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REVIEW OF THE  
MANAGEMENT SYSTEMS  
OF THE  
SOUTH PACIFIC COMMISSION

August 1991

## FOREWORD

The 30th South Pacific Conference meeting in Noumea, New Caledonia in October 1990 commissioned a review of the Commission's management systems with a report to be available for the 15th CRGA and the 31st South Pacific Conference.

We are pleased to submit the report.

The terms of reference for the review were extremely broad, necessitating the focus on what the team perceived to be the most important issues. The thrust of the team's recommendations seek greater Commission attention to goals and direction, clearer managerial reporting lines, improved internal management communication and more effective monitoring of the work programme.

Some saw the review predominantly as an exercise to assess staffing levels and salary classifications for administrative and service units. Team comments on resources available to support services, are made in context to the broader issues of management, organisation, budget management and communication.

Many recommendations are far reaching and full implementation will be achievable only in the medium to long term. Nevertheless we believe it vital for the future well-being of the Commission that the recommendations are implemented. We have suggested a process for the implementation of recommendations.

The team would like to acknowledge the contribution of Commission management and staff with whom we had contact. We were impressed with their dedication and commitment, and the many positive and helpful comments made to us.

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# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## SECTION 1 DEVELOPMENT OF THE COMMISSION'S WORK PROGRAMME

### 101 Introduction

Terms of Reference 1 required the team to examine and comment on the development of the Commission's Work Programme since 1985.

### 102 Summary of Findings

- The Commission is currently operating in the absence of a statement of Corporate Mission.
- The Commission would benefit from procedures to establish long-term objectives or to prepare and review programme plans and budgets in terms of agreed directions and priorities among programmes.
- Systems of evaluation - of projects, of sector programmes and of the work programme as a whole - could be improved.
- Co-ordination and negotiation of donor aid in the context of programme objectives and management needs is inadequate.
- The Commission has noted the progressive demands on support services imposed by the expanding Work Programme but has not yet established principles or systems to link programme and management decisions.

### Comments

103 The Commission does not have a readily identifiable Corporate Mission. For any potential project to be assessed, and for existing projects and programmes to be monitored, a clear, concise and well understood Corporate Mission or Plan should exist.

104 At present, evaluation of work programmes is carried out through:

- The evaluation of one sector each year by a specialist reviewer, independent of the Commission.
- An annual review, by the CRGA, of the "Progress Report on the Work Programme."

The sector review process is sound. In-depth reviews, by specialists, provide a good assessment of the objectives and activities of that

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particular sector. However, three factors lessen the effectiveness of sector evaluations:

- Over-long intervals between sector evaluations; for example, the work of the Community Education Training Centre has not been reviewed since 1983.
- The process is isolated; it does not address the balance between one sector and another.
- The results of the sector review are reported to non-technical persons.

The CRGA review on the "Progress Report" is not effective for evaluation purposes. The Report describes activities without relating them to achievement of objectives, evaluation of findings or issues requiring resolution. It is thus almost impossible for the CRGA, meeting as a committee of the whole, to reach conclusions on the previous year's work programme.

105 Other evaluation procedures could usefully be added, through;

- A policy to require interim or final evaluations within each project;
- Executive management analysis of current programmes, and comment on the appropriateness of proposed programmes.

106 The Conference deals with any or all matters, at all levels of detail or generality, and lacks guidance from the CRGA on broad matters of policy relating to finance and programme planning. Executive management operate without guidance on priorities among programmes.

It appears that far more attention is accorded to core budget by the CRGA and Conference than extra-budgetary items, which, in essence, drives the work programme. CRGA considers and approves the annual core budget without reference to the programme objectives or the work programme budget, which is considered separately.

107 The terms "core budget" and "extra budget" are no longer appropriate. The table in Annex 8 shows that in 1985 extra budgetary funds were approximately half of total Commission Funds. In contrast the Commission's 1991 budget indicates that extra-budgetary funding will comprise 68% of total funding. For 1992 this is expected to rise to 74%. Consequently, there needs to be a rethink in the way the total

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Commission's budget is viewed, and in the terminology used.

- 108 The Commission's budget preparation process is not supported by formal review of work programme plans. As a result, plans are over-optimistic. The budget cycle begins very early, approximately 15 months before the start of the year. Preparation so far in advance presents two major problems - the uncertainty of sources of funding and the difficulty in estimating cost fluctuations and price level changes. Annex 9 illustrates the shortfall in actual extra-budgetary funds to that originally estimated.
- 109 Core budget is funding an increasingly smaller proportion of the Commission's work programme activities. This has come about through an expanded work programme, coupled with an increasing demand for support staff. However, core budget assessed contributions have not kept pace with these increases. The effect has been:
- No clear logic as to which activities are financed by core budget and which are financed by extra budget sources.
  - Inability to fully support work programme activities because of the pressure on core budget funding.

The Commission has sought to overcome the latter problem with a 6% administrative levy on extra budgetary funding. The levy is used to fund a variety of support staff positions. The Commission is presently considering increasing the levy to 10%. The administrative levy is not a satisfactory solution. The major disadvantage is the lack of transparency. There is no clear link between the levy and what donors receive by way of administrative support. Some work programmes will need greater support than the 6% levy provides; others may be less. It would be coincidental for an arbitrary funding-based levy to match the support provided.

- 110 The Work Programme is driven, to an extent, by the interests of donor agencies and the availability of donor funds. The magnitude of donor support for a given programme can also depend upon the dynamism of working relationships between a programme officer and a donor agency. There is insufficient time available to principal officers for donor consultation.

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## SECTION 1 DEVELOPMENT OF THE COMMISSION'S WORK PROGRAMME

### 111 Conclusion

The absence of a Corporate Mission, the lack of co-ordinated procedures for programme planning and budgeting and the inadequacy of programme evaluation limit the effectiveness of the Commission.

### 112 Recommendations

That the Commission:

- (i) Prepare a Corporate Plan (refer Annex 2). ✓
- (ii) Update its Consolidated Agreed Provisions to:
  - Incorporate an article stating its mission.
  - Outline the procedures for establishing, updating and evaluating the long-term objectives of work programmes.
- (iii) Appoint a Programme Review sub-committee which would review programme content, priorities and budgets. The sub-committee should comprise no more than seven persons; three CRGA delegates being the current CRGA Chairperson, the immediate past chairperson and the chairperson to succeed the present chairperson; and four highly qualified and senior technical persons drawn from around the Region specialising in fields of Commission activity. ✓

The sub-committee would meet annually, and report to the CRGA.

- (iv) Introduce two budgets - the Administrative budget and the Work Programme Budget, replacing the present concept of core and extra budget. ✓

Following a gradual changeover, the Administrative Budget will sustain expanded supervisory programme staff as well as improved internal support functions. Long-term Work Programme staff and direct support functions should be completely financed by the Work Programme Budget. Annex 6 shows the estimated effect of the shift between the Administration and Work Programme Budget.

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## SECTION 1 DEVELOPMENT OF THE COMMISSION'S WORK PROGRAMME

Consequently the 6% administrative levy should be discontinued. Where a project requires additional direct support staff or other costs this requirement must be assessed and included in the project proposal to donors. ✓

Decisions on the Work Programme Budget must depend on full analysis and consideration of:

- Relationship to long-term objectives and results of evaluations. ✓
- Potential effect on the Administrative Budget.

Annex 3 shows the timing and the co-ordination of planning activities suggested as appropriate for the Commission.

- (v) Executive Management, in consultation with senior programme supervisors, should analyse, prioritise and comment on Work Programme activities and issues when submitting their report to the Programme Review Subcommittee.
- (vi) Continue with its evaluation of one sector yearly, with the reviewer's report discussed with the Programme Review Subcommittee. ✓
- (vii) Add a position of Aid Co-ordinator to ensure that donor attention is focused on Commission priorities and that each donor-funded project finances all necessary evaluations and support costs. ✓

201 Introduction

Terms of Reference 2 required the team to review the administrative and service structure of the Commission.

