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ORGANIZATIONS IN CRISIS GUIDELINES FOR ORGANIZATIONAL CHANGE



*Fighting for decent working conditions for the diverse staff who serve the people of the world.
United we are heard, divided we are ignored.*

Geneva, 1 February 2018

Organizations in crisis:

Guidelines for organizational change

Introduction

1. The aim of this paper is twofold. The first is to look at practices of organizations throughout the UN common system that answer the call of Member States to do more with less, directly impacting the workforce, the workplace environment and the overall capacity to deliver. The second is to propose a step-by-step approach which includes the intervention of FICSA at the global level and that of the individual staff representative bodies at the local level.
2. Over the last few years the UN Secretariat and specialized agencies have been confronted with serious budget cuts with Member States reducing their contributions, or withdrawing them altogether, and demanding the implementation of more cost-saving measures. Staff costs is the largest and costliest component of the budget. In order to meet these demands, organizations have resorted to a number of arrangements to reduce costs within their ranks such as off-shoring, out-sourcing, creation of service centers in hubs across the globe, insourcing, downsizing, rightsizing, reprofiling, repositioning, projectifying core activities/posts and most notably reverting to the use of non-staff. In non HQ offices, the growing trend is to use National Professional Officers (NPOs) to perform the duties of internationally recruited Professionals as a means of cutting costs. Whether in the long run these measures are truly cost efficient and strategically sound is a topic for debate.
3. The prognosis for the future does not look any better. Change is inevitable and changes will keep occurring whether for budget shortages or for setting or implementing new strategies or simply, as often perceived by staff, to change for change's sake, especially when a new executive head takes over.
4. There are a number of theories on how to manage change. Components of an effective and successful change process, as proposed by the gurus of change, include reinforced communication to the staff to bring them to understand the reasons for the change and consultation in the planning and implementation stages in order to reach an optimal level of staff buy-in and support. These approaches hold true today; they go a long way to avoiding unnecessary anxiety, mistrust, deviant behavior and chaos that change brings when wrongly executed. Where organizations fail, for the most part, is in their communication strategies, not being able to effectively transmit to the staff the new vision and why change is necessary and urgent.

Current practices

5. When governing bodies decide to operate on a reduced budget, it is often the case that decisions on any structural changes are taken unilaterally. While there are promises of the involvement of the staff associations or staff unions, their input is ignored for the most part or not sought at all. Most information is alleged to be confidential and seldom shared with them. If consultation is offered, limited time is provided to respond and often without giving all the necessary details and information required to properly assess the situation and to make meaningful contributions.

6. Decisions are taken hurriedly, at times under the guise of “urgency” with a short period of announcement and sometimes with immediate effect. As observed in recent ILO Administrative Tribunal (UNAT) cases, business continues as usual and vacant posts or newly-established posts are filled in a normal manner taking away options for transfers or reassignment of affected staff. The latter are given options for separation by mutual agreement or early retirement, or if not placed, their appointments terminated due to the inability to be reassigned. Management becomes defensive when questioned and insists that they have done their best, although it is not always the case.

Proposed steps

7. Most if not all organizations operate on a biennium budget and would normally have a sense of what the governing bodies would most likely approve in terms of budget for the following biennium, especially around the main session of the Governing Body’s meeting, which are held at varying time in each organization. Only the UN General Assembly (UNGA) concludes its meetings in December. The following steps are proposed for any change initiative to assist the staff representative to take a more proactive role:

Step 1

FICSA to take stock of its members and create a list of when the respective governing bodies of its membership meet, so it is on alert once these meetings approach or start. Lobbying the Member States as FICSA normally does at the UNGA needs to become a norm in each organization. FICSA believes that there is a need to explore this option and improve the links with the respective governing bodies.

Step 2

Review the agenda of the governing bodies meetings and analyze what could affect staff at large in that organization. If there are reasons to believe that cuts are anticipated, then preventive action should take place. The respective staff association/union should write to the respective executive head and request a recruitment freeze to have a pool of posts available for flexibility if cuts do happen. FICSA in turn could then write to the respective executive head and support the request of the staff association/union.

Step 3

Once the cuts are approved and restructuring efforts are known, then the association/union should immediately and officially request, copying the FICSA Secretariat, a meeting with the respective executive head. It would certainly be better to have a FICSA representative available at this first meeting. The reason for the first meeting would be to make sure that transparency and full information/data and partnership are the fundamental principles in conducting the exercise. It would be great if initial approval from the executive head could be obtained on a buyout option of a number of staff approaching retirement. Also approval of the executive head's willingness to reach out to other organizations for potential cross transfers if possible.

Step 4

The administration should, in a timely manner, notify all staff who might be affected, with a copy of such notification to the staff association or union.

Step 5

The staff association/union should nominate at least two persons to serve as the focal points for this exercise depending on the size of the cut. It is preferable that the Focal Points liaise with the Management Executive who is entrusted with the activity.

Step 6

Request disclosure from Management of the information/data needed as approved by the executive head (step two above). The information would be all vacant posts and the job descriptions related to those posts; plans for establishing new posts in the biennium; potential vacancies due to retirement or early retirement during the biennium under review; names/grades/positions and age of all the affected staff and any other relevant information such as time needed for implementation and delay of actions if possible.

Step 7

Meet all affected staff and discuss with them what they would accept and what they are planning for the future.

Step 8

Ask the Management to issue an announcement to all staff on the option of a buyout and early retirement giving a deadline for applications. Once the deadline is reached and applications are analyzed and approved/refused, then the additional vacated posts would be added to the pool of posts mentioned under step six above.

Step 9

After gathering all this data, map all the affected staff, priority being given to seniority, according to qualifications. This would conclude the transparent process.

Step 10

List those staff left with no mapping if any and propose training to qualify them for other vacant posts and handle each case on a case-by-case basis until hopefully every staff member is provided with a new post with his/her respective grade. Of course salary protection and salary freeze, one step up or down, could be an option with the arrangement to re-transfer these staff members to their proper grades once new vacated or established posts occur. Letters in this regard from HR should clearly state that information.

Conclusion

8. Recent reorganizations have taken place at WHO, UNAIDS, UNESCO and UNFCCC. Although some organizations handled the changes better than others, it was noted that more could have been done to assist the staff affected by the cuts. Recent ILOAT judgments attest to the failure of organizations to properly inform, consult and reassign affected staff. As staff representatives, we need to take a more proactive stance and ensure that we have done all that we can for staff and that no one is left out.
