Update on the context and trends

Despite the unprecedented challenges brought forth by the COVID-19 pandemic in 2020, the Global Shared Services Centre (GSSC) has maintained its high standards in supporting UNICEF offices worldwide, while prioritizing response to the surge of COVID-related requests. This was possible by establishing several process workarounds to address the newly arisen difficulties and continuing to carefully monitor the Centre’s performance to ensure delivery of results.

Once the pandemic started gaining momentum, the GSSC introduced process workarounds to support staff and offices in lockdown. The workarounds mainly concern HR and Finance processes and include electronic completion, signature and submission of forms, taking into consideration teleworking needs and travel restrictions, which were highly appreciated by offices worldwide. In addition to that, the GSSC introduced accelerated Service Level Agreements (SLAs) for services needing urgent turnaround. It is noteworthy that GSSC performance levels have remained solid even while COVID-19 emergency requests requiring accelerated processing times have increased.

In addition, as a temporary measure to support staff during the COVID-19 crisis, the GSSC released salary payments early in April, May and June 2020, a measure that was welcomed by all offices and divisions.

Staff onboarding and offboarding volumes remained high throughout the entire year, despite lockdown measures and travel restrictions enforced in most countries; the GSSC invested in remote assistance provision, digitalization of forms and processes to ensure that this was possible.

All of the GSSC finance processes have experienced volume increases in 2020, except for the COVID-19 impacted Travels and Payments to Partners (through the Harmonized Approach to Cash Transfers).

Also, in 2020 the GSSC established a new mechanism to monitor the performance of staff processing cases during the pandemic, with a dedicated internal dashboard and periodic reporting available to GSSC managers and processing teams. This new tool confirmed that the GSSC staff was able to deliver as planned also through the remote working modality.

After five years of operation, the GSSC continues to scale up the provision of high-quality service and customer care for all UNICEF staff and offices worldwide, focusing on achieving efficiency, reducing organizational risk and delivering value-for-money solutions to support UNICEF efforts towards the universal fulfilment of children’s rights.

Major contributions and drivers of results

a. Performance Analysis

During the reporting year, over 875,000 transactions and service requests were processed in the areas of HR, payroll, finance and Customer Care (6 per cent of these transactions supported emergency countries). This represents a volume reduction of 12.5 per cent compared to 2019 (1 million total transactions), attributable to the effects of the COVID-19 pandemic and related reduction in transactions caused by the lockdowns in most parts of the world, as well as to the streamlined
invoicing procedures. It is expected that transaction volumes will increase in 2021. Overall the GSSC processed transactions for a value of over USD 6.5 billion.

As in previous years, the GSSC was able to deliver above its target of processing 90 per cent of transactions within agreed timing – achieving an annual average performance of 96.2 per cent against SLA targets.

The main achievements compared to 2019 were related to:
· Increased efficiency in handling general accounting and MDM requests
· Improved resource management for year-end rush for invoice processing and payments
· Improved performance for HR maintenance and offboarding
· Improved internal Onboarding process of sending out offers, with performance improvement from 95 to 96 percent

2020 transaction volumes per stream were:
· All of the GSSC Finance Processes have experienced volume increases in 2020, except for COVID-19 impacted travels and payments to implementing partners.
· Volume Increases from both annual business growth and greater detailing of transactions (unbatching) alongside reduced payment activity from travels and payments to partners. As payment effort is independent of volume processed, this did not free up resources for the GSSC payments section.
· HR Administration and Payroll (exceptional payment) transactions – 78,634 transactions in 2020 compared to 85,200 in 2019. This volume does not include monthly processing of payroll for all UNICEF staff.
· Customer Care processed 75,295 transactions in 2020 compared to 60,400 in 2019.

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. Details are provided below.

b. Increased mission focus

· The GSSC Payroll and General Accounting teams, in collaboration with DFAM and country teams have worked towards simplifying the Personal Advances and Recoveries (PAR) administration process. As part of this initiative we have ensured that the PAR process is centralized within the GSSC. Further, clear segregation of duties with defined roles and responsibilities between the various offices and the GSSC was established. This resulted in a reduction in overall PAR transactions, improved financial control and reduced risk of financial loss for UNICEF. By the end of 2020 other receivables open items reduced by 94 per cent compared to the previous year.

· With the support of the Division of Financial and Administrative Management (DFAM) and the Information, Communication and Technology Division (ICTD), the GSSC has simplified the payroll funding process, while developing a training curriculum and process instructions to ensure proper management of post funding and thereby facilitating timely salary payment to staff.

· A new Customer Care service, Call an Expert was introduced in 2020. The service targets all UNICEF staff and offers a 30-minute session with HR or Payroll experts to discuss specific issues related to processes or services offered by the GSSC. Feedback received so far from those who benefited from this service has been very positive.