202 Summary of Findings

- The Commission's decision making is overly concentrated in Executive Management. ✓
- The Commission lacks an appropriate management and reporting structure, resulting in inadequate communication and co-ordination.
- Many of the Commission's support services are badly stressed; at the same time work practices within support services are often outmoded. ✓

Comments

*Centralisation of Decision Making*

- 203 Executive responsibility vested in the Secretary-General is delegated only to the Director and Deputy Director of Programmes, who are members of a management committee in which almost all powers and responsibilities are retained. Management Committee meetings involve the three top officers only.
- 204 Executive Management unnecessarily involve themselves in the minutiae of operations. For example, all incoming correspondence is passed through each of the three Committee members for review, before distribution to the actual officers. In addition Executive Management approve all requests for expenditure of funds, and authorise all duty travel. Because management's heavy involvement in detailed and repetitive work absorbs a large part of their time, the time available to address more fundamental issues facing the Commission is thereby limited. ✓
- 205 The concentration of decision-making in top management has denied to the programme co-ordinators and other section heads the powers they should have to carry out their responsibilities. Co-ordinators, where appointed, have not been given any true management responsibility; nor are they actually expected to co-ordinate the various projects in their sector.

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## SECTION 2 ADMINISTRATIVE & SERVICE STRUCTURE

206 Centralisation of decision-making appears to be part of the Commission's 'Corporate Culture', imbedded in an historical management style which has persisted despite the regular rollover of senior management. Yet the Commission's instructions to the Secretary General are sufficiently broad to allow flexibility in the way management operate.

207 Executive Management dedication and long hours are insufficient to handle the workflow. The increases in the number of activities and the number of staff highlight the need for more decision making at levels below executive management.

### *Management and Reporting Structure*

208 Under the present organisation structure the responsibilities of the Director of Programmes and Deputy Director of Programmes are shared. The Deputy Director is responsible for administration, finance and some programmes, while the Director of Programmes is responsible for all other programmes. In practice, these arrangements are less clear than they would seem. Some Sectors are split. An example is socio-economic statistical services; the economists answer to the Director of Programmes, whereas their colleagues in statistics and demography are under the responsibility of the Deputy Director of Programmes. In some sectors, Management's dialogue is with a co-ordinator; in others, it is directly with a programme officer.

209 Too many people directly report to the Director and Deputy Director of Programmes. Even in a sector where there is a co-ordinator, it is not unusual for programme officers to deal directly with top management. This presents problems to both Executive Management and the sector programmes;

- It does not allow for effective programme co-ordination;
- Management become overburdened; and
- Some programmes may receive more attention than others.

210 Co-ordinators have not been appointed for all sectors. Even where they have been appointed, the co-ordinator's role is unclear.

211 Programme officers have minimal authority. All requests for expenditure, no matter how small, need approval at the highest level. Similarly for travel or administrative matters, little discretion is given to programme officers; even when restrictions have been imposed by the donor to a project, action within those restrictions is not allowed to the programme officer.

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### SECTION 2 ADMINISTRATIVE & SERVICE STRUCTURE

#### *Communication and Co-ordination*

- 212 Formal co-ordination of programmes is non-existent. There is no forum for sharing information among programmes. Consultation among colleagues takes place informally but not in the form of regular meeting of Co-ordinators and Programme Officers with Management. Meetings of programme officers that began, several years ago were not continued.
- 213 Similarly communication is lacking between Management and support services. For example, management committee meetings involve only the top three officers. Input from administration and finance sections is not routinely sought, yet it is these sections which can offer specialist advice. Input from Programme Officers may or may not be available.
- 214 Physical separation of activities adversely impacts on their co-ordination. The separation of activities between Noumea and Suva is always going to present difficulties. However, physical separation of programmes within a sector is an area which should be addressed. For example in the Socio-economic sector, the statisticians, demographers and economists in Noumea are all located in different wings; part of the fisheries programme is in Suva.
- 215 Because Management does not have sufficient time to devote more attention to negotiation with donors, programme personnel devote a large measure of their time to the search for donor interest and commitment of funds. Individuals act without knowing whether or not they are in competition with a colleague or, indeed, in conformance with policy.

#### *Stressed Support Services*

- 216 Programmes have been growing rapidly without corresponding growth in support services. No support unit has been immune from the pressures.
- 217 The growth in staff numbers has imposed a heavy burden on the services of personnel, housing and maintenance. Delays in attending to housing and routine personnel matters are affecting staff morale, and are not conducive to good working relationships.
- 218 The growing number and size of programmes strains the finance, registry and publication sections. The growing number of meetings, workshops, and conferences compounds the problem. Sections now dedicate a large part of their capacities to servicing meetings, to the detriment of other functions that might be of equal or more importance.

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### SECTION 2 ADMINISTRATIVE & SERVICE STRUCTURE

- 219 As the Commission is a technical assistance organisation dissemination of information is a vital task, yet the Commission does not have a structure or policies that satisfactorily provide information. The printing and publication section bears the brunt of information demand. The result is that production of technical and other publications are delayed, sometimes to the extent that they lose their relevance. For example, at the time of the review in April 1991, the latest "Pacific Impact" quarterly review of Commission activities was dated June 1990.
- 220 The Commission has no section devoted to preparation and management of conferences. For the conference and CRGA meetings various sections must all attend, but there is no overall organiser. For technical meetings, programme officers often must carry out all the organising. Since running a conference is not necessarily one of the skills brought to the Commission by Programme Officers, some achieve better results than others.
- 221 Comments on individual service sections are further addressed in Section 5 of the report.

#### *Outmoded work practices*

- 222 There is excessive paperwork within the Commission that reflects an overly bureaucratic style. For example:
- no fewer than four documents (including six copies of one document) need to be completed before travel can be finalised; and
  - incoming correspondence does not reach the action officer until the entire management committee has seen it.
- 223 Closely linked with the plethora of paperwork is the lack of delegation of authority and the perceived need for centralised control. Authority to commit funds, of any amount, is circumscribed by multiple levels of approval. Even though a project defines annual expenditure ceilings, and the project budget for the year has been approved, procurement of goods or services requires the signature of Programme Officer, Head of Programme or Co-ordinator, Finance Manager and two or three of the Executive Management. The requirements are so cumbersome that programme officers often short circuit the system by personally hand delivering documents through all stages of the process. This not only wastes the time of programme staff, but also the time of Finance and Management.

SECTION 2  
ADMINISTRATIVE & SERVICE STRUCTURE

Conclusion

224 The key to improvements to the Commission's administrative and service structure are:

- More clearly defined roles for Executive Management.
- Appointments of sector managers.
- Delegations of authority to those managers.
- Reorganisation of services units to include a separate information services section.

225 Recommendations

- (i) That the Commission define a new organisational structure that reflects a true separation of responsibilities between a Director of Programmes and a Director of Services. It is not proposed that a position of Director be established in Suva. Following appropriate delegation of authority, such a position will not be necessary.
- (ii) That the Commission reorganise its programme structure into five sectoral groupings; Fisheries, Health and Socio-Economic services (based in Noumea); Food and Materials and Community Education (including Media) based in Suva.

This will entail:

- Reallocating the integrated rural development programme from Socio-Economic Services to Food and Materials.
  - Relocating the Integrated Rural Development, Women and Youth Programme from Noumea to Suva; relocating Fisheries training from Suva to Noumea; and
  - Appointing an aid co-ordinator.
- (iii) That a programme manager be appointed for each programme sector. The position of co-ordinator will no longer be necessary.
  - (iv) That the Commission reorganise its operations to ensure co-ordination among sectors through regular meetings of programme managers with top management.

