaking up the fundamental bureaucratic culture of the IB. Most decisions continue to pass through hierarchical channels, very often up to the Director-General himself, who is then overburdened with decisions required or correspondence – of secondary importance in some cases – for signature.

All the section heads interviewed said they were in favour of developing the autonomy of the sections.

#### *Compartmentalization of certain activities*

Hierarchical structures, a relic of the past, lead to considerable compartmentalization of tasks in many other United Nations organizations; this results in a lack of internal communication, and makes it somewhat difficult for the IB to handle certain interdisciplinary issues. The first exercise of assigning the tactics of the Programme and Budget 2000 to the various sections showed, for example, that sharing out responsibilities relating to BPS objective 1 (Universal Postal Service) between the sections was not a straightforward matter; the same was true of certain activities relating to development cooperation, for which the coordination between Division III and the various technical sections was still a problem (particularly as regards the planning of activities).

In recent years, the compartmentalization of tasks has sometimes resulted in *duplication of work* within the IB, with certain sections taking initiatives in the area of external communication or recruitment without first consulting the sections responsible for these areas.

Despite the organization's modest size, large differences exist between the "working culture" of one section or unit and another, translating into highly varied management styles (and degrees of delegation). This diversity is a reflection of the varied geographical origins of staff members (at least 46 nationalities represented); at the end of the day, it also reflects the variety of ways of

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<sup>20</sup> All the more so since the members of the General Management may, by virtue of their considerable experience, be regarded in many areas as the best experts the IB has.

thinking and working of member countries, and this constitutes an asset for the organization. If poorly managed in the future, however, it could contribute to increased compartmentalization between teams.

### **III. THE VIEWPOINT OF "POSTAL ADMINISTRATIONS"**

#### **1 The current role of the IB**

In general terms, the way the IB carries out its "traditional" tasks as a secretariat (organizing meetings, dispatching documents, etc) is highly valued. And many countries feel that the IB has made some progress over the past few years, particularly in the area of external communication, in the use of a larger number of specialists to deal with certain technical issues, and finally in the dynamism of the Telematics Cooperative's activities.

All the same, member countries regret its excessively bureaucratic way of working, which limits its efficiency and flexibility and the transparency of its activities. Some countries do, however, accept that the increased number of tasks assigned to the IB, with a frozen regular budget, accounts for some of the problems observed.

There is also a degree of dissatisfaction in the majority of the countries consulted as regards the results of development cooperation activities initiated by the IB, whose effectiveness is sometimes dubious and whose consistency over time is not always apparent.

Some countries wanted to see the IB develop certain functions whose importance was growing daily – in the legal field, especially (WTO, etc). This would help to strengthen the UPU's role with respect to other international organizations whose activities affect the postal sector (World Bank, etc).

Regarding the management of the IB, member countries were pleased to see new tools – such as the Programme and Budget – being used, but wanted to see further efforts to make the management more effective; the IB Management should therefore strive to make the prioritization of activities, and, more generally, project management and decision-making mechanisms, more transparent.

#### **2 The future role of the IB**

Numerous member countries confirm that the IB should be a driving force in the implementation of the Beijing Postal Strategy objectives; to this end, it should also develop its technical expertise in legal affairs (eg, international law), economics (postal economics) and certain technical areas (parcels logistics). They want the IB to play a more active role as a guide, adviser and "catalyst", both towards member countries and towards the Union bodies.

The areas concerned are:

- technical cooperation, one of the essential strands of the IB's activities, for which many member countries stress the need for greater transparency and greater efficiency and, if possible, lower administrative costs;
- quality of service, through its various elements (measurement, operational activities);
- universal service;
- postal products and markets, for which developing countries – unlike developed countries – want to see the UPU playing an active role in product development;
- relations with other postal sector partners (stakeholders).

More specifically, the member countries consulted recommend reforms to:

- IB management practices (for example, development of project management, clearer definition of priorities, increased use of short-term contracts so long as the IB's "memory" is not lost in the process, and the updating of certain managers' "postal" expertise);
- the structural organization of the IB: a simplification of the organizational structure, or a reduction in the number of management levels, should increase the IB's flexibility and ability to manage "interdisciplinary" activities. Member countries should also be given a clearer idea of "who is responsible for what" at the IB.

Other suggestions, put forward by a single interviewee or a small number of interviewees, though not representative are worth reporting:

- the development of outsourcing of tasks not part of the IB's core activities;
- reorganization of the IB as a "service centre whose structure is based on that of postal operators";
- increased informal use by the IB (via E-mail) of a panel of experts (referees) to rapidly gather non-official points of view on highly technical issues;
- the desire for a future organizational chart to distinguish clearly between IB activities that can be funded by States and those concerning postal activities open to competition, which should be financed only by the operators concerned.

### **3 The debate on the future structures and missions of the Union**

MOVE's work was carried out in parallel with that of the High Level Group charged with submitting, in 2001, proposals on the future structures and missions of the Union.

Although MOVE was, as indicated in chapter 1, mandated to devise an organizational structure adapted to the *current* missions of the IB, coordination between the two groups was needed:

- on the one hand, because the member countries interviewed by MOVE about the future of the IB often framed their views, quite naturally, within the more general context of their particular vision of the future of the Union;
- on the other hand, because without wishing to pre-empt the final conclusions of the HLG, MOVE wanted to ensure that its own recommendations did not conflict with the general findings of the HLG.

This being so, the five options prepared by Subgroup 2 of the HLG and discussed during the meeting on 12 July 2000 constitute a useful reference document for MOVE.<sup>21</sup>

- the model (1) involving complete separation of the UPU into two bodies with separate secretariats: one body responsible for governmental and regulatory issues and promotion of technical cooperation, provided with a smaller secretariat; the other responsible for operational issues, the size and composition of whose secretariat would depend on members' expectations;
- the two models (2 and 3) envisaging the separation of these two activities within the common framework of the UPU would, in particular, involve the creation, within the "operational" activity, of separate groups (letter post, postal parcels, postal financial services), supported within the IB by separate teams;
- the model (4) which provides, within the UPU, for a strengthening of the powers of the two Councils, the CA in the areas of legislative and regulatory matters and cooperation and the POC for operational aspects concerning the universal service; this assumes that each Council has its own budget and is assigned a specific IB team;

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<sup>21</sup> CA HLG 2000.3–Doc 3.

- the model (5), which provides for greater specialization by the Councils than at present, and a strengthening of the powers of the Advisory Group, assumes that the organization of the IB will be restructured with a view to optimizing its support for each of the three bodies.

All these proposals tend to translate, to a greater or lesser extent, into a distinction in the IB's organization between tasks relating to intergovernmental issues and tasks of a more "operational" nature, primarily involving operators. To facilitate a subsequent transition to a (possible) new structure of the Union, MOVE's proposal should therefore define how a new organizational structure could reflect this distinction, whilst naturally remaining within the framework of the *current* missions and structures of the Union.

## CHAPTER 3: FUTURE ORGANIZATION OF THE IB: GENERAL PRINCIPLES

### Introduction

On the basis of the observations made in chapter 2, the objectives of the new organizational structure were framed as follows:

- make the functions of each team more homogenous
- develop a more "legible" organizational structure within which responsibilities are clearly defined
- facilitate the IB's role of providing "intellectual" support to the Councils and, in general, to the member countries
- give more responsibility to intermediate management levels
- put in place as many management levels as are necessary
- help to eliminate the compartmentalization of teams and improve the management of "horizontal" activities

This led MOVE to consider three questions, which concern three major strands of the reorganization:

- the segmentation of the IB's activities, in other words how they are grouped or "sub-divided";
- what type of hierarchical organization is best;
- projects as a tool for managing "interdisciplinary" activities.

## I. SEGMENTATION OF THE IB'S ACTIVITIES

### 1 Segmentation criteria

Firstly, MOVE compared three major options which could be envisaged for the structure of the organizational chart:

- segmentation according to type of postal service and product (letter post, parcel post, postal financial services);
- segmentation according to type of IB "customer", and each of the two Councils in particular;
- segmentation according to type of expertise (organizational structure based on (competence centres) corresponding to the different "professions" and functions of the IB.

The following table presents detailed results of a "brainstorming" session carried out by the group, which were then discussed and refined with members of staff and the Management.

These show that:

- a structure based around competence centres should be regarded as the main criterion (criterion 1);
- a segmentation of activities intended for the CA and POC respectively is desirable, but as a secondary criterion (ie so long as it is compatible with the competence centres system) (criterion 2);
- dividing activities between "products and services" could be an additional criterion (criterion 3).

**Table: Comparison of the various alternative approaches to regrouping the IB's activities**

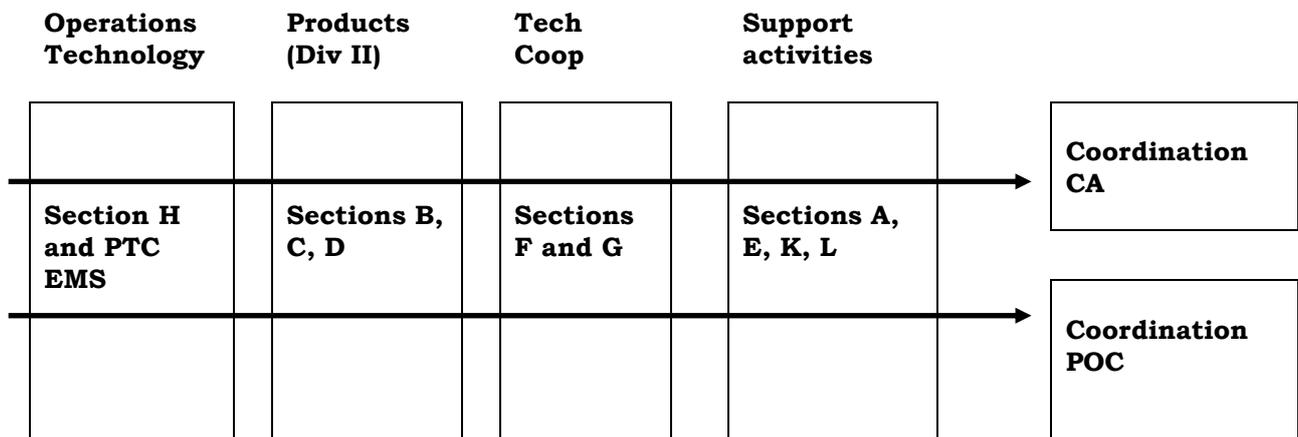
Activities grouped according to ...	Advantages	Disadvantages	Approach chosen
<b>Types of postal products and services (letters, postal parcels, financial services)</b>	<ul style="list-style-type: none"> <li>- clearly understandable</li> <li>- corresponds to a division which exists in most Posts</li> <li>- already exists within Division II</li> <li>- justified by the fact that these three areas require distinct knowledge and skills, and are handled by distinct parties within the operators and possibly regulators</li> <li>- allows regulatory and operational activities to be grouped together for each "line"</li> </ul>	<p>Two major drawbacks:</p> <ul style="list-style-type: none"> <li>- would cover only some of the IB's activities</li> <li>- in particular, would not cover the IB activities intended specifically for governments and postal regulators; would therefore give the impression that the IB is working "only" for operators</li> <li>- above all, would introduce too great an imbalance between the letter post on the one hand and each of the other two areas, which, despite their size, represent a much smaller workload than the "letter post"</li> </ul>	To be retained as an additional segmentation criterion only
<b>General types of "customer"</b>	<p>By definition, strengthens the image of a "customer-led" organization</p> <ul style="list-style-type: none"> <li>- would be appreciated by the various categories of "customers", which would strengthen their link to the IB</li> <li>- already exists for certain IB activities: <ul style="list-style-type: none"> <li>• support activities, which gives greater importance to internal customers</li> <li>• the PTC and EMS Units, which work mainly (but not exclusively) on behalf of the member countries of the Cooperatives</li> <li>• Section C or the external communication activities of S, which process and disseminate information to a large number of targets in addition to operators and regulators (customers, businesses, private individuals, opinion formers, media, etc)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Though it is possible to list the internal and external customers for each IB activity, it is difficult, or even impossible, to determine which of them would justify the creation of a separate IB team to serve them</li> <li>- A single IB activity often serves various different customers: the conclusions of a study may be used by a CA and/or POC project team, published in <i>Union Postale</i> magazine, re-used in a technical cooperation training seminar, etc</li> </ul> <p>Quickly leads to a difficult, rather theoretical discussion on the very definition of "customer"</p>	Secondary segmentation criterion
<b>... and in particular, a distinction between activities supporting the CA (which primarily concern governments and regulators) and activities supporting the POC (which primarily concern operators)</b>	<ul style="list-style-type: none"> <li>- Would correspond to the general approaches being studied by the HLG</li> <li>- Would enable the IB to affirm more strongly its position with respect to these two customer types, whose needs are tending to differ more and more</li> <li>- Would be in line with the current situation, whereby the tasks of coordinating the two Councils fall to two different sections (A and D)</li> </ul>	<ul style="list-style-type: none"> <li>- The proposed organizational structure should not go too far towards separation, as the subject is under discussion in the HLG</li> <li>- Too clear a separation would lead to duplication of activities and expertise within the IB, for example as regards terminal dues, whose general principles come under the responsibility of governments and regulators, but whose technical details come within the purview of operators; it is logical for a single IB team to support the TDAG (a POC body) and the POC Terminal Dues Project Team</li> <li>- Even if these two activities were regarded, from the Union's point of view, as having equivalent "political" weight, in practice the team supporting the CA/responsible for intergovernmental issues would be smaller than the team(s) supporting the POC/postal operators</li> </ul>	Secondary but essential segmentation criterion
<b>Types of expertise (organization according to competence centres)</b>	<ul style="list-style-type: none"> <li>- In principle, this is the most motivating option for staff, since it emphasizes "professions" and specific areas of expertise: <ul style="list-style-type: none"> <li>• enables people hitherto distributed between different teams to work together in the same team</li> <li>• clearly shows customers what the IB is able to do for them</li> </ul> </li> <li>- already in place for support activities (logistics, finance, personnel, etc)</li> <li>- would enhance the IB's credibility as a provider of technical and other support</li> <li>- in many cases, covers the "CA/POC" segmentation, cf operational activities carried out exclusively on behalf of operators within the framework of the POC</li> <li>- in principle, reduces the risks of duplication of expertise between teams</li> <li>- lends itself very well to the establishment of "interdisciplinary" projects to which each individual brings his/her technical expertise</li> </ul>	<ul style="list-style-type: none"> <li>- Leaves open, in certain cases, the question of the level at which types of expertise are gathered together, for example: should finance and human resources be regarded as separate competence centres, or as a single competence centre?</li> <li>- Assumes that the IB actually has individuals with the required technical expertise</li> </ul>	Main choice criterion

Secondly, other criteria were considered:

- the distinction between administrative support activities and other activities already exists to some extent at the IB; it is in place in most of the United Nations organizations whose organizational charts MOVE studied, either in the form of an "Administration" directorate or in the form of separate units. It is compatible with division according to functions or competence centres;
- the EMS Unit and PTC are entities for which MOVE declined to propose changes in structure or field of activities, at least for activities led by the Cooperatives and funded by extrabudgetary contributions. This decision reflects the special nature of these two activities, given that – in the short term – most of the IB's other activities could not operate according to the principle of a business plan and development of turnover. All the same, the relations between these two units and the IB's other structures, and hence their "positioning" in the organizational structure, need to be examined.

**2 The logic followed**

According to the principles outlined above, a first, simplified model was tested:

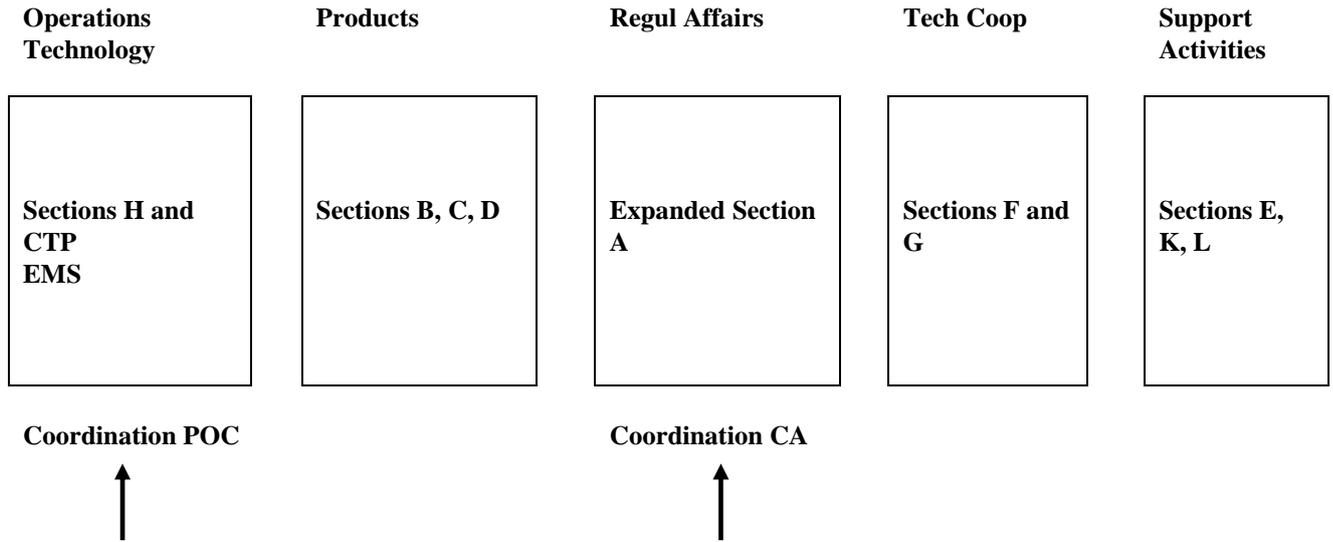


**SEGMENTATION BY COMPETENCE CENTRE**

When analyzed, this matrix structure, though attractive, was not found to be fully satisfactory, in that it did not highlight sufficiently the specific role to be played by the IB in supporting "regulators"; moreover, it appeared to introduce only a single substantial change in the organization: the creation of a fourth Division. Its implementation in this form would therefore incur additional costs for the organization, without providing a solution to the problem of the number of management levels. Finally, it was not certain that a "matrix" system for tasks as important as support for the two Councils could have been put in place in the short term, given the change in culture this might involve.

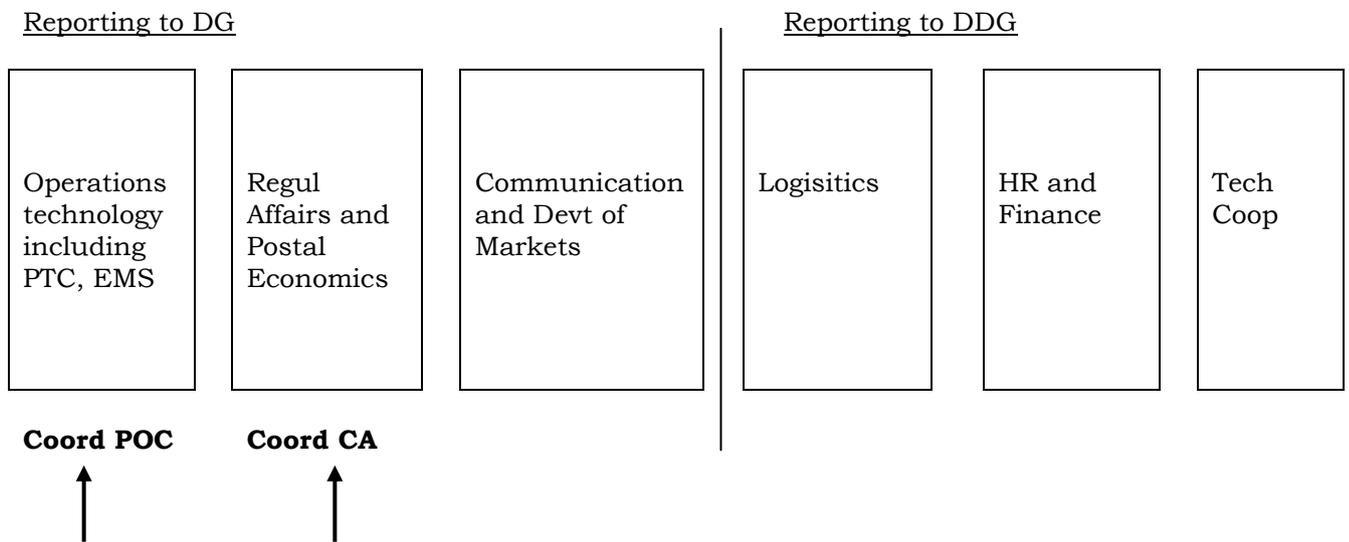
For this reason, MOVE then made two refinements:

- introduction of the criterion of secondary segmentation according to "customers" in order to add a separate structure charged with regulatory affairs;
- incorporation of POC and CA coordination into the "operational" part, assigning them to "Operations and Technology" and "Regulatory Affairs" respectively.



**SEGMENTATION BY COMPETENCE CENTRE: IMPROVED MODEL**

This second version appeared better able to respond to the needs of governments, and seemed more feasible in the short term. But, far from responding to the criticism concerning the management levels, it increased the number of Divisions from four to five. For this reason, in a third phase, MOVE worked on the basis of the removal of an intermediate management level. This would involve defining related activities that could be attached direct to the DG or DDG. At the same time, the number of "units" should be limited, so as to avoid overburdening the DG and DDG. Following this logic, MOVE was able to propose the following "definitive" (simplified) model.



**SEGMENTATION BY COMPETENCE CENTRE: SIMPLIFIED "DEFINITIVE" MODEL**

A detailed analysis of the activities that make up these different structures (together with the Office of the DG, not depicted in these various models) is provided in chapter 4.

