

Global Shared Services Centre (GSSC) 2019 Internal Annual Report

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A. Executive Summary

After four years of operation, UNICEF's Global Shared Services Centre continues to strive to provide the highest quality service and customer care for staff and offices worldwide, while driving efficiency, reducing organizational risk and delivering value-for money for the organization.

In 2019, over 1 million HR, payroll, finance and Customer Care related transactions and service requests were processed, representing a volume increase of 2 per cent compared to 2018 and a 9.2 per cent increase compared to 2017.

Overall performance in 2019

Volume of transactions and service requests processed increased by 2% to just over 1 million (1.03 million)
12.8 % of transactions directly supported emergency countries
Performance against SLA targets – 96.7% (compared to target of 90%)
No increase in headcount or budget allocation

In addition to successfully delivering against agreed performance targets, the Centre continued to drive improvements in line with its key initial business objectives as set out in the OMP:

- Increased mission focus
- Cost reduction
- Reduction of overall risk
- Increased service quality

As a driver of business transformation and modernization for the organization, the GSSC continues to benchmark itself against the best private and public sector service centres. The GSSC made significant strides across the year in optimizing end-to-end processes, utilizing automation and technology, identifying and mitigating organizational risk and strengthening country-office capacity and knowledge transfer to improve results. This generated time savings for country offices to support increased mission focus.

The GSSC continues to benchmark itself against the best private and public sector Shared Service Centres (SSC), baselining itself against SSC best practices, adopting industry standards and adapting service delivery models to ensure the highest levels of customer service and support to UNICEF staff and offices worldwide.

The Centre also takes a lead role in coordinating and supporting UNICEF's active involvement in the Business Innovation aspects of the UN Development system reform agenda, which saw UNICEF exceed the UN Secretary General's 50% target for offices with a fully-implemented Business Operations Strategy (BOS) and almost achieve the 50% target for offices co-located with other UN agencies.

B. Update on context, trends and changes in area of work

The GSSC's commitment to the highest levels of customer service and efficiency were recognized by industry in 2019 with the GSSC being awarded the 2019 Business Services Firm of the Year in Hungary as part of the Central and Eastern European Business Services Summit & Awards. The GSSC was recognized not only for its business acumen but more importantly for the significant investment it makes in activities and services that support staff well-being, professional development programmes, and for its corporate social responsibility initiatives and community outreach. The award affirms that UNICEF's GSSC is not only a leader within the UN system, but also among some of the largest and most mature SSC's in the region.

Key SSC industry initiatives the GSSC is implementing include the following:

- Implementation of Robotic Process Automation (RPA) in Shared Services Centres continues as an important trend in the industry. In 2016 only 15 per cent of service centre organizations (SSOs) in the USA had RPA programs, while this jumped to 68 per cent in 2017¹. These organizations have estimated that 20 per cent of capacity in their operation could be delivered by robots. Following this trend, the GSSC is increasing the use of automation (robotics) to process rules based high volume or tasks intensive transactions. Automation provides opportunities particularly in the finance, HR and ICT areas. In 2019, three processes were automated in the GSSC and more than a dozen additional processes have been identified across functions (Finance, HR, Customer Care, Payroll) as prospects for optimization and automation in 2020, with the goal of increased efficiency and productivity improvements.
- Broadening the customer relations offering: As centres mature customer service becomes even more critical and increasingly tailored. In 2019, the GSSC bolstered its Customer Relations function by establishing a framework for customer feedback management including a robust governance structure. The GSSC will monitor, review and further systematize customer relations activities through 2020.
- Workforce management: The GSSC has 308 employees, most of them recruited locally from Hungary and other EU countries as processing staff. GSSC attracts highly talented staff from a very competitive shared services market with more than 150 private sector shared services centres employing more than 30,000 staff. The GSSC has established best practices in employee engagement, career development and in creating a friendly work environment that has helped to retain staff with an average 10 per cent turnover compared to 15 per cent in the industry.

C. Key results achieved against the OMP

i. Major results

Performance Analysis

The overall volume of transactions processed by the Centre increased by 2% to 1,030,000 million in 2019. The GSSC was still able to deliver against its target of processing 90% of transactions within agreed SLAs – achieving an annual average performance of 96.7% per cent against SLA targets - with no additional headcount. Performance data for 2019 and 2018 by processing stream is as follows:

PROCESS STREAM	2019 PERFORMANCE	2018 PERFORMANCE
General Accounting	95.4%	99.1%
Invoice Processing	97.3%	95.4%
Payments	98.1%	94.1%
Master Data Management	89.6%	78.4%
On-boarding	97.3%	92%
HR Maintenance	92.0%	97.3%
Off-boarding	95.5%	93.6%
Payroll (exceptional payments)	93.7%	94.4%
Incidents	80.8%	81.5%
Queries	88.8%	82.9%