SECTION 2  
ADMINISTRATIVE & SERVICE STRUCTURE

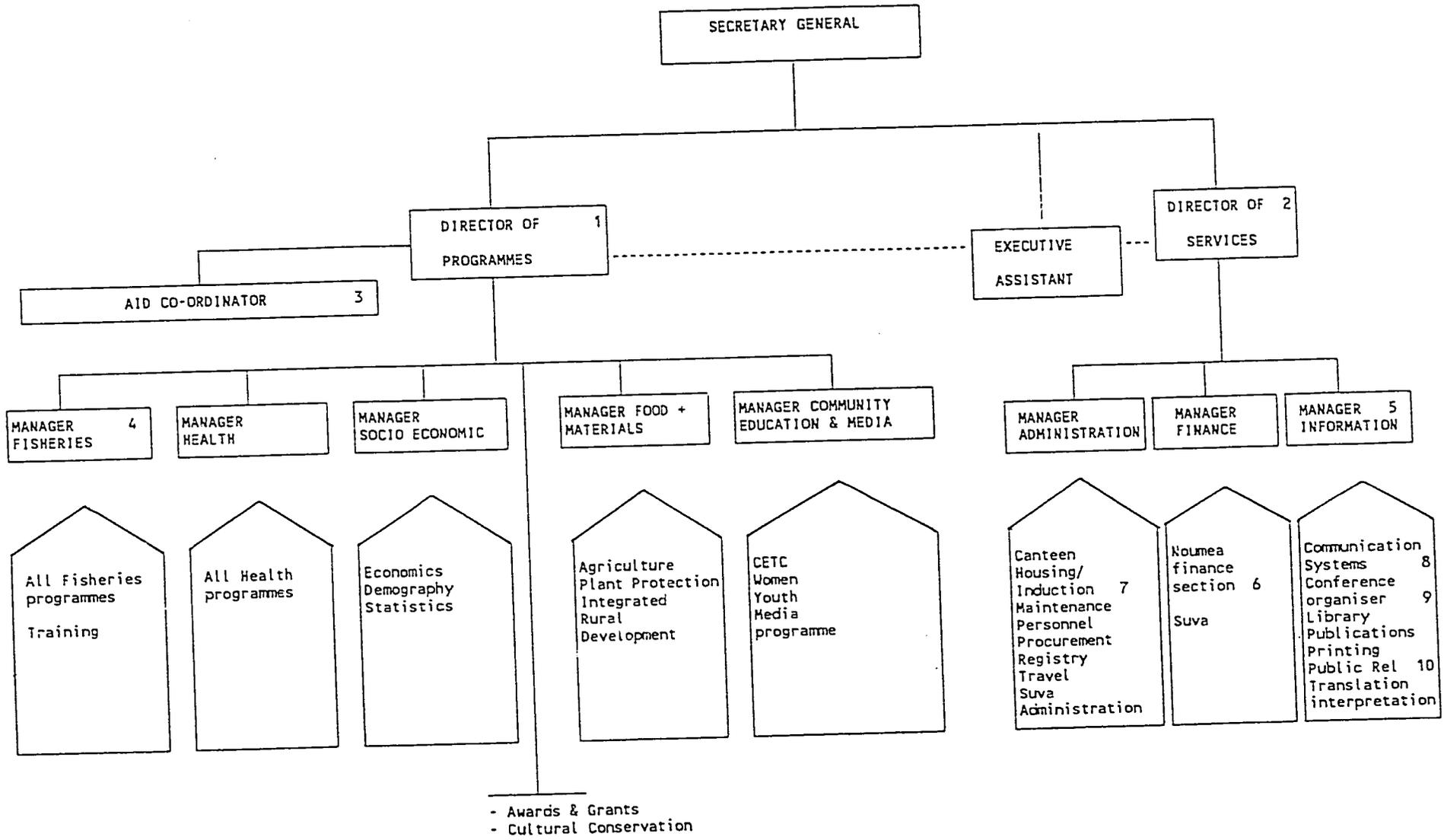
- (v) That the Commission reorganise its support structure to:
- Establish a new Information Section, which will include separate subsections for conference organisation, public relations and a revamped communications systems section.
  - Disestablish the typing pool, with typists being reallocated to programme and support areas.
  - Augment the Finance Section with a position in Suva,

226 Organisation Chart; Charts showing the recommended structure are on pages 12 to 14.

# PROPOSED ORGANISATION STRUCTURE

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Notes: 1 to 10; Refer to following pages

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## NOTES TO RECOMMENDED ORGANISATION STRUCTURE

Note (1) Director of Programmes

Responsible as one of two deputies to the Secretary General for.

- all programmes
- planning, budgeting and evaluation of programmes
- aid co-ordination

Note (2) Director of Services: (Reclassified Post)

Responsible as one of two to the Secretary-General, for;

all support services; administration, finance and information services for Noumea and Suva.

Note (3) Aid Co-ordinator (New Post)

Responsible to Director of Programmes for Aid Co-ordination for:

- co-ordination of requests to donors
- negotiation of donor commitments.

Note (4) Programme Managers (Reclassified and New Posts)

Five programme managers, each responsible to the Director of Programmes for the management of a programme Sector.

Programme Managers replace Programme Co-ordinators.

Note (5) Support Services Managers (Reclassified Posts and New Posts)

- Three support services managers reporting to the Director of services.
- Information Manager (new post) is in charge of publications, printing, public relations, library, communications and computer systems, conference, organisation, translation and interpretation services.

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### NOTES TO RECOMMENDED ORGANISATION STRUCTURE

Administration Manager retains responsibility for personnel functions, housing and induction, procurement, travel, registry, maintenance and canteen. Administration Manager is a change of title for the Senior Administration Officer.

Note (6) Finance Officer in Suva (New Post)

Responsible to the Finance Manager in Noumea for financial management in Suva.

Note (7) Induction Officer (Reclassified Post)

Responsible to Administration Manager for orienting new staff and assisting in search for housing and negotiation of leases. Must be bi-lingual and knowledgeable about Noumea housing conditions.

Note (8) Communications and Computer Systems Manager (Reclassified Post)

Responsible to Information Manager for communication policy and all electronic and computer installation, management and linkages. The post reclassifies and widens the responsibility of the computer manager.

Note (9) Conference Organiser (New Post)

Responsible to Information Manager for obtaining and managing all services required for workshops, seminars and conferences some of which (eg interpretation) will be internal, others obtained commercially.

Note (10) Public Relations Officer (New Post)

Responsible to Information Manager for internal and external public relations and the promotion of the Commission's image regionally and internationally.

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## SECTION 3 SYSTEMS OF MANAGEMENT

### 301 Introduction

Terms of Reference 3 of the Management Review was the review of the systems of management for the Commission's human, financial and physical resources.

### 302 Summary of Findings

- Management of the Commission's human resources has significant weaknesses through:
  - inappropriate recruitment procedures
  - poor personnel appraisal system
  - unclear policy on staff training
- Management of the Commission's financial resources is being adversely affected by:
  - the variety and extent of required reporting to donors
  - unnecessarily early timing of the budget process.
- Management of the Commission's physical resources is handicapped by a lack of modern technology, inadequate control over furniture and equipment, and under utilisation of facilities in Fiji.
- The Commission's staff rules and financial regulations require amendment and consolidation.

### Comments

#### *Recruitment of Personnel*

303 Recruitment for the top positions under the Secretary-General is confined to nominees put forward by member countries. The positions are not advertised. As the Commission is a non-political technical assistance agency, it would be advantageous if it could cast a wider net to attract to top management positions applicants with a range of managerial experience and qualifications. In addition there is, at present, no shortlisting of the candidate or interviews to assess suitability. Again, it is desirable that, for positions of such importance, the selection process should be as rigorous as possible.

304 In respect of other positions in the Commission, similar weaknesses are

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### SECTION 3 SYSTEMS OF MANAGEMENT

apparent. Delays in recruitment of programme officers have adversely affected programme implementation. Recruitment is sometimes completed without consultation of section heads. For core budget positions, advertising is by way of savingsgrams, which appear to reach a limited audience.

- 305 The period of contracts for top management positions under the Secretary-General is too short. Three year contracts, as opposed to contracts of longer periods, have disadvantages;
- more frequent costs of appointment and termination.
  - it affects continuity of operations, particularly if both officers leave in the same year.
  - loss of operating efficiency because of the time needed to gain familiarity with Commission activities.
- 306 Newly appointed officers do not receive adequate induction when they arrive at the Commission. There is no formal system or resources devoted to settling in new officers and their families. This is especially relevant in Noumea, where the local conditions are unfamiliar to most appointees.

#### *Performance Appraisals*

- 307 Present procedures for performance appraisals are unsatisfactory. The appraisal form in use, appears to be intended mainly to approve annual salary increments. Often appraisals have not been discussed with officers, and completed appraisal forms have not been given to them.
- 308 Appraisals are not related to the projects, or specific work of staff, and do not link to project or personal objectives.
- 309 The appraisal system does not help in personal development, or contribute to improved performance.

#### *Staff Training*

- 310 There is no clear Commission policy on the provision of staff training; what form should it take, the extent of training and to whom it would be applicable.
- 311 Current policy appears to be that it is inappropriate for the Commission to provide professional training to programme staff, but that other types of training may be approved on a case-by-case basis.

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- 312 In practice, training of staff in specific skills (for example computer skills) is piecemeal and inadequate. The lack of language training is inconsistent with the bilingual policy of the Commission.

