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FOR INFORMATION

**INTERIM ASSESSMENT OF THE MANAGEMENT REVIEW OF UNICEF**

1. Having determined that an independent administrative and management review of UNICEF should be carried out by external consultants by the end of 1994 (E/ICEF/1993/14, decision 1993/23), the Executive Board, at its special session held on 6 and 7 October 1993 to consider the Executive Director's proposals on headquarters office accommodation, decided to review by 15 October 1994 the projections for the future levels of UNICEF headquarters staff, based, inter alia, on a report on this issue and on an interim assessment of the management review of UNICEF (E/ICEF/1993/17, decision 1993/26). The report on the projections for future levels of UNICEF headquarters staff may be found in document E/ICEF/1994/AB/L.11. The present report provides an interim assessment of the management review of UNICEF.

2. Work on the management review began after the Executive Board approved the revised proposal and terms of reference (E/ICEF/1994/AB/L.1/Rev.1) submitted by the Executive Director to the Executive Board at its first regular session in 1994 (E/ICEF/1994/13 (Part I), decision 1994/R.1/6), held from 23 to 25 February 1994. The annex to the present document contains an interim progress review prepared by the external consultants carrying out the study, Booz-Allen and Hamilton Inc., on their work to date. The consultants will be available at the present session of the Executive Board to provide clarifications and an update, as necessary.

Annex

**BOOZ·ALLEN & HAMILTON INC.**

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2 August, 1994

**MEMORANDUM to Mr. James P. Grant**

**FROM Booz·Allen Consultant Team**

**SUBJECT: Management Study Progress Review**

**Introduction**

The purpose of this memorandum is to provide a concise overview of the progress of the management study as of this date. At the end of July we completed the first phase of our work, aimed at gaining an understanding of the goals, mission, programs and operations of UNICEF, as well as identifying the major issues on which we would focus our analytical work during the rest of the study. This material was reviewed and agreed with the team leaders, Messrs. Strong and Rada. Then it was reviewed in Bangkok with you, Mr. Grant, and we were asked to proceed.

During the first months of the study, consultants worked at New York Headquarters and visited Abidjan, Bangkok, Copenhagen, Florence, Geneva, Hanoi, Mexico City and La Paz, and in the process interviewed approximately 200 persons, including UNICEF staff members, Executive Board members, National Committee members, NGO personnel, government officials and others. The interview program will continue through to the end of the study, shifting from "general fact-finding" to targeted issue-probing.

Included in this memorandum is a calendar showing progress against the work calendar, and a summary of the persons interviewed so far. (A detailed listing is also available.)

**Findings as of 2 August**

- (1) The evidence demonstrated that UNICEF has reached new heights in esteem and public regard in the last few years.
- (2) The consultants explored the evidence to define the capabilities that explain how UNICEF has been able to achieve such notable results. Several basic skills were identified, such as (a) Intelligent, dedicated, professionally qualified staff; (b) Front line empowerment of country representatives; (c) Unique fund-raising effectiveness; and several others.
- (3) Despite imposing credentials, UNICEF cannot rest on its laurels. There are some disturbing forces in the environment:

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- (a) Some major donor nations are reducing contributions substantially
- (b) Overall growth in government donations is slowing down
- (c) Governments are asking UN agencies tough questions about the productivity of humanitarian investments - including UNICEF.

