

Agenda Item 13: Report of the APPU / UPU Reform Working Group

Workstream 2 (WS 2), Sub-item 13.2.2: Setting Objectives and Assessing Performance (Secretary General and Bureau)

Presentation by New Zealand

1. Subject	References/paragraphs
<p>Informing the EC, via the Reform WG, on:</p> <ul style="list-style-type: none"> - the role of the EC to supervise the activities of the Bureau - the absence of a process that enables the EC to carry out its supervision role in the manner observed between Boards (EC) and CEOs (SG) in business today - a proposal to develop and implement a supervision process for use from 1 January 2023 	<p>§§ 2.2 – 2.3 §§ 3.1, 4.1, 5.1 § 6</p>
<p>2. Decisions expected</p> <p>The EC, via the Reform WG, is asked to:</p> <ul style="list-style-type: none"> - note the focus of EC 2021 Doc 13.2.2 is the Administrative and Consultancy Sections - note the role of the EC to supervise the activities of the Bureau - note the absence of a process that enables the EC to carry out its supervision role in the manner observed between Boards (EC) and CEOs (SG) in business today - note the proposal to develop and implement a supervision process for use from 1 January 2023 - approve the EC and the Bureau working together to implement, by 30 June 2022, an objective-setting and performance-assessment process, including the specific goals and objectives to be achieved, for the Bureau to be used from 1 January 2023. 	<p>§ 2.1 §§ 2.2 – 2.3 §§ 3.1, 4.1, 5.1 § 6.1 § 6.1</p>

1. Introduction

- 1.1 EC 2021 Doc 13.2.2 deals with Initiative 8.6 in Workstream 2 of the Reform WG i.e., the implementation of a process for the EC Chair to set objectives for the Secretary General (SG) and Bureau and assess whether they have been met.
- 1.2 The actioning of Initiative 8.6 is linked to Initiative 8.5 (updating the Duty Statement (Position Description)) for the SG. The link is that the updated Position Description has been drafted to fit with current practice for objective setting and performance assessment.

2. Current framework for the overall management of the Bureau

- 2.1 The Bureau comprises three Sections (Administrative, Consultancy, Training). At present, management of the Training Section is specifically covered as a separate arrangement whereby the Governing Board undertakes a supervisory role. Accordingly, Doc 13.2.2 is confined to overall management of the Administrative and Consultancy Sections.

2.2 There are two references in the APPU General Regulations that provide a guide to the current framework for the overall management of the Administrative and Consultancy Sections of the Bureau.

(i) Article 106, § 9 (d) states:

“9. The functions of the Council are:

(d) To prescribe rules for the administration of the Bureau and to supervise the activities of the Bureau;”

(ii) Article 107, § 5 states:

“5. The Bureau is under the general supervision of the Executive Council and its financial accounts are audited by the competent authority of the country where the bureau is situated.”

2.3 In a general business situation, Article 106, § 9 (d) and Article 107, § 5 can be interpreted as saying that the EC is required to set the direction of the Bureau (i.e., what the Bureau is tasked with achieving in terms of goals and objectives), and to review progress and outcomes in relation to the direction that is set.

3. Current practice

3.1 There is activity and tasks being carried out in the Administrative and Consultancy Sections. However, the relationship between the EC and the Bureau for the work being done might not meet the definition of “supervising the activities of the Bureau”.

4. The standard approach to supervision of activities

4.1 To the extent that it is relevant, the standard relationship between a Board (EC) and a CEO (SG) could be a good example to look at.

Line	Activity	Party Responsible	Comment
1	Setting vision, goals	EC and SG	APPU has not followed this approach for the Administrative and Consultancy Sections.
2	Governance	EC	APPU complies
3	Financial – long term oversight	EC	APPU complies
4	Approving key work programmes to be implemented	EC	APPU complies, but an informal process
5	Ensuring legal compliance	EC	APPU complies
6	Management of staff and business	SG	APPU complies
7	Implementing and managing work programmes	SG	APPU complies
8	Managing day-to-day operations	SG	APPU complies
9	Finance – day-to-day management	SG	APPU complies

4.2 The crucial step in the process of EC supervision is the two parties (EC and SG) co-creating the vision and goals (including key work programmes) of the Administrative and Consultancy Sections. Actual supervision takes effect when the goals and work programmes are written into the PD of the SG for reporting (by the SG) and monitoring (by the EC).

5. Two observations

- 5.1 The first observation is that there is a process gap for the Administrative and Consultancy Sections regarding the vision, goals, and approval of key work programmes. Addressing this gap might be a simple case of formalising planning and programming work that already happens. Or it could be a case of addressing the gap through new work.
- 5.2 The second observation is the two-speed process when setting objectives for a business (e.g., the Administrative and Consultancy Sections). On the one hand, some aspects of vision, goals and work programmes can be agreed quite quickly. However, there can be areas where it will be a slow process to get agreement, particularly when a new approach is being used for the first time. Best practice is to use a progressive method i.e., do not wait until all aspects are agreed before signing up to any management objectives for the Bureau.

6. Proposed action

- 6.1 To enable the EC to formalise its supervision role for the Bureau, the EC and the Bureau should agree to the following objective viz.,

"By 30 June 2022, implement an objective-setting and performance-assessment process, including the specific goals and objectives to be achieved, for the Bureau effective 1 January 2023".
- 6.2 It is important to note that the action set out in paragraph 6.1 has been intentionally drafted in the manner it has. This is because it is the style of directive that the supervision model should follow. Key parties will need to agree on the steps, timing, resource, etc to achieve the statement set out above, and then proceed with the necessary work.
- 6.3 A specific point that the process should cover is the method for modifying agreed objectives when:
 - (i) extraordinary business circumstances arise; or
 - (ii) there is a change of key personnel.