#### *Financial Management*

- 313 Since late 1990, there have been no regular internal financial reports on programme expenditure. Previously programme officers were receiving monthly reports giving up-to-date expenditure for each programme. Several reasons were cited as to why this had lapsed; lack of experienced personnel, and the increasing demands for donor financial reports.
- 314 The lack of experienced personnel is of concern, particularly in the area of programme accounting. The situation has been worsened with the resignation of the Finance Manager in May 1991. Finance staff have been working extended hours, yet are barely able to cope with day-to-day workflows.
- 315 Commensurate with the increase in extra-budgetary funding is the demand for financial reports to donors. In 1980, there were only one or two reports to donors on extra-budgetary funds. By 1990, the figure was in the hundreds. Moreover, donors have different requirements as to what level of detail is reported, the format of reporting and the timing of reports. It is no surprise that the preparation of donor reports is falling behind.
- 316 Programme staff in Suva are starved of financial information on their projects. The Commission has been moving to establish a stronger finance operation in Suva which would be able to process, store and report data for Suva-based activities. This move is supported, especially as over Fiji \$2 million a year is disbursed through Suva.
- 317 The budget document, as one of the principal outputs of Finance, is comprehensive and easy to follow. However, its effectiveness is limited by overly-early preparation and overly optimistic inclusion of projects. An analysis of the 1992 budget submitted to the May 1991 CRGA shows that for 62% - almost two-thirds - of anticipated extra-budgetary expenditure, no funding source had been found. This undermines the credibility of the budget as a reliable plan for the ensuing years activity.
- 318 The fragile financial position of the Commission is another major concern. Although the Commission's financial statements for the year ended 31 December 1990 is not yet finalised, it is expected that the core budget will be in deficit. Furthermore, it appears that several extra-budgetary

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## SECTION 3 SYSTEMS OF MANAGEMENT

programmes have been incurring large deficits, and these are being financed by extra-budgetary programmes which have funds in hand. The delay in preparation of the annual balance is also of concern, as is the lack of more up-to-date figures on the Commission finances.

### *Management of Physical Resources*

- 319 Physical resources are defined as the assets (buildings, equipment and furnishings) owned or used by the Commission.
- 320 The largest building is the pentagon complex in Noumea. In view of the CRGA sub-committee considering options for a new headquarters, the Review Team did not look at this area.
- 321 The CETC facility in Suva is underutilised. Although it can accommodate 36 residential students, only 26-28 have been on campus in recent years. No effort is made to recruit day students. During the long holiday the facility could be used by other elements of the Commission or by outside organisations on a fee basis.
- 322 Completion of a physical inventory of office and household furnishings is long overdue, as is reconciliation of physical and financial records. Suspected losses in household items cannot be charged to tenants because no initial stocktakes were performed. The Commission has borne the loss.

### *Staff Rules and Financial Regulations*

- 323 The staff rules are comprehensive, and in the main, sound. They have not, however, been kept up-to-date, or consolidated. Rule IV.4(6) - the 6 and 10 year rule - is not clear. It creates doubt on long term employment, particularly for locally appointed administrative staff, and the rule is capable of being interpreted in any way desired. The rule should be clarified; a suggested amendment is recommended in paragraph 333.
- 324 The financial regulations need a complete revision. The present regulations were, notwithstanding the amendments made in 1988, framed when the Commission's financial activity was smaller and principally through the Core Budget. It provides for centralised control, and assumes that the cash basis of accounting is appropriate.
- 325 In the light of recommendations made in this Report, the Commission should revise financial regulations to reflect

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## SECTION 3 SYSTEMS OF MANAGEMENT

- changes in the budget process
- delegations of authority
- the refocus from core and extra budget to administrative and work programme budget
- a move to accrual accounting.

### Conclusions

- 326 In most organisations people are the most valuable resource. The Commission is no exception. Therefore it is important to have in place the best possible system of managing that resource. The Commission needs to re-think its recruitment, training and appraisal procedures to better manage its staff.
- 327 The Commission's financial management is pressured through an expanded workload, combined with inexperienced staff. Vital tasks are being delayed, or not performed at all. An overriding problem is the limitation of financial regulations within which the finances are managed.

### Recommendations

#### 328 *Recruitment*

- (i) That appointments to Director of Programmes and Director of Services be widely advertised. A small sub-committee of the CRGA, together with the Secretary-General, should shortlist, and interview applicants and select the successful candidate.
- (ii) That the term of office for Director of Programmes and Director of Services be four years.
- (iii) That notification of professional and managerial vacancies be advertised in regional publications.
- (iv) That recruitment of all positions begin early enough to ensure an overlap with predecessors.
- (v) That an induction officer be appointed to ensure adequate familiarisation and housing settlement for all non-local appointments.

#### 329 *Personnel Appraisal*

- (i) That a new personnel performance appraisal system be introduced

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which will link project objectives and personal objectives set at the start of the appraisal period.

- (ii) That staff appraisal be the responsibility of Programme Managers; Managers will be appraised by the relevant Director.

#### 330 *Staff training*

- (i) That policy for professional attendance at conferences and training programmes be clarified.
- (ii) That staff training policy be formulated which encourages training in specific skills, including language training.

#### 331 *Financial Management*

- (i) That a suitably qualified accountant be appointed in Suva to undertake all accounting functions.
- (ii) That the procedure for budget preparation is changed. (Refer Annex 3).
- (iii) That steps are taken to ensure that donor funds in credit are not used to temporarily finance other projects.

#### 332 *Physical Resources*

That full utilisation of the CETC be encouraged by budgeting for a full student complement and advertising the availability of the facility during the holidays.

#### 333 *Rules and Regulations*

- (i) That staff rules be consolidated to incorporate all updates.
- (ii) That the '6 and 10 year' rule be amended to the effect that further employment of non-local administrative staff should be notified to the Conference after three contract periods (9 years), with the existing provisions for the six year rule to remain unchanged.

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### SECTION 3 SYSTEMS OF MANAGEMENT

- (iii) That consequent to changes in the Commission's organisation structure and mode of operation, revised financial regulations should be considered by a CRGA sub-committee which also includes Director of Services, Manager - Finance, and the Commission's auditor.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## SECTION 4 CAPITAL REQUIREMENTS & PRIVATISATION OF SERVICES

### 401 Introduction

Item 4 of the Management Review terms of reference required a review of the Commission's capital equipment requirements and procurement procedures as well as considering the desirability of privatising any services of the Commission.

### 402 Findings

- The overriding capital requirement of the Commission is a modern well equipped headquarters, which will promote better integration, communication, performance and morale.
- The Commission lacks policy guidelines covering office automation and use of communication technologies.
- A good potential exists for privatisation. Commercial sources can provide services now covered by Commission staff. Certain skills and products of the Commission can be marketed without lessening effectiveness of operations. The headaches and costs of providing housing for all staff members can be reduced by adopting a policy of housing allowances.

### Comments

#### *Capital Requirements*

- 403 The existing Commission headquarters building is old, cramped, expensive to maintain and not conducive to operational efficiency. This situation has been recognised for some time. A CRGA sub-committee is looking at the headquarters reconstruction. Without wishing to influence the sub-committees or the CRGA on the options available, the review team notes that a new working environment is urgent and would be of immeasurable benefit to the Commission.
- 404 Linked to new headquarters is the refurbishment and office equipment which will be required. It would be inappropriate for old furnishings in the present headquarters to be used in the new building.
- 405 The Commission utilizes a wide variety of office automation, computers and communications technologies. However, there is no policy regarding systems integration and networking of information. Much of the present paper-shuffling could be eliminated by electronic mail, or a messaging system.

SECTION 4  
CAPITAL REQUIREMENTS & PRIVATISATION OF SERVICES

*Prospects for privatisation*

- 406 Present housing arrangements are unsatisfactory. The Commission's rental costs are soaring as new staff are placed into privately rented houses in high cost neighbourhoods in close proximity because Commission houses are fully tenanted. Private house rentals are commonly around 2 million cfp a year. Some projects bear the high cost of private rentals, while others incur a relatively light charge where the Commission housing is used. Perhaps the most persistent problem is the Commission's continuous involvement with staff and landlords in assigning and servicing the rented houses.
- 407 The Commission should, therefore, introduce a scheme which allows more flexibility for staff, but reduces the administrative onus on the Commission. A housing allowance plan would be such a scheme. It would incorporate:
- Establishing rental ceilings based on market surveys, for required types and sizes of houses;
  - Paying housing allowances based on a percentage of that ceiling; and
  - Having a housing/induction officer who would be available to advise and assist the employee in selecting a house and negotiating a lease. The lease should be in the name of the employees who would be responsible for paying the rent, and for any further dealings with the landlord.
- 408 The Commission's medical scheme cost is high and requires considerable administrative effort. For core budget staff alone, the Commission has had to allocate 125,000 cfp units over the past two years to cover the shortfall of employee deductions against medical costs. Extra budgetary medical costs cannot be readily ascertained, as medical costs are charged directly to projects. Consequently, should a large medical claim arise for a staff member on an extra-budgetary project then that project could be left financially strapped. There is a large administrative effort in managing the scheme. Claims for reimbursement have to be checked, and Finance processes claims through employee accounts. Furthermore clerical people are required to make decisions on medical matters. This is clearly inappropriate.
- 409 The Commission should review the cost of the present 'full cover' scheme and compare it with what is available through private health

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## SECTION 4 CAPITAL REQUIREMENTS & PRIVATISATION OF SERVICES

insurance schemes. The criteria for a revised medical scheme should be:

- Minimal or no administrative commitment;
- A predetermined subsidy limit to be borne by the Commission; and
- A pooling of the risk to guard against large claims to individual projects.