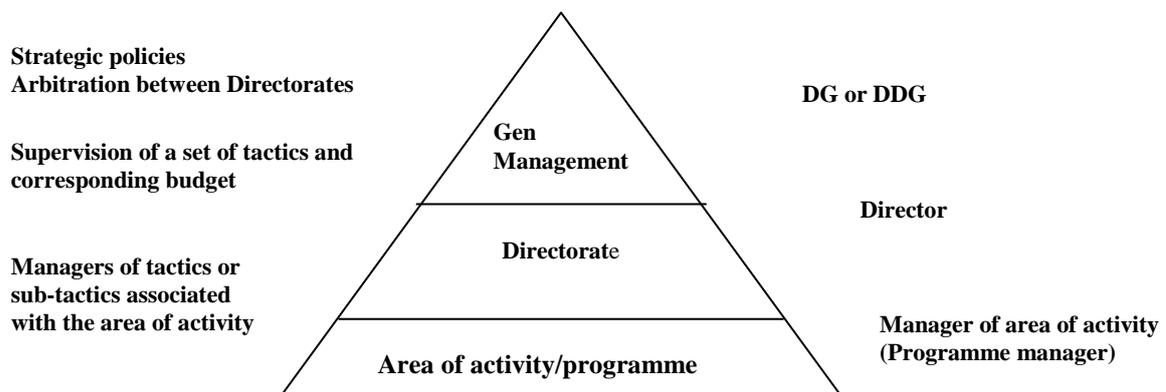
## II. THE MANAGEMENT LEVELS

The essential question is that of the optimum number of management levels within the IB, and the sharing of responsibilities between these different levels.

MOVE believes that, in general terms, the management of the IB's activities justifies an organizational structure with three levels of managerial responsibility<sup>22</sup>:

- General Management (DG or DDG);
- Director;
- Programme Manager/person in charge of an area of activity.

This structure involves a delegation of responsibilities from the General Management to the Directorates on the one hand, and from the Directorates to the various teams that make them up on the other hand.



### 1 Base level: area of activity, programme

This corresponds to a homogenous set of activities led by a manager responsible for its objectives, the quality of its results and, if provided with a team, generally small in size (one to three persons), coordination of team members' activities.

Managers submit budget proposals for arbitration by their hierarchical superior (Director) and oversee their implementation.

They are generally considered, both internally and by member countries, as the number one expert in their field of activity; as such, they are often the secretary or assistant secretary of one or more Project Teams or other Council bodies.

The activities should correspond to all or part of one or more tactics or sub-tactics of the Programme and Budget, or to tasks resulting from these tactics or sub-tactics.

MOVE believes it is not essential to propose a single name for these small teams. In no case are they "sections" or "units", in that:

- these teams, like the Directorates to which they are attached, will vary in importance, and the classification of their managers' posts, though of comparable management level, will differ as a result (leading to much greater flexibility);
- their functions are not the same as those of sections or units; consequently, it is best to remove any reference to the names currently used.

<sup>22</sup> The question of the EMS and PTC Units, whose specific character has been noted above, will be discussed separately in chapter 4.

The areas of activity which might be termed "operational", whose activities are often geared towards "external customers" of the IB (as opposed to functional support activities) might be termed "programmes" and their manager "manager of programme xx".<sup>23</sup>

For the sake of clarity, these teams could be designated according to their activity ("Personnel Administration", "Europe and Arab Countries Programme", "Postal Financial Services Programme", etc) and not by letters as the old sections were.

The advantages for the IB and its staff are as follows:

- it will clarify "who does what", both internally and for "external customers";
- it will give at least 20 IB managers direct responsibility (as heads of areas of expertise/programmes);<sup>24</sup>
- it will assist in the decentralization of certain responsibilities.

## **2 Intermediate level: Directorate**

The Directorate is the intermediate link in the management chain between the General Management and the specialist teams; it corresponds to one (or two) of the International Bureau's major support or operational functions, and groups together the programmes and areas of activity coming under it; it has overall responsibility for a number of Programme and Budget tactics, and for the corresponding budget.

Directors are not (or not only) technical experts in the areas for which they are responsible; they are first and foremost managers, who, in particular:

- report to the General Management (DG or DDG) and participate in the Management Board;<sup>25</sup>
- relay information from the General Management to their teams;
- pre-arbitrate budgetary requests from their various Programme Managers and propose an action plan to the General Management;
- actually lead their team, which means assigning tasks, organizing and coordinating work, deciding on the level and form of delegation of responsibility to be granted to staff, overseeing and managing the budgets assigned to them, signing mission orders within the limits of the "missions" budget assigned to them, authorizing other expenditure from their budget, setting objectives for their subordinates and assessing the latter's performance;
- participate actively in the selection of each new staff member;
- seek whatever extrabudgetary funding they deem necessary for the financial equilibrium of their Directorate's activities;
- act as "Secretary" for various bodies of the Union's Councils.

The Directorates relieve the DG and DDG of tasks of secondary importance, so they are better able to concentrate on their General Management duties.

The Director therefore takes on some of the responsibilities of the current Heads of Division and Heads of Section, but with a greatly increased element of management and responsibility. Though at an identical management level, the classification of the various Director posts could vary according to the extent of the responsibilities involved; they could therefore be held by officials of different administrative grades.

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<sup>23</sup> Note that the PTC is already structured according to programmes.

<sup>24</sup> Compared to the current 11 section heads and two unit heads.

<sup>25</sup> See chapter 5.

### **3 Senior level (elected officials): Director-General, Deputy Director-General**

The tasks assigned to the Director-General are clearly defined in the General Regulations (article 110), and notably include management of the IB, definition of the strategic plan, and acting as Secretary-General of the Union's bodies. Those of the Deputy Director-General are set out succinctly (article 111): to "assist the Director-General" and replace him or her in case of absence or a vacancy in the post.

Within the current organizational framework of the International Bureau, the DDG is the hierarchical link between the Division Heads and the Director-General; he/she also directly supervises the PTC and Finance Section (L), the DG being directly responsible for the EMS Unit and Section S.

On the basis of discussions with the DG and DDG, MOVE felt it was desirable to extend to all the Directorates of the future International Bureau this principle of direct supervision by the DG or DDG of IB activities. The aim of this is to:

- simplify the administrative channels;
- bring the teams closer to the General Management, and vice versa;
- facilitate decision-making;
- improve the distribution of responsibilities between the two main managers of the IB, while retaining the DDG's functions as the DG's assistant and replacement in case of absence.

In general terms, it appears logical to attach directly to the DG, as Secretary-General of the Union's bodies, the activities carried out under CA or POC control, in the regulatory, operational and strategic domains.

The DDG would become the guarantor of the smooth running of the International Bureau, taking responsibility for most of the IB's support activities, namely finance (as at present), administration (personnel) and logistics; development cooperation would be added to this list, for two main reasons:

- this directorate, like all the directorates coming under the DDG's responsibility, works extensively with or on behalf of the directorates coming under the responsibility of the DG, technical cooperation being by its very nature an "interdisciplinary" activity within the IB;
- a degree of balance in the number of directorates placed under the respective authority of the DG or DDG should be maintained.

The DG would continue to be assisted by an Office (and by the internal auditor); the DDG, given the increased management responsibilities, would be backed up by an assistant.

## **III. MANAGEMENT OF INTERDISCIPLINARY ACTIVITIES: PROJECTS**

### **1 Background**

The consultant A D Little, in its 1998 report, highlighted the need to introduce project-based working in the IB in order to eliminate compartmentalization and develop its effectiveness. It was proposed that more work should be carried out by "project-based teams". This proposal was not elaborated upon.

Many United Nations organizations have gone down this road, including in recent times the WMO (see the "Report on the Review of the Secretariat of the WMO"), or the ITU.

Unfortunately, the use of the word "project" to mean different things can lead to some confusion, for example:

- the CA and POC "project teams", which superseded the old "working parties", the main change being to give them a very specific mandate and life span;
- technical cooperation multi-year integrated projects (MIPs).

To take examples from non-governmental organizations, we find that the International Post Corporation (IPC) defines its various projects in terms of quantifiable objectives and of a list of actions matched to an implementation schedule. The project manager is responsible for managing the budget and attaining the objectives of which the Board takes note; he heads a group of experts delegated by the postal operators participating in the project.

IATA, for instance, gives members (airlines) which so wish the possibility of creating a "group of representatives" to launch a new project.

## 2 General definitions

A project implies the deployment of human and budget resources for a pre-defined limited period. It results in the achievement of a specific, "one-off" ie, non-recurring objective (ongoing, repetitive or routine tasks are not suitable for the project approach).

- It implies an important aspect for the organization, for instance through the existence of a specific budget.
- It groups a complex of tasks for which simple coordination is not anywhere near enough and which thus requires formalized organization.
- Within an organization, a project may be vertical (integrated within one and the same service) or interdisciplinary (involving the cooperation of several services).

Depending on the importance a Directorate wishes to give to project-based organization, various forms of matrix structure can be envisaged as shown in the following table.

**Table: The various types of matrix structure**

Project characteristics	Type of organizational structure				Projectized organization
	Vertical (by functions)	Weak matrix	Balanced matrix	Strong matrix	
Project Managers' authority	little or none	limited	weak to medium	medium to strong	strong to total
Percentage of staff assigned full-time to project	near 1	0-25%	15-60%	50-95%	85-100%
Project Managers involvement	part-time	part-time	full-time	full-time	full-time
Most frequent Project Manager titles	coordinator or leader	coordinator or leader	Project Manager	Project Manager or Director	Project Manager or Director
Status of Project Manager's administrative support team	part-time	part-time	part-time	full-time	full-time

**Source: A Guide to the Project Management Body of Knowledge, Project Management Institute, Darby PA United States of America, 1996**

The two most interesting forms of matrix structure, corresponding to two different levels of sharing of responsibility between the project manager (interdisciplinary) and operations managers (vertical) are worth setting out in detail.<sup>26</sup>

- "*balanced matrix*": the project manager supervises the project for which responsibility is shared with the operations managers. He is responsible for complying with deadlines and budgets, while operations managers are responsible for the quality of services. This type of organization is often presented as the best of the "matrix" solutions, but its smooth functioning presupposes good relations and coordination between the two managers concerned.
- "*secondment matrix*" or "*strong matrix*": the project manager is responsible for carrying out the tasks for which the operations managers second members of their team on a full- or part-time basis. This gives the project manager tighter control over the project, while the operations managers lose much of their influence on the final outcome.

### 3 *Projects at the IB: applicability*

In the sense of the definition adopted, any project presupposes formalization, a specific operational framework. MOVE therefore looked into which IB activities called for priority application of this approach.

- a The IB may be involved in a project led by other bodies, for instance:
- through technical support for projects led by the countries themselves within the QSF framework;
  - by providing secretariat services for POC Project Teams.

In other cases, it is the IB itself which does the piloting and supervision work: only such projects are dealt with below.

- b The transition of the IB as a whole to a project-based operation as ADL appeared to propose would correspond to the scenario of "a projectized organization"; this would be too abrupt a change from current operating methods and is not a realistic solution in the short term, though it may represent a long-term objective.
- c The great majority of the tasks carried out by staff do not justify the creation of projects:
- some of them are of a routine or repetitive nature (particularly for support functions: salaries, etc);
  - others merely call for limited coordination or coordination which can easily be implemented with other teams, for instance as part of preparing or monitoring the interdisciplinary tactics of the Programme and Budget;
  - others still are already managed within the framework of formal or informal working groups which function quite well or can easily be improved.
- d Support for CA and POC Project Teams which have their own timetable and method of operation must be maintained; this support provided by the IB does not, as a general rule, call for the putting in place of a special project structure within the IB.
- e The introduction of competence centres and of programmes, as proposed by MOVE, already represents progress in terms of management:
- managerial staff who used to have to coordinate their work via their superiors find themselves in the same team and can work together more easily;
  - the various fields of activity/programmes have a manager who defines the team's work programme together with his/her Director: timetable, budget, objectives, distribution

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<sup>26</sup> See for instance: J Rodney Turner, The Handbook of Project-based Management, McGraw Hill, 1993, in particular chapter 7.

of tasks among team members. In practical terms, this procedure has similarities with a simplified project approach.

- f Some IB activities already take the form of projects (eg, the project on developing a cost accounting model for the developing countries, assigned to a project manager who currently reports to the Head of Division III).
- g In the recent past, the project approach could have been applied to preparations for the Beijing Congress or the UPU's 125th anniversary.
- h In the short term, two fields seem to take priority for project approach implementation on the grounds of their importance and their genuinely interdisciplinary character within the IB:
  - development cooperation activities;
  - the implementation of organizational change at the International Bureau.
- i Depending on the results, the project approach would then be gradually extended to other activities which satisfy the criteria.
- j As regards development cooperation, the introduction of projects seems all the more relevant because this is a field in which the IB should reinforce its expertise in planning, prioritizing and implementing complex activities by:
  - approaching many service providers, both external (consultants) and internal (the various Directorates of the future IB);
  - activating various budgets (article 17, Voluntary Fund, in future possibly the QSF, other fund donors of the UNDP or World Bank type);
  - raising coordination problems, both inside the IB and externally, in respect of the various stakeholders.
- k As of now, start-up of projects corresponding to the various types of cooperation activities could be envisaged:
  - "emergencies" (cf in 1999, Kosovo);
  - assistance with developing and putting in place pricing and cost accounting systems;
  - help with preparing postal legislation;
  - assistance with marketing and market development;
  - training (cf Trainpost, virtual university);
  - quality of service measurement;
  - assistance with concrete improvement of the network (security, transport and mail circulation);
  - development, deployment and maintenance of information systems (cf, PTC activities).

#### **4 Organization of interdisciplinary projects**

##### *a Steering Committee*

MOVE proposes assigning responsibility for steering the IB's interdisciplinary projects to the future IB Management Board<sup>27</sup> responsible for:

- deciding on activities to which a project approach could be applied;
- appointing the project manager and the members of his team;

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<sup>27</sup> Made up of the DG, DDG, Directors and the Head of the Director-General's Cabinet and Strategic Planning.

- validating the project team's mandate, in particular as regards stages, deadlines, objectives, budgets, reporting and monitoring procedures, etc;
- deciding on related administrative issues (whether or not to resort to external expertise and under what conditions, assignment of the head and members to a project on a full-time or part-time basis);
- noting the interim results and, if necessary, taking major decisions about the line of thrust of the work, on the proposal of the project manager;
- taking stock of the results and deciding on follow up.

Subsequently, ie when the number or type of projects so justify, a restricted steering committee, separate from the Management Board, could be set up. Thereafter, the Management Board would continue to steer only the most important projects.

#### *b Project manager*

Depending on the individual case, the manager of a cross-sectional project may be chosen:

- from those in charge of programmes (cf heads of regional cooperation programmes or heads of programmes of the Operations and Technology Directorate;<sup>28</sup> this responsibility may be part of the duties of their post;
- from other members of staff and of the IB Management;
- from outside the IB, if no internal solution can be found and budget permitting (or if extra-budgetary resources are available).

In all project matters, he reports direct to the Management Board or to a Director delegated by the Management Board.<sup>29</sup> As appropriate, he informs the CA or POC Projects Teams concerned by the subject.

Success factors:

- Do everything to facilitate access to these posts by IB staff keen to acquire new skills by developing in-house project management training, thus gradually creating a "nursery" for properly trained project managers. The opportunity of holding the post of project manager for a limited period promotes diversification of skills.
- Allocate project manager posts on the basis of the incumbents' skills *rather than of their administrative rank*.
- Establish a staffing classification of *full-time* project manager posts, depending on the scale of the projects (in terms of budget, size of teams, strategic importance, technical difficulty, implementation period, etc).<sup>30</sup>

#### *c Project procedures*

MOVE thinks it would be risky to impose on the IB standard procedures which might not match requirements or not gel properly with the IB's programme budget process.

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<sup>28</sup> For details of these Directorates, see Chapter 4.

<sup>29</sup> In contrast, the head of a "vertical" project naturally reports to his immediate superior (generally a Director).

<sup>30</sup> For instance, by introducing two levels of complexity. The rules in force at the IB would apply to the payment of allowances to staff appointed to a project manager post classified higher than their administrative grade. For part-time project manager posts, classification does not seem expedient.

In such matters, it is vital to obtain a consensus of the main players in this change. MOVE therefore proposes **setting up a short-term, in-house working party to formalize the IB project procedures**, especially as regards:

- including projects in the Programme and Budget;
- sharing responsibilities between the operations level (the Directorates involved in the project) and the project manager (interdisciplinary level);
- the major phases of the project.

If conducted well and fast, a project management approach for technical cooperation would enhance the IB's credibility as an efficient manager of the funds entrusted to it. If implemented from the beginning of 2001, it could be used to prepare QSF implementation, thus responding to the concerns voiced by many "postal administrations". Through a knock-on effect, the project approach could then be extended as required to other areas of IB activity.

### CONCLUSIONS OF CHAPTER 3

The experts do not claim to have exhausted the topic of potential forms of organization for the IB – other solutions could probably have been suggested. However, MOVE tried to identify general, realistic reorganization principles that satisfied staff and member-country expectations, namely:

- standardize the missions of the various IB teams by creating "competence centres" grouping complementary activities;
- flatten the organizational structure by giving responsibility for these competence centres to directorates, generally made up of several teams ("programmes"). The Directors report direct to the DG or DDG, making it possible to eliminate two intermediate management levels throughout;
- make the Directors and Programme Managers more responsible by delegating responsibilities to them, particularly as regards budget, team management and authority to sign;
- gradually introduce project-based work, particularly for technical cooperation activities.

These principles were submitted to the Director-General in April 2000 for approval and then to the IB staff as a whole before being used to define and analyze the detailed organizational charts given in Chapter 4.

## **CHAPTER 4: PROPOSALS FOR THE FUTURE INTERNATIONAL BUREAU ORGANIZATIONAL CHART**

### **Introduction**

The following chapter sets out the detailed proposals for the organizational charts of each of the Directorates whose creation is suggested by MOVE, starting with those which would report to the Director-General and continuing with those reporting to the Deputy Director-General.

1 In preparing their proposals, the experts tried to define the number and nature of the posts which seem necessary for proper execution of the work; in particular; the aim was to ascertain whether the IB could carry out the tasks currently assigned to it while complying with the ceiling of 151 posts whose funding was guaranteed by the regular budget. Except in a few special cases, posts funded out of extrabudgetary resources were not taken into account in the analysis.

2 The experts did not want to "put names to the boxes" so did not study whether the profile or skills of each IB staff member matched the job requirements in the new organizational chart. MOVE felt that this (key) task would fall to the IB Management when it came to implementing reorganization but was definitely not part of the Group's remit.

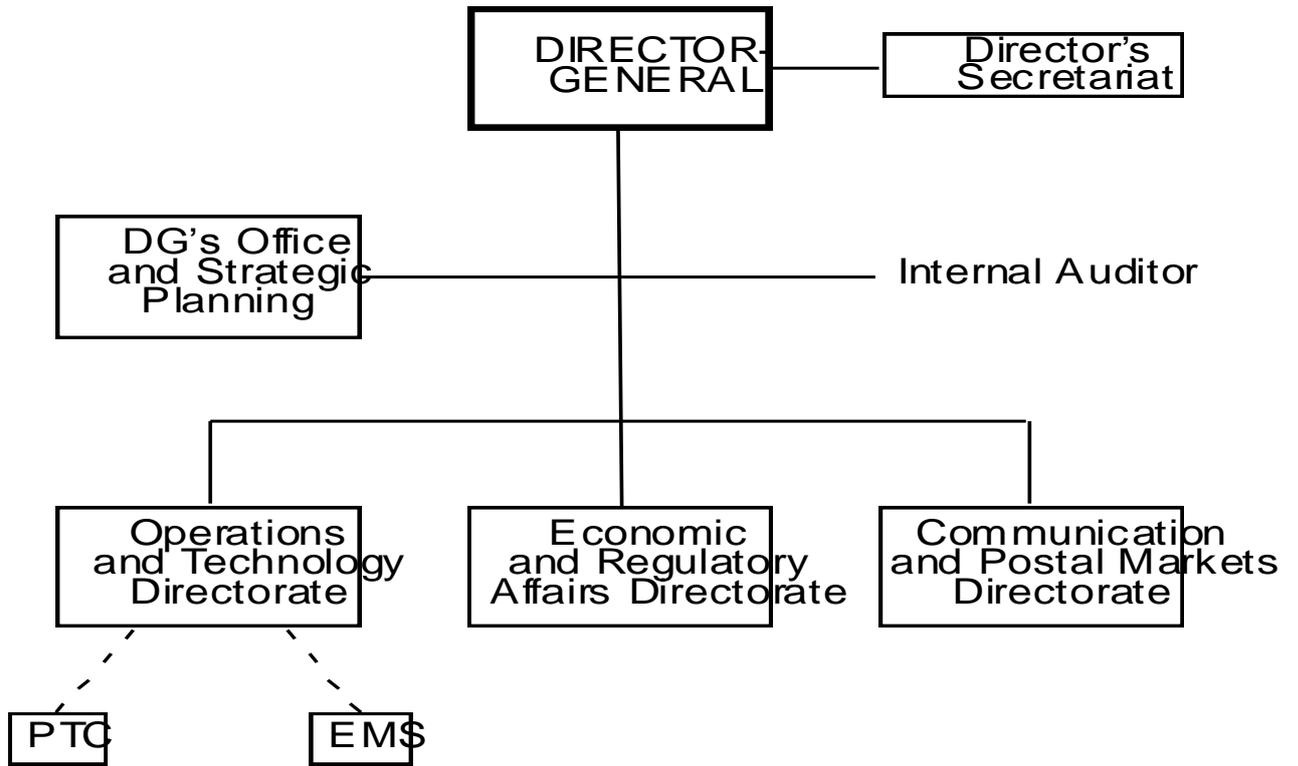
3 The same outline was used for each of the Directorates analyzed:

- context;
- restructuring objectives;
- proposed organizational chart;
- justification of posts;
- advantages of the proposal.

