United Nations

Review of change management in United Nations system organizations

Report of the Joint Inspection Unit

Prepared by Sukai Prom-Jackson and Eileen A. Cronin

Review of change management in United Nations system organizations

Report of the Joint Inspection Unit

Prepared by Sukai Prom-Jackson and Eileen A. Cronin

United Nations • Geneva, 2019

Executive summary

Review of change management in United Nations system organizations (JIU/REP/2019/4)

Focus of the report

The present review looks at the role and practice of change management in organizational reforms across the United Nations system over the past decade. It was selected as a topic for review by the Joint Inspection Unit (JIU) at a point in time when the United Nations system is going through one of the most comprehensive sets of organizational reforms since it was formed in 1945. Change management, as a term, has increasingly been referenced in United Nations system organizational reform documents, yet it is apparent that it has been understood and applied in various different ways.

The report examines what change management actually is, whether it is an important factor in achieving successful reform outcomes and how it has been applied across United Nations system organizations. It provides evidence, lessons and recommendations to guide United Nations system organizations in ongoing and forthcoming reforms. It draws on data on change management practices in 47 organizational reforms carried out across 26 United Nations system organizations between 2010 and 2018.

Context

The majority of organizational reforms fail to achieve their expected outcomes. While this cannot be precisely proven across United Nations system organizations owing to a systematic absence of relevant metrics and data to determine reform success or failure, evidence from a series of global surveys over the past two decades from thousands of private and public sector organizations confirm that reform failure is more common than success.

John Kotter's seminal article "Leading change: why transformation efforts fail" (*Harvard Business Review*, 1995), and subsequent studies, point to a number of reasons for this failure. These include common factors around leadership, management, communication, and engagement with those who have to implement the actions and change the way they work as a consequence. These factors are central to what change management brings to a reform process. Change management is a set of approaches and practices to involve people in the process, to improve the chances of success in organizational reform. The evidence suggests that an organizational reform will fail if its objectives are not clear, if it neglects to engage with staff on what is being proposed, if it does not explain to staff and equip and support them through the process, and if it does not outline "what is in it for them" and what they will be expected to do differently.

Change management understanding and practice

Change management is understood and applied in different ways across the United Nations system. A minority – though not an insignificant number – of United Nations system organizational reforms over the past decade continue to focus on **what needs to change** in terms of structures, systems and processes, without also addressing **how it should change**, and the management of that change. It is this management of the change – preparing, equipping and supporting individuals to successfully adopt the change in order to drive organizational success to achieve outcomes – that is the essence of change management.

Close to 20 per cent of reforms across the 26 organizations showed no evidence of change management, as it is defined here, in their design or implementation, and a further 25 per cent drew on a limited number of key elements of change management when assessed against the good practice criteria. For the reforms that fall into this category, the inspectors conclude that change management has not been fully appreciated or understood, and where aspects of change management have been incorporated in the reform, organizations have done so in a piecemeal and often ineffective manner.

By contrast, 30 per cent of reforms showed evidence of incorporating the majority of the key elements of change management. The review data illustrate a direct relationship between the presence of key elements of change management, and the depth with which they

are applied. In effect, those that did seek to incorporate change management comprehensively in their reform did so reasonably well.

The evidence from the present review illustrates the importance of embedding change management approaches and methods into organizational reforms and initiatives in order to ensure success. The risks of not doing so are apparent in the failure of reforms that do not pay sufficient attention to the role of staff and other stakeholders in the process. Governing or legislative bodies are encouraged to oversee that this takes place in the United Nations system organizations and to request that executive heads report on the results (recommendation 1).

Critical success factors of change management

The present review found strong evidence that making the case for change during the pre-planning phase of a reform was vital, yet this was identified as one of the weakest aspects of change management in United Nations system organizational reforms. Half of all reforms did not carry out any prior diagnostic work. Of those that did, two thirds carried out data-driven analysis, and one third used informal mechanisms structured around dialogue and engagement with staff. It was found that readiness assessments did not need to be large or expensive and could be tailored to the specific needs of the organization and the reform.

Senior leaders need to sponsor the change. While leadership by the executive head is necessary, this alone is not a sufficient condition for success. A clear governance structure for change management-related reforms is necessary to ensure that relevant stakeholders can influence the process, but their role and structure can vary depending on organizational configurations and the type of reform.

Expertise or capacity in change management across the staff is required. Core change management effectiveness was not found to be significantly different whether located in a permanent unit, a specific time-bound change management focus team or embedded in a wider project team. Whether the centralized capacity is in a project or change management team, the selection and use of change agents across an organization in a reform is critical. Reforms that use change agents across the organization are twice as likely to have good depth across the key elements of change management.

Similarly, communication strategies or plans for change management are essential, yet only half of the reforms reviewed included one. Some of the best communication strategies and plans were found in reforms in smaller organizations. The inspectors recommend that executive heads assess their current capacity for change management building on the key factors identified in the present review, and appropriately embed structured and comprehensive change management approaches in their ongoing and future organizational reforms (recommendation 2).