¹ The 3rd Annual Global RPA Survey Report 2017. Deloitte

TOTAL	96.7%	93%
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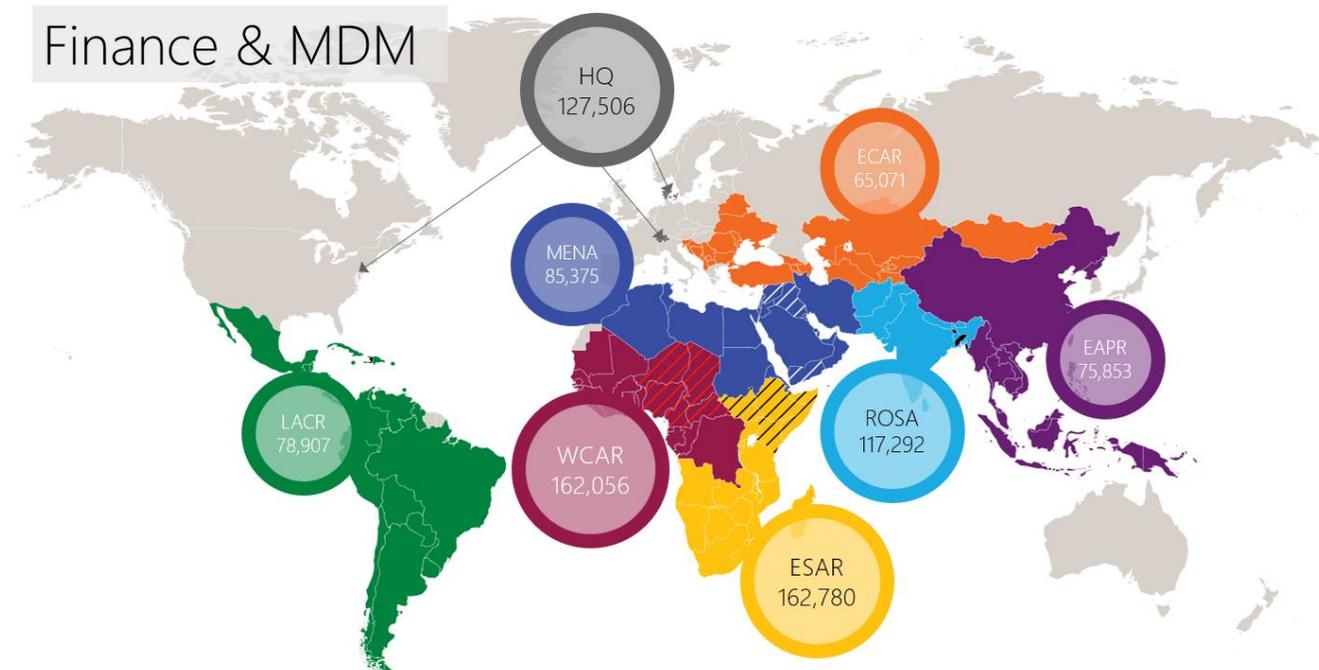
The overall SLA achievement rate was in 2019 was 96.7% (a 3.7% improvement compared to 2018). The main reasons for the improved SLA rate were:

- Increased efficiency in handling MDM requests
- Improved resource management for year-end rush for invoice processing and payments
- Process simplification in HR Onboarding

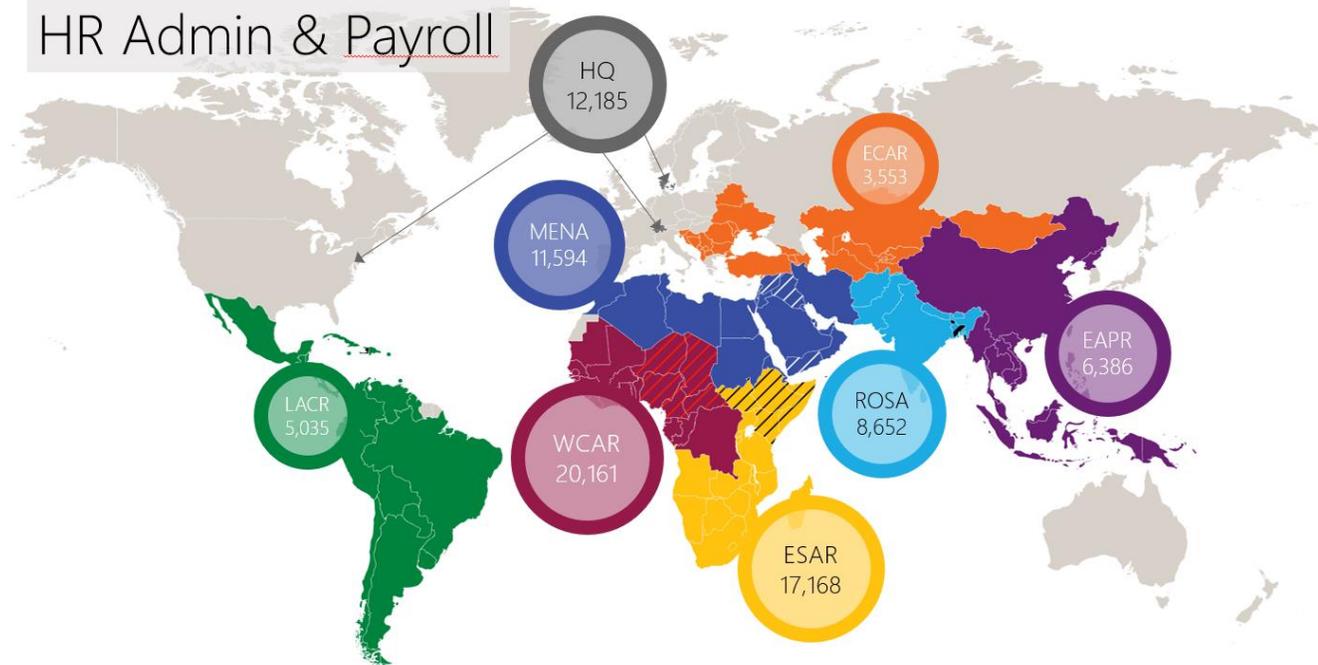
2019 transaction volumes per stream were:

- Finance and Master Data Management transactions – 875,000 transactions in 2019 compared to 884,000 in 2018 (decrease is due to invoice process improvement initiatives).
- HR Administration and Payroll (exceptional payment) transactions – 85,200 transactions in 2019 compared to 67,000 in 2018 (this was due to increased volumes for issuing HR certificates). This volume does not include monthly processing of payroll for all UNICEF staff.
- Customer Care processed 60,400 transactions in 2019 compared to 57100 in 2018.