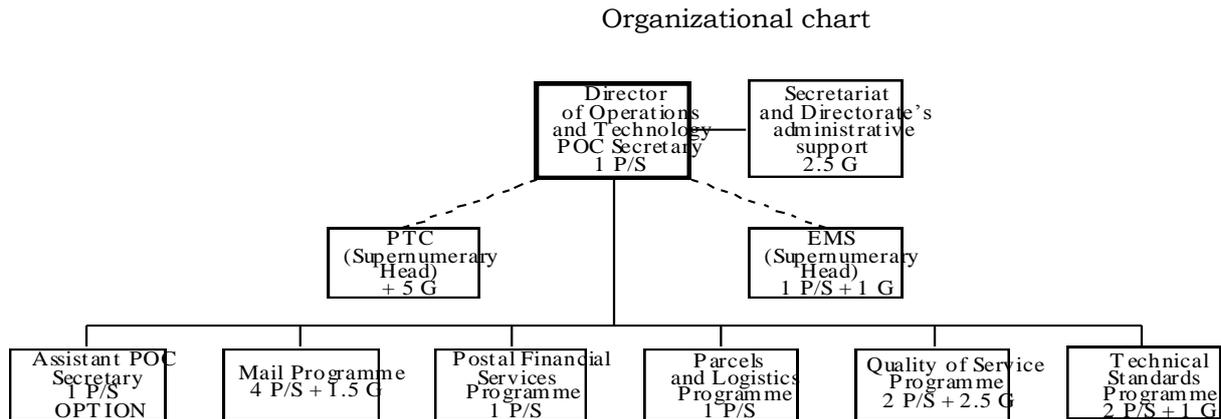
4 The post descriptions are given for guideline purposes, in order to specify the key duties. Thus, they do not claim to be exhaustive and should be supplemented before a new organizational chart is introduced.

5 Lastly, there is no reference to the staffing classification of the posts; this task did not come within the purview or the technical competence of the experts but should be done by specialized consultants on the basis of the definitive, harmonized job descriptions. MOVE confined itself to distinguishing between management posts (P or senior posts, abbreviated to P/S) and G posts (general services).

### Directorates Reporting To The Director-General



#### 4.1. OPERATIONS AND TECHNOLOGY DIRECTORATE



##### 4.1.1 Context

One of the UPU's most important objectives is to strengthen the universal postal service, both at national and international level, to ensure that customers receive quality services. On the basis of the decisions taken by Union bodies, the International Bureau's role is to provide support and facilitate better-quality postal operations. Network quality can be improved:

- directly, through physical and intellectual assistance to the developing countries as part of technical cooperation or IT deployment activities; measures and audits on the various network segments which result in concrete recommendations for improvement;
- indirectly, through the definition of new procedures (within the framework of the Convention or its Regulations), technical standards, the updating of postcode databases (Post\*Code), the dissemination of practical operational guides, etc.

These activities are currently spread over a large number of sections.

##### A. Section B (Letter Post and Postal Security) is responsible for:

- preparing and following up proposals to revise the Postal Convention (the year before and the year after Congress) and updating the Letter Post Regulations (between Congresses);
- work in connection with air conveyance, ranging from support for the IATA-UPU Contact Committee to contacts with "postal administrations" and airlines on operational issues, contributing to negotiations about the basic air conveyance rate, setting airmail distances, calculating rates for transit à découvert, etc;
- work in connection with customs matters, including support for the WCO-UPU Contact Committee, contacts with private operators, work on revising the Annex to the Kyoto Convention, promoting the use of EDI messages, publishing operational guides and the Customs Operational Guide, publication of the List of Prohibited Articles;
- postal security matters, in particular support for PSAG activities, cooperation with other international organizations dealing with crime issues or drug traffic, organization of training seminars, programming and conduct of security audits at airports, the publication of manuals and various publications about security;

- Post\*Clear – the clearing system for UPU member countries managed by the IB, overhaul of which is currently under study.

**B. Section C (Rapid Services, Parcels and Marketing)** is responsible for postal parcels. This covers regulatory work (drafting and updating of the Regulations and the Convention, dissemination of information about these texts) and operational work (coordination and support for studies on parcels and logistic issues, preparation of proposals for developing new products, use of barcodes, etc).

**C. Section D (Modernization and Postal Financial Services)** is responsible for work in connection with postal financial services which, as for parcels, includes regulatory work (drafting and updating the Postal Financial Services Regulations, interpreting these texts), development of standards and quality measurement methods for the postal financial services, support for member countries for development aid in these services. Other operational activities include management of the international reply coupon system, coordination and development of Post\*Code (international postcode database) and lastly, the Multilingual Vocabulary. All these activities generate specialized publications.

**D. Section H (Quality of Service)** is responsible for two key aspects of quality of service:

- measuring the quality of international mail services and analyzing the relevant results;
- quality audits, for instance in airports.

It should be noted that, for cost reasons, most of the quality measurement is done by Section H staff; the Section is responsible for implementing the Quality of Service Programme decided by the Beijing Congress. Moreover, the introduction of new, more sophisticated quality measurement techniques is being studied.

**E. The EMS Unit** is dedicated to supporting the EMS Cooperative for which it organizes General Assembly, Board and various working meetings; it contributes to the evaluation and updating of the Cooperative's statutes and business plan. The Unit participates in all the activities decided by the Cooperative concerning:

- the review of EMS standards, procedures, the EMS Operational Guide, circulars;
- setting up of the EMS database;
- promoting network improvement as regards computerized item track and trace, follow-up on audit and measurement programmes, conveyance issues;
- organization of training seminars.

The EMS Unit is also involved in harmonizing the EMS remuneration and clearing system with that of other postal services.

The EMS Unit was set up to ensure efficient coordination of the Union's EMS activities and is financed partly out of the regular budget and partly by Cooperative members (in principle it is to be totally member-financed after the Abidjan Congress).

**F. The PTC Unit's** main function is to develop and install IT equipment and applications in order to improve the quality of postal services in Cooperative member countries in particular and Union member countries in general: IPS (International Postal Systems), IFS (International Financial System), Quality Control System, Post\*Star Secure Gateway, Post\*Net.

The PTC plays an important role in complementary services which come under the UPU's development cooperation work: technical consultancy services, project management, software development, "help desk" services, training.

The PTC also provides support for the UPU's postal technical standardization activities which are led by the Standards Board. Initially, it was a question of standardizing the EDI messages exchanged between postal operators, but then the scope was expanded to cover other aspects of postal operations.

Lastly, the PTC develops, installs and maintains the IB's in-house IT equipment, developing the IT applications requested by various Sections, eg updating Web Pages, salary/billing applications, Post\*Code.

The PTC is financed partly out of the Union's regular budget and partly by Telematics Cooperative member countries; moreover, certain services are billed by the PTC to its "customers" inside or outside the IB.

For each type of postal service, the Beijing Postal Strategy defines different approaches for improving the networks; in many areas, however, technical solutions common to letters, parcels and even to the postal financial services or EMS are sought; this applies, for instance, to computerized tracking and tracing, the exchange of EDI messages between operators, Customs issues, security and technical standardization. All these questions are currently dealt with by different IB organizational units. Even according to those in charge, current efforts to coordinate the work of the various teams has not produced the expected results.

#### **4.1.2 Objectives of restructuring**

a The objective pursued in reorganizing IB activities in respect of postal service operations is to reinforce IB capabilities in its mission of supporting concrete quality improvements:

- in all services coming within the framework of the Acts of the Union; letter post, EMS, postal parcels, postal financial services;
- in all operational areas that require effective coordination of available resources: regulations, procedures, standards, information systems, quality measurement.

b The experts' proposal must take account of the specific operational needs of the various types of postal service. That is why, as stated in Chapter 3, the organizational chart must reflect a distinction between products, as a secondary segmentation criterion.

c It is imperative to preserve the (comparative) autonomy of the Cooperatives, so MOVE makes no proposals (see Chapter 3 likewise) about reforming PTC and EMS structures in respect of activities financed by their Cooperatives.

d The traditional Secretariat role must be strengthened when it comes to postal operations issues and POC support.

#### **4.1.3 Proposed organizational chart**

MOVE proposes the creation of a new body entitled "Operations and Technology Directorate" comprising five specialized programmes in addition to the PTC and EMS structures involved: mail services, postal financial services, parcels and logistics, quality of services (measurement and audits), technical standardization.

The PTC and EMS bodies with these responsibilities would retain their comparative autonomy, also as regards deciding on their organizational structure.

The new Directorate's five programmes would be constituted by input from the following tasks and posts:

- "mail" programme: most activities linked to the letter post<sup>31</sup>, air conveyance, Customs and security would be transferred from Section B, as well as Post\*Code from Section D;
- "postal financial services" programme: activities in connection with this field from Section D;
- "parcels and logistics" programme: activities in connection with this field from Section C;
- "quality of service" programme: activities of Section H;
- "technical standardization" programme: PTC activities in this field.

The total number of positions (12 P/S and 13.5 G) includes 1 P/S and 1 G assigned to the EMS Unit and 5 G staff assigned to the PTC under the head of in-house IT. The latter should continue to be financed out of the Union's regular budget.<sup>32</sup>

#### **4.1.4 Justification of the posts**

All the activities and posts which would make up the Operations and Technology Directorate already exist at the International Bureau. However, one of the main structuring principles – organization in "programmes" – is new (except in the PTC).

#### **A. The Director of Operations and Technology**

Reporting direct to the IB Director-General, the **Director of Operations and Technology** holds one of the key posts in the organizational chart; he/she is responsible for:

- directing and supervising operational programmes, including overall budget responsibility and allocation of the budget to the various teams;
- overall coordination of the work of the PTC and the EMS Unit directly linked to the activities of the operational programmes, other IB Directorates or the DG's Office/Strategic Planning, for instance the PTC's work for various in-house customers;
- coordination of the POC Secretariat and overseeing IB support for this Council;
- proposing and updating an action plan that meets the needs of the Councils, member countries and the Beijing Postal Strategy, as well as seeking the corresponding extra-budgetary funding, as appropriate;
- interpreting the Acts on postal operations matters;
- disseminating PTC and EMS Unit "best practices" so they spread, first to the rest of the Directorate and then to other IB Directorates.

The Director would be responsible for all tactics aimed at implementing Beijing Postal Strategy Objective 2 (Quality of Service).

He/she is a member of the Management Board and attends Appointments and Promotions Committee meetings for recruitments to his/her Directorate.

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<sup>31</sup> Section B tasks specifically dedicated to updating and monitoring the Convention would be transferred to the Economic and Regulatory Affairs Directorate – See 4.2.

<sup>32</sup> MOVE felt that transferring in-house IT to an IB support Directorate would not be desirable in the short term, bearing in mind that it had only been attached to the PTC fairly recently.

## **B. Comments on the PTC and EMS**

MOVE did not count the posts of these two bodies which are not financed out of the regular budget. The PTC's five G posts coming under the regular budget correspond to in-house IT network installation and maintenance tasks, including the help desk. MOVE considers that IT development, particularly UPU website development, are services which the PTC should continue to provide in future.

In the EMS Unit, a P/S post and 1 G post will continue to be financed out of the regular budget, at least until the next Congress; this level of contribution must be maintained to allow the Unit to carry out its missions as a Secretariat for the EMS Cooperative and its working groups. The EMS Unit will continue to cooperate with other IB Directorates, for instance on market and "benchmarking" studies or on remuneration and clearing systems.

## **C. Programme: Mail**

Move proposes that the "Mail" Programme should have 4 P/S positions and 1.5 G positions under the regular budget.

The **Mail Programme Manager** reports to the Director of Operations and Technology. He/she distributes the work among his/her staff, or in particular, in respect of the different project teams, he/she coordinates their work. He/she is:

- responsible for managing the programme and budget assigned to him/her;
- responsible for carrying out tasks in connection with air conveyance matters and, more generally, with international conveyance;
- involved in the mail conveyance pricing studies led by the Economic and Regulatory Affairs Directorate;
- responsible for the operational aspects of the Regulations (and, as appropriate of the Convention), in support of the Economic and Regulatory Affairs Directorate in respect of the letter post, including correspondence on these topics; he/she participates, within this framework, in POC Committee 1;
- responsible for initiating and implementing projects within the programme;
- responsible for coordinating the preparation of publications and circulars coming within the programme's purview;
- in charge of coordinating contacts with other Directorate programmes, in particular those concerning technical standardization and quality of service measurement;
- Secretary of POC Committee 1's "Liability" Project Team, the "Post and Environment" Project Team, the Post\*Code Project Team, the IATA-UPU Contact Committee, POC Committee 3, WCO-UPU Contact Committee and the PSAG.

The **Postal Security specialist** reporting to the "Mail" Programme Manager would keep the same functions as those assigned to the similar post in Section B. The same would also apply to the **Customs specialist** who, in addition to the duties of the current Section B post, would be responsible for the environment issues currently dealt with by Section D.

The **Post\*Code specialist** who also reports to the Mail Programme Manager would have the same responsibilities as the corresponding post, currently in Section D, where Post\*Code work has a 0.8 post + a 0.5 post which is currently vacant.

He/she would be supported by an assistant (G post) responsible in particular for collecting data from "postal administrations" and for contacts with them, checking the quality of these data and providing the specialist with administrative assistance (correspondence, tasks in connection with the preparation of publications, etc).

#### **D. Postal Financial Services**

The **Postal Financial Services Programme Manager** reports to the Director of Operations and Technology. His/her main duties are as follows:

- management of the "postal financial services" programme and of the budget assigned to it;
- preparation, updating and monitoring of the Postal Financial Services Agreements and Regulations;
- interpretation of these texts;
- coordination of work on developing new financial services based on computerized infrastructures and studies of electronic payment system requirements;
- coordination of market research work on financial services, liaising with the Communication and Postal Markets Directorate and conducting missions in the field in conjunction with the Development Cooperation Directorate;
- coordination of work on promoting the various postal financial services, in consultation with the Director of the Communication and Postal Markets Directorate;
- preparation of publications and circulars concerning this field;
- initiation and coordination of projects to improve the quality of the postal financial services and their infrastructures;
- support for POC bodies working in this field (POC Postal Financial Services Project Team, etc);
- responsibility for monitoring implementation of the SERFIN action plan adopted by the Beijing Congress.

#### **E. Parcels and Logistics Programme**

The **Parcels and Logistics Programme Manager** reports to the Director of Operations and Technology. He/she is responsible for:

- managing the "parcels and logistics" programme and the budget assigned to it;
- preparing, updating and monitoring the Convention<sup>33</sup> and the Regulations in respect of his/her field of activity and interpreting them;
- coordinating support activities for developing and promoting new services, in conjunction with the Communication and Postal Markets Directorate;
- coordinating support activities for developing postal parcels business plans;
- preparing publications and circulars for his/her field of activity;
- initiating and coordinating projects to improve the quality of postal parcel products and their network.

#### **F. Quality of Service Programme**

The **Quality of Service Programme Manager** reports to the Director of Operations and Technology. He/she is responsible for:

- managing the whole "quality of service" programme and the budget assigned to it;
- supervising the work of each member of his/her team;
- providing support and secretariat services for the POC Quality of Service Project Team;
- monitoring implementation of the Quality of Service Programme decided on by the Beijing Congress, liaising with the other programmes and Directorates concerned;

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<sup>33</sup> In conjunction with the Economic and Regulatory Affairs Directorate.

- developing, guiding the implementation and analyzing UPU quality of service measurement studies;
- circulating the results in various forms, both internally and externally;
- initiating and implementing projects and missions in the field;
- preparing publications, guides and circulars concerning his/her field of activity;
- relations with organizations (eg IPC, PostEurop) which also measure quality in the postal sector.

His/her team is made up of:

- a **quality of service specialist** responsible for:
  - supporting the Programme Manager in conducting quality measurement studies,
  - organizing and monitoring the quality audits conducted in the field by him/herself or by external consultants, with the support of the Development Cooperation Directorate for the administrative management of consultants,
  - drafting mission reports and following up of implementation of recommendations in the field, likewise in consultation with the Development Cooperation Directorate,
  - circulating information about postal operators' quality improvement "best practices";
- **three quality measurement experts** (as now, holding 2.5 G posts under the regular budget in Section H) whose duties would remain the same.

Consideration should be given to the (budgetary) possibility of extending this team's scope beyond that of the current Section H to cover the measurement not only of international mail but also postal parcels and possibly other services.

#### **G. Technical Standardization Programme**

All posts coming under this programme (ie 2 P/S and 1 G) should be **financed out of the regular budget**.

The **Technical Standardization Programme Manager** reports to the Director of Operations and Technology. He/she has the following responsibilities:

- overall management of the UPU's postal technical standardization programme and of the budget allocated to it;
- supervision of the work of members of his/her team, particularly as regards the preparation, verification and dissemination of the various standards projects under development;
- coordination of standardization activities in conjunction with the Programme Manager concerned, the PTC, EMS Unit and other IB Directorates;
- promotion of the use of UPU technical standards;
- representation of the UPU in respect of other standardization bodies and development of cooperation with these bodies;
- preparation of various publications or circulars concerning technical standards;
- Secretariat for the Standards Board and its subgroups.

The team making up the "technical standardization" programme also includes a **"standards development" specialist**, reporting to the Programme Manager, who works on the design and drafting of standards intended for approval by the Standards Board. MOVE thinks this post should be financed out of the regular budget and transferred from the PTC.

The programme also comprises an assistant (G post) whose transfer from the PTC should also be considered. This post provides administrative support for the "technical standardization" programme.

#### **H. Directorate's Secretariat and administrative staff**

The 2.5 posts making up the Directorate's Secretariat consist of 1 post dealing mainly with the Director's secretariat and 1.5 posts which mainly provide support for the various programmes, as necessary. The "mail" programme also has administrative support (1.5 G posts).

These tasks are currently carried out (by G staff) in Sections B and D, as well as in the secretariat of the ADG in charge of Division II.

#### **I. Option: Assistant Secretary of the POC**

The task of POC Secretary is becoming increasingly onerous. In future, the workload of each of the Programme Managers could preclude effective assistance from them with the preparation and organization of the various meetings of the POC and its bodies. That is why MOVE proposes analyzing the pros and cons of creating a post of **Assistant Secretary of the POC** in the new organizational chart. This person would be in charge of organizing the above-mentioned meetings and helping the Secretary (ie the Director of Operations and Technology) with his/her responsibilities. In particular, the duties of this post would include preparing the timetable of the sessions and the Directorate's budget estimates, monitoring execution of its budget, organizing various internal and external meetings, advising the Director on priority issues and other additional tasks which would be defined by the Director.

If, following a more precise definition of the workload, it were decided not to adopt this proposal, the functions of Assistant Secretary of the POC should be assigned to one of the Programme Managers – and in this case, the "Mail" Programme Manager would be the automatic choice.

#### **4.1.5 Advantages of the proposal**

As proposed above, the Operations and Technology Directorate presents two features:

- a single decision-making centre at the IB for activities relating directly to improving the quality of products and postal services;
- specific demarcation of responsibilities for and technical expertise on operational issues.

The Director of Operations and Technology will play a key role in the quality of UPU support to postal operators, through the work of the Postal Operations Council and implementation of quality improvement activities.

The fact that there are programmes for each type of postal service will promote better coordination – as is already the case in the EMS Unit – of all activities, both regulatory and technical, for each of them, ie letters, parcels and postal financial services. Depending on member-country requirements, additional activities could be attached to these competence centres-cum-programmes, eg in the form of projects.

The Programme Managers, but also the EMS Unit, should be able to benefit from the operational expertise available to the proposed Directorate. Expertise in security, quality measurement and diagnosis<sup>34</sup>, customs procedures or technical standardization may help other Programme Managers, and not just the Mail Services Manager, to plan their activities. Similarly, if the PTC

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<sup>34</sup> Cf the work aimed at creating a link between remuneration and the quality of service achieved by an EMS item.

and Managers of Programmes geared to products pool their ideas, this may promote a better understanding of the new information technologies which not only promote quality but also the emergence of new products and postal services.

Removing technical standardization activities from the PTC is partly justified by the fact that they come within the UPU's mission and benefit the postal community as a whole, so should be funded by the Union's regular budget. The preparation, publication and dissemination of postal technical standards for the benefit of the postal sector as a whole must become a major line of thrust for the International Bureau: standardization facilitates the interconnection of networks and hence, moves quality forward.

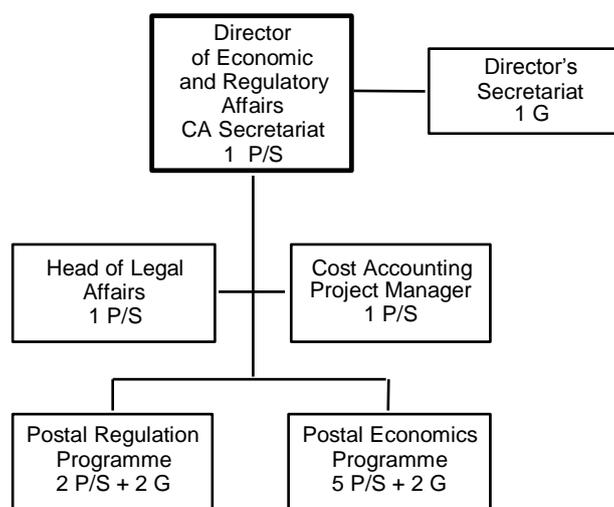
The UPU International Bureau is a facilitator for improving the quality of postal services at both international and national level. It can therefore help the developing countries to modernize their postal networks by making the technical expertise of Operations and Technology Directorate programmes available to them within the framework of projects.