410 There is potential for greater privatisation and competitive pricing of travel bookings. There has been little attempt to find the best deals or to watch out for Commission interests. It is noted, for example, that despite the amount of business transacted with the Commission's main travel agent in Noumea, the agent has not yet refunded, at the time of the review, over 10 million cfp of cancelled bookings.

411 The Commission should;

- Invite travel agents to bid competitively each year for the privilege of using Commission space to provide services for official and personal travel; and
- Periodically conduct a sample survey to ascertain whether the agent currently under contract is providing service at competitive prices.

412 Rationalising maintenance services is dependant on the decision on a new headquarters building. In a new building, required maintenance will only be a fraction of that presently needed on the pentagon. After a move to a new building, a competitive process to contract cleaning, maintenance and security services would be appropriate. Contracts should be on 1 - 2 year basis to allow for competitive renewal.

413 There is scope for at least two Commission activities to be used for outside hire. The interpretation service could do more to service the needs of other organisations. The funds earned may be sufficient to enable more translation resources to be obtained. Similarly the media centre, in the time not dedicated to the needs of the Commission, could produce video, broadcast and graphic materials for other users.

414 As noted previously the CETC facility at Narere, Fiji is underutilized. Even though the period between residential courses includes Christmas, the Commission should advertise that the complex could be rented to organisations requiring teaching and residential facilities.

SECTION 4  
CAPITAL REQUIREMENTS & PRIVATISATION OF SERVICES

415 Substantial savings are possible for printing and reproduction. The team recognised the high quality and readability of Commission publications, and it is important that the Commission control the quality of documents going out under its name. Nevertheless available data indicated that the use of printing firms in Fiji and elsewhere would provide considerable cost savings.

416 Conclusion

A more businesslike attitude should be adopted in the provision of the Commission's services. Present arrangements tend to follow historic practice, and do not address the problems of increasingly costly and unproductive work being handled in-house.

416 Recommendations

That the Commission:

- (i) Ensure that plans for reconstruction of headquarters include installation of full capacity for electronic communication and a full complement of work stations, printers and other equipment;
- (ii) Establish a communications and information policy to be formulated and implemented by a small committee of experts and users;
- (iii) Review its policy on Housing and Medical Benefits in terms of paragraphs 407 and 409;
- (iv) Immediately act to invite competitive bids for the provision of travel services (paragraph 411);
- (v) On completion of headquarters reconstruction, seek commercial sources for maintenance, cleaning and security services;
- (vi) Institute a policy of encouraging hiring out of specialist services, provided that the needs of the Commission are regarded as paramount; and
- (vii) Obtain quotes for services from commercial firms for printing and reproduction work.

SECTION 5  
OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S  
ADMINISTRATIVE AND SERVICE UNITS

501 Introduction

The Review Team's terms of reference included a consideration of the workload and organisation of existing administrative and service units, and to recommend appropriate improvements to meet needs. Section 2 of the Report lists the summarised findings and recommendations relating to the overall administrative and services structure. This part of the Report lists the observations and comments of individual administrative and service units.

502 Units Surveyed

Administration - Personnel  
- Registry  
- Travel  
- Canteen  
- Maintenance  
- Maintenance Technician  
- Typing pool  
- Suva

Library

Publications and Printing

Translation and Interpretation.

The operations of the finance unit have been mentioned in Paragraphs 313 to 318 of the Report.

Administration-Personnel

503 *Observations*

In addition to matters already raised in the report regarding staff appraisals, staff recruitment and induction, it was observed;

- Much personnel time has been used in handling housing queries, assignments and multiple moves of personnel.

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

- Leave application processing is falling behind
- Preparation and renewal of staff and short-term contracts is often hurriedly prepared, which sometimes leads to mistakes in contracts
- General filing is not up-to-date.

The overall impression is that the constant need to catch-up creates an inefficient work approach, as jobs are not tackled in an orderly fashion.

#### 504 *Recommendation*

- The appointment of a housing/induction officer, and a change in housing policy will free resources to allow a smoother operation.

#### Administration - Registry

#### 505 *Observations*

- Over the past three years Registry's workload has dramatically increased. In 1988 there were 47,374 external communications; in 1990 the number had more than doubled to 97,993. Projections for 1991 are well over 100,000. Consequently registry staff have been working under intense pressure. This pressure will ease when SPREP moves to another location.
- Registry's work practices are out-moded. The practices reflect the present organisation structure and reporting lines.
- Technology is not being used to best effect. For example staff are manually feeding fax machines at the most costly time of the day.
- No archive records have been sorted since the inception of the Commission. Storage of approximately 20,000 old files is not protected by air conditioning or insect proofing.

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

#### 506 *Recommendations*

- Reduce the circulation of correspondence. Instead of circulating all correspondence first through each three members of executive management, it should be sent directly to Programme Managers, with a copy to the appropriate Deputy to the Secretary-General.
- Purchase a more sophisticated fax machine which will automatically send non-urgent faxes at night (at half the existing rate), and automatically record the cost to the sender.
- Establish a database system to record incoming and outgoing correspondence, assign action and follow up actions overdue. This will replace the manual-intensive bring-up system, file cards and file references.
- Appoint an archivist to a temporary position for up to one year to identify, catalogue and save all important documents.

#### Administration - Travel

#### 507 *Observations*

- The travel section workload has increased markedly from 1985 to 1990. The section processed 357 travels in 1985, rising to 535 in 1990. Despite working extra hours, travel staff are hard pressed to cope with demand. Routine, but important, jobs such as claiming refunds from airlines are falling behind.
- There are cumbersome work practices. For example to complete travel arrangements, the Principal Officer's authority is needed twice and no fewer than four documents (including one of six copies) must be completed. Another example is that although the section has a computer terminal, because there is no access to a printer, duplicate entries are made on typewriter.
- The travel section handles conference and meeting arrangements, and some personal travel, in addition to staff duty travel. The total workload, at its current magnitude, places an unnecessarily heavy burden on the section.

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

#### 508 *Recommendations*

- Streamline the workflow and reduce the paperwork by delegating and simplifying travel approvals.
- Obtain necessary equipment such as a printer.
- Offload conference, seminar and workshop arrangements to a Conference Officer.
- Invite travel agents to bid competitively each year to provide services for official and personal travel (refer paragraph 411).

#### Administration - Canteen

#### 509 *Observations*

- Too much time is spent on Canteen operations. A canteen advisory committee regularly meets in official time.
- The Commission does not fully recover from the canteen the costs of administration. While direct costs such as electricity and canteen wages are charged to the canteen, administration and finance time is not.

#### 510 *Recommendations*

- The canteen advisory committee should meet outside official hours, as the affairs of the Canteen should not interfere with the running of the Commission.
- The canteen should be charged with overhead costs that reflect the time spent by the administrative and financial sections on canteen operations.

SECTION 5  
OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S  
ADMINISTRATIVE AND SERVICE UNITS

Administration - Maintenance

511 *Observation*

The Commission's maintenance section is large in relation to the number of employees. However, while the Commission remains in the existing headquarters, and the present housing policy continues, high maintenance will be required.

Administration - Maintenance Technician

512 *Observations*

- Almost all technical maintenance is undertaken by one person. With the increase in the number of meetings at which sound equipment is required, together with the large increase in the number of computers and other electronic equipment, the workload far exceeds the resources available.
- The Commission has around 20 different brands of computers. In Noumea the capability to service and maintain computers is limited to a few makes. Consequently malfunctioning equipment is often unable to be quickly repaired, or spares are unavailable locally.
- Present Conference sound facilities in Noumea are dependant on a system which is old, fragile and needs to be manually switched.