Below are 2019 transaction volumes by Region/HQ:



HR Admin & Payroll



Increased Mission Focus

The GSSC continues to identify improvements and work on initiatives that will enable a greater mission focus for field offices and field colleagues. Several key accelerators, aimed at delivering 10 per cent efficiency gains through reducing time spent on transactional activities in the field, were achieved in 2019, allowing for increased mission focus at the country-level. The aim is to make processes easier to follow and information simpler to find, and where possible to eliminate unnecessary steps.

Major 2019 Initiatives that resulted in time and efficiency savings for field offices included:

- **Service Gateway introduction:** Time savings equivalent of 52 FTE staff at the country office level through the implementation of a new case management tool (Service Gateway) that combined three systems (MyCase, Service Manager and e-SAF) into one ERP-integrated interface. The system has simplified the request submission process through smart forms (e.g. across all HR Maintenance services, etc.) and has improved integration with VISION, providing built-in validation against available data. The tool has removed many manual paper forms, resulting in a greener and more efficient way of working. The time savings calculation was verified through a re-baselining exercise that was completed for select offices and select processes following implementation of new case management tool.

Additionally, a comprehensive knowledge base that is integrated in Service Gateway allows staff and office to access process knowledge, how-to guidance and FAQs easily, helping answer questions and address issues.

- **New Global Directory helps connect staff and offices more seamlessly:** The Global Directory, developed by the GSSC and ICTD in consultation with several Divisions who previously managed separate directories, centralized these into one, easy-to-use tool that integrates with VISION. It includes contact information for all staff and non-staff personnel, including National Committee staff, and provides office and facilities information such as official holidays, location and contacts. The Global

Directory allows staff to directly update a range of public and private data – from phone and room numbers to emergency contacts without having to go to VISION. The changes synchronize with VISION data in real-time.

- **Robotics Process Automation:** The GSSC continues to emphasize automation. The below three processes were automated in 2019, generating both time and cost savings for local offices by enabling faster system access for staff thus allowing them to become productive quicker:
 - Automation of systems account creation/extension for non-staff: Automatic creation/extension of system accounts for the 2,500 to 3,000 UNICEF non-staff as part of the registration process, saving an average of one-week loss in productivity time for the new hires.
 - Automation of re-provisioning of access to VISION: This is the first phase of a wider process overhaul. This first step introduced a bot to approve requests in the IRC platform to reinstate a VISION account to assign SAP roles. This significantly reduced the response time (SLA) from two- days to less than 1 hour.
- **Automated health insurer co-pay for national staff:** In close coordination with Cigna, UNICEF's health insurance company, the GSSC has automated the insurance process for national staff. The insurer now covers medical co-payment deduction from payroll for locally recruited staff rather than staff having to make upfront payment to their in-network health service providers, submitting forms and waiting for reimbursement. This has the dual benefit of easing the immediate financial outlay by staff but also provides an efficient mechanism of cost recovery through the monthly payroll.
- **Payroll funding process streamlined:** The GSSC continues to engage with DFAM to streamline the process of payroll funding, implement standards cost for each post level and to advance the cycle to update the cost distribution relating to payroll by November / December for the upcoming year. In parallel, the Centre will prepare guidelines and training materials to help offices follow a more standard payroll funding approach to be completed and shared with local office by end Q2 2020. These initiatives will reduce issues caused by funding gaps and hence reduce time spent by offices on resolving issues
- **Banking automation:** Staff time equivalent to 31 FTEs were saved through banking automation projects finalized in 2019.

Other improvements that were commenced or implemented in 2019 were:

- With the launch of Service Gateway, **the Letter of Appointment (LOA) was automated** allowing staff members to download the LOA from the system and there is no need to print, sign, scan and send the document back to the Onboarding processor.
- The **SLA for several services was reduced** in 2019, including Education Grant (from 50 days to 25 working days), Organizational Management Change (from 40 working days to 20 working days), Pre-payments and Advances (from 7 working days to 5 working days) with an aim of providing faster seamless service to staff globally.
- The **separation letter was simplified** and reduced from over 20 pages to only three pages leading to a better understanding of key instructions and separation entitlements by staff member and LFPs. This has also significantly reduced the queries from staff members and the processing time of separation cases.



Cost Reduction

Reducing operational costs continues to be a key driver for the Centre. In addition to the annualized savings of \$25 million achieved through a combination of efficiency savings and the transfer of processes to a lower cost location when the Centre establishment of the Centre, in 2019 additional savings of US \$2.3 million were achieved through handling increased volumes with no additional resources.

Full details of cost savings for 2019 are outlined in Annex 1.



Reduction of Overall Risk

The GSSC's process **controls in all areas are in line with industry best practices.** A study by Accenture in 2017 confirmed that the Centre has adopted most of the market leading preventative controls, has appropriate segregation of duties, utilizes standard templates and checklists and applies workflows/workflow approval processes. Additionally, the GSSC has documented and implemented Standard Operating Procedures (SOPs) in all functional areas, which clearly outline controls. Staff have been well-trained to implement the SOPs. In 2019, a comprehensive review of SOPs was completed to ensure consistency across streams, more accurately reflect process/system changes and to better identify and embed risk mitigation measures.

The GSSC has embedded Quality Assurance (QA) functions in all GSSC processing streams. The QA teams are centrally coordinated to ensure a standard QA approach is taken across the Centre, and the necessary process is in place to identify and escalate issues as necessary, including monthly co-ordination meetings to ensure a standardized approach.

In February 2019, the GSSC established a Data Analytics group under the Customer Care team to fully support the QA and risk management processes by ensuring availability of accurate and reliable data on all GSSC processes. This function has strengthened the data analytics capability through the build of a Data Warehouse, which aggregates data from multiple sources (i.e.: Service Gateway, VISION, Talent Management System, etc) and generates dashboards and reports that allow the Centre to analyze productivity, performance and the quality of service provided to our customers.