MOVE thinks it is an advantage for the PTC and the EMS Unit to be coordinated with the various programmes concerning operational products and services. This coordination already exists but its effectiveness is not satisfactory. The group considered proposing, as a variant, that these two structures report direct to the Director-General. This proposal was not adopted because of the extra work it would create for the Director-General. Moreover, coordination between the various operational activities would be made harder by the difference in management levels. Lastly, the IB would miss an opportunity to change its working culture. The advent of Cooperatives has introduced a new, results-oriented culture to the IB; the creation of this Operations and Technology Directorate can therefore lay the foundation for a gradual transfer of know-how and work methods from the PTC and the EMS Unit to other Directorate teams.

The organizational structure proposed gives the IB Management and the Councils greater room for manoeuvre when it comes to envisaging subsequent developments such as the expansion of programme teams, to take account of new, one-off requirements (projects) or permanent requirements, in particular in the fields of quality of service measurement and technical standardization.

Lastly, the idea can be entertained of transferring to this new Directorate management of the new Post\*Clear and IRC systems once the recast of these new services has been prepared by the Economic and Regulatory Affairs Directorate. These are activities of a purely operational nature.

#### 4.2 ECONOMIC AND REGULATORY AFFAIRS DIRECTORATE



### 4.2.1 Context

As stated in Chapter 3, MOVE was to try to ensure in its organizational draft that IB activities which primarily concerned governments and regulators were grouped together, provided this type of segmentation was realistic and did not result in overlaps with other International Bureau Directorates.

The "postal administrations" which MOVE met generally expressed the wish for the IB to improve its postal regulations expertise to encourage the development of postal reform (Beijing Postal Strategy Objective 5) and implementation of the universal postal service (Objective 1). Moreover, most International Bureau staff were recruited from postal operators and not from regulators as such.<sup>35</sup>

**A. Section A (Legal Affairs)** currently deals with most activities of this type, as Secretariat for the Council of Administration and several other bodies: CA Management Committee, Universal Postal Service Project Team, Relations with the WTO Project Team and co-Secretariat of the High Level Group. It therefore plays a fundamental strategic role for the IB despite its modest size (3 P/S staff) and despite being attached to a Division with two support activities: personnel and logistics.

Section A is also the "postal" legal counsel, interpreting the Acts (in particular the Constitution and the General Regulations, as well as certain aspects of the Convention and the Agreements), for instance at the request of postal administrations.

However, these legal activities go beyond the strictly postal field and, depending on the requirements expressed by the Management and the various Units and Sections, labour law services (analysis of IB employment contracts, monitoring of disputes submitted to the ILO Tribunal), law of contract (eg, contracts signed with IB suppliers), intellectual property, etc.

In view of its size, the Legal Affairs Section has been unable to develop this "non-postal" legal counselling activity as it would have liked in recent years, in response to a growing need as IB activities diversify. It has not yet sufficiently developed its support for postal reform (eg, comparative analysis of postal legislation and, on request, assistance with drafting or evaluating them).

**B. Section B (Letter Post and Postal Security)** is responsible for operational aspects<sup>36</sup> as well as for matters coming under regulations or postal economics.

In connection with the latter two fields, it is also responsible for many Secretariat tasks in connection with terminal dues (TDAG and its subgroups, CA Terminal Dues Project Team), other customer/provider remuneration systems (transit charges – Transit System Project Team, air conveyance – IATA–UPU Contact Committee); this Section also manages the Post\*Clear clearing system and preparation of its remodelling. In addition, it acts as Secretariat for POC Committee 1 (Economic Issues and Regulations).

Thus, support work for these various bodies involves the updating of the Convention and the Letter Post Regulations, drafting amendments, updating the Convention after Congress and publishing a Manual, etc. It also involves regular contacts with organizations such as the WTO and the European Commission as part of work on the question of postal service pricing principles, as well as the conduct or supervision of complex economic tasks (especially modelling) requiring

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<sup>35</sup> This is logical because, in many countries, the "postal regulator" function did not exist when they were recruited.

<sup>36</sup> See 4.1.

sophisticated econometric or statistical skills. These Section B activities can therefore be seen as support work, providing economic expertise for both the POC but also the CA.<sup>37</sup>

**C. Section S (Director-General's Office and External Relations)** currently does statistical work which complements that of Section B. It is responsible for the annual update of the Postal Statistics (from the design of indicators to analysis of results, including data collection, validation and processing).

**D. Other postal economics tasks.** There is a certain relationship between the work of Section B and work on the Cost Accounting Model project which reports to the Assistant Director-General in charge of Division III (Development Cooperation and Quality of Service). Developing a cost accounting model requires:

- close cooperation at technical level with Section B;
- reports to the TDAG and POC Committee 1 for which Section B acts as Secretariat.

The scattering over several sections of the IB's economic expertise is detrimental to its image: a Post or consultant may not know which section to approach first in order to obtain statistical data (for instance). This also raises problems as regards the coherence of similar actions and ideas on costs, prices and statistical data about the postal services in general and mail services in particular.

#### **4.2.2 Objectives of restructuring**

The objectives pursued are to:

- enable the IB to respond more effectively to member-country expectations for all questions concerning postal regulations, in particular in the support provided to the CA;
- group together in the same structure work on postal economics, ie prices, costs, remuneration systems and statistical indicators;
- seek synergies and avoid overlaps between CA support work and postal economics activities.

#### **4.2.3 Proposed organizational chart**

MOVE proposes the creation of an Economic and Regulatory Affairs Directorate, reporting to the Director-General. It would comprise 10 P or senior staff and five G staff.

The Directorate, headed by a Director, would include:

- the Head of Legal Affairs (activities of the present Section A);
- the Cost Accounting Model project manager (who currently reports to the Head of Division III);
- the "postal regulatory affairs" programme (activities of the present Section A);
- the "postal economics" programme (currently coming under Sections B and S (for postal statistics)).

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<sup>37</sup> An issue like terminal dues concerns both governments and regulators (at least as regards the general principles) as well as operators.

#### 4.2.4 Justification of the posts

##### A. The Director of Economic and Regulatory Affairs

Reports to the Director-General. He/she:

- manages the work of the Directorate, in particular its programmes and project(s), supervising the Head of Legal Affairs and the Cost Accounting Model project manager;
- provides the Secretariat for the Council of Administration and its Management Committee, supervises the Secretariat activities of the following CA bodies: Committee 1, High Level Group, Relations with the WTO and Universal Postal Service and Terminal Dues Project Teams, Advisory Group;
- supervises the Secretariat of the following POC bodies: Transit Systems, Accounting, Post\*Clear Users, New IRC System Project Teams, the TDAG;
- develops contacts with "postal administrations" and the Restricted Unions within his/her field in order to propose actions better suited to their requirements;
- advises "postal administrations" on technical questions coming within his/her purview, in particular postal reform, the universal service and interpretation of the Acts;
- advises the Director-General on strategic questions relating to the future development of the Union and its Acts;
- proposes and updates an action plan in line with the needs of the member countries and the Councils and, if necessary, seeks the corresponding extrabudgetary funding;
- is responsible for executing the budget allocated to him/her;
- is a member of the Management Board;
- participates in the proceedings of the Appointments and Promotions Committee for recruitments to his/her Directorate.

*NB: The Director has a secretary (1 G).*

##### B. "Postal Economics" Programme

The **"Postal Economics" Programme Manager** reports to the Director of Economic and Regulatory Affairs; he/she:

- is responsible for managing the programme and budget assigned to him/her;
- is responsible for guiding and supervising work on prices and costs as part of work on remuneration systems (terminal dues, transit charges, etc);
- provides the Secretariat of the CA Terminal Dues Project Team and the POC Transit Systems, Accounting, Post\*Clear Users<sup>38</sup>, New IRC System<sup>39</sup> Project Teams and TDAG;
- distributes tasks among his/her staff, in particular their participation in the various Project and Sub-Project Teams; coordinates their work;
- steers the work of drafting and updating the Letter Post Regulations in coordination with the Mail Programme Manager of the Operation and Technology Directorate; provides the Secretariat of the POC Committee 1;
- participates in contacts with the WTO and other international organizations concerning the legal questions raised by the remuneration systems, in consultation with the managers in the Directorate;

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<sup>38</sup> Until the possible transfer of this activity to the Operations and Technology Directorate.

<sup>39</sup> Until the possible transfer of this activity to the Operations and Technology Directorate.

- participates in work on drafting and recasting the Convention, supporting the "postal regulatory affairs" Programme Manager;
- supervises study and analysis work on the costs of the universal postal service;
- participates, in consultation with the Development Cooperation Directorate, on the transfer of terminal dues know-how;
- guides and supervises work on collecting and analyzing postal statistics of all kinds.

He/she is assisted by a team of 4 P/S and 2 G staff:

- **two remuneration and clearing systems specialists**, responsible for
  - conducting the various economic studies on terminal dues and transit charges, in particular:
    - the studies and research on developing methodologies for estimating costs and setting prices,
    - studies on the desirability of establishing links between terminal dues and quality of service,
  - carrying out studies on the cost of the universal service in consultation with the "postal regulatory affairs" Programme Manager,
  - participating in the work of the Project Team remodelling the Post\*Clear system and the Project Team in charge of the new IRC system,
  - carrying out any study on or specific economic analysis of remuneration systems requested by the Programme Manager in response to a member country or in support of one of the bodies for which the Directorate provides the Secretariat,
  - preparing publications (eg, Manual of the Convention, miscellaneous guides ...) concerning their field;

*NB: MOVE chose not to apportion the above tasks between the two P staff, leaving it to the Programme Manager and the Director to do so.*

- **2 "Statistics" specialists**

MOVE estimates the workload at 2 persons/year, though this can of course be distributed over three people working part-time with responsibility for:

- providing statistical and econometric support for terminal dues studies,
- designing and implementing annual updates to the Postal Statistics, analyzing the results (in particular, at the IB Management's request), circulating them (internally and externally) and developing exchanges with specialists in the field (in "postal administrations", consultancy firms, etc),
- specifically, periodically revising the postal statistics questionnaire; collecting, evaluating and validating the data supplied by postal administrations; updating and managing the valuation basis with a view to carrying out statistical analyses,
- defining the principles the IB should adopt to comply with the confidentiality of the data provided by member countries,
- designing and preparing statistical studies and analyses in support of the Economics and Regulatory Affairs Directorate, other IB Directorates, or the General Management (eg, modelling the development of postal traffic);

*NB: MOVE chose not to apportion the above tasks between the two P/S staff, leaving it to the Programme Manager and the Director to do so.*

- 2 G posts with responsibility for the secretariat and administrative support, whose duties are not indicated here.

### C. "Postal Regulatory Affairs" Programme

This comprises two P/S and 2 G posts: the two managerial posts are: the **Programme Manager**, reporting to the Director of Regulation and Postal Economics, and a **specialist "postal regulatory affairs"** who will share important CA support tasks between them, in particular:

- the duties of Secretary and, where applicable, Assistant Secretary of the following CA bodies: Committee 1, High Level Group, Relations with the WTO, Universal Postal Service Project Teams, Advisory Group; the duties of Assistant Secretary of the CA Management Committee;
- duties connected with the function of CA Assistant Secretary, assigned to the Programme Manager;
- assistance to the Director (and possibly deputizing for him in the case of the Programme Manager) for all CA support tasks and, more generally, exchanges with government bodies and regulators, for all questions coming within his/her purview;
- advice to developing countries on postal reform issues; comparative analysis of the postal reforms tackled in the various countries, help with drafting or evaluating draft postal legislation, in cooperation with the Development Cooperation Directorate, contribution to the preparation of seminar programmes or other training and advisory activities in the field on postal reform;
- duties connected with the accession of member countries, updating the list of members' positions, updating the Constitution and the General Regulations.

The programme also includes 2 G staff whose duties are not detailed here (secretariat, processing of questionnaires, assistance with preparing manuals or publications, drafting circulars, etc); these two persons (or one of them) could also provide support for the Head of Legal Affairs or the Cost Accounting Model project manager.

### D. Head of Legal Affairs

Relieved of the mainly administrative tasks involved in responsibility for a section (A) which fell to the UPU's Legal Counsel to date, the **Head of Legal Affairs** can focus better on counsel work proper: advice on postal matters (in consultation with his/her Director and the Postal Regulatory Affairs Programme Manager) but also, and above all, legal advice in other fields (labour law, law of contract, etc) at the request of the Directorate's various "in-house customers".

This is therefore a new post which MOVE originally planned to have reporting direct to the Director-General's Office. However, in the end, it felt that advising the Director-General represented too small a proportion of the post's workload to justify this solution; moreover, reporting to the Director of Economic and Regulatory Affairs offers greater flexibility (eg, deputizing for the Director during his/her absence) and makes it possible to group all staff with legal expertise in a single Directorate.

The main duties of the Head of Legal Affairs, who reports to the Director of Economic and Regulatory Affairs, are as follows:

- direction of the International Bureau's legal affairs, under the supervision of his/her Director;
- interpretation of the UPU Acts (Constitution, General Regulations, Convention and Regulations, etc), if necessary after consulting of "Postal Regulatory Affairs" Programme Manager and the Directorates concerned;
- giving opinions on questions relating to accession to the Union or ratification of the Acts;
- dealing with matters relating to diplomatic privileges and immunities;

- advising, at their request, the Directorates and General Management about all legal issues concerning competition, law of contract and agreements prepared by the IB, intellectual property, application of United Nations rules, etc;
- as necessary, participation in the contacts of the various Directorates and the General Management with other international organizations and development of an informal network of "legal" contacts in these organizations;
- contribution to the analysis of postal laws and their legislative context undertaken by the "Postal Regulatory Affairs" Programme Manager;
- contribution, through his/her analyses, to the work of the Directorate and of the "Postal Regulatory Affairs" programme in particular, concerning the impact of regulatory developments (eg, work of the WTO) on the UPU's terminal dues systems and on the universal postal service in general;
- participation in the standardization of employment contracts in force at the IB, as directed by his/her superior, and representation of International Bureau interests at the ITU tribunal in labour legislation disputes;
- development using all means (Internet, publications, periodicals) and with the Documentation Centre's support of IB access to the bibliographical reference sources he/she feels are indispensable for proper execution of his/her duties;
- standing in for the Director in exercising some of the latter's functions, as necessary and at the latter's request.

#### **E. Cost Accounting Model Project Manager**

MOVE sees no need to alter the terms of reference of this project manager in any way; only the post's assignment changes (transfer from the present Division III to the Economic and Regulatory Affairs Directorate where the incumbent would report to the Director).

The duties in the job description remain the same, the main ones being:

- defining of the conditions for putting in place a standard cost accounting model in the developing countries;
- putting in place local accounting modules (selection of countries, consultants, budget) and monitoring of implementation results;
- preparing an annual report for the World Bank;
- support for the TDAG Chairman in preparing a report on this topic.

#### **4.2.5 Advantages of the proposal**

The proposal results in the creation of a strong Directorate which would in a way be the counterpart of the Operations and Technology Directorate. Its creation would mark the UPU's commitment to its fundamental role as an intergovernmental organization. It would be logical to assign this Directorate to someone who has held high-level responsibilities in the field of postal regulations.

The support and legal counsel work would be substantially reinforced, especially if a third P/S post were added to the "Postal Regulatory Affairs" programme.

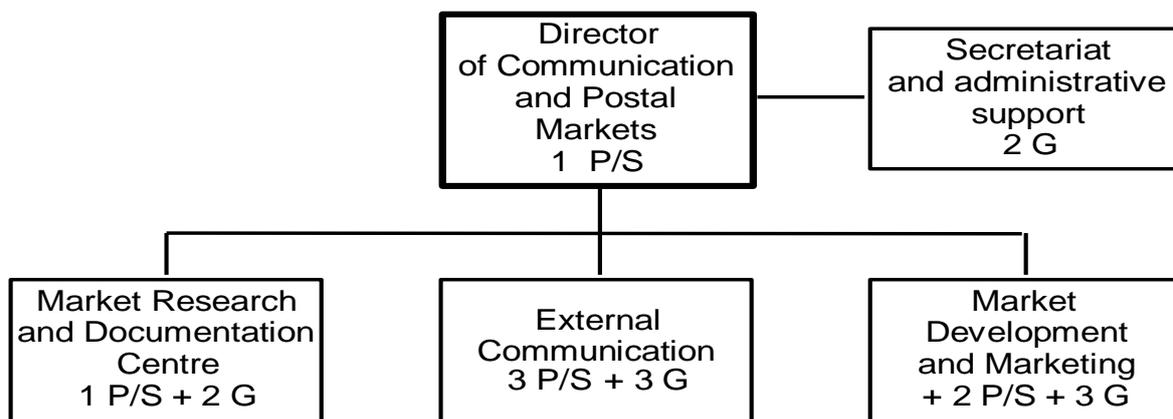
The sharing of responsibilities between the various teams would be clearly established.

The combining of statistical expertise positions the IB as a leading-edge provider of reliable data on the world postal sector and of "value-added" analyses. This may open the way for numerous publications and useful partnerships, eg with bodies which study postal economics, specialized consultants and, of course, the relevant experts working with postal operators and regulators.

Combining the "regulation" and "postal economics" competence centres would prevent work being duplicated and would strengthen joint work on issues such as relations with the WTO, terminal dues and updating the Convention and its Regulations.

As an **option**, however, the International Bureau Management could decide against combining these two competence centres. This would result in the creation of two smaller Directorates, with 4 to 6 people each.

#### 4.3 COMMUNICATION AND POSTAL MARKETS DIRECTORATE



##### 4.3.1 Context

At first glance, the proposal to create a Directorate responsible for IB external communication *and* for supporting the development of marketing and postal markets may seem surprising. In a company, the two activities are closely linked: communication about products is an integral part of operational marketing. The same does not necessarily apply in an international organization like the UPU which generally conducts no postal product marketing. What is more, a sizeable proportion of its external communication can be described as "institutional" (in that it concerns general communication about the work of the IB and the UPU).

To understand the justification for MOVE's proposal, it is therefore necessary to detail the work of the sections concerned, primarily C and S.

##### A. Section C (Rapid Services, Parcels and Marketing)

Besides activities in connection with postal parcels (addressed under 4.1) and work as the Advisory Group's Secretariat (addressed under 4.2), Section C has in fact become responsible for producing ideas on market development and on helping to develop marketing tools. It provides the Secretariat for POC Committee 2 ("Markets"). These activities employ three P posts paid out of the regular budget (including the Head of Section) as well as 1.5 G posts (plus 1 other temporary G post). A further (supernumerary) post does much of the support work for the Direct Mail Advisory Board (DMAB) Development Fund which finances the post.

Activities can be divided into two groups:

- the launch and follow-up of "forums" that bring together postal operators and their customers, eg, at large-scale events such as "Customer Day", through the Secretariat of various industry groups such as the "Publishing Sector" and "Paper Communication", or the "Customer Relations" Project Team. Industry group activities conducted with strategic partners also fall into this category:

- philately (eg, Secretariat of the World Association for the Development of Philately Industry Group and its subgroups)<sup>40</sup>,
- direct mail, through the many initiatives of the DMAB Development Fund and its numerous subgroups;
- assistance with marketing development, especially in the developing countries, through:
  - the implementation and distribution of tools for monitoring and analyzing postal markets (cf Secretariat of the Postal Markets Information System Project Team), a buoyant new activity for which the IB currently has only limited expertise,
  - the transfer of marketing know-how, in particular through holding appropriate seminars and courses, and the Secretariat of the Marketing Development Project Team.

To sum up, this Section's activities are geared to reflecting on and developing tools and other approaches for the exchange and dissemination of information through all suitable channels ("forum" work resulting in many conferences, publications and guides). Consequently, Section C's ability to disseminate information constitutes an important part of its added value, in contrast to the two other sections geared to postal products (B and D).

## **B. Communication activities of Section S**

These cover the development and implementation of a strategy aimed at promoting the UPU and the work of its International Bureau, especially through:

- relations with the media (eg, press releases);
- steering various actions such as World Post Day, the letter-writing competition for young people, in 1999 events for the 125th anniversary of the Union, publication of the annual report and other information brochures about the UPU, management of the IB souvenir programme (selection, procurement and distribution, etc);
- coordination of the preparation and publication of the periodical "*Union Postale*";
- organizing the programmes of visits to the International Bureau.

In addition, there is direct support for the Director-General (speeches and presentations).

These are therefore interdisciplinary activities that target a wide variety of "customers" and which are provided by a small team (2 P staff, one of whom devotes 80% of her time to *Union Postale*, and 1 G post).

Due to lack of resources, Section S has not been able to develop its original aim of coordinating the external communications of the IB's various sections and units to project a unified image of the UPU to the outside world. Consequently, various structures – in particular Section C and the PTC – have launched different initiatives in this field<sup>41</sup> using extrabudgetary funds, without real coordination with Section S.<sup>42</sup>

It should also be noted that Section S communication work is handicapped in several ways:

- it does not have an adequate budget, making it difficult to monitor its commercial activities (especially as regards developing *Union Postale* subscriptions or advertising revenue) and restricting "visibility" as regards launching new initiatives;

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<sup>40</sup> Work on sorting and dispatching new stamps to all member countries (which employs three G staff) is also attached to Section C.

<sup>41</sup> Moreover, the PTC has a communications specialist post.