513 *Recommendations*

- Establish an additional position of Electronics Engineer, who would be a trained electronic specialist.
- Establish guidelines on the purchase of electronic and computer equipment to ensure flexibility for local repair and maintenance, and compatibility with equipment already on site.
- Replace the Conference sound system with a modern portable version, capable of automatic switching.

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

#### Administration - Typing Pool

##### 514 *Observations*

- Users of the typing pool have expressed varying degrees of dissatisfaction with the typing service. Criticism was not of the typing staff or their standard of work but of the problems posed by competing demands and inability to complete work promptly.
- Although typing pool staff are on different gradings, each is doing the same work. Staff do not develop the specialised knowledge that would accrue from dedication to one programme or section.

##### 515 *Recommendations*

- Disband the typing pool, and
- Reallocate francophone specialist typists to translation and interpretation, and reallocate other typists to programmes and sections in particular need of services.

#### Administration - Suva

##### 516 *Observations*

- Administrative work has been hampered by the amount of accounting work undertaken, and also a lack of communication with Noumea.
- The Suva Office is working excessive overtime. Between October 1990 and March 1991, 1637 overtime hours were claimed, an average of 11 hours a week for each person. This is unacceptable; the cost of this overtime is more than the cost of an extra employee.

##### 517 *Recommendation*

The appointment of a specialist accounting officer in Suva will reduce the workload on administration; consequently overtime should not be necessary.

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

#### Library

##### 518 *Observations*

- Increases in Work programme activity, numbers of publications circulated and development of databases have increased the library's workload. The library estimates there is a 10 month work backlog.
- There are cramped conditions and lack of private workspace for staff or clients which is detrimental to efficient library operations.
- Budgetary constraints are limiting the effectiveness of the library. For example, in 1990 only 38 books could be purchased from the library budget of 4590 cfp units. Although books were purchased from other budgets this figure is very low.

##### 519 *Recommendations*

- Organisationally, the library should form part of an Information service grouping which will allow for better role definition, and integration of activities.
- Additional budget resources should be made available to, firstly, hire one further staff member to clear the backlog and meet the increased workload, and secondly, for library acquisitions.

#### Publications and Printing

##### 520 *Observations*

- The variety and extent of work allocated to employees in this section has inevitably led to large backlogs of work. Duties such as taking notes of Conference and CRGA proceedings reduce the time available to edit and print publications.
- The bottleneck at publication and printery, adversely impacts on the effectiveness of those programmes which rely on timely and regular publication of information and activities. The increasing

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

demands for publication and printery work for meetings and conferences has led to further delays in attending to Work Programme publications.

- The workload has increased considerably over the past few years without commensurate increases in staffing.

#### 521 *Recommendations*

- Publications and Printery should form part of an Information Section.
- Public relations and Conference duties should be reallocated to other units in the Information Section.
- An additional editorial assistant to the publications officer should be appointed.
- Install a networked or multi-terminal computer, including modern multi-user desk-top publishing software.
- Streamline work practices through continuing efforts to reduce size of documents for meetings and reducing, where possible, the number of copies of each document.
- Use competitive outside services for printing and reproduction.

#### Translation and Interpretation

##### 522 *Observations*

- There is a significant backlog of documents which require translation from English to French. At 31 December 1990 a total of 1516 pages remained outstanding. This represents about six months translation work. Publications represented 83% of the backlog, as opposed to technical or meeting reports.
- Interpretation requirements have been satisfactorily covered. The Commission has assigned interpreters to translation (to the detriment of their ability to prepare for translation duties) and has

## REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

### SECTION 5 OBSERVATIONS ON THE OPERATIONS OF THE COMMISSION'S ADMINISTRATIVE AND SERVICE UNITS

been able to provide interpreting services for meetings organised by other bodies.

#### 523 *Recommendations*

- As the Commission is a bilingual organisation, it is important that additional resources are obtained to ensure translation of documents into both languages is up-to-date. Additional resources could be funded by interpretation, servicing the needs of other organisations, and charging professional fees.
- The suggested allocation of Francophone typists from the typing pool to translation, will free more resources for translation services.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 1 IMPLEMENTATION OF RECOMMENDATIONS

### OVERSIGHT OF IMPLEMENTATION

In view of the far reaching nature of many recommendations, and in recognition that the recommendations, if agreed, will take several years to implement it is suggested that Commission appoint an implementation committee. The Committee would be a CRGA subcommittee consisting of no more than four persons. The committee would comprise of CRGA delegates, one of whom should chair the Committee, and at least one of the Principal Officers of the Commission.

The Committee would report progress on implementation to CRGA meetings and the South Pacific Conference.

### SUGGESTED PRIORITIES FOR IMPLEMENTATION

- PHASE 1:  
(immediate priority)
- Begin Corporate Planning
  - Revise organisation structure
  - Improve recruitment procedures.
  - Appoint Directors, Programme Managers and other positions.
  - Competitively tender for travel services.
- PHASE 2
- Appoint a Programme Review sub-committee.
  - Introduce the Administrative and Work Programme Budget, on a revised cycle.
  - Revise Financial Regulations.
  - Relocate programmes.
  - Establish a communications and information policy.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 1 IMPLEMENTATION OF RECOMMENDATIONS

- PHASE 3
- Revise personal appraisal, and staff training policies.
  - Revise policies on housing arrangements and the medical scheme.
  - Implement remaining recommendations for administrative and service units.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 2 CORPORATE PLANNING

On page 4 of the report, the review team recommends that the Commission prepare a Corporate Plan, as the basis for its future activities.

This annex outlines the concepts and procedures which should be borne in mind when formulating a Corporate Plan.

### Corporate Plan Defined

The Corporate Plan of the Commission will represent the formal and public agreement between the member administrations and the Commission which defines the Mission Statement, and objectives the Commission is committed to promote.

### Steps in the Corporate Planning Process

The Commission's environment should be appropriately analysed in terms of both the current situation and anticipated changes to it.

This will involve

- Identifying the needs of the people and groups that the Commission serves; and
  - Assessing the Commission's relationship to other South Pacific Regional Organisations, and international aid agencies operating in the Commission's environs.
- 2 Assessment of the Commission's capabilities to provide the identified needs.
  - 3 Following Steps (1) and (2) the Commission's fundamental purpose - its mission statement - should be formally stated. The statement should be short but encompass the broad philosophy of the Commission.
  - 4 The Corporate Plan should then detail the activities which will be undertaken to meet the Mission Statement. The objectives for each activity should be stated. The objectives must be consistent with the mission statement.
  - 5 Corporate planning should also provide the mechanisms for reporting actual results against the objectives. Usually an annual report sets out performance of an organisation in relation to what was specified in the Corporate Plan.

ANNEX 2  
CORPORATE PLANNING

Content of the Corporate Plan

The essential contents of a Corporate Plan for the Commission would include.

- Profile and Role of the Commission
- Statement of Principles
- Environmental analysis
- Mission Statement
- Activities which will support and carry out the Mission Statement
- Objectives of the activities.

Personnel involvement in Corporate Plan Preparation

A Corporate plan of the Commission should be prepared by a 2 person team comprising:

- one of the principal officers of the Commission.
- an appointee of the South Pacific Conference.

A draft Corporate Plan should be discussed at the following CRGA, with the CRGA making recommendations to the next South Pacific Conference.

The timing of the Corporate Planning process would be liaised with the implementation sub-committee of the CRGA.