The data mined by this function will increase visibility on end-to-end process and will provide the GSSC with analytical and detective reports to become an organizational enabler in the risk detecting and risk management process. This is underpinned by a robust data management process. Developing capacity to deliver detective reports will help both the GSSC and the organization to reduce financial risk and is in line with the organization risk management framework.

The GSSC's focus on risk management and process improvement will be significant bolstered by a commitment to incorporate LEAN management in process/system reviews. This involves an end-to-end approach, which factors in customer service as well as effective risk management. To accomplish this, nine team members have committed to work as a group to explore LEAN principles and apply them to specific processes during the upcoming year.

Another initiative that supports risk reduction is the rollout of the **Background Verification process.** The GSSC took on a new service of submitting candidate information to the UN HR office (OneHR) in Bonn for verifying academic, employment and security records of candidates who join the organization, and which aims to effectively screen all new staff joining UNICEF. A pilot involved 11 offices in several regions. One position was assigned for the pilot phase of the new service and additional resources will be required for the service to go

global. Considering lessons learnt in the pilot, automation of certain information in TMS was recommended at the end of 2019. The BV process will be rolled-out globally in 2020.



Increased Service Quality and Customer Focus

The GSSC is committed to enhancing the customer experience and is developing a customer strategy that crosses all functional areas. A customer feedback framework was established in 2019. Feedback is principally received through a mechanism in Service Gateway, and feedback received is reviewed and responded to and where possible system enhancements are made to address issues raised. Other channels, including quarterly Global Services Resource Group (GSRG) sessions with regional and HQ HR, Operations and ICT representatives, through dedicated GSSC Focal Points, established as a point of contact for offices to escalate critical/urgent issues, and during the GSSC's participation at DROPS, RMT, etc. Customer feedback is reviewed regularly as per the agreed governance mechanism and improvement initiatives implemented as required. The GSSC proposes to further review and streamline the feedback mechanism in 2020.

Key achievements supporting improved customer engagement include:

- In 2019, the GSSC piloted Account Management for eight offices to better respond to country office needs, address challenges and to improve the quality of services offered by the Centre. The pilot proved that regular touchpoints and strengthened engagement with offices provide improved opportunities to discuss performance and enhance cooperation. This was expanded to other offices through a survey to reach out to all country offices to obtain customer feedback/concerns. In 2020, the GSSC aims to reach out to all country offices at least once a quarter with an aim to enhance relationships with our customers and address issues.
- In 2019, the GSSC Field Operations Group was also established, with participation from senior country office level Operations staff. Quarterly, region-specific sessions are conducted to provide updates on system/process changes and obtain feedback from the country offices.

Some examples of our drive to improve the customer experience include:

- **Service Gateway introduced** – improving the customer experience was a key goal of developing a new global case management tool. This was successfully achieved through a more intuitive user-interface that replaced three existing systems, the application of 'smart forms' for many processes that help categorize requests and reduce omission of critical information at the time of submission, improved integration with VISION that "pulls-in" available data and the development of an integrated knowledge repository for customer-facing process knowledge. Following the near seamless launch of the tool in February 2019, user feedback about the system has been solicited through multiple formal and informal channels. The feedback has been predominately positive System related customer feedback also informed 10 rounds of system enhancements delivered by the GSSC and ICTD in 2019.
- **Customer feedback process systemized** - In 2019 GSSC established **multiple channels to seek feedback** from country offices and staff members, most usefully through the new case management tool and specifically through a customer satisfaction survey functionality in Service Gateway. The feedback is analysed on a weekly basis to identify any significant issues and seek out potential improvement opportunities. Since the go-live of Service Gateway in late February 2019, the average customer satisfaction rate is 87% from a total of 6500 feedback responses.

- **Local Focal Point (LFP) induction training module developed** – to help on-board new Finance LFPs, strengthen their grasp of the finance process, and improve their interactions with the GSSC team, a new training course was developed in 2019. The training will be delivered in early 2020, followed by training for MDM and HR LFPs. This has been supported by an update of the LFP handbook and other knowledge resources.
- **Customer Care team (CC) further strengthened to enable the handling of all first level queries to the GSSC.** Payroll resources in addition to HR and Finance business expertise are now embedded in the Customer Care Team. The impact has been immediate in improving users’ satisfaction, freeing up time for processors and SMEs within GSSC business teams, transferring knowledge to LFPs, and processing around 5,789 queries in 2019. One of the benefits of this transfer is the improved visibility of query volume and key questions, enabling the GSSC to respond with improved processes or improved knowledge tools.
- **Improved Office Performance Management** – In response to feedback received from many country offices, the GSSC has published country office performance reports (showing return and reject rates for cases sent to GSSC) on the InSight Office Dashboard, allowing for easier access to these reports and making the InSight portal a one-stop-shop for assessing key performance indicators. Based upon these metrics the GSSC team is now working with CO stakeholders to identify and work on areas of potential improvements.
- **Ticket handling process introduced** – In 2019 the GSSC has established a standardized way of handling cases in Service Gateway back office to advance a more seamless and harmonized customer experience. All GSSC processors are following this process to ensure that the same high level of service is delivered to all UNICEF staff members globally. As a result, customer satisfaction scores are showing an improving trend.

Operational aspects of UN Reform

In addition to the GSSC’s focus on the above key drivers, the Centre plays a central role supporting UN Development System Reform initiatives. The GSSC Director represents UNICEF on the inter-agency Business Innovations Group reference group (BIG) for operational initiatives, and the GSSC Chief of Operations continues to be seconded to the interagency BIG Project Team as part of UNICEF’s overall support to UN reform priorities.