<sup>42</sup> The creation of a "Publications Board" responsible for applying a global policy of promoting and marketing publications should, however, make for better coordination.

- it does not control management of subscriptions (orders, billing) which is done by Section E (Logistics);
- it does not have specialists with graphic skills needed to implement and monitor common graphic standards (graphic map) for the IB as a whole.

Lastly, it cannot derive any synergy from the library which is attached to it and has two G posts.

#### **4.3.2 Objectives of restructuring**

a The communication activities of the present Section S should be expanded to make it a competence centre in its own right, responsible for coordinating the external communication of the various IB Directorates, equipped with its own graphic skills and publication management.

b Moreover, its direct attachment to the Director-General's Office is not ideal in that the Section's tasks are of a technical nature and bear little relation to the other Section S activities. Refocusing Section S on its DG's Office and strategic planning activities emerged as a prerequisite for improving support for the Director-General (see 4.4). Despite its importance for the IB and the "interdisciplinary" nature of its activities, it is too small for MOVE to propose, in an initial analysis, putting it on the same footing as the other Directorates whose creation is proposed. Consequently, combining it with other IB activities has to be envisaged, and the same goes for the work of the library.

c Work on market and marketing development calls for reinforced market research expertise to ensure better support and advice for the developing countries.

d The functions of Secretariat for the Advisory Group (currently provided by Section C) should be assigned to the Economic and Regulatory Affairs Directorate.

#### **4.3.3 Proposed organizational chart**

MOVE feels that the communication activities of Sections S and C have many points in common in terms of skills. They are the only IB Sections to derive much of their added value not from regulatory, product or operational expertise but from their ability to:

- prepare and implement communication plans (as for the DMAB Development Fund) or in other words;
- contact clearly defined customer target groups and increase the number of customers for their services: to quote just three examples – readers of or subscribers to *Union Postale* or the Guide to the Development of Philately, or Customer Day participants;
- mobilize the technical resources needed to organize a communication event, like Customer Day or World Post Day, a direct mail conference, exhibition or competition.

MOVE therefore thinks they have a common "profession" which involves mastering the use of mailing lists, the Internet as a promotional or sales tool, techniques for canvassing new "customers", the "recruitment" of external players for conferences, the development of strategic partner networks, etc. Moreover, a sound knowledge of the IB's customers (eg, direct mail market players) and their requirements helps optimize promotion of guides, software, conferences or other services provided by the IB which could be of interest to them.

In order to develop these synergies, MOVE proposes combining the "external communication" and "market and marketing development" competence centres in a single Communication and Postal Markets Directorate.

Moreover, other synergies can be found by attaching the library to a "market research" thematic area which would be created in this new Directorate.

This Directorate would comprise three areas:

- market research and documentation centre (1 P/S post and 2 G posts);
- external communication (3 P/S posts and three G posts);
- market and marketing development (2 P/S posts and 3 G posts responsible for stamp distribution, and one supernumerary post).

Moreover, it would have a secretariat with 2 G posts to provide support, as necessary, for the Directorate as a whole (especially for the organization of conferences) and for the Director.

In all, it would have 7 P/S posts and 10 G posts (excluding supernumerary staff).

#### **4.3.4 Justification of posts**

##### **A. The Director**

The **Director of Communication and Postal Markets** reports to the Director-General and:

- supervises the work of his/her Directorate, organizes the work of its teams and supervises the budget allocated to it;
- has responsibility for the Committee 3 (Markets) Secretariat, provides or supervises the secretariat for other bodies attached to Committee 2;<sup>43</sup>
- develops synergies between the two poles of his/her Directorate and in particular defines how communication tools and techniques can help optimize relations with the IB's strategic partners;
- seeks the extrabudgetary funding necessary for developing certain activities;
- is a member of the Management Board;
- participates in the proceedings of the Appointments and Promotions Committee for recruitments to his/her Directorate.

##### **B. "Market Research and Documentation Centre" function**

This comprises three posts, that of the "market research" specialist and the two G posts currently assigned to the library.

The **"Market Research" specialist** reports to the Director of Communication and Postal Markets; this is a new post with responsibility for steering all the Directorate's work on studying the various segments of postal markets; in particular, this specialist:

- provides secretariat services for the Postal Markets Information System Project Team;
- defines the methods, drafts the terms of reference and participates in the selection of external providers;
- analyzes and coordinates the dissemination of information in an appropriate form both inside the IB and for member countries;
- follows up relations with partners (in particular the International Post Corporation) and external providers as regards market data;
- proposes action plans (development of new tools, partnerships) designed to respond better to member countries' wishes;

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<sup>43</sup> Customer Relations PT, Marketing Development PT, Postal Markets Information System PT, Publishing Sector IG, WDAP IG, Paper Communication IG.

- advises "postal administrations" which request its help on tools and methods for developing their own market monitoring activities;
- develops a network of contacts among postal operators' market research staff and specialized consultants;
- manages the Documentation Centre and its two staff, gradually redefining their role and resources;
- in particular, studies how the Documentation Centre could develop press reviews on the postal sector or derive greater benefit from existing "postal administration" press reviews;
- takes part, in his/her field, in the studies and work initiated at the IB by strategic planning (DG's Office and Strategic Planning) and, as appropriate, by the Economic and Regulatory Affairs Directorate (Postal Statistics).

The two Documentation Centre **documentalists** would retain their current duties: management of book and publication orders and loans, at the request of the various Directorates, and maintenance of the library. Gradually, and wherever possible, their skills would be expanded to cover more technical tasks to be defined by the market research specialist. The objective would be to make the Documentation Centre a preferred source of information on topical postal sector issues.

### C. "External Communication" function

This is run by the External Communication Manager (post P/S) assisted by two communication specialists (P/S posts) and three G posts. Thus, the team would be considerably reinforced compared with the present situation (2 P/s and 1 G).

The **External Communication Manager** reports to the Director of Communication and Postal Markets. He/she:

- leads his team and manages the external communication budget;
- develops the external communication strategy;
- coordinates relations with the media;
- implements a commercial policy for the various publications, software or other IB services intended for sale, monitors the results in terms of image, turnover and expenditure;
- designs and implements a strategy for centralizing IB files and suggests how their use could be improved for canvassing new customers;
- organizes visitors' programmes, at the request of the Director-General's Office;
- organizes (or participates in the organization of) various conferences, events and external communication actions (including the letter-writing competition, Customer Day, World Post Day, UPU participation in exhibitions, etc);
- designs and executes the repositioning of the UPU website;
- participates in the Publications Board;
- supervises the preparation and distribution of *Union Postale*.

One of the two "**Communication specialists**" responsible for *Union Postale* (P/S post) takes over all the duties carried out to date by one P staff member in Section S.

The other "**Communication specialist**" more specifically takes charge of coordinating the external communication of IB sections and commercial development activities. In particular, he/she:

- coordinates preparation of marketing plans prior to the launch by the IB of various works, publications or software;
- provides secretariat services for the Publications Board;

- supervises the production and commercialization of IB publications and works; ensures graphic coordination (in consultation with the G post incumbent responsible for graphic work), supervises outsourcing (calls for external bids for printing, as necessary), supervises the G post in charge of distribution, stocks and sales, analyzes sales figures, proposes new promotion activities;
- manages the advertising space sales, particularly for *Union Postale*.

Of the three G posts, two would be transferred from the present Section E:

- one, from the desk-top publishing unit, would take charge (if necessary after appropriate training) of drafting a graphic map for IB publications, formatting the various publications<sup>44</sup>, checking their compliance with the graphic map, technical contacts with printers (internal or external) and if necessary the formatting of presentations for the Directors, the Director-General or the DDG;
- the other would take charge of managing orders for the various publications or other products marketed by the IB, stock management, billing and keeping track of payments. As necessary, he/she could also contribute to the Documentation Centre's administrative management (purchase of works and publications);
- the third would take over the duties of the G post currently assigned to Section S's communication activities, comprising inter alia, support and secretarial work, centralizing UPU and IB press cuttings and replies to letters from private individuals.

#### **D. "Market Development and Marketing" function**

This comprises three "marketing specialist" posts, including one supernumerary post which will not be considered in this report (support post for the DMAB Development Fund). The work of the other two specialists (P posts) would basically correspond to the present duties of two P posts in Section C. This work would be distributed as follows:

- a "**Marketing specialist**" whose main job would be to develop the philatelic market, thus supporting the WADP IG and supervising the three G posts responsible for sorting and distributing new stamps to member countries;
- a "**Marketing specialist**" mainly responsible for relations with strategic customers who would thus coordinate, in conjunction with the External Communication Manager, preparations for Customer Day and its "regional" extensions and providing support for various contacts with sector players (Customer Relations PT, Publishing Sector, Paper Communication).

There would be no hierarchical distinction between these two posts, which are of equal importance and both report to the Director of Communication and Postal Markets.

It will be up to the Director to apportion support activities for developing the marketing skills of developing countries between these two staff and possibly the market research specialist. This distribution which concerns, in particular, the development of support for the Marketing Development PT and for follow-up actions decided by this Project Team will depend on requirements and the workload.

#### **4.3.5 Advantages of the proposal**

MOVE feels it has set out a division of labour which does justice to the Directorate's various fields and gives it the additional resources needed to carry out its present missions.

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<sup>44</sup> Except for those that would still be done by the Directorates themselves or completely sub-contracted to outside providers.

External communication would retain its interdisciplinary activities while developing synergies with "market development".

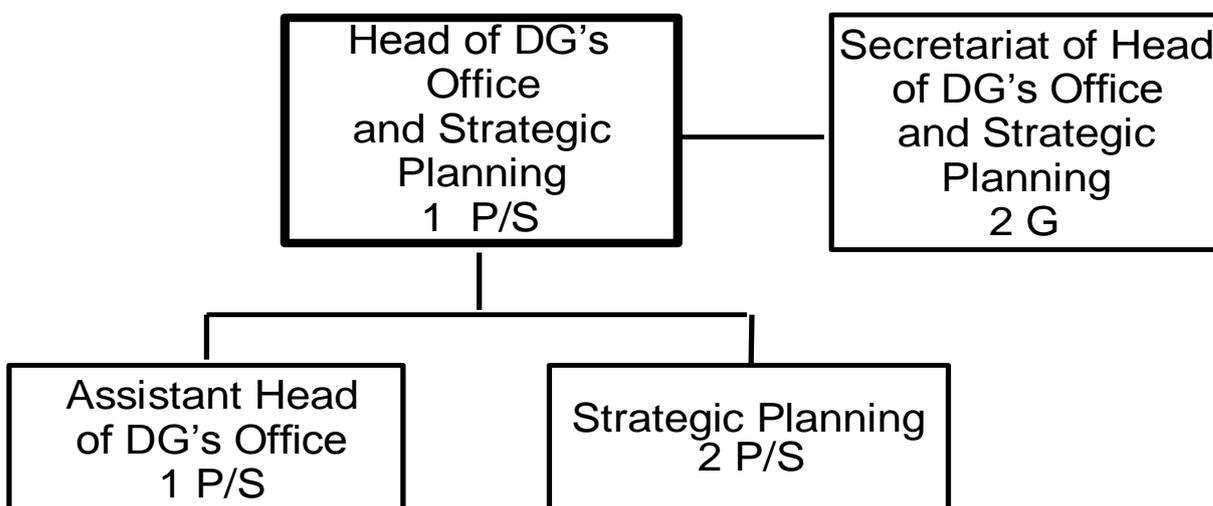
Other distributions of tasks which differ more from the present organization could be envisaged, on the lines of more extensive merging of the two activities of external communication and market and marketing development. MOVE did not want to make any proposal on these lines because the feasibility of this hypothesis would depend mainly on the profile and expectations of the IB staff who could fill these posts.

As an **option**, the General Management could decide to maintain separate Directorates for:

- external communication (roughly six people);
- market development and marketing (roughly 12 people).

Besides the question of the smallness of the Communication Directorate, this solution would miss an opportunity to give a unique impetus to mutually complementary activities.

#### 4.4 DIRECTOR-GENERAL'S OFFICE AND STRATEGIC PLANNING



##### 4.4.1 Context

The present Section S comprises 11 posts covering five very different activities:

- the DG's Office proper (2 P/S, 2 G posts);
- strategic planning (1 P post) which also supervises Annual Statistics (1 P budget post held by two part-time staff);
- communication (2 P/S posts and 1 G post) in addition to the library (2 G posts).

This diversity is reflected in a wide variety of tasks:

- support and assistance to the Director-General in organizing the work of the UPU and of the IB in particular, establishing, follow-up and general coordination of cooperation with the international organizations (in particular those of the United Nations system);
- strategic planning which covers support for the evaluation and updating of the Beijing Postal Strategy, preparation of proposals for prioritizing the Programme and Budget, monitoring of implementation of the Beijing Postal Strategy;

- the development and conduct of IB and UPU external communication, eg through public relations activities, publications (including *Union Postale*), relations with the media;
- the collection, processing and dissemination of statistical data on the postal sector;
- administrative management of the IB library.

The wide variety of different tasks to be dealt with makes management of Section S a delicate task, leaving its Head too little time to devote himself fully to his role as the Director-General's adviser. The team members have had to cope with an excessive workload (aggravated by absences or vacant posts) which resulted in difficult choices. For instance:

- in external communication, the stress in recent years was on the image of the UPU and the IB, in particular through the remodelling and (successful) modernization of the periodical *Union Postale*; in contrast, there was no time for coordinating the publications of the various sections. A large share of the head of communication's time was devoted, at his superiors' request, to strategic planning tasks and the writing of speeches and presentations for the DG;
- the IB library is not a true documentation and information research centre; its work focuses on the administrative management of orders for books and publications and loaning them to staff;
- the collection of statistical data from member countries adds to the administrative work, thus hampering the Section's ability to derive maximum benefit from the results and to support strategic planning reflection. Moreover, this activity is hard to coordinate with the statistical work of Section B (which uses statistical data for terminal dues models). Consequently, no *overall* consideration has been given to the confidentiality rules to be applied to all the data collected.

#### **4.4.2 Objectives of restructuring**

The DG Office plays a vital role in the organization. However, this consideration should not be sufficient justification for keeping in it all tasks requiring coordination (such as external communication) or which support the IB as a whole (such as statistics or the library). Moreover, these activities need skills and expertise which are developed by other IB units *also*.

The reorganization of Section S and its activities is designed to:

- enable the DG's Office to provide the Director-General with more effective and targeted support, giving it more time to analyze and supervise the "incoming" and "outgoing" files and documents transiting through the Office and, in particular, providing interfaces with the Directors who will report direct to the DG, preparing the DG's missions and organizing external contacts;
- further enhance the "added value" of the strategic planning activity.

It results in a shift in Section S duties towards direct support of the Director-General and planning (DG's Office and Strategic Planning).

#### **4.4.3 Proposed organizational chart**

MOVE proposes:

- the transfer of external communication work and library activities to the Communication and Postal Markets Directorate;
- as regards writing the DG's presentations and speeches, further decentralization of these duties by delegating the task on a case-by-case basis to IB staff with the greatest expertise in a particular field, bearing in mind linguistic considerations;

- the transfer of statistical activity to the Economic and Regulatory Affairs Directorate;
- reinforcement of strategic planning through the addition of a second post responsible for developing new methods and conducting strategic studies, thus leaving the strategic planning coordinator more time to develop the more "political" dimension of his post.

The organizational chart proposed for the DG Office and Strategic Planning comprises 4 P (or senior) posts, including one new P post, and two G posts, ie six posts in all.

#### **4.4.4 Justification of posts**

##### **A. Head of DG's Office and Strategic Planning**

His main tasks are:

- managing and supervising the work of his team and the budget allocated to it;
- analyzing and supervising incoming and outgoing files and documents, in consultation with the DG or at his request;
- in particular, coordinating exchanges between the DG and the Directorates which report to him direct;
- identifying the internal problems or "bottlenecks" to be resolved inside the organization;
- organizing support for the DG on preparing his missions and coordination of preparation of his speeches and presentations;
- providing the secretariat for the Coordination Committee for the Permanent Bodies of the Union;
- providing the secretariat for the International Bureau's Management Board (to replace the current IB Management Committee);
- providing the secretariat for the POC and CA Strategic Planning Group.

##### **B. Assistant Head of DG's Office**

His duties mainly concern support for the DG and coordination with international organizations:

- implementation and follow-up of contacts to strengthen relations with international organizations inside and outside the United Nations system, preparation and analysis of documents for the Director-General;
- dissemination of information about UPU activities to organizations in the UN system, initiation of partnerships;
- coordination of general relations with the Restricted Unions;
- acting as Assistant Secretary of the Coordination Committee for the Permanent Bodies of the Union;
- acting as Assistant Secretary of the IB Management Board in cooperation with the DDG's assistant;
- preparing the DG's missions and arranging important visits to the IB with the participation of the DG;
- deputizing for his superior in Office work, during the latter's absence;
- acting as Secretary of the DG's periodical meetings with the Directors reporting directly to him.

##### **C. Strategic Planning**

Responsibility for Strategic Planning is assigned to two P staff – the Strategic Planning Coordinator assisted by a specialist.

The responsibilities of the **Strategic Planning Coordinator** are:

- to study and analyze the postal sector environment worldwide;
- to conduct forecast studies (cf, Post 2005 and its updates);
- to update and adapt the Beijing Postal Strategy to take account of changes in the postal environment and of the decisions of the Union's permanent bodies;
- to set Programme and Budget priorities (in consultation with the Human Resources and Finance Directorate);
- to monitor overall implementation of the Beijing Postal Strategy, in particular by member countries;
- to act as Assistant Secretary of the CA and POC Strategic Planning Group;
- to manage the work of the specialist reporting to him;
- to deputize for his superior in respect of strategic planning tasks during the latter's absence.

The responsibilities of the **Strategic Planning specialist** are:

- to prepare, under the direction of the Strategic Planning Coordinator, analyses of the postal environment; conduct the necessary research and synthesis work, in consultation with the IB Directorates involved;
- to participate in the development and implementation of a methodology for prioritizing the Beijing Postal Strategy, submit proposals for updating the BPS;
- in consultation with the Development Cooperation Directorate, to collect and analyze information for taking stock of BPS implementation in the various member countries and develop a methodology for presenting these results.

#### **D. Secretariat of the Director-General's Office and Strategic Planning**

This comprises two G posts:

- one specifically in charge of processing the DG's Office files;
- the other in specific charge of supporting strategic planning activities and updating the List of Addresses of Heads of "postal administrations".

#### **4.4.5 Advantages of the proposal**

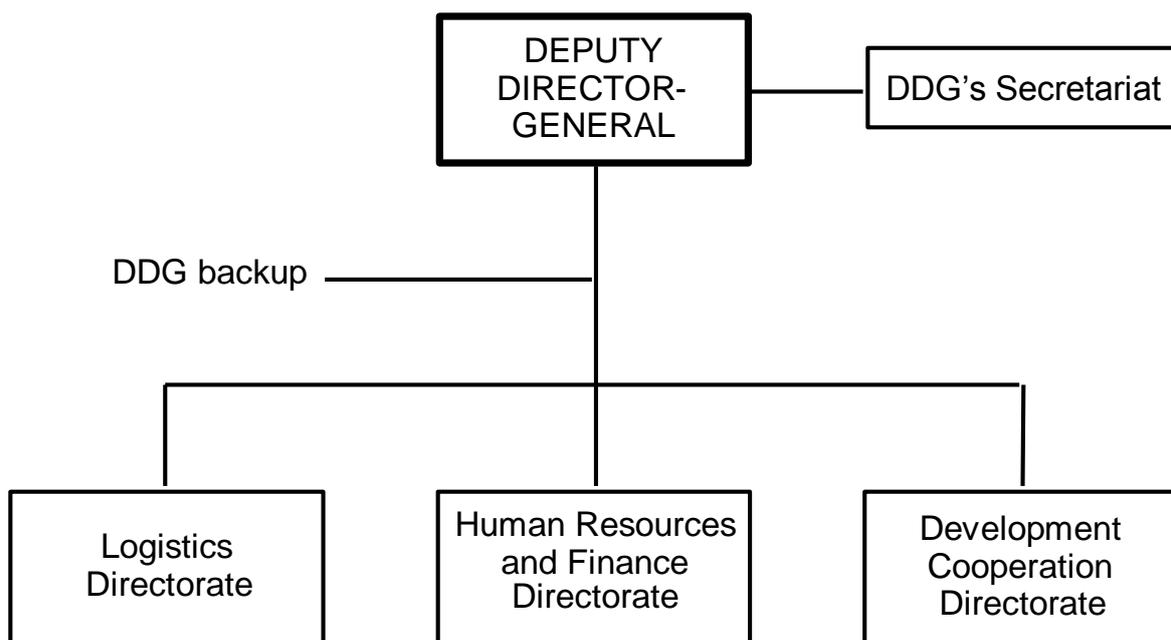
The structural organization proposed stresses two key lines of thrust:

- support for the DG in managing the IB and the UPU, including working relations with the international organizations;
- evaluation and coordination of strategic planning work, as well as of the Beijing Postal Strategy and its implementation.

In the future organization of the IB, the DG's Office will play a key role in strategic planning and coordination between the various Directorates (Competence centres). The refocusing of its missions should enable its Head and staff to devote the necessary time to them.

This proposal can be put into effect fast; on the one hand, it requires the transfer of certain posts to other Directorates and on the other, the transfer or recruitment of the Strategic Planning specialist.