· A pre-retirement guide was prepared by the GSSC HR Administration Team based on information from the United Nations Joint Staff Pension Fund and the United Nations Staff Rules & Regulations. It provides useful information and tips on pension benefits, ranging from the topic of
The GSSC has been scaling up efforts to reach out to its customers in field offices through multiple platforms since January 2020. These include calls to operations colleagues in all offices, calls to discuss issues and updates with all regions as well as thematic sessions such as open-line webinars. The meetings have touched upon various topics, particularly COVID-related areas such as salary advances, the use of electronic documents and signatures, how to prioritize requests and so on. Many offices started reviewing their performance as part of these governance meetings and have reached out to the GSSC with their proposed actions as well as feedback that could help further optimize cooperation.

The GSSC continued to expand and take on new services during 2020. The scope of a pilot project to conduct background verifications has been expanded in March 2020 to include all international staff hired on fixed-term positions. A new service of clearing the medical evacuations, other than for COVID-19, has been introduced. As part of the new service, GSSC medical doctors review the medical evacuation cases for the duty stations where there are no authorised UN Doctors.

c. Increased service quality

The GSSC has set up a robust quality assurance mechanism with dedicated quality assurance staff, who regularly review samples of transactions to identify recurrent errors/gaps in the processing. The results are then used to address knowledge and skills gaps and to feed into the continuous improvement and change planning of GSSC-related processes, systems and policies.

To further enhance customer orientation and improve internal capacity and productivity, the Customer Care’s team structure was redesigned in the reporting year.

The centre has issued internal guidance on Ticket Handling to ensure every request received is processed consistently and in line with internal procedures. This initiative is expected to decrease the number of unnecessary requests that are returned and delayed as well as ensure that GSSC staff are always up to date with changes to policies and processes.

Processing staff at the GSSC have been receiving training to enhance their customer communication skills. The training uses real-life case studies (e.g. complaints, escalations), and aims to ensure that we communicate with clarity, empathy, and in a solution-oriented manner.

The GSSC has maintained and expanded a knowledge base of over 1,000 articles to support staff worldwide accessing services in a smooth and effective manner. The knowledge is available in the areas of HR, Payroll, Customer Care, ICT, General Accounting, Invoices, Payment, Master Data Management and more. Main article types include Service Descriptions, Required Information/Documents, Process Instructions, Accountability Splits and Frequently Asked Questions.

The Global Shared Services Centre’s Yammer community was originally launched to provide offices with information and clarifications about GSSC processes. In September 2020, with the introduction of the new Yammer look-and-feel, the GSSC embarked on a new approach inviting colleagues in the field to participate in various initiatives: quizzes, polls and GSSC human stories which have been warmly welcomed by the members of the group of over 2,300 colleagues form UNICEF offices worldwide.

A Roadmap to Change has been developed to support change processes and ensure effective implementation and co-ordination with customers. The GSSC has been increasingly involved in rethinking and re-engineering processes, ensuring an effective approach to change management as UNICEF keeps on promoting organizational change to increase the effectiveness of programme delivery.

d. Cost saving
The UNICEF Global Shared Services Centre continued to drive efficiency and business modernization, reduce organizational risk and deliver value for money. Several effectiveness improvements took place in 2020, including:

- **Payment Cycle Rationalization.** In line with industry standards and aiming at delivering cost-effective payment services, payment cycles for all offices globally have been reviewed and transitioned from daily to scheduled cycles. This approach consolidates payments, reduces the burden on swift payment functionality and reduces banking cost without a significant impact on payment service levels.

- **Continuing efforts to introduce Host to Host Payments (BCM).** BCM payments methodology offers an advanced centralized electronic payment service removing the need for manual/physical payments at the office level. In Q4, a further two offices were transitioned to BCM capability and a third was transitioned to an enhanced version facilitating multi-currency payments.

- **Enhancements to Education Grant processing.** The clarification and full application of the policy through clear communications, videos and webinars resulted in lower return rates, thereby increasing efficiency and time saving. Service Getaway enhancements and simplification of the submission form also supported this process.

- **One touch processing for invoices.** With the expertise gained by processors, some of the regular processes previously approved by Senior Officers, moved to a “one touch” approach, strengthening processors accountability and freeing up time for Senior officers to focus on more value added activities. **Local Focal Points (LFPs) guidance.** Several tutorials and videos were developed to train newly assigned LFPs on how to work in Service Gateway and with the GSSC, resulting in reduced rates of rejected and returned cases.

- **Continuation of Greening initiatives.** This includes the reduction in electricity and water consumption at the GSSC Office premises through use of smart lights and tap sensors setup.

e. **Reduction of overall risk**

- As payment fraud attempts against organizations continue to increase, maintaining internal controls and best practices is vital to help protect UNICEF funds and assets.

- Apart from detective controls – such as sending payment advice notifications to vendors, enabling them to identify unfamiliar transactions – the GSSC kept its main focus on preventive controls to identify all fraudulent attempts and to prevent actual fraud, thus avoiding any financial loss and other harm to both the organization and its vendors. A highly effective preventive control measure used by the GSSC is the vendor callback process. This process requires the Master Data Management team to call vendors over the phone to validate payment requests, requests for establishing a new bank account and changes to payment instructions before the actual bank data change takes effect.