The GSSC works closely with PPD on UN Reform initiatives and co-ordinates a regular meeting with Regional Chief of Operations and other stakeholders to discuss a common approach to UN Reform initiatives being driven by BIG. Supporting this goal, the GSSC facilitated the UNICEF BIG Working Group and Regional Operations Chiefs for a three-day BIG workshop in August 2019. The aim of the workshop was to develop clear, evidence-based recommendations to the Executive Director on UNICEF’s position on initiatives such as Common Back Office and Mutual Recognition set-out by the UN Secretary General. The participants reviewed the findings of a data collection exercise conducted by Ernst & Young for UNICEF – completed by over 80 per cent of country and HQ offices – which looked at:

- What services are strategic for UNICEF and need to be retained internally
- What services is UNICEF currently providing to other agencies – and whether we wish to continue to provide services in these and other locations
- What services could potentially be outsourced to another agency
- What services could potentially be further centralized

The resulting recommendations were shared with all offices and divisions and contributed significantly to BIG's response to this initiative.

The GSSC also led the development of mutual recognition guidelines for UNICEF which is a model for other UN agencies and launched a dedicated internal communication site with PPD to more effectively disseminate UNDS reform-related information and facilitate knowledge sharing across offices.

At the interagency level, the GSSC remained responsible for the monitoring and reporting of the BOS indicator for the Strategic Plan. Due to UNICEF's continuing efforts to implement BOS, 53 per cent of offices had fully implemented BOS by the end of 2019 against a target of 50 per cent with US\$ 11.5 million savings achieved against a target of US\$ 6 million. UNICEF has almost achieved the SG target for common premises, with 49 per cent of UNICEF offices co-located with other agencies by the end of 2019, against a target of 50 per cent. The results of a 2019 UNICEF commissioned study significantly informed the Business Innovation interagency group strategy on Common Back Office.

ii. Operationalizing Normative Principles – gender, human rights and environmental sustainability

Gender

The GSSC's work is very different from that of a country office, with no direct programmatic element to report on. However, in terms of gender equality among GSSC staff, we achieved a 66:34 female to male ratio of employees from 44 nationalities. Additionally, the GSSC has a room dedicated to nursing mothers and supports a more flexible work approach for women returning to work after maternity leave, such as working from home on staggered hours allowing the flexibility to care for the child.

Greening initiative & accessibility

The GSSC is committed to minimizing the environmental impact of its operations and to achieving operational climate neutrality. The GSSC has undertaken several initiatives in 2019 to minimize the office's carbon footprint, energy and water consumption and to raise awareness about the importance of greening in our everyday lives, including:

- Observing Earth Hour (lights were switched off in the GSSC building on 30 March)
- Pledge to Act Sustainably at UNICEF (starting 30 May) was displayed and signed by many staff members
- Tree planting on World Environment Day (5 June) Awareness messages and eco tips towards achieving behavioural changes, energy and water saving both in the office and in our everyday lives.

As a result of the above initiatives, GSSC achieved saving of 3,737 KWH in energy and 687,000 litres of water consumption in 2019 as compared to 2018 usage.

Improving accessibility to the GSSC premises and ensuring staff members with a disability can access amenities and are provided with the required levels of comfort and mobility are a priority for the Centre. In 2019, the GSSC has maintained Level 2 of accessibility to GSSC premises.

Supporting humanitarian responses

The GSSC works to accelerated SLA targets for emergency countries, and regularly reviews actual performance to ensure we are meeting these targets. For example, for invoice processing the standard SLA is three working days – but for emergency countries this is accelerated to one day. The same approach is applied to other processes which could have a critical impact in an emergency. Overall emergency request tickets were 123,700 – approximately 12.8 per cent of 2019 transaction volumes.

In addition to this support, the GSSC is responsive to requests for special handling when unique circumstances arise at the CO level – for example where a country does not have L2 or L3 emergency designation but is responding to a localized emergency that requires a quick turnaround of transactions.

iii. **Influencing global/regional discourse and policy**

The GSSC is an advocate for the modernisation of organizational practices that will streamline ways of working across UNICEF and deliver results-based outcomes and value for money. The centre actively engages with key stakeholder Divisions through weekly meetings to recommend potential policy and process improvements. The GSSC sees itself as a strong advocate for the field, working where possible to ensure processes are streamlined and redundant work is eliminated.

In 2019, the GSSC is influenced discourse, policy and approaches in several areas:

- In response to increased phishing attacks, the GSSC was the first Division to roll-out **multi-factor authentication** (MFA) and has adopted industry best practice for the processing of high-risk transaction types – for example, changing vendor bank account details. The experience of the GSSC has influenced ICTD’s MFA approach for UNICEF.
- Through **bi-weekly meetings with PALS** in DHR, policy issues are reviewed and modify appropriately. Close to 80 clarifications were brought in, the most significant one on revised issuance of retroactive payments and recoveries policy and Step Determination Guidelines
- In collaboration with DHR, support services and focal points from functional HR streams, a dedicated **Guidance document on US Citizenship, PR, Tax, Visas** was prepared to maintain consistency of SAP processing. It remains a living live document due to the fluidity of the external process or forms which is supplied by the US Department of State.
- Monthly meetings between the **GSSC and the UN Joint Staff Pension Fund (UNJSP)** has resulted in better follow up of pension cases and strengthened links with separated staff members and country offices to facilitate and support when required the processing and disbursement of pension benefits by UNJSPF as part of former staff support initiatives. In 2019, UNJSPF agreed to establish a dedicated email address for GSSC HR-Admin focal points to liaise directly with the UNJSPF benefits team. It allows the HR Officers to also raise escalated queries received from staff members and or field offices directly to UNJSPF.
- Working with other Divisions to influence and improve policy and process in areas such as low-value procurement (with Supply Division), the roll-out of procurement cards (with DFAM), the improvement of budget management for payroll (with DFAM) etc.

The GSSC is very active in Shared Service Centre (SSC) forums, sharing best practices with partner agencies and other players in the public and private sector. During 2019, we coordinated several informal interagency service centre sessions where counterparts discussed and shared knowledge on topics of joint interest such as travel processing, accounts payable automation and Master Data Management.