## DIRECTORATES REPORTING TO THE DEPUTY DIRECTOR-GENERAL



### The Deputy Director-General's Assistant

This is a P post with the following main responsibilities:

- analyzing important case files and preparing opinions for the DDG;
- organizing, implementing and monitoring activities relating to internal communication in conjunction with the various International Bureau services;
- acting as Secretary for coordination meetings arranged by the DDG with the competence centres coming under his authority;
- coordinating with the Director-General's Office, particularly as regards preparing Directorate committees;
- monitoring decisions taken within the framework of the DDG's functions;
- acting as Secretary of the preparatory committee of the 23rd Universal Postal Congress;
- acting as Secretary of the various groups chaired by the DDG;
- preparing the DDG's missions (eg, collecting data from the various Directorates);
- preparing various documents (speeches, lectures, articles and other interventions by the DDG).

### 4.5 Logistics Directorate

During the first part of its study, MOVE's numerous discussions with those in charge of Section E "Logistics" provided it with a better idea of the Section's structure and activities.

This Section is of capital importance in the IB because of its responsibility for all physical aspects of organizing meetings, preparing IB documents (from typing to printing) and dealing with IB building logistics.

It is therefore an entirely separate competence centre which justifies the creation of a **Logistics Directorate** reporting to the Deputy Director-General.

MOVE makes no proposal about the internal structure of this Directorate. The International Bureau's internal auditor has already worked on it at the Director-General's request, in parallel with MOVE's work. To avoid any overlaps, MOVE coordinated with the internal auditor and took note of the Director-General's decision of 31 May to:

- eliminate three vacant G posts;
- keep one of the three posts in reserve for Section E, with a view to creating an additional French translator post at a later date, as necessary;
- keep graphic design tasks among the Section's functions and seek ways of improving the quality of the IB's graphic presentations.

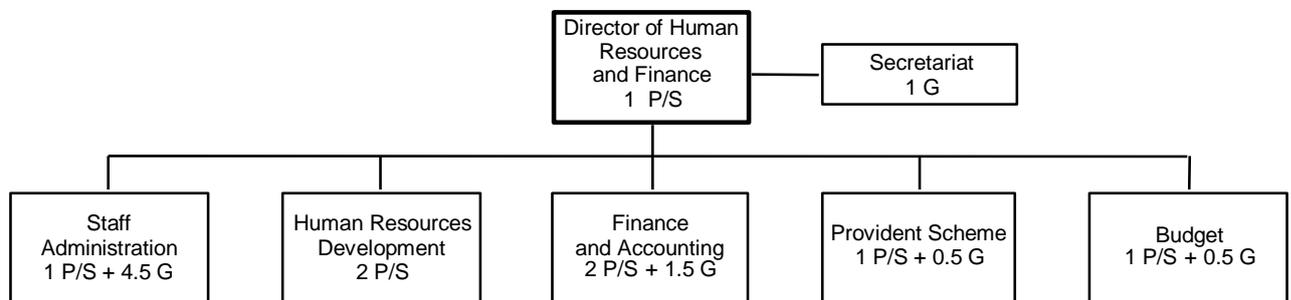
MOVE took account of these decisions in estimating the total number of IB posts financed under the regular budget (see end of chapter 4).

However, as a consequence of the recommendations made in this report for the other IB Directorates, MOVE nevertheless proposes two changes which were not considered by the internal auditor during his study. These concern the transfer of two posts from the Logistics Directorate to the Communication and Postal Markets Directorate:

- one G post in charge of managing sales of UPU publications and works;
- one G post transferred from the Logistics Directorate's desk-top publishing unit to take charge of the graphic coordination of sections' publications (logo, graphic map, checking conformity, etc).

With these two transfers, the Logistics Directorate's permanent staff would comprise 7 P (or senior) posts and 36.5 G posts.

#### 4.6 HUMAN RESOURCES AND FINANCE DIRECTORATE



##### 4.6.1 Context

At present, the International Bureau's human resources and finances are managed by two sections, Section K (Human Resources) and Section L (Finance).

##### A. Section K

This Section manages all the IB's human resources through staff administration (recruitment, contracts, leave, presence, health insurance, etc) and seeking solutions to a multitude of individual problems (mission expenses, allowances, personal problems, etc).

##### a Main functions

- Management of International Bureau and translation service staff (appointments, promotions, separation from service, salary scales, missions, moves, insurance, etc);

- recruitment of short-term translators and staff, drawing up of employment contracts and accounts for free-lance interpreters, including accident insurance;
- drawing up of regulations and interpretation of staff rules;
- reports, studies, legal and statistical matters concerning staff in conjunction with Section A and the international computer centre;
- relations with the International Civil Service Commission (ICSC), the Joint Inspection Unit on staff matters, the Consultative Committee on Administrative Questions (CCAQ) and other bodies;
- secretariat services for the Joint Advisory Committee, chairmanship and secretariat services for the Appointments and Promotions Committee, participation in the Special Appeals Committee, the Disciplinary Committee and the Joint Appeals Committee;
- preparation of documentation for the Coordination and Programming Committee (CPC);
- Social Fund matters and insurances concerning the staff (health, occupational accidents and baggage);
- programming and organization of training and retraining activities for International Bureau staff;
- organization of staff careers;
- development and finalization of the staff performance evaluation system;
- assistance to and welcoming of new staff;
- collection of the information needed for certain documents to be submitted to the permanent bodies (CA or POC).

To carry out its mission, Section K which reports to the Assistant Director-General in charge of Division I, has 8 posts, 4 of them G posts.

*b Facts established*

- Personnel management follows the United Nations common system's own extremely complex and specific rules and procedures;
- the large number of short-term contracts (necessitated in particular by the recruitment of conference interpreters) generates a substantial amount of work;
- certain tasks which theoretically come under human resources are carried out by other sections; thus the PTC, which is fairly autonomous within the IB, recruits its own staff, leaving it to Section K to formalize the contracts; moreover, Regional Adviser salaries and missions are managed by Section G;
- the division of certain tasks between the Personnel Section and the Finance Section makes for cumbersome administrative procedures (link between staff files managed by K and management of wages and pensions by L);
- some posts have very different tasks: for instance the head of training post is also responsible for administrative aspects of managing PTC staff.

The constraints listed above mean that Section K necessarily spends much of its time on the administrative management of personnel. So far, it has not been possible to properly address other aspects of human resources management, such as manpower planning or thoughts on short-term contracts.

## B. Section L

### a *Main functions*

Section L is responsible for the International Bureau's finances through three key activities: management of the budget, financial accounting and management of the Provident Scheme. It reports to the DDG. Its duties are:

- preparing and drawing up the Union's budget. As part of this work, it ensures the preparation and monitoring of the "classical" budget and the Programme and Budget, as well as providing secretariat services for CA Committee 2;
- execution of the Union's budget and of the translation service budgets;
- keeping of the Union's accounts as well as the special accounts for technical cooperation, the translation services, the Voluntary Fund and the funds assigned to the UPU Provident Scheme.

Section L is also responsible for financial regulations, reports and studies on financial and budgetary issues and for the Programme and Budget (drawing up of a multi-year financial plan and preparation of the Programme and Budget for the next biannual period). To carry out its mission, the Finance Section has 8.5 posts, including 5 P/S posts.

### b *Facts established*

This Section is an International Bureau centre of excellence for financial, accounting and budget management and management control.

As is the case for the Personnel Section, other sections also carry out certain budgetary or financial functions. The PTC (which submits its business plan to the Telematics Cooperative and manages its budget); Section G which prepares summary tables on the basis of data provided by L; Section E which signs expenditure commitment requests, orders or contracts up to certain amounts, invoices, etc.

Regarding the PTC, MOVE sees more disadvantages than advantages to changing the prerogatives of this unit, in line with the report's policy of respecting its organization and the specific nature of its operations.

### c *Merging Finance and Human Resources*

Finance and Personnel (or Human Resources, to use a "more dynamic" term) are two separate competence centres with a common area, since both deal with personnel administration to a certain extent.

Many international organizations have also brought these activities closer together, grouping them in a single structure, as shown in the following table.

<b>Organization</b>	<b>Name of structure</b>	<b>Functions</b>
WHO	Administration	HR, finance, budget
UN Sect	Dpt of management	HR, programme and budget
UNDP	Resources management	HR, budget
FAO	Administration and finance dpt	HR, finance
WMO	Resources management	HR, finance, budget
WTO (Tourism)	Administrative division	Finance, budget general services
IAEA	Dpt of administration	HR, finance, budget
WTO (Trade)	Deputy Director-General	HR, finance, budget
WCO	Division of administration	HR, finance, logistics

In a small organization (in United Nations terms) like the IB, grouping these two competence centres could be justified on the following grounds:

- saving of a senior post (head of one of the two existing Sections): for a team with a total staff of 16, 8 of them managers (including the Director), it is quite feasible to have one person in command through a certain delegation of technical responsibilities to experts in the two fields;
- the IB must succeed in following a policy already applied by other, much larger United Nations organizations with the same management rules (those of the common system);
- merging the two competence centres would make it possible to create a single "personnel administration" team;
- in an organization where 80% of budget resources are earmarked for staff costs, human resources policy (cf, manpower planning management, standardization of contracts, etc) is a prime factor in budget preparation.

#### **4.6.2 Objectives of restructuring**

- Group human resource and finance activities together within the same Directorate (the activities of current Sections K and L).
- Retain the IB's budgetary (Programme and Budget), financial (Provident Scheme) and accounting functions.
- Gradually strengthen the "human resources" functions as far as available resources will allow, particularly as regards:
  - manpower planning management;
  - the implementation of efficient training courses/programmes (see MOVE recommendations in chapter 5);
  - the accompaniment of organizational change at the IB.

#### **4.6.3 Proposed organizational chart**

The Human Resources and Finance Directorate comprises the following five activity areas:

- staff management: 5.5 posts including 1 G post from Section L (specifically for the commitment of salaries and pensions), 1 P/Senior post and 3 G posts from Section K and 0.5 new G post;
- development of human resources; 2 P posts currently in Section K;
- finance and accounting: 2 P/Senior posts and 1.5 G post currently in Section L;
- Provident Scheme: 1 P/Senior post and 0.5 G post currently in Section L;
- budget (including monitoring the Programme and Budget): 1 P/Senior post and 0.5 G post currently in Section L.

With the addition of the post of Director and his secretariat (1 G post), the Directorate has a total of 16 posts, consisting of 8 P (or senior) posts and 8 G posts.

#### **4.6.4 Justification of posts**

##### **A. The Director of Human Resources and Finance**

Reporting to the Deputy Director-General, the Director of Human Resources and Finance:

- manages and directs the activities of his/her Directorate relating to financial, accounting and budget management and management control (Programme and Budget);

- prepares and submits to the DDG, for the attention of the General Management (Management Board), the draft budget allocations for each of the directorates and other competence centres, drawn up on the basis of the priority tactics and programmes decided on;
- proposes, ahead of the arbitration sessions, the necessary reallocations during the budget period in line with Management Board guidelines;
- supervises the activities of his/her Directorate and manages the budget allocated to it;
- proposes changes to IB human resources policy in order to better satisfy member countries' needs and those of IB staff and Management;
- proposes changes on adapting IB management tools in order to adapt them better to member countries' needs and those of IB staff and Management;
- establishes contacts with the HR managers of "postal administrations";
- takes part in the work of the APC, JAC, Loans Committee, Administrative Board of the Social Fund and Provident Scheme Funds Management Committee;
- carries out the secretariat duties of CA Committee 2;
- carries out the secretariat duties of the Provident Scheme Management Board;
- takes part in the work of the IB Management Committee;

#### **B. "Staff administration" function**

This function comprises 5.5 posts, including 1 P post. It carries out all of the personnel administration management tasks currently handled by the various Section K personnel administrators, including:

- treatment of all matters relating to recruitment, appointments, promotions and separation from service (in conjunction with HR development specialists);
- treatment of all matters relating to remuneration, salaries and allowances;
- computerized management of staff members' and Regional Advisers' salaries;<sup>45</sup>
- treatment of all matters relating to conditions of service for interpreters and certain short-term appointments;
- drafting of internal memoranda and administrative directives concerning staff;
- treatment of administrative matters regarding missions, travel, removal, etc;
- execution of all tasks relating to the health insurance fund, health insurance, occupational accident insurance, Swiss social insurance, etc;
- treatment of all matters relating to privileges, immunities and other benefits;
- management and keeping of staff records;
- monitoring of attendance system (badges);
- all tasks assigned by the Director of Human Resources and Finance. These tasks would be placed under the responsibility of a **Head of Staff Administration** (P/Senior post).

*NB: MOVE has estimated the total amount of work required for this activity, but feels that a precise apportionment of the tasks involved should fall to the Head of Staff Administration, under the responsibility of the Director of Human Resources and Finance.*

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<sup>45</sup> This latter responsibility is being transferred from the present Div III – Section G.

### C. Development of human resources

This activity would be assigned to two **HR development specialists** (P/Senior-level posts) responsible for:

#### First post:

- gradual development of staff planning and career management tools (making use of a staff database to be developed and based on the practice of other organizations in the UN common system);
- support for project(s) accompanying organizational changes, including:
  - coordinating post classification activities,
  - preparing and harmonizing job descriptions,
  - implementing procedures for the external evaluation of shortlisted candidates,
  - in cooperation with the Head of Legal Affairs, working on standardizing the various types of short-term and fixed-term contracts used within the IB;
- providing secretariat services for the Appointment and Promotion Committee;
- providing secretariat services for the Joint Advisory Committee;
- monitoring relations with the CCAQ and the ICSC;
- supporting the assistant to the Deputy Director-General for internal communication activities dealing with the IB's HR policy (for example, IB Charter on Human Resources; see MOVE recommendation in chapter 5).

#### Second post:

- management of training activities:
  - programming, organization, evaluation of practical results; specifically, guaranteeing that the training provided satisfies the needs of the post occupied,
  - seeking existing solutions for developing new types of IB staff training, in cooperation with postal training institutions;
- analyzing the effectiveness of the tools used to evaluate individual performance and proposing any necessary changes;
- supporting the assistant to the Deputy Director-General in implementing internal communication activities;
- supporting the project(s) to accompany the organizational changes, particularly with regard to the ongoing training needs of staff wishing to make a career change within the IB, as well as training needs in project management.

MOVE feels that the apportionment of tasks between the two posts can easily be adjusted, provided the dominant "policy" function of the first and the dominant "training" function of the second are maintained.

### D. Finance and accounting

This activity comprises the current functions of Section L in this area, assigned to two P/Senior-level managers (possibly referred to as **Finance and accounting specialists**) and 1.5 G post, and whose main responsibilities are:

- acting as assistant secretary of CA Committee 2;
- Union's cash management;
- managing the various accounts of the Union, translation services, PTC, Voluntary Fund, Special Fund and funds-in-trust;

- keeping records of cash transactions and current accounts, as well as all payments and all operations for issuing, cashing and endorsing cheques.

The specific apportionment of functions between members of the team is to be decided by the Director of Human Resources and Finance.

#### **E. Management of the Provident Scheme**

This activity encompasses the functions of Section L in this area (assistant secretary of the Provident Scheme, management of the Provident Scheme), assigned to a P/Senior-level manager (**Provident Scheme specialist**) and 0.5 G post.

#### **F. The budget (and Programme and Budget)**

This activity comprises the budgetary functions of Section L:

- preparation and monitoring of the classical budget;
- preparation and monitoring of the Programme and Budget, in cooperation with the strategic planning coordinator.

This work is carried out by 1 P/Senior-level manager (possibly referred to as **Budget Specialist** or **Programme and Budget Specialist**) and 0.5 G.

#### **4.6.5 Advantages of proposal**

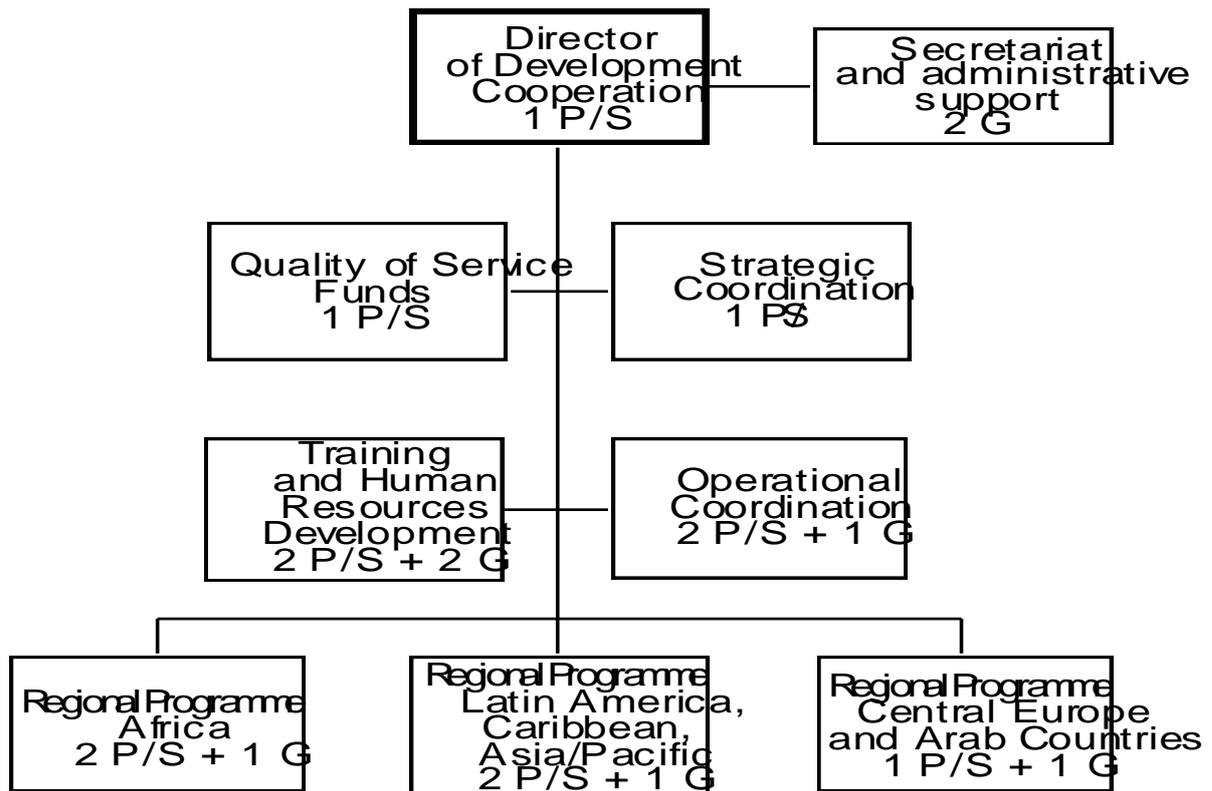
The organizational chart proposes a clear division of functions within the Directorate and smoothly merges the activities of the current Sections K and L, without affecting finance, accounting and budget activities, whose current structure seems satisfactory. As in other organizations, it creates a "staff administration" activity.

A key factor in implementing this organizational chart is the "profile" of several posts:

- at the outset, the Director will be an expert in either finance or human resources, and should adjust his management style accordingly (he may wish to delegate more responsibility to his colleagues who are specialists in the other field);
- the human resource development specialists should, as far as possible, be professionals in the field, given the nature of the new tasks to be promoted (manpower planning management, accompaniment of organizational changes). Moreover, this involves an area in which, depending on needs and budgets, the use of external specialists (contracted or provided by "postal administrations") would be justified.

**Another option**, calling for a Directorate of Finance and a Directorate of Human Resources, was also considered. It has the disadvantage of maintaining two relatively small entities (8 and 9 persons) and requiring one more Director's post than is called for in the main scenario.

#### 4.7 DEVELOPMENT COOPERATION DIRECTORATE



##### 4.7.1 Context

Development cooperation is one of the main components of the Union's strategy. From the standpoint of the issues and challenges involved, this is the area of IB activity that produced during the MOVE study not only the most clear-cut opinions from member countries, but also the greatest expectations. Within the IB, this is a complex area whose boundaries are not always clearly defined and where the division of responsibilities is sometimes problematic.

The first thing MOVE did therefore was to specify the IB's role and added value in this strategy.

## A. Figures

According to the Programme and Budget 2000, an annual budget of nearly **7.5 million CHF** has been earmarked by the Union for development cooperation, and of this amount approximately **2 million CHF** has been allocated to sections other than those of Division III which are directly responsible for development cooperation. According to the organizational chart proposed by MOVE, this amount of two million CHF would, from 2001, be allocated to:

- Operations (eg, for quality audits and testing, security, customs, etc);
- Economic and Regulatory Affairs (eg, for the development of accounting systems, the transfer of terminal dues know-how);
- Communication and Marketing (aid for development of marketing and market research skills).

Half of the two million CHF covers IB staff costs.

Of the **5.3 million CHF** allocated annually to the Development Cooperation Directorate:

- 1.3 million CHF covers Regional Advisers' costs;
- 1.5 million CHF (including 0.2 million CHF for IB salaries) covers training activities;
- 1.8 million CHF (including 0.2 million CHF for IB salaries) covers MIP (multi-year integrated project) activities and, to a small extent, UNDP financing;
- 0.7 million CHF covers other support activities (PDAG support, seeking external financing, evaluating work methods, preparation of the next MIP cycle) and relate to IB salary costs.

Added to this is part of the Telematics Cooperative's own budget for the deployment and maintenance by the PTC of IT applications in developing countries.

Two observations should be made at this stage:

- at the IB, development cooperation is or should be "everyone's business" and extends beyond the Directorate responsible for it as proposed; MOVE should take this into account in its proposals;
- the multitude of budgets and of the structures currently managing them make it impossible to have a comprehensive view of all the activities conducted or planned by type of activity or by country.<sup>46</sup>

## B. Member countries' expectations

Many member countries, as well as the POC Chairman, expressed to the MOVE group their desire for the IB, in cooperation with the bodies concerned (CA Committee 3, TCAG, PDAG and the QSF Board of Trustees, in particular) to present technical cooperation action plans, by region and by country, that take into account all known sources of funding: regular budget/MIPs, voluntary funds, QSF, World Bank, UNDP. This will make it possible to avoid duplication and to better define priorities.