*"Since 1960, about \$1.4 trillion (in 1988 dollars) has been transferred in aid from rich countries to poor ones. Yet relatively little is known about what that process has achieved. Has it relieved poverty? Has it stimulated growth in the recipient countries? Has it helped the countries which give it? Such questions become more pressing as donor governments try harder to curb public spending".*

(The Economist)

- (d) NGO's are becoming aggressive in competing for private sector funds.
  - (e) UNICEF's priority shift from supply to advocacy requires new skills.
  - (f) Changes in the UN system are expected to affect UNICEF's operating environment and processes, perhaps even structure.
- (4) Those challenges help explain why Booz•Allen was asked to do the new management study.
- (5) Out of our research during the first phase, seven basic issues emerged:
- (a) A peculiar level of controversy and tension, starting at the top in terms of the relationship between the Board and the Secretariat, but penetrating downward in the organization.
  - (b) Evidence that a common view of UNICEF's mission is not universally understood and shared throughout the organization
    - This has a bearing on UNICEF's positioning in the light of UN reform.
  - (c) Global Goals and National Action Plans appear inadequately harmonized
  - (d) A number of operational improvements appear possible in specific functions and processes
    - (1) Fund raising
    - (2) National Committees and GCO
    - (3) Budgeting, financial control, transparency
    - (4) Accountability for mission accomplishment
    - (5) Program process
    - (6) Human Resources policy and procedure
    - (7) Supply function
    - (8) MIS
    - (9) Information and external relations

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- (e) The organization structure requires modifications
- (f) Cost effectiveness can be upgraded
- (g) Issues of style and "pace" should be addressed

We proposed to examine those issues in depth during the coming weeks.

Our work is proceeding on schedule and we are getting good support from UNICEF staff.

Sincerely,

Jay Berry  
Vice President

**BOOZ•ALLEN & HAMILTON**

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Attachment 1

**UNICEF MANAGEMENT STUDY CALENDAR**

MONTH SEQUENCE	1	2	3	4		5	6	7	8	9	10	
MONTH	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	
<b>1. Frame Opportunities, Priorities</b> <ul style="list-style-type: none"> <li>• Profile organization</li> <li>• Conduct interviews</li> <li>• Conduct key surveys</li> <li>• Major progress review</li> </ul>	▬		▬		▬		▬		▬		▬	
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<b>2. Analyze Key Issues In Depth</b> <ul style="list-style-type: none"> <li>• Probe productivity hypotheses</li> <li>• Deploy work groups</li> <li>• Conduct in-depth analysis</li> <li>• Quantify costs/benefits</li> </ul>	▬		▬		▬		▬		▬		▬	
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<b>3. Shape Conclusions, Recommendation</b> <ul style="list-style-type: none"> <li>• Propose solutions</li> <li>• Document evidence</li> <li>• Detail implementation approach</li> <li>• Obtain agreement</li> </ul>	▬		▬		▬		▬		▬		▬	
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<b>4. Implement, Monitor, Track</b> <ul style="list-style-type: none"> <li>• Appoint implementation leadership</li> <li>• Install changes</li> <li>• Launch systems implementation</li> <li>• Resolve "bottlenecks"</li> <li>• Reinforce culture change</li> </ul>	▬		▬		▬		▬		▬		▬	
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**MANAGEMENT STUDY INTERVIEWS: APRIL THROUGH JULY**

Senior Management: 7

NY Headquarters: 66

External Relations: 9

Programme Funding: 4

Public Affairs: 4

Information: 1

Operations: 16

Finance: 6

IRM: 6

Personnel: 2

OAM: 2

Programme: 36

Technical Sectors: 15

Geographic Sections: 8

Emergency: 2

Evaluation and Research: 3

Other: 8

Other NY Headquarters Interviews: 5

Geneva: 9

GCO NY and Geneva: 7

Supply Division, Copenhagen: 9

Florence ICDC: 7

Regional Directors and Officers: 18

Country Representatives: 31

Staff Association Representatives/General Staff (headquarters locations): 26

New York: 17

Geneva: 9

Country Office Staff (including both professional and general staff): 32

Cote d'Ivoire: 7

Mexico City: 10

Hanoi and Ho Chi Minh City: 10

Other Field Offices: 5

National Committees: 6

Executive Board Members/Delegations: 7

NGOs, Governments, Other External Organizations: 25

*Note: Figures reflect the number of individuals interviewed, not the number of interviews. Some individuals have been interviewed more than once.*

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