The GSSC also hosted visits from **several UN and private sector SCs**. British FCO Shared Services visited the GSSC in 2019 to learn from our experiences and provide us with valuable insight and briefings on the implementation of Corporate Credit Cards. British Petroleum, the largest shared service centre in Budapest briefed the GSSC on its operations and road map and many common challenges and experiences were discussed. The Centre also ran webinars to share best practices about the new Service Gateway case management tool with the World Bank, WFP and UNHCR across the year.

The HR Administration team also connects with UNDP, UNHCR, WFP and The World Bank periodically to understand and share learnings across agencies and discuss the implementation of policies, system limitations, knowledge platforms, risks etc.

iv. Implementation strategies

The GSSC continues to work to enhance our knowledge management of transactional processes managed by GSSC. We aim to provide the customer with a clear link between policy and process. The work has been closely tied to the roll-out of the new case management tool – to ensure customers get information when they need it and can easily search for missing information. We have also made significant efforts to systematise how processor-focused knowledge is captured and stored through a defined knowledge focal point group who are responsible for supporting the knowledge management process and supporting the QA process. Accessibility to internal process knowledge is supported by the introduction to functional streams of a dedicated SharePoint knowledge base in 2018.

In addition, the GSSC shares knowledge about the BOS Initiative through a purpose-built intranet portal hosted by the GSSC. It has now been agreed with PPD that we will work together to build an overall UN Reform intranet site which contains knowledge about various reform initiatives as well as UNICEF responses and other relevant information.

The GSSC has regular interactions with Policy owning Divisions and works collaboratively to improve policies and processes. There are several initiatives that the GSSC will work on in 2019 that will require close collaboration with other Divisions, such as:

- Development of tools as recommended by the review of back office processes in ROSA – with DFAM and SD.
- Continued work to strengthen internal controls, risk matrices and fraud prevention initiatives – with DFAM.
- Finalization of recommendations to resolve issues with payroll funding – with DFAM.
- Review of potential opportunities for transfer of additional HR transactional work to the GSSC – with DHR
- Development of a chargeback mechanism and rollout – with DFAM.
- Ongoing enhancement of the Service Gateway case management tool – with ICTD.

v. Enablers and Internal Management

The GSSC's activities contribute to the following 2018-2021 Strategic Plan change strategies and enablers:

- **“HOW” change strategy 6: United Nations Working Together** through the facilitation of BOS implementation in countries and GSSC interagency partnership.
- **Enabler 2: Results-oriented, efficient and effective management** specifically related to the provision of efficient, effective and transparent administrative support services and consolidation of service delivery functions and facilities, anti-fraud measures and contributing to value-for money.
- **Enabler 3: People: versatile staff as agents of change** supporting simpler, faster and more targeted recruitment.
- **Enabler 4: Versatile, safe and secure knowledge and information systems** through efforts to provide and safeguarded resilient systems, and a standard operating environment and connectivity.

The four GSSC drivers help support achievement of the above, particularly SP enabler 2 by increasing mission focus of country offices; achieving cost savings for the organization through leveraging economies of scale, expertise and innovation, improving service quality through continuous improvement, and decreasing organizational risk through end-to-end visibility of processes and improved controls.

Enablers Where GSSC has Principal Responsibility

The GSSC has principal responsibility for delivering on H6.a.3 “Total Annual cost avoided from Business Operations Strategies (BOS)” strategy, under UN Working Together.

GSSC remained responsible for the monitoring and reporting of the BOS indicator for the Strategic Plan. In 2019 this indicator was achieved with 53 per cent of UNICEF field offices having a signed BOS and with savings of US\$11.5 million. Due to the excellent results obtained, UNICEF was asked to share its experience with other agencies through the Business Innovation Group project, to accelerate achievement of BOS worldwide.

GSSC Support to Other Enablers

- **HR Initiatives**

Talent Management & Recruitment

The GSSC talent strategy continued to adapt to the requirements for the business model in a very competitive environment. Increasing the talent pipeline and raising the GSSC’s profile as a desired employer were key to the strategy in 2019. The Centre introduced rolling generic vacancies for GS processing level roles allowing interested candidates to apply anytime. The GSSC regularly reviews applications for talent pools.

Additionally, University career fairs and online career fairs helped to raise the profile of GSSC as a leading shared services centre for graduate students and Alumni. The GSSC also expanded its social media and internet presence through LinkedIn and tailored Facebook and Instagram campaigns, and through the establishment of external pages on unicef.org. We also joined shared services networks which helped to reach out to 110,000 potential candidates and allowed GSSC to have a talent pipeline ready.

Temporary staffing is used by GSSC to support the seasonal peaks in processing such as year-end closure for finance and education grant in HR Admin. In addition, IP talent pools for specific roles were created as most of the IP staff are completing tour of duty requirements in Budapest and due to rotate in the near future.

The Centre actively encouraged internal talent pools and supported internal mobility for capacity building and career development which resulted in 16 promotions at GS level. All recruitments were completed within a target of 21 days, which is well below established SSC and global SLAs. Turnover remained at 10 per cent – lower than the 15 per cent industry standard. The Centre expanded its Internship programme which resulted in 21 interns being part of the GSSC activities allowing them to gain valuable experience from working for UNICEF in various sections and streams in the GSSC.

Staff Well-being

In 2019, the GSSC continued to emphasize initiatives to support staff well-being, including in support of corporate initiative on organizational culture change implemented in response to the findings of the Independent Task Force. These included:

- Several consultative sessions with staff on the findings of the ITF and actions were put in place
- Flexible Work Arrangement Guidelines were put into place at the GSSC following a pilot during the year, allowing staff to work from home and other flexible work options. FWA are analysed periodically to assess the impact on business and productivity, however the impact on productivity has proved overall positive.
- Quarterly visits from the Regional Staff Counsellor were organized to build awareness on stress and mental health and to provide staff with the chance to have individual counselling sessions.