- In 2020 the GSSC Quality Assurance function has grown to include the review of financial risk and of all the processes that may be contributing to mitigating reputational risk. Quality control checks are also in the process of being implemented to ensure consistency in handling of cases and that customer service protocols are followed.

f. **Introduction of Charge-back**

- Since January 2020, and as foreseen in the original business case for the establishment of the Centre, a mechanism to attribute GSSC service costs to all offices based on the volume of services provided has been implemented. Cost attribution serves several purposes:

  - it allows the costs of GSSC services to be linked to the results that these services are contributing to,
  - it enables the corresponding budget that is funding the results to be charged,
  - it facilitates cost classification in line with the harmonized categories approved by the Executive Board.
The costs have been charged through monthly payroll processing, similar to the model currently used for attribution of costs of other centrally managed/provided services and attributed across all funding sources, charged to the budget funding the post. The total charges for 2020 amounted to US$16.6 million, equivalent to less than 1 per cent of the total annual programme budget of each office.

g. UN Reform

· The Centre continued to play a leading role in coordinating UNICEF’s contribution to the Business Innovation aspects of the UN Development System reform agenda, which saw UNICEF exceed the UNICEF target for offices with a fully implemented Business Operations Strategy (BOS). By the end of 2020, 80 per cent of offices had fully implemented the Business Operations Strategy, against a target of 60 per cent (a steady increase from 53 per cent in 2019), with US$24.4 million in savings against a target of US$7 million.
· UNICEF is providing internal support and coordination to the implementation of the Common Back Office initiative through webinars, internal guidance as well as through the ‘Common Back Office (CBO) Project Team’ which is currently working with Operations Teams in the nine countries in Phase One. Roll-out of CBO for all offices will take place over several years.
· In addition, the GSSC supported the update of the UNICEF Mutual Recognition Guidance with more practical solutions and case studies, illustrating how this can be applied by country offices and UNICEF divisions.

h. Staff well-being

In 2020 the GSSC scaled up investments for the well-being of its 337 staff members (excluding consultants), particularly since the pandemic gained momentum in March 2020, and as a preventive measure most staff was asked to work remotely.

Key initiatives included:
- Hiring a new Staff Counsellor, who constantly organized well-being sessions and workshops for staff, as well as made herself available for individual counselling upon request. A dedicated SharePoint site was developed for the Staff Counsellor to boost her presence and share a pre-planned schedule of events as well as regular meetings organized among staff association, HR and Staff counsellor for alignment, information sharing, etc.
- Strengthening the Peer Support Volunteer Programme (PSV), which organized several initiatives to support colleagues with work-related concerns or personal difficulties and seeking help to cope with stress and hardship.
- In addition, the GSSC Staff Association has also been active in organizing several virtual events to keep staff connected despite physical distance, regularly meeting with HR to be aligned on staff wellbeing issues that needs to be addressed proactively.
- Learning and development opportunities continued to be provided for all GSSC staff through a series of trainings tailored to enhance staffs’ skills and support their career paths.
- To promote staff’s awareness and engagement on the Children’s agenda, three major campaigns were organized for Earth Day, the International Day of the Girl Child and World Children’s Day. The campaigns reached a good level of engagement and the videos produced by the GSSC were featured on UNICEF platforms and internal channels.
Lessons Learned and Innovations

- The GSSC’s success has always depended on keeping high standards of service delivery for the UNICEF family worldwide. To properly address the demand for GSSC services and ensure that all requests are processed in an effective and efficient manner, the Centre has been working to introduce an innovative approach by automating certain processes with enhanced robotics.

- During the reporting year, the GSSC successfully completed the automation of HR contract extensions thanks to a fruitful collaboration between the HR Admin and Customer Care sections. The robot became operational in November and it was fully developed through internal resources. This innovation is an important example of process improvements which is expected to result in significant savings in the number of hours spent by HR staff.

- By the end of the year, the Enterprise Content Management (ECM) project was fully completed at the GSSC, with the establishment of a digital workplace which aims to simplify how staff communicate, collaborate, find information and manage documents across the organization.

- The GSSC Customer Care team played a key role in supporting new versions of enterprise systems and the release of new applications developed by divisions and ICTD to support the work of UNICEF staff in regional and country offices. In 2020, the most visible new systems globally released included: the Result Assessment Module (RAM 3.0); the new Asset Management tool (mAsset); the new automated workflow for the Property Survey Board (PSB) process; the new tool to operationalize the Enterprise Risk Management Strategy (eGRC) system; and the new automated workflow for the Contract Review Committee process. For all these new tools the Customer Care team manages system access and end-users' support.

- The GSSC is planning to continue scaling up investments in Robotic Process Automation in 2021 to remain at the forefront of UNICEF innovation, driving further process effectiveness and efficiency gains benefitting all offices and divisions. For example, as a next step in simplifying GSSC processes, the Customer Care team is working on automating how VISION roles are assigned. Once the enhancement goes live, customers will experience a dramatic drop in the processing time of their requests for these services.