Publication of Corporate Plan

Following the approval of a Corporate Plan by the Conference, the plan should be published, and distributed to all member administrations, regional bodies and international aid agencies.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 3 PROPOSED BUDGET PREPARATION AND APPROVAL CYCLE

Persons Acting	Action Required	Previous Year				Operational Year									
		Sep	Oct	Nov	Dec	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov Dec		
Conference	Review Recommendations of CRGA Approve Programme and budgets											XX	XX		
CRGA May	Review total Programme funds to determine general directions and amounts for each sector  Review Support funds; include relation to Programme budget Sub-committee to review and recommend						XX								
October CRGA	Recommend to Conference													XX	
Programme Review Sub-Committee of CRGA	Suggest sectors or projects for evaluation  Review evaluations and reports of technical meetings  Review SG's budget. Request needed analysis by FIM & DP  Prepare report to CRGA	XX									XX	XX			
Meetings of Government Technical Sector Heads	Establish or confirm their objectives for the sector	Periodic													
Government Technical Sector Heads	Advise own CRGA Representative on sector priorities and budget needs						XX						XX		
Secretary-General	Approve budgets for presentation to CRGA and its Programme Review Sub Committee							XX							
DP and DS with Manager Finance + Admin	Review budget issues. Make recommendations to SG						XX								
Aid Co-ordinator	Ascertain continuity of donor funding and future interests	Continuous													
	Negotiate donor financing for Support Services rendered			XX	XX	XX	XX								

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 3 PROPOSED BUDGET PREPARATION AND APPROVAL CYCLE

Persons Acting	Action Required	Previous Year				Operational Year								
		Sep	Oct	Nov	Dec	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov Dec	
Finance Officer	Update guidelines for Programme funding of Support Services			XX									XX	
	Assemble budget requests from section heads and prepare draft budgets					XX								
	Analyse issues in Support and Programme budgets for presentation to Management					XX								
	Inform Aid Co-ordinator of needs for donor funds							XX						XX
DP, DS and Aid Co-ordinator W/Progress Managers	Review constraints and possibilities in Programme budget; identify solutions					XX								
All Programme Managers	Identify areas of mutual interest; co-ordinate budget requests					XX								
	Prepare draft sector budgets for review by FIN, SAO					XX								
Sector programme personnel of a sector	Review sector needs, funding available and establish priorities					XX								XX
Each Programme Officer	Review project needs and draft progress report					XX								

REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

ANNEX 4  
SUMMARY OF ADDITIONAL RESOURCES RECOMMENDED

<u>Human Resources</u>	<u>Expected additional cost per Year</u>
<u>Executive Management</u>	<u>Cfp Units</u>
Aid Co-ordinator	75,000
<u>Food &amp; Materials</u>	
Programme Manager	80,000
<u>Marine Resources</u>	
Programme Manager	NIL (replaces co-ordinator)
<u>Community Health</u>	
Programme Manager	NIL (replaces co-ordinator)
<u>Socio-Economic</u>	
Programme Manager	80,000
<u>Community Education &amp; Media</u>	
Programme Manager	80,000
<u>Support Services - Administration</u>	
Housing/Induction Officer	NIL (temporary position at present)
Archivist (temporary position)	45,000 (one year only)
Electronics Engineer	60,000
<u>Support Services - Finance</u>	
Finance Officer - Suva	45,000
	Continued .....

REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

ANNEX 4  
SUMMARY OF ADDITIONAL RESOURCES RECOMMENDED

Continued .....

<u>Support Services - Information</u>	<u>Cfp Units</u>
Manager - Information	65,000
Conference Organiser	55,000
Public Relations Officer	45,000
Editorial Assistant	45,000
Secretarial Assistant	35,000
Library Assistant	35,000
Total Estimate	(Yearly) 700,000 (one-off) 45,000

Physical Resources

Units  
Approximate Cost

Registry - upgraded fax machine	}	9,000
- computer database		
Library acquisitions		19,000
Travel - Printer		2,000
Conference Sound facilities		40,000
Publication computer with desk top publishing software		25,000
Total Estimate		95,000

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 5 SUMMARY OF POTENTIAL COST SAVINGS TO THE COMMISSION

### Short Term and Continuing

- Competitive tenders for travel service.
- Reduction in facsimile communication costs through off-peak transmission.
- Hiring out, where possible, the services of Interpretation, and Media Centre.
- Hiring out of the CETC facilities, when available.

### Medium term

- Revision of housing arrangements.
- Revision of medical scheme.

### Long term

- Reduction in maintenance costs, through contracting services (dependant on move to a new building).

REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

ANNEX 5  
SUMMARY OF POTENTIAL COST SAVINGS TO THE COMMISSION

<u>Budget Areas</u>	<u>Shift Proposed From Core to Work Programme</u> CFP UNITS	<u>Additional Resources Proposed for Administration /Support</u> CFP UNITS	<u>Change in Cost to Administration/ Support</u> CFP UNITS
<u>Executive Management</u>		+ 75,000	+ 75,000
<u>Food &amp; Materials</u>			-74,000
Programme Manager		+ 80,000	
Reallocation Typist	+ 28,000		
Trop. Agriculturalist	-74,000		
Plant Protection Officer	-90,000		
Other costs	-18,000		
<u>Marine Resources</u>			-264,000
Deep Sea Fisheries	-220,000		
Other Costs	-44,000		
<u>Community Health</u>			-279,000
Reallocation Typist	+ 28,000		
Education & Training	-32,000		
Materials			
NHETC - Advisory	-80,000		
Services			
NCD	-6,000		
SPEHIS - disease			
surveillance	-5,000		
Epidemiology	-83,000		
Rural Water supply	-15,000		
Environmental Health	-86,000		
<u>Socio-Economic Statistics</u>			-401,000
Programme Manager		+ 80,000	
Reallocation Typist	+ 28,000		
Statistics section	-245,000		
Economics section	-106,000		
Rural Development	-67,000		
Demography	-91,000		

Continued ....

REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

ANNEX 6  
ESTIMATED EFFECT OF SHIFT BETWEEN ADMINISTRATION AND  
WORK PROGRAMME BUDGET

Continued ....

<u>Community Education</u>			-823,000
Programme Manager		+80,000	
Pacific Women's Bureau	-141,000		
CETC	-298,000		
Media Centre	-381,000		
Youth & Adult Education	-111,000		
Reallocation Typist	+28,000		
<u>Information Services</u>			+382,000
Manager - Information		+65,000	
Conference Organiser		+55,000	
Public Relations Officer		+45,000	
Editorial Assistant		+45,000	
Secretarial Assistant		+35,000	
Library Assistant		+35,000	
Library Purchases		+19,000	
Reallocation Typists (3)	+83,000		
<u>Property &amp; Office Services</u>			-135,000
Typing	-195,000		
Electronics Engineer		+60,000	
<u>Finance Office</u>			+45,000
Finance Officer Suva		+45,000	
TOTALS	-2,193,000	+719,000	-1,474,000
	(1)	(2)	(3)

Column

- (1) Represents total cfp units which are presently funded by Core Budget, but are proposed to be funded by the work programme.
- (2) Represents cost of additional resources as proposed in the Review.
- (3) Represents the net saving that would be made to the Administration/Support budget resulting from (1) + (2).

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 6 ESTIMATED EFFECT OF SHIFT BETWEEN ADMINISTRATION AND WORK PROGRAMME BUDGET

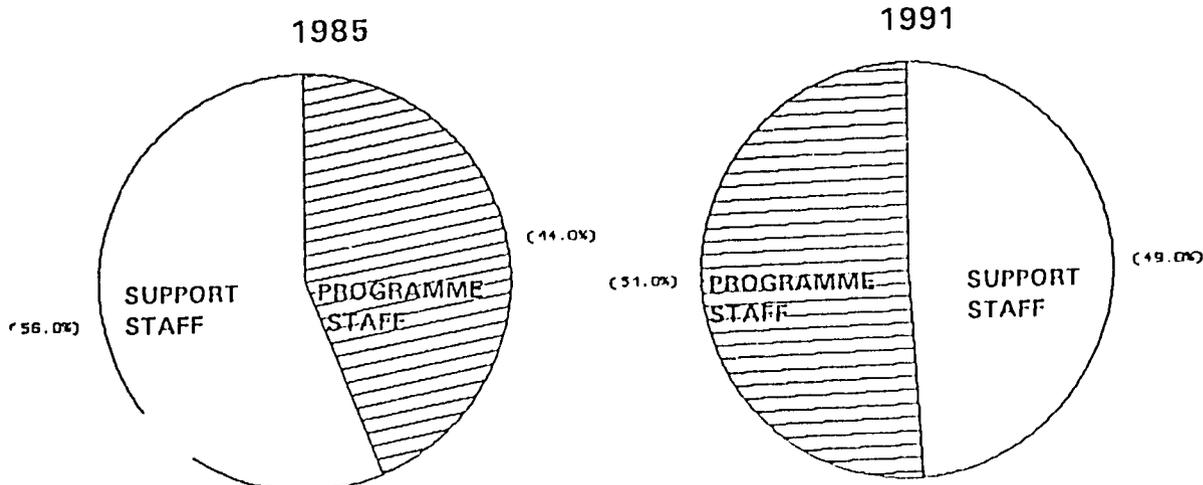
### Assumptions

- The figures used are the 1991 budget figures as disclosed in the 'Proposed 3-year Integrated Work Programme and Budget 1991-93' submitted to the May 1990 CRGA.
- Additional resources include provision for travel and other salary-associated costs.
- No allowance has been made for potential administrative cost-savings.
- The schedule shows expenditure on an on-going basis; one-off costs, such as recommended purchase of equipment have been omitted.
- Organisational assumptions are:
  - A Programme Manager for each programme sector is funded from Administration budget and responsible to Director of Programmes.
  - Typing pool is redistributed to programme sectors and translation.
  - A new Information Services section is established.

REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

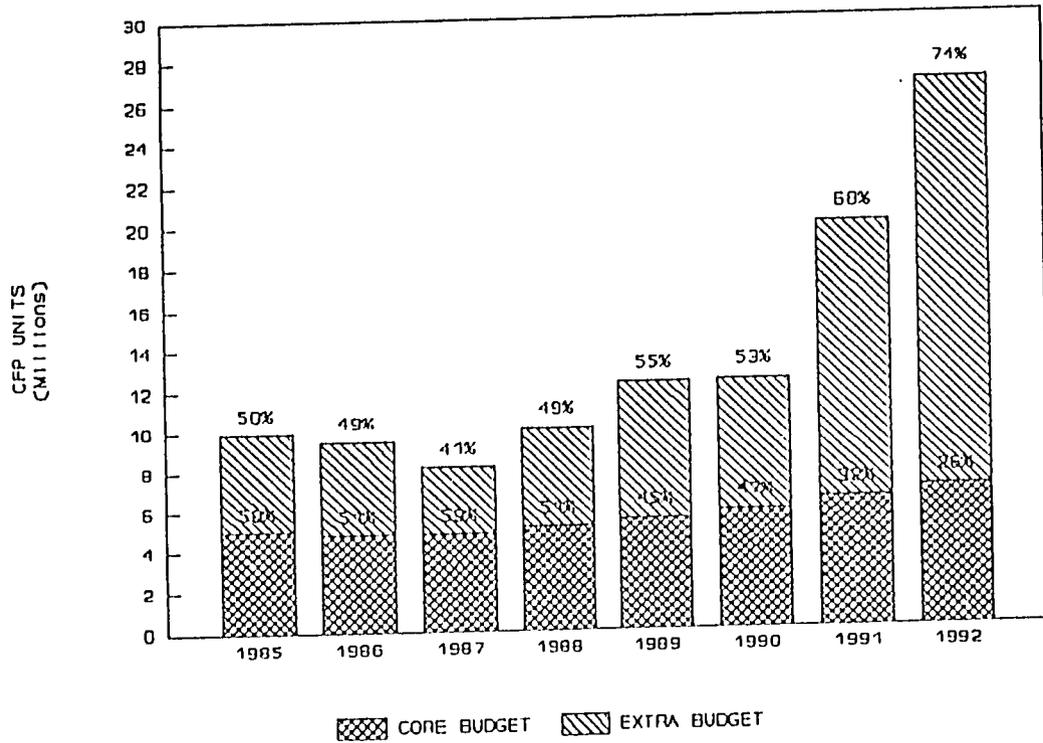
ANNEX 7  
 SOUTH PACIFIC COMMISSION  
 NUMBER OF PERSONNEL SERVICED BY SUPPORT STAFF 1985 - 91

	1985	1987	1989	1991
<u>MANAGEMENT</u>	3	3	3	4
<u>PROGRAMME STAFF</u>				
Food and Materials/Integrated Rural Development	3	3	7	17
Marine Resources	16	17	27	32
Environment Management and Rural Technology	9	9	5	14
Community Health	6	7	7	17
Socio-Economic Statistics	9	9	8	10
Community Education/Services	19	15	15	18
SUB-TOTAL (PROGRAMME STAFF)	65	63	72	112
SUPPORT SERVICES	79	91	91	106
TOTAL	144	154	163	218



REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

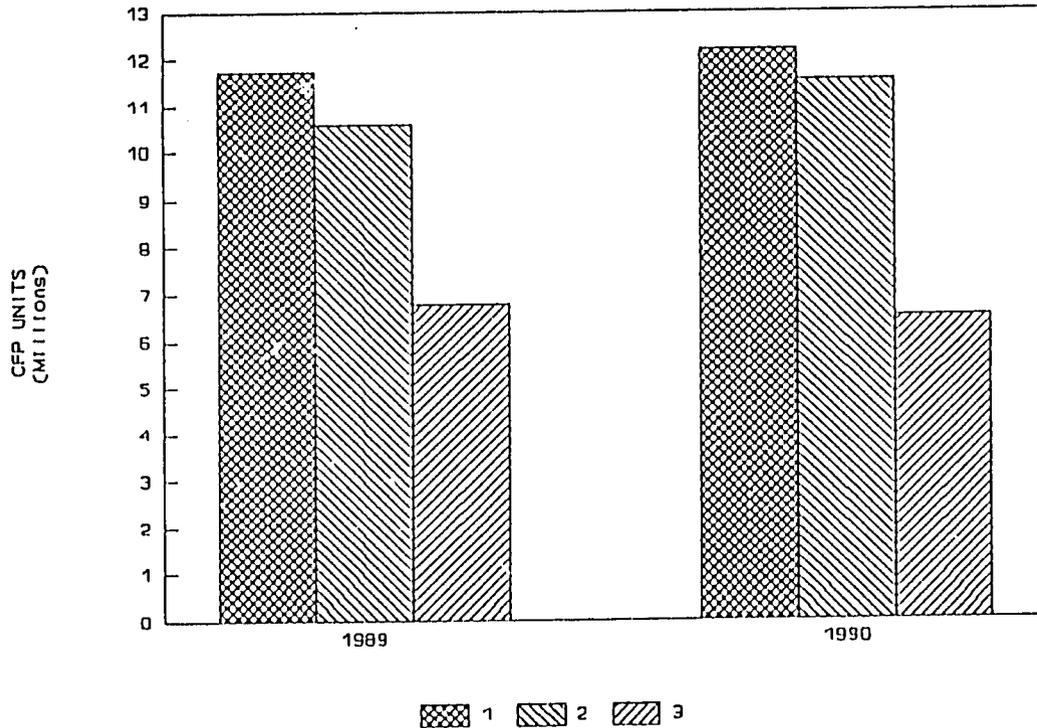
**ANNEX 8**  
**FUNDING OF TOTAL ACTIVITIES OF SOUTH PACIFIC COMMISSION**



- 1985 - 1990      - Actual Funding
- 1991             - Approved Funding
- 1992             - Proposed Funding

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 9 SHORTFALLS IN EXTRA BUDGETARY FUNDS



- 1 Extra-budgetary originally identified as required in the SPC Budget.
- 2 Budget revisions of extra-budgetary requirements.
- 3 Extra-budgetary funds actually received.

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 10 TERMS OF REFERENCE OF THE REVIEW OF SPC MANAGEMENT SYSTEMS

Extract from the proceedings of the 30th South Pacific Conference.

"Recognising the rising expectations which the region has of the South Pacific Commission and the need for the organisation to develop in a manner commensurate with the resources available to it and making the best possible use of those resources, and recognising the wish of the South Pacific Conference to be a fair employer, the Review Team will be required:

- 1 To examine and comment on the development of the SPC Work Programme since 1985 and in particular, to:
  - (a) examine procedures whereby the Work Programme is prioritised by the CRGA and Conference and where necessary, recommend improvements;
  - (b) examine and comment on the procedures which exist for the CRGA and Conference to consider the expansion of the Work Programme and the full resource implications of such growth;
  - (c) suggest possible new systems for longer term planning of programmes and resources;
  - (d) examine evaluation procedures and recommend ways in which to improve the link between programme performance and programme planning.
- 2 To review the administrative and services structure of the SPC and in particular:
  - (a) consider the workload and organisation of existing administrative and service units, and recommend appropriate improvements to meet needs;
  - (b) consider the staff function and grading implications of any recommended or likely functional changes to the SPC.
- 3 To review:
  - (a) the systems whereby the SPC's human, financial and physical resources are managed and in the case of human

# REVIEW OF THE SOUTH PACIFIC COMMISSION MANAGEMENT SYSTEMS

## ANNEX 10 TERMS OF REFERENCE OF THE REVIEW OF SPC MANAGEMENT SYSTEMS

- resources, associated training and recruitment;
- (b) the SPC rules, directives and regulations (including those covering financial transactions and assets) and their continuing relevancy to possible system changes which may be recommended.
- 4 To review:
- (a) the capital equipment requirements and procurement procedures of the SPC in the light of any recommended changes to the managerial, functional or physical structure of the SPC;
- (b) the desirability of privatising any of the services of SPC.
- 5 To report on the above matters in a clear and concise manner listing, on each occasion, the expected cost implications (capital and recurrent) of recommendations made."
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