- Child-friendly rooms with three workstations were introduced to allow staff to be able to work while the child can enjoy a friendly atmosphere (with various toys and games) in the room, next to their parent.
- Quarterly Cultural Awareness Events organized to raise awareness on the cultural aspects of the different UNICEF regions. These were staff-led and allowed staff to present their countries/regions, customs and traditions to their colleagues.
- Flu Vaccinations in the fall of 2019 were organized in conjunction with the Medical Insurance Plan to administer flu shots to staff with the help on the GSSC premises.
- As an initiative of the Peer-Support Volunteer team, Well-being Wednesdays were planned in 2019 for introduction in 2020. They will occur about once every six weeks to enable staff to get more familiar with the support they can get from their PSV colleagues.
- The GSSC Staff Association was very active across 2019. They organized community outreach activities such as tree plantings and restoring kindergarten facilities, organizing donation runs to disadvantaged communities and children homes. They also organized social events such as happy hours, movie nights, bake sales, holiday parties for staff and staff children. They launched regional cultural awareness sessions to increase sensitivity of staff and encourage interaction. They created a child friendly room and started an office library programme. To help maintain staff well-being they also organized yoga classes and community runs. The impact of these activities was enhanced staff morale and staff engagement.
- It is worth mentioning that as a result of the numerous initiatives on staff well-being, several staff who had left GSSC in search for better opportunities (personally or professionally) have returned to work for UNICEF, noting the better conditions of work in the organization, the opportunities given by the FWA and the talent floating pools that allow staff to move from one stream to another within the same section.

Learning & Development

A culture of learning is created through continuous on the job learning opportunities and timely feedback on improvement. All new staff undergo a very thorough induction programme, followed by work shadowing in technical areas with the support of on the job mentors. A longer-term career path and associated learning path has been developed for national staff that combines training, on the job learning, job enrichment opportunities and career development support. Strengthening supervisory and management skills of our managers, as well as applying best practices in managing performance, have been an integral part of GSSC learning strategy across 2019.

Specifically, the following initiatives in learning were rolled out in 2019:

- Introducing career paths and learning paths for national staff and designing and identifying related training programmes. 12 staff went on exchange programmes to 12 country offices.
- Service Gateway, a new tool replacing MyCase was launched by GSSC which included the development of more than 80 training modules for LFPs (Local Focal Points) in the country offices. Thousands of UNICEF staff took part in the training as well as over 200 processors at the GSSC received the training on the new tool.
- All managers received management training and coaching opportunities including management master class, career management workshops, impactful performance discussions, challenging conversations, and a managerial toolkit which is made available online and in mobile applications for easy use. This became the blueprint for new Manager Training which is under development and planned for rollout in 2020.
- The GSSC Lunch & Learn programme allows staff the chance to interact with colleagues visiting the GSSC from country offices across UNICEF. In 2019, 26 sessions were offered on a variety of topics, from life in a country office to UNICEF child protection and disaster relief programmes.
- GSSC staff on the emergency roster received emergency training.

- GSSC's innovative Induction Training was piloted as a remote Induction in Malaysia Country Office and is ready for delivery anywhere in the world, utilizing the Centre's leading video conferencing facilities and IT infrastructure and with the goal of becoming a Global Learning Centre of excellence.
- Cross functional awareness continued in 2019 by providing staff the opportunity to learn what their colleagues in different Sections do and how their work ties in with the other areas of the GSSC.
- The GSSC contributed to various video productions and training tools to support other Divisions including DHR and ICTD.

Operational Initiatives:

Business Continuity

Emergencies, as proven by the COVID-19 pandemic, are a risk for the Centre and UNICEF. Considering the global impact on offices, a robust Business Continuity Plan (BCP) is mandatory. The GSSC continued to test and enhance its BCP capabilities in 2019, including the investment in offsite facilities and technologies where appropriate to ensure uninterrupted provision of services during and following a disaster and/or crisis event.

The GSSC continues to update and test the business continuity preparedness. Several updates to the BCP have taken place under various scenarios and taking into consideration the critical importance of business continuity for the GSSC. For instance, and in parallel to the introduction of the case management tool, the GSSC introduced and tested a new procedure to be triggered in case of any outage of the case management tool.

The IT equipment preparedness was boosted with the replacement of 83 per cent of desktop computers with laptops which will enhance the mobility and ability of staff to work from home, as well as to be able to deliver from the office in case of a power failure.

Additionally, business continuity preparedness was enhanced with the implementation of several IT tools including the BCP mobile app and the introduction of enhanced IT readiness monitoring tool which allows daily observation of IT metrics, remote work and user equipment status.

All above have proved critical during the 2020 pandemic, where with minimal effort, staff have been able to deliver against SLA and productivity targets while working from home for an extended period.

Conference Facilities

The GSSC Operations team supported UNICEF offices with the efficient planning and delivery of 41 global events (workshops, conferences, meetings, trainings and other events) hosted at the Centre throughout 2019, with a total of 1,292 participants. Examples included 12 sessions of the Budget Formulation Tool training, Nutrition and WASH Cluster Coordination workshops, Health Systems Strengthening Course, Public Finance for Children workshop, Emergency Telecoms training, and several regional IT and other network meetings.

The GSSC also made significant investments in conferencing technologies to support online training and workshops. These technologies were utilized on multiple occasions by various event organizers with the help of the Local IT team to stream and/or record the full event and/or particular sessions, capture event highlights/testimonials, as well as to create specific content for their online trainings in the GSSC's world class studio.