This method of grouping funding sources together is also found in all areas in which inter-governmental organizations carry out development aid activities (cf food aid, industrial development aid, etc<sup>47</sup>). It is intended to limit waste by combining and streamlining activities in an effort to reduce or limit the total amount of resources used.

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<sup>46</sup> As is shown by the fact that the figures for tactic 514 in the Programme and Budget, relating to MIPs, is not broken down by type of activity and covers different types of consultants' missions, training activities or purchase of equipment.

<sup>47</sup> See, for instance, "The Integrated Approach" UNIDO, September 1999, available on the [Unido.org](http://Unido.org) website or "Reforming FAO into the New Millennium", FAO, Rome, 2000.

Moreover, the Beijing Congress asked the UPU to take appropriate measures aimed at inviting all parties concerned ("postal administrations", Restricted Unions, regional postal schools and Regional Advisers) to step up their efforts to mobilize the necessary resources and ensure the practical application of technical cooperation (resolution C 11/1999) and at the same time decided that the 48 least developed countries should, as a priority, benefit from technical assistance (resolution C 8/1999).

Lastly, pending the decisions of the competent bodies, there is still, halfway through 2000, uncertainty about what role the IB should play from 2001 in the operation of the QSF (Quality of Service Fund). In any event, the relatively high level of financing that the Fund should generate makes it all the more important to coordinate the efforts made.

### **C. Division III at the present time**

In the strict sense, the "technical cooperation" activity (management of funds assigned to Division III) is carried out by Section F (for the "programming and execution of projects" component) and Section G (for the "administration, training and postal development" component).

According to MOVE, the third section in Division III, Section H (Quality of Service), which carries out quality audits and evaluations, represents an operational activity area that concerns all member countries, not just developing countries, and should come under the Operations and Technology Directorate.

The activities of sections F and G fall into three categories:

- *external coordination*
  - The activities carried out primarily by the Head of Section G include seeking external financing, maintaining contacts with the World Bank and providing secretariat services to CA Committee 3 and the PDAG. One Section G manager, assisted by G staff (two persons devoting part of their time, one of them outside the regular budget), acts as assistant secretary for these two bodies, as well as for the QSF ad hoc Committee; on the other hand, secretariat services for the TCAG are provided by Section F (the head of section and his assistant).
- *project management, ie, following the various stages of a project:*
  - programming of activities (F, in conjunction with the Regional Advisers);
  - identifying countries' needs (ditto);
  - formalization of projects (ditto);
  - revision of terms of reference (ditto);
  - project start-up (F);
  - administrative management of projects (G): recruitment of consultants, purchase of equipment, management of Regional Advisers' salaries and missions (activities corresponding to 3 G posts);
  - financial monitoring of projects (carried out by one P manager from Section G on the basis of accounting data provided by Section L, and with the support of 0.5 G from Section G);
  - supervision or monitoring of work (F, transferred where appropriate to the Regional Advisers in the field);
  - analysis of consultants' reports (F);
  - assessment of results (F).

The Section F activities listed above are carried out by the Head of Section and his assistant<sup>48</sup>, aided by four administrators responsible for the regions of Asia/Pacific, Latin America and the Caribbean, Africa (except Portuguese-speaking countries), and lastly Europe, CIS, Arab countries and Portuguese-speaking Africa, and three G posts (including 0.5 G outside the regular budget). Although the Regional Advisers work closely with Section F, they do not administratively form part of the four regional teams. The special nature, and often complexity, of the procedures the IB is required to follow (cf procedure for managing UNDP projects) make these tasks difficult.

- *training*

Despite its modest proportions, this activity represents a fully fledged "competence centre", its importance having been demonstrated by the successful launch of the TRAINPOST programme. Training is carried out by a P-level manager from Section G, assisted by a G responsible for the administrative management of fellowships, and a second G devoting part of his/her time to provide secretariat services. There is also the support provided by an external consultant.

The distribution of project management tasks between sections F and G is considered artificial by the parties concerned themselves. Specifically, the Section F administrators would like to be able to recruit consultants and purchase equipment themselves, without having to go through their own hierarchy or another section. They would therefore like to have Section G's administrative management functions transferred to them; this would simplify administrative channels and give them more responsibility.

Moreover, many member countries regretted what they consider to be a lack of transparency in:

- the criteria used for assigning a project;
- the distribution of tasks (difficulty in determining, for the Regional Adviser and the Section F and Section G administrators, who does what).

They would also like the administrators responsible for the geographical regions to have a more meaningful role as project managers, in cooperation with the Regional Advisers:

- by developing a certain expertise (greater "technical" knowledge in certain postal fields); this would help them to better analyze countries' needs and, where appropriate, revise projects and their terms of reference, thus giving them a more practical view of certain postal fields;
- by being more directly involved in solving problems encountered in the course of a project;
- by ensuring better coordination between the other IB Directorates;
- by being more involved in evaluating results (eg, by personally debriefing consultants at the end of missions);
- by going out "in the field" more often, budget constraints permitting.

#### **4.7.2 Objectives of restructuring**

- The Directorate responsible for cooperation would be in the best position to provide, beyond its function of managing the budgets allocated to it, an overall picture (ie, all budgets combined) of the cooperation strategies carried out or to be carried out in the various countries. The restructuring should provide the means for it to have a more effective role as a catalyst in the area of cooperation. It should develop its competencies in "cooperation strategy" (initiation and prioritization of projects).
- Eliminate the compartmentalization between Sections F and G in the area of project management.
- Allow better coordination between the Directorate responsible for cooperation and the other Directorates operating in this area.

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<sup>48</sup> The latter is also Co-Secretary of the High Level Group.

### 4.7.3 Proposed organizational chart

MOVE proposes the creation of a Development Cooperation Directorate, reporting to the Deputy Director-General.

It would include:

- four activity areas:
  - QSF (in coordination with the Human Resources and Finance Directorate), assigned to a P/Senior-level manager,
  - Strategic coordination (1 P/S) (including secretariat services for the PDAG, TCAG and CA Committee 3),
  - operational coordination (2 P/S and 1 G),
  - training and human resource development (1 P/S and 2 G);
- three Regional Cooperation Programmes, each headed by one or two Programme Managers, assisted by a G staff member;
- a secretariat providing administrative support for the Directorate (2 G).

The Directorate would comprise 19 posts (under the regular budget), including 11 P/S and 8 G.

### 4.7.4 Justification of posts

#### A. Director of Development Cooperation

Reporting to the Deputy Director-General, the Director of Development Cooperation would keep the lion's share of the functions currently assigned to the Head of Division III, with the exception of responsibility for quality of service audits and evaluations, transferred to the Operations and Technology Directorate, as well as supervision of the "Cost Accounting" project manager. In particular, he would:

- manage and direct the activities of his Directorate;
- prepare the main lines of UPU technical cooperation strategy;
- prepare his budget on the basis of the guidelines provided by the Councils and their competent bodies and by the Management Board, and make sound proposals for prioritization;
- be responsible for executing the budget allocated to him;
- propose ways of improving the effectiveness of IB cooperation activities;
- oversee relations with the various partners involved in cooperation, including financial institutions, Restricted Unions, PDAG, TCAG and CA Committee 3;
- direct efforts aimed at seeking additional extrabudgetary financing;
- coordinate the implementation of emergency actions in the field;
- guarantee the quality of IB support given to the QSF Board of Trustees;
- participate in the work of the IB Management Board and, in so doing, ensure that all of the Directorate's activities are well coordinated with those of the other IB Directorates;
- sit on the Appointment and Promotion Committee in cases involving Directorate recruitment;

## **B. QSF Manager**

Reporting to the Director of Development Cooperation, the QSF Manager:

- provides secretariat services for the QSF Board of Trustees from its inception and prepares its agendas and meeting reports;
- examines, with the support of the Directorate's Programme Managers and the Strategic Coordination Manager, the files containing requests for financing received from beneficiary countries;
- submits to the Board of Trustees, in writing or orally, his opinion on the form and substance of the projects;
- provides an interface with member countries responsible for the project and ensures its proper execution in cooperation with other Directorate officials;
- provides an interface with the Human Resources and Finance Directorate in matters relating to accounting and financial aspects of the QSF;
- prepares annual reports for the Board of Trustees and the various bodies of the Councils concerned.

In view of the remaining questions regarding the particulars of IB participation in the project, a single P/S post has been provided for in the MOVE proposal. It would be logical to plan to have this post financed by the QSF and not from the Union's regular budget. As needs change, a second P/S post could be added later.

## **C. "Training and human resources development" specialist**

This post retains, without any major changes, the functions of the equivalent Section G post. It is a P/S post, supplemented by 2 G posts. The incumbent reports to the Director of Development Cooperation and his main responsibilities include:

- managing the training budget assigned to him/her;
- programming group training activities;
- setting up projects: preparing documents and finding a host country for the training activity;
- seeking, recruiting and briefing lecturer-consultants and managing the group fellowships awarded;
- organizing the work of the G staff member responsible for managing fellowships and the G staff member responsible for providing secretariat services;
- overseeing the progress of work, in cooperation with the Regional Advisers;
- monitoring the results of the specific actions he has undertaken;
- initiating new projects, particularly in the area of distance learning, in cooperation with postal training institutions.

## **D. Strategic Coordination Manager**

Under the authority of the Director of Development Cooperation, the main responsibility of this P/S post is to ensure the overall consistency of cooperation activities undertaken by the IB or in which the IB is involved.

To that end, in cooperation with the Regional Advisers and the Restricted Unions as required, the incumbent:

- directs efforts to seek extrabudgetary funding, in particular, from financial institutions (World Bank, regional development banks, etc) or the UNDP, and takes part in the creation of multilateral partnerships;
- provides secretariat services for the PDAG, CA Committee 3 and the TCAG;
- defines, in consultation with regional Programme Managers, priority objectives and means of action (eg, thematic projects) to be implemented for each geographical region, etc);<sup>49</sup>
- formulates, in consultation with regional Programme Managers, the reference framework of the multi-year, regional, interregional and global cooperation programmes;
- prepares, in consultation with regional Programme Managers and beneficiary countries, the documents relating to the most important projects, particularly those for which funding will be sought from financial backers;
- advises his Director and the DDG on the medium-term scenarios for restructuring or adapting the IB's cooperation function so as to take into account changes in the environment.

### **E. "Operational Coordination" functions**

The main objective of this function is to provide regional Programme Managers with the analysis, discussion and work tools needed to carry out their tasks.

a Preparation of "country files" which give, in addition to each country's general and post-related features, a thematic list of cooperation activities undertaken in the last few years (in the form of data sheets listing objectives, actions and, where possible, results). This activity depends on close cooperation with the documentation centre, statistical specialists in the Economic and Regulatory Affairs Directorate and the QSF Manager, as well as the EMS Unit and the PTC in the Operations and Technology Directorate.

The aim here is to set up a "cooperation reference system" that will lead to the creation of databases. The system will be gradually extended to include the collection of data on postal development activities in which the IB was not directly involved (country's own postal investment activities) in order to have key information on the level of postal development.

This long-term work is indispensable:

- for evaluating the relevance of QSF projects submitted by countries;
- for prioritizing IB cooperation activities;
- for briefing consultants.

b Budget coordination: on the basis of information provided by the Human Resources and Finance Directorate, prepares a financial profile of development cooperation budgets, by country, type of activity and project, and transmits this information to the project managers; sends them a statement of commitments and expenditure each month; notes procedural changes (eg, in the rules applying to UNDP projects) and so informs the Programme Managers.

c Supervises the expenditure commitments and accounts made by the Programme Managers; carries out "interdisciplinary" tasks such as updating the lists of consultants and conducting yearly consolidations (outstanding obligations, list of equipment purchased, etc).

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<sup>49</sup> Cf, inter alia, the example of the World Food Programme, which has systematized the use of documents describing a medium-term country strategy (4–5 years) and in which all of the actions planned for a given country are presented and justified for the Executive Council's approval.

- d Coordinates the evaluation of project results: proposes a common methodology highlighting measurable effects (eg, savings achieved by postal operator following project implementation).
- e Manages Regional Advisers' missions.<sup>50</sup>

These various functions would be carried out by 2 P/S managers (an **Operational Coordination Manager** and a **Specialist** reporting to him), assisted by a G post. These correspond to partly new functions (country files and, to a certain extent, evaluation coordination), with the remainder already carried out by Section G.

The Operational Coordination Manager, in cooperation with his Director, will be responsible for distributing tasks more precisely among the various posts placed under his responsibility.

## **F. Regional cooperation programmes**

The three main changes to the current organization involve:

- making the Programme Managers directly responsible for recruiting consultants and purchasing equipment, duties till now carried out by another section;
- increasing from four to five the number of administrators directly responsible for following up files by group of countries;
- reducing from four to three the number of regional teams.<sup>51</sup>

The second and third guidelines are based on the finding that the current teams are too small and therefore do not have the capacity needed for managing large files; they are too often faced with an overload of administrative work. The files are often delayed when the administrator is absent.

A solution calling for two teams instead of four has been envisaged, but it has two drawbacks:

- to a certain degree, it has already been tried in the past at the IB, though without much success it appears;
- it reintroduces an unnecessary management level.

Creating "three teams" therefore represents a middle-course solution. MOVE feels that the proposed geographical distribution is based on the need to:

- create a homogeneous region for Africa (sub-Saharan), comprising two Programme Managers (according to a geographical and linguistic division yet to be determined) and a G post;
- create a separate team for Europe and the Arab countries (one Programme Manager and one G post).

The result of this is the creation of a third team for Latin America and the Caribbean, on the one hand, and Asia-Pacific, on the other, where the notion of team working was chosen in preference to geographical coherence. Each of these two regions would have a Programme Manager and a G post would support the team.

The fact that two of the three teams include two Programme Managers does not necessarily imply a subordinate relationship between the two: all of the Programme Managers would report to the Director of Development Cooperation; it is rather a matter of introducing greater flexibility in the apportionment of tasks (eg, in the event of absence or of work overload).

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<sup>50</sup> The management of Regional Advisers' salaries having been transferred to the Human Resources and Finance Directorate.

<sup>51</sup> On the other hand, MOVE feels that the practice of having an "administrator(s)-G post pairing" has proved its effectiveness; it has therefore been kept in the new organizational chart.

The duties of the Programme Managers would, for the most part, remain unchanged as regards the programming, management and monitoring of the cooperation projects and activities relating to the group of countries under their responsibility. Added to these, however, would be:

- a as regards administrative management, tasks carried out by Section G till now and henceforth assigned to the G staff member assisting each of the three regional teams:
  - establishing conditions of employment for consultants (letter of appointment, etc),
  - correspondence with experts and consultants regarding administrative and financial matters,
  - preparing expenditure commitments and accounts,
  - checking statements of account,
  - monitoring the programme budget, in cooperation with the Operational Coordination Manager;
- b as regards management of interdisciplinary projects (see chapter 5):
  - budgets managed by another Directorate: participation in the work of the project team, contributing his knowledge of the geographical region for the benefit of the project manager,
  - budgets managed by the Development Cooperation Directorate: The Programme Manager can, depending on needs, be appointed project manager by the IB Management Board and carry out these functions as part of his regular duties or as part of a fixed-term secondment planned in advance.

#### **4.7.4 Advantages of the proposal**

The proposal clearly defines responsibilities and, to a certain degree, satisfies the needs of "postal administrations" and the staff of Sections F and G. In particular, it strengthens coordination both inside the IB (between the various Directorates) and outside (between the various financial backers).

One of its advantages is that it can be implemented in the short term.

MOVE had considered other, more ambitious, scenarios, which, for that team, did not give sufficient guarantee of short-term feasibility. In one such scenario, the IB's regional teams would have been replaced by a functions-based organization; besides the "training" activity, which would have remained unchanged, the Directorate's activities would have broken down as follows:

- a a "strategy" team:
  - to coordinate efforts to secure financing, provide secretariat services for the various bodies, analyze needs, define projects and prepare (or assist countries in preparing) terms of reference;
- b a "project management" team:
  - to manage calls for tender, select and provide the relevant administrative management for consultants,
  - monitor projects and evaluate results.

The "project management" team would have been organized by type of project, and not by country; it would have consisted mainly of experts from the various postal fields (operations or postal regulation). The role of the Regional Advisers would have been strengthened.

Although this scenario is not feasible at the present time, MOVE feels that the Development Cooperation Directorate should consider ways of adapting its structures and work methods to the expectations of lenders and beneficiary countries.

## Conclusions

### 1 *Financial feasibility of the proposed organizational structure*

The proposed organizational charts presented in this chapter conform to the staff table ceiling of 151 posts, whose financing by the regular budget is authorized by recommendation CA 3/1995.

<b>Distribution of posts</b>			
<b>Structure</b>	<b>P/S</b>	<b>G</b>	<b>Total</b>
DG, DDG and assistance	3	3	6
DG's Office and strategic planning	inc 2 elect 4	2	6
Operations and Technology Dir	12	13.5	25.5
Econ and Reg Affairs Dir	10	5	15
Communication and Markets Dir	7	10	17
Development Cooperation Dir	11	8	19
Human Resources and Finance Dir	8	8	16
Logistics Dir	7	36.5	43.5
<b>Total</b>	<b>62</b>	<b>86</b>	<b>148</b>

MOVE is in no way recommending the abolition of the three posts that appear to be "saved". The experts feel instead that these three posts could be used by the IB management to bolster certain Directorates:

- in the cases mentioned in the text (for example, a "universal service" post within the Economic and Regulatory Affairs Directorate or Assistant POC Secretary within the Operations and Technology Directorate);
- in cases where MOVE may have underestimated the workload required;
- to take account of the new tasks resulting from requests by CA and POC bodies;
- should the IB management decide not to combine certain competence centres.<sup>52</sup>

Moreover, it is customary for savings resulting from certain vacant posts to be used to recruit additional staff for one-off requirements. It is desirable to maintain this flexibility.

It would also be useful to make it a general practice for a new staff member to work "in tandem" with his predecessor for one or two months preceding the latter's departure.

### 2 *Feasibility with regard to the Beijing Postal Strategy*

The IB should ensure that any organizational change will not disrupt the activities it carries out for the benefit of member countries.

MOVE has therefore made certain that each of the tactics in the Programme and Budget 2000, based on the six objectives and strategies set out in the BPS, can easily be assigned to one of the Directorates under the future organizational structure. The tables given in annex D show that this condition has been satisfied.

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<sup>52</sup> If, for example, "Human Resources" remained separate from "Finance", there would obviously be two separate Directors, instead of a single one as head of a Human Resources and Finance Directorate.

### 3 Options

As indicated in the body of this chapter, MOVE believes that three Directorates could each be divided into two entities by the IB management as an alternative solution. The following Directorates:

- Economic and Regulatory Affairs;
- Communication and Postal Markets;
- Human resources and Finance.

could either remain combined or be divided in two.

In all three cases, however, MOVE prefers having these competence centres merged, which has the two main advantages of:

- making the management work of the DG and DDG easier (fewer Directorates to supervise);
- allowing the creation of synergies between neighbouring centres.

## CHAPTER 5: PROPOSALS RELATING TO INTERNATIONAL BUREAU WORKING METHODS

### I. HUMAN RESOURCES POLICY

In an organization in which nearly 80% of the regular budget is absorbed by staff costs, the effectiveness and image of the IB is no doubt more the result of the quality of its staff than its organizational structure.

Staff management is beset by very rigid constraints which are essentially tied to the rules of the United Nations common system concerning, for example, conditions of recruitment, salaries and benefits, and promotions.

The IB must find ways to make improvements that comply with the rules in effect and satisfy the interests of its staff.

#### 1. CONTRACTS

##### A. Facts established and issues involved

- *Great complexity*

Permanent contracts and fixed-term contracts give staff members advantages that are more or less comparable. There are nevertheless wide disparities between:

- short-term contracts and contracts for fixed-term appointments (social benefits, redundancy, etc);
- United Nations short-term contracts and other short-term contracts (such as those in the PTC).<sup>53</sup>

Experts seconded by posts or regulators are not part of IB staff and, as such, are not affected by the International Bureau's pension and health insurance schemes.

This complexity calls for greater clarity and better understanding of the rules by all the parties involved: the member countries as well as IB staff and management. Greater transparency is in everyone's interest.

- *A need for flexibility*

- this need has been expressed by many member countries (especially those belonging to cooperatives, which want to see staff costs minimized);
- this need has led to the formulation of specific conditions of service that have facilitated or accompanied the PTC's rapid development (greater use of one- and two-year renewable contracts, not applying the UN rules for short-term staff). These rules are nevertheless similar to the practices noted in other international organizations (cf, International Post Corporation);
- moreover, IB management must take into account the lack of certainty about the Union's future missions (who can say how many posts and what kind the IB will need in five or ten years?);
- consistent with UN rules, a small number of posts financed from the regular budget have already been converted into fixed-term posts when they have fallen vacant.

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<sup>53</sup> See annex E.

- *Staff\_concerns*

Through their Association, IB staff have voiced their concerns about these new trends, stressing:

- job security for officials who should be systematically engaged on a permanent basis insofar as, at the present time, most of the duties performed at the IB are permanent in nature;
- "compliance with the contractual provisions regarding colleagues with fixed-term appointments". For short-term appointments, there is the risk of a disparity between two categories of staff, one protected by United Nations rules, the other (especially in the PTC) governed by different rules.