Budget Utilization

In 2019, the GSSC Budget and Finance Unit continued working with DFAM on improving reporting processes and aligning policies for optimal utilization of the Institutional budget in terms of both staff and non-staff costs. By regular reallocation of resources, as well through a reorganization exercises GSSC continued to ensure that the staff budget was efficiently utilized. Utilization of 2019 non-post budget was 90 per cent overall.

Collaborative Approach

The GSSC continues to collaborate with other UN agencies in Hungary to harmonize and optimize the procurement process by conducting joint tendering exercises and “piggybacking” on framework agreements (FA). In 2019, UNICEF utilised UNHCR’s FA for office stationery and travel services agreements, while FAO and UNHCR utilised UNICEF’s LTAs for catering, hotel accommodation and mobile services. The total savings generated by issuing POs under LTAs and by using another UN agency’s LTAs is estimated at US\$ 175,000.

Audit

The GSSC had two audits during 2019, one performed by UNBOA (first of its kind) and the other one performed by OIAI for IT and Cybersecurity. Worth noting is that the GSSC received only 12 recommendations from UNBOA, and by the end of 2019, all recommendations were closed and sent to UNBOA for agreement.

During the same reporting year, the Centre also received several queries and recommendations from country office audits being conducted, which required GSSC staff resources to action.

D. Constraints and Lessons Learned

As the GSSC continues to mature and given our ability to demonstrate consistently strong delivery against performance targets, our focus has shifted towards strengthening our engagement with customers and implementing process enhancements that will better support them. Additionally, the Centre is leading or contributing to Organization-wide efficiency and simplification initiatives that will enable UNICEF to modernize its operational practices; hence strengthening our abilities to provide programmatic support to drive results for children.

2020 Targets

The GSSC continues to set targets that improve ways of working for the field colleagues and support the achievement of UNICEF’s overall objectives. Major initiatives the Centre will focus on in 2020 include:

- The GSSC has been tasked with driving **Business Transformation** across UNICEF in several areas covering country programme planning, partnership management, hiring expertise, services procurement and travel management. Existing capabilities related to release management, change management, communications and knowledge management will be utilized, as well as building a dedicated unit to effectively drive this important agenda.
- Continued support to UNICEF’s response to operational aspects of UN Reform – particularly through solidification of mutual recognition guidance and helping offices that are looking to offer services to other UN agencies.
- Automation and LEAN review of processes to enable internal capacity building.
- Continued enhancement and development of the Service Gateway case management tool to further enhance the interface’s ease of use for end-users.
- Expansion of account management and wider consultation with customers on planned process changes.

Support required

Going forward the GSSC will require additional support in the following areas:

- As detailed above, transaction volumes have been increasingly steadily since the establishment of the centre, and we will need to find ways to automate or make processes more efficient in order to continue to manage this increasingly workload with a static headcount.
- A significant proportion of transactions the GSSC handles are for countries classed as L2/L3 – i.e. emergency. For these countries, we fast-track some of the critical processes such as onboarding or

invoice processing. We plan to work with EMOPs to better flag the critical transactions coming from emergency countries as well as those countries not classed as emergency who have localized emergencies they need to respond to.

- There have been several discussions about the potential for the GSSC to take on additional work through transfer of functions to the Centre, either from country offices or from HQ. Decisions will need to be taken by HQ about proposed initiatives as detailed below:
 - The establishment of a **Global Learning Centre (GLC)**, which aims to offer services that will support the Learning Strategy by strengthening UNICEF's capacity to produce online learning materials, blended learning approaches and expanding the range of technology enabled learning platforms. Initially these would focus on identified learning programmes such as global orientation, systems and business process training, and supporting management learning and capacity building initiatives identified as part of the ITF recommendations. The GLC will maintain and update learning modules within the defined scope and act as a knowledge centre using AGORA.
 - **Vertical and horizontal integration opportunities in the HR functional areas** including the removal of recruitment administration work from field offices, enabling an increased focus on more strategic HR activities by existing staff at the country level. The aim of moving some activities from other Headquarter locations is to reduce overall organizational cost.

Annex 1 – Benefits Realization Summary – 2017 to end-2019

Initiative	Area	Year	Estimated annual volumes	Business Drivers				Impact	US\$ Savings	Non-US\$ savings
				Increase mission focus	Achieve cost savings	Improve service quality	Decrease risk			
Updates on previously reported improvement initiatives										
Banking automation	Finance	2017-2019	39,000	✓			✓	Automated bank transfers using either Bank of America or BCM		31 FTEs
New improvement initiatives										
Change of Funding Source	Finance	2017	22,000		✓			Move of Function from New York to GSSC	350,000	
Freight invoicing	Finance	2017	12,000		✓	✓		Move of function from Supply Division to GSSC	270,000	
ASHI Recovery	Payroll	2017	n/a		✓			One-off recovery of old payable balances	290,000	
Staff advances	Payroll	2017	3,500	✓		✓		Removal of need for certification from COs		1 FTE
Pension Documents review	HR	2018	2,000	✓		✓	✓			0.15 FTE
Contributions unit	Finance	2018	25,000		✓			Move of Function from New York to GSSC	601,000	
Consultancy Clearance	HR	2018	400		✓			Move of Function from New York to GSSC	33,000	
US Bank reconciliations	Finance	2018	n/a		✓			Move of Function from New York to GSSC	93,000	
Asset deletions	Finance	2018	1,800		✓			Move of Function from New York to GSSC	11,000	
Increase in GSSC Volumes	All GSSC functions	2017-2019	n/a		✓			9.2% increase in transactional volumes processed by GSSC compared to 2017 baseline with no additional resources	2,308,000	
Implementation of new case management tool "Service Gateway"	All GSSC functions	2019	299,000 (processes streamlined only)	✓		✓	✓	Implementation of a new user-friendly case management tool replacing MyCase and Service Manager		52 FTEs
TOTAL FOR NEW INITIATIVES									US\$3,956,000	53.15 FTEs