## **B. PROPOSALS**

**HR 1: Launch an internal debate on the various types of short-term contract at the IB: risks, opportunities, value of standardization. To this end, form an ad hoc project group.**

**HR 2: Clarify and better structure the current human resources situation at the IB:**

- **more detailed organizational charts and summary tables;**
- **human resources charter.**

The logical rule – non-specialized official = IB staff member and expert = seconded or support staff member (short-term) – is in fact difficult to apply:

- as in other organizations (cf, the example of the European Commission), external "non-specialized staff" can be of benefit to the IB;
- any position of responsibility necessarily includes an "expert" component and a "general skills" component (management, knowledge of sector and its players, ability to handle complex cases or projects);
- is it necessary to define a maximum term for secondments and other fixed-term appointments? Three years, for example (beyond that, if the appointment involves an expert, his return becomes problematic and the expertise he brings to the IB may lose its "freshness").

That said, there are situations calling for the use of support or seconded staff:

- urgency of case or file involved;
- additional workload (one-off requirement);
- new or very specific field (eg, E-commerce);
- no post vacancy, but specific extrabudgetary funding available (cf, cooperatives).

MOVE feels that, although these principles are in fact followed by the IB Management, it would be worthwhile, for the sake of transparency, to state them clearly, for example, in an IB human resources charter as a supplement to the staff regulations. Such a document could then be presented to the member countries.

There is a particular need for information on such diverse subjects as the rules applying to seconded experts, IB policy on efforts to increase female staff, etc, which are absent from or only cursorily dealt with in the Staff Regulations and Rules.

**HR 3: For staff posts which fall vacant, switch from permanent recruitment to fixed-term appointments, so long as the rules of the game are clearly defined and known in advance:**

- **after three years, renew once for a further two years or make the appointment permanent immediately;**
- **should the appointment not be renewed, inform the staff member more than three months, and preferably six months, before the contract expires.**

- *Principle: permanent duties = permanent contract*
- In general, this principle is justified, particularly for operational staff (secretariat, etc), but it should be modified in view of the present uncertainty about the Union's structure and future missions.
- It is in the interest of the IB and member countries to take advantage of a faster renewal of skills at a time when the postal sector is undergoing faster change than in the past, in both the regulatory and operational or marketing areas.
- For some, working as a member of the IB staff should be a stage in a successful career rather than a lifetime career in itself.
- In the last few years, many UN organizations have ended permanent appointments for new recruits.
  
- *The importance of recruitment based on renewable fixed-term appointments*
- A departure at the end of an appointment can sometimes be the result of what the employee wants (pursuing career opportunities outside the IB); in other cases, it may be required by the IB Management:
  - when the individual does not meet any of the post's requirements;
  - when the initial functions change to the extent that they justify the recruitment of a specialist with a very different profile;
  - when the activities of the post are no longer necessary for the organization's work.
- Making renewable fixed-term recruitment a general policy would facilitate the transfer of expertise between the postal sector (operators and regulators) and the UPU, with both parties benefiting.
- Such a policy is already being applied in a great many international organizations, with satisfactory results. **Only 40 % of staff (P and G) coming under the regular budget of all agencies in the UN common system are permanent.**<sup>54</sup> In comparison, this percentage at the IB exceeds **80%** (out of a total of 151 posts, four P posts and approximately 5 G posts are filled by fixed-term appointments).
  
- *Guarantees for staff*
- Except in specific cases (end of a project, for example), the appointment should not be renewed for less than two years in order to maintain the quality of life of the persons concerned and their families.
- If his job performance is satisfactory, and unless the post in question is abolished (or its functions radically changed), the staff member has every chance, as is now the case, of pursuing a career in the organization. This is especially true since, after five years of service at the IB, his contract may be regarded as a permanent contract.<sup>55</sup>
- Nothing would change for permanent staff members currently in service, who would retain their status.

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<sup>54</sup> See annex E.

<sup>55</sup> In accordance with ILO Administrative Tribunal legal precedent.

**HR 4: Remove the reference to "diplomatic" terminology from the titles of administrative grades of IB staff.**

This terminology (office assistant, first secretary, senior counsellor, etc), inherited from the diplomatic sector, have an outmoded connotation in the context of a UN specialized agency; their use therefore detracts from the image of the UPU as a specialized agency, and that of IB staff.

**HR 5: The MOVE remit included a study of the consequences of a growth in fixed-term appointments on the financial equilibrium of the Provident Scheme. MOVE was informed that the Provident Scheme Management Board was preparing to launch studies which would deal in particular with this important subject, and therefore thought it best not to go into the matter, in order to avoid duplication.**

## **2 Development of expertise**

### **A. Facts established and issues involved**

Implementation of the competence centres (the new Directorates) makes the development of new technical expertise within the IB a particular necessity. This is one of the main wishes expressed by member countries (systematically having "like-minded partners" to deal with). A balance should therefore be struck between the development of internal expertise and the use of external expertise.

The development of expertise comprises several aspects:

- a The policy of recruiting staff: how to recruit the best?
- b How to make the UPU an attractive employer for all or part of a career? Particularly in a context where diverse motivational factors are at work (depending on the circumstances, an IB appointment may be seen as the crowning achievement of a career or, on the other hand, as a risk to be taken or as an opportunity to add an international dimension to a career);<sup>56</sup>
- c The UPU has traditionally recruited its staff from "postal administrations", although today many experts can also be found (and indeed more easily) outside the postal sector;
- d There are no bridges for UPU staff allowing access to and from other UN agencies (only one case was noted);
- e The international recruitment process is very long (four to five months, and often taking up to nine months);
- f the systematic use of an external consultant can, in the long run, end up costing more than hiring a staff member; the IB must nevertheless comply with the ceiling of 151 posts provided for in the regular budget;
- g two key wishes expressed by staff through their Association must also be considered:
  - career development opportunities for staff in a situation where very competent and overqualified staff are sometimes confined to administrative tasks and where a flattened organizational structure is likely to impose further restrictions on promotion opportunities;
  - assessment of the professional training needs created by IB staff's new functions.

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<sup>56</sup> Cf resolution CA 14/1998, which urges postal administrations that lend or second staff to the IB to reinstate them following their mission. Implementing this resolution is not always a straightforward matter, particularly for postal enterprises whose statutes no longer allow secondments of this kind (requiring the persons concerned to resign before joining the IB). All the same, it would appear that this resolution applies only to staff on loan for a "short term".

- h In tactic 6.5.3 of the Programme and Budget, the IB has undertaken to review its current human resource management practices, particularly with regard to recruitment. We feel that our proposals address this question appropriately.

## **B. Proposals**

### Making recruitment more professional

**HR 6: For each recruitment, the IB should make a direct assessment, in the most appropriate form, of the shortlisted candidates, to allow the committee of specialists (if any), the Appointment and Promotion Committee and the Director-General to make an informed final choice.**

**In general, use should be made of modern communication methods (eg, videoconferencing) in order to minimize travel costs for candidates shortlisted on the basis of their files.**

**For recruitments at P 5 level and above, all shortlisted candidates should be interviewed in person by the IB Management; an independent assessment of their technical, managerial and linguistic skills should be carried out beforehand.**

- Efforts have been made by the IB Management to make external recruitment more professional (systematic telephone interviews, etc); it may be necessary to do more.
- Recruitment costs need to be reduced to a strict minimum.
- On the other hand, an error in recruitment is more "costly" for the two parties concerned than an air ticket to Berne or an assessment of qualifications by an independent body.

### Broadening the recruitment base

**HR 7: Full-time P posts should systematically be opened up to international recruitment.**

At the present time, applicants for G posts at the IB, as well as certain part-time P posts, are sought externally throughout Switzerland, particularly through employment ads in the Swiss press. These are posts for which local recruitment is specifically indicated.

Candidates for a few other, very technical and specialized, P posts (relating to information technology or found in the Finance Section) have also been recruited locally, particularly for organizational reasons (filling the vacancy quickly) or reasons of cost (the IB does not have to pay for children's education, removal costs, etc), sometimes at the expense of the IB objective of maintaining a diversity of nationalities represented on its staff.

This recommendation obviously does not concern posts for which applications are invited inside the IB.

**HR 8: Member countries should be consulted on the advisability of:**

- **publishing job vacancies on the UPU website, specifying where appropriate that CVs should not be sent to the UPU, but rather to the "postal administration" of the country of origin;**
- **studying practical ways to bring about real horizontal mobility between IB officials and those of other international organizations within the United Nations system (eg, ITU, UNESCO, World Bank, IMF).**

a Most international organizations already publish their vacancies "on line" and often offer the option of sending in CVs via the Internet. On the other hand, recruitments under the UPU regular budget are carried out only by means of a call for applications from "postal administrations", which are responsible for informing and selecting potential candidates and officially sending their files to the IB.

b Certain specific skills or expertise (eg, in the field of messaging, E-commerce, etc) or functions coming under the support Directorates (internal logistics and, in particular, information technology) could be found in enterprises and organizations other than "postal administrations".

c Some IB staff members feel that horizontal mobility providing access to other UN agencies should be promoted, insofar as it can offer additional career development opportunities, particularly (but not solely) for those with support functions (HR etc).

d The "cross-fertilization" of expertise between the UPU and organizations with which it has an ongoing relationship (World Bank, WTO) would be very beneficial. It would promote greater recognition of the UPU as an international organization, at a time when issues as important as postal reform and terminal dues are increasing the need for greater cooperation between organizations.

e In addition to other reasons, a number of practical considerations (eg, the impossibility of transferring acquired rights relating to the UPU Provident Scheme to other provident funds within the United Nations system, and vice versa) have proved to be an obstacle to the development of horizontal mobility.

f These principles for expanding the recruitment base are controversial. Some member countries feel that the recruitment of IB officials (P and senior-level) solely from "postal administrations" should remain an absolute rule. Consequently, MOVE cannot make any specific recommendations in this regard, but feels that these questions should be discussed, if the member countries so wish, by the CA and the High Level Group.

**HR 9: Improve "communication" with operators and regulators on the missions of the IB, its operations and the employment and career opportunities it offers, so as to promote a gradual increase in the number of high-calibre candidates applying for IB positions.**

In certain member countries, the UPU, and particularly the IB, are too often misunderstood outside the services specializing in international relations. In this connection, all external communication with postal operators and regulators should contribute, directly or indirectly, to making job prospects at the IB more attractive.

Major efforts in this direction have already been made by the IB. New, more specific, initiatives – involving, for example, postal management schools, or more generally, senior-level managers – could enhance its reputation and eventually revive interest in a career or fixed-term appointment at the IB. Actions aimed at sponsoring university theses would also help to achieve this objective.

Make training more effective

**HR 10: Make more effective use of the sums spent on training by strengthening the link between annual evaluation of performance and the earmarking of training funds (by ensuring that the training activities actually correspond to the needs of the post).**

**HR 11: Study, with the CA and POC, specific opportunities for sending certain IB managers to a "postal administration" for a limited period to update their knowledge of a field for which they are responsible or are to be given responsibility (for example within the framework of the activities of the CA or POC Project Team in which they are to participate or for which they are to provide the secretariat).<sup>57</sup>**

**HR 12: For staff members considered to need specialist training (for example in the context of a career change within the IB), study the various options for appropriate training (such as continuing training from Berne) offered by the postal training institutes.**

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<sup>57</sup> Making it possible to have directly operational training; furthermore, the IB Manager would continue to progress his files, during his absence.

**HR 13: Develop training seminars at the IB which, depending on the field they cover, could target not only IB staff, but also the Regional Advisers and "postal administrations"; in other words, seek synergies between "internal" and "external" training.**

**HR 14: Encourage IB managers to associate more closely in the meetings held on UPU premises all the individuals involved in preparing these meetings.**

**HR 15: In association with the market research specialist of the Communication and Postal Markets Directorate, promote the continuous updating of knowledge and self-training by supplying all staff with a regular summary of postal sector press reviews produced by postal operators and regulators (or any other appropriate information medium).**

**HR 16: Compile one or more staff databases with exhaustive information on each individual's qualifications, expertise and professional experience and training already undertaken or wanted, and continue to consider career management at the IB.**

a According to the Chairman of the POC "while there is no doubt that the IB staff's overall value is very high, the fact remains that several staff members should update their knowledge": many staff members have occupied the same post for a very long time, close to 10 years in some cases.

b Although training plays a key role in the updating of knowledge, it is not a "miracle cure". It is therefore essential to define training needs on the basis of postal needs and the prospects of mobility.

c It is more important to identify the objectives of the training than it is to calculate the percentage of the budget this training should represent (currently 1% at the IB, less than in other international organizations, though on a par with the FAO).

### Conclusion

The importance of these actions underscores the need, mentioned elsewhere in our report, to strengthen the "human resources" component of the IB's staff management activities. This entails pursuing (or relaunching) a dynamic policy of openness and transparency, rather than overhauling a system whose rules, in any case, remain defined by the United Nations for the most part, and therefore cannot be changed in the short term.

But perhaps most importantly, this involves making the rules of the game clearer, not only to reassure, but also to empower all staff members.

## **II. RECOMMENDATIONS ON MANAGEMENT**

Overhauling an organizational structure, and in particular giving it a flatter profile, should necessarily be accompanied by changes in the rules governing how the organization operates. **This is a necessary condition for the organizational change to succeed.**

### *Management Board*

#### **M 1: replace the Management Committee with a Management Board.**

a The Management Board would comprise, in addition to the DG and DDG, all of the Directors, and the Head of the DG's Office and Strategic Planning, and would meet every two weeks.

Its objectives: general coordination of the Directorates' activities (including budgetary activities) and briefings by the DG and DDG on important topical issues; presentation by the Directors concerned, for discussion and decision, of outstanding matters requiring arbitration by the DG; it would also act as a steering committee for the IB's interdisciplinary projects.

- b Also needed are restricted meetings between the DG and the Directors under him, on the one hand, and the DDG and his respective Directors, on the other. These meetings could be held every two weeks (scheduled between Management Board meetings) or as required.
- c The Management Board meetings could be prepared by the DG's Office in close and ongoing coordination with the DDG's assistant, who would also provide secretariat services for the meetings of the teams reporting to the DDG.

*Other committees*

**M 2:**

- **Change the composition of the APC (Appointment and Promotion Committee), which would in future comprise: the DDG, the Director responsible for the post to be filled (and, where appropriate, the Programme Manager or equivalent), the Director of Human Resources and Finance and two staff representatives.**<sup>58</sup>
- **Eliminate the Coordination and Programming Committee, whose principal role is to comment on individual increases in grade, then proposed to the DG; this task could switch to the DDG, in liaison with the Human Resources and Finance Directorate and after consultation with the Directorates concerned. The other functions of the Coordination and Programming Committee could be transferred to the new Management Board.**
- **Reflect, in the composition of the other Committees<sup>59</sup> the IB's new organizational structure.**
- **Include in the list of permanent Committees the "Publications Board" recently established by the IB to develop and coordinate global policy for the promotion, distribution and marketing of UPU publications and ensure that this policy is implemented.**

*Internal communications*

**M 3: Launch a consultation process under the supervision of the DDG to draw up an "internal communication" action plan and set priorities in this area.**

Such a task, at this stage, cannot be a full-time undertaking. The responsibility for drawing up an action plan would fall to the DDG's assistant, in cooperation with the Human Resources Directorate.

Like other consultants, MOVE noted that staff had a hard time accepting the inadequate internal communication at the IB, both vertically (from management to staff, too often confined to "internal memoranda") and horizontally (misunderstanding or unawareness of activities being pursued by other sections or even by colleagues in their own section).

Efforts to improve the situation have been made and should be continued. In six months, our study thus led to three general meetings with all IB staff (January, May and June 2000).

The inability to improve internal communication has more to do with an organization's culture – in this case, overly administrative – than it has with not having any official responsible for this activity. Improving the situation will first require increased awareness on the part of all IB officials

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<sup>58</sup> The basic change involves regarding the Director and programme manager who initiated the recruitment as fully fledged members of the APC, which would give them a more effective role than they now have in choosing their associates.

<sup>59</sup> Joint Advisory Committee (JAC), Disciplinary Committee; Loans Committee, Administrative Board for the Social Fund, Tenders and Procurements Committee, UPU Provident Scheme Investment Committee.

of the need for better communication, starting with their own team's internal communication<sup>60</sup>. In any case, concrete measures would help to speed up change in this area.

*Consistency between the organizational structure and the Programme and Budget*

**M 4: Adapt the assigning of Programme and Budget 2001–2002 tactics to the new organizational structure and, if necessary, reformulate certain tactics accordingly.**

Current work on updating tactics and preparing the Programme and Budget 2001–2002 should, among other things, make it possible to clearly indicate not only the section responsible for a tactic, but also the sections involved in its implementation.

The Director-General of the International Bureau has indicated his intention to rely on this tool to delegate budgetary authority to each section, which would then be responsible for properly executing the budgets corresponding to the tactics under its responsibility. This approach is in keeping with the options advocated in this report.

MOVE feels that introduction of a new organizational structure should not seriously affect the work on preparing the Programme and Budget 2001–2002. Tactics could easily be reassigned to the various Directorates under the new structure, as indicated in the chapter 4 conclusion (see also annex D).

*Project to prepare for change*

Preparations for introducing a new organizational structure must begin several months in advance to allow the changes to take place under the best conditions. Activities should be planned not only to prepare for the change, but also to accompany it so that any specific problems that arise after the new structure is introduced can be resolved.

The importance and "interdisciplinary" nature of these activities (preparation and accompaniment) justify the creation of two projects (or two phases of the same project) in which staff and their representatives would participate.<sup>61</sup>

**M 5: Prepare for the change in the organizational structure by setting up a special project.**

The terms of reference of the project to prepare for the change should include at least the following tasks:

- setting up of the project<sup>62</sup> and project team;
- preparation and approval of a detailed timetable;<sup>63</sup>
- preparation of new job profiles for posts requiring them and staffing classification of these posts;
- preparations for internal transfer resulting from introduction of the new structure and provision for any necessary training;
- launching of appropriate recruitment procedures;

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<sup>60</sup>. For example, having each Director "brief" his team on the Management Board's conclusions, etc.

<sup>61</sup>. The Staff Association Committee pointed out to us that one of its missions was to monitor the future restructuring process and to make recommendations at the conclusion of each stage.

<sup>62</sup> If possible, immediately after the IB Management Committee's decision on the structural changes to be made.

<sup>63</sup> Some of the working group's activities can be launched right away, and others begun only after the CA rules on certain aspects of the study in October 2000.

- finalizing the definitive timetable for the change (eg, whether transitional periods or not; if so, under what conditions);
- identifying and resolving logistical problems; change of offices, bringing together as far as possible all staff working in the same Directorate, etc;
- bringing Programme and Budget 2001–2002 tactics into line with the new structure;
- proposing (in consultation with the DG) internal communication initiatives aimed at keeping staff informed of the various stages in the changeover process.

**M 6: As part of this project, form internal working groups to define the new procedures for:**

- **implementing delegation of responsibilities (for missions, recruitment, budget allocation, and more generally "authority to sign", etc);**
- **rules for the operation of projects.**

It is essential for these new procedures to be approved prior to introduction of the new structure in order to ensure continuity in the treatment of files.

The one or more working groups set up should submit their conclusions to the IB Management Committee two months after starting their work. Once approved, the new procedures will be presented and explained in detail to all staff.

As an example, the changes affecting mission budgets (coming under the regular budget) could be as follows (see table below):

**MISSIONS COMING UNDER THE UPU REGULAR BUDGET**

	<b>Present system</b>	<b>Future system</b>
<b>Preparation of budget</b>	<p>Proposal from Sections verification by K, L and S</p> <p>Allocation by IB Management Committee</p> <p>Overall budget forecast (budget items approved by the CA)</p>	<p>Budgetary framework presented by HR and Finance Directorate</p> <p>Requests justified by each department</p> <p>Allocation by Management Board</p> <p>Budget forecast by Directorate included in budget item allocation for regular budget approved by Board</p>
<b>Execution of budget</b>	<p>Request for missions abroad follow normal channels up to DG</p> <p>Four management levels:</p> <ul style="list-style-type: none"> <li>- Head of Section</li> <li>- ADG</li> <li>- DDG</li> <li>- DG</li> </ul> <p>Allocation issues come under the responsibility of the DG</p>	<p>Requests for missions are approved by each Director within limits of budget allocated</p> <p>Two management levels:</p> <ul style="list-style-type: none"> <li>- Programme Manager or equivalent</li> <li>- Director</li> </ul> <p>Reallocation by Management Board possible throughout the year:</p> <ul style="list-style-type: none"> <li>- transfer from one Directorate to another</li> <li>- transfer from one budget heading to another when possible</li> </ul>

*Project to accompany change*

**M 7: Accompany the change in the organizational structure by setting up a special project.**

The project's aim is to foresee and, where necessary, resolve problems resulting from introduction of the IB's new structure, in all areas of human resources and in the definition of workflows. Set up when the new structure is put in place, the project should comprise the following tasks:

- appointment of the project team and its leader;
- preparation and approval of the work timetable;
- on the basis of the ongoing contacts with each of the Directorates and all their staff, and in cooperation with the Staff Association Committee, identify and resolve immediately certain human resource, logistical or other problems resulting from introduction of the new structure;
- creation of working groups whose job is to simplify certain administrative procedures considered too complicated;
- at the appropriate time (at the end of a year, for example), prepare an assessment of the operational changes that have taken place and draw conclusions for future reference; inform the General Management and the bodies concerned (eg, Coordination Committee for the Permanent Bodies, etc).

In view of the need for the IB to ensure the ongoing adaptation of its organization, these accompanying tasks could be made permanent and assigned to "Human Resource Development" specialists in the Human Resources and Finance Directorate.