Earmarking resources for change management, and incorporating and implementing a clear results or benefits strategy, were also identified as critical success factors. Only one fifth of reforms earmarked budgets for change management. If the results of change management cannot be attributed to a particular cost due to a lack of earmarking or financial tracking, it is difficult to see how the investment can be justified. Similarly, only one third of reforms had a results or benefits framework with indicators and metrics. If the benefits of the investment cannot be proven, it is similarly difficult to understand why such an investment should be made in the future. Those organizations that earmarked budgets for change management in their reform typically also included and applied a results framework and carried out an assessment. Executive heads should ensure that resources allocated to change management are clearly earmarked and that the intended results are measured, tracked and evaluated (recommendation 4).

Role of cultural and behavioural issues in change management

An important factor underpinning change management is that people's capacity to change can be influenced by how change is presented to them. Their capacity to adapt to change can shrink if they misunderstand or resist the change, causing barriers and ongoing issues, whereas if people understand the benefits of change and what is in it for them, they are more likely to participate in the change and see that it is successfully carried out.

The present report reveals that a number of United Nations system organizations paid close attention to attitudes and behaviours as an integral part of their reforms. At times, best practices from the behavioural sciences have been followed. However, there is room for improvement, including a more strategic and consistent utilization of behavioural approaches and insights. There is a recognized need to narrow the science–practice–policy gap when it comes to change management in United Nations system organizations.

Behavioural science inputs cannot replace the macro-level strategy development that drives United Nations system reforms, but they can and should work in concert with these strategies. At a minimum, behavioural science can support the execution of a strategy, given that human responses are bound up in a range of factors that relate to built-in biases and cultural norms, rather than being a linear response to a policy, strategy or set of instructions.

Making better use of evidence in the design of reforms around change management is recognized to be challenging, particularly where such evidence is buried deep in academic literature. More work is needed to incorporate and translate behavioural science into usable, readable, digestible material accessible to decision makers in the United Nations system and beyond.

Currently, some individual organizations are carrying out organizational surveys – focused on a range of issues including staff culture, motivation, practices and performance. These are being carried out independently of each other, using different metrics and methods. A standardized approach could be powerful, to benchmark and learn from one another. This could relate to and build on ongoing reforms for data and analytic platforms in the United Nations system. Through their participation in the United Nations System Chief Executives Board for Coordination (CEB), executive heads should support the development and coordination of organizational staff survey expertise across the United Nations system (recommendation 3).

Creating the foundations for managing change as a constant

The magnitude, speed and volatility of global change is reflected in the number and scope of reforms undertaken across United Nations system organizations over the past decade. The data collected through the present review reveal that there was a threefold increase, from 9 to 29, in the number of change management-related organizational reforms from 2010 to 2017.

The extent to which United Nations system organizations are set up to respond proactively to this change varies considerably. An assessment of the depth with which organizations applied change management approaches and practices revealed that only half of the organizations achieved better depth in their more recent reforms than in previous ones, suggesting a weakness in learning and adapting.

Of the 26 United Nations organizations covered in the present review, only seven have established change management units or permanent or semi-permanent teams within their organizational structure. These units and teams have been identified as playing an important role both in coordinating change management initiatives across an organization and in establishing guidance and identifying lessons that can be built upon in future reforms.

The linkage between change management functions and human resources functions was not explicit in many organizations. Change management has tended to be led from executive management in United Nations system organizations. Human resources management departments and functions should play a greater role in the future, given that they are typically the locus of expertise for staff selection, as well as for performance management systems, incentives, training and learning. This would provide for continuity and strengthening of change management over time. Executive heads should give greater prominence to the role that their strategic human resources management functions play in organizational change management. This would include promoting changes in individual attitudes and behaviours, establishing mechanisms to reinforce these, and creating channels to communicate feedback across the whole of the staff (recommendation 5).

At the system-wide level, the opportunities for positive change are evident. The United Nations Laboratory for Organizational Change and Knowledge provides advisory services to United Nations system organizations and convenes a network and community of practice for those working on change management across the United Nations system. This network, in particular, provides a strong conduit for learning and growth in change management, as well as the evidence to support the redeployment of expertise where and when it is most needed. Such networks need nurturing to grow beyond the visionary individuals who start them up, in order to become self-sustaining.

The United Nations Laboratory for Organizational Change and Knowledge is currently led and hosted by the United Nations System Staff College. It has a small staff, and is almost entirely dependent on extrabudgetary resources. It could play a much greater role in transformation across the United Nations system if it were properly resourced and supported. Executive heads, through the High-level Committee on Management of CEB, should consider how to support the United Nations Laboratory for Organizational Change and Knowledge network to play a greater role in United Nations reform (recommendation 6). Furthermore, executive heads should make better use of the change management expertise accessible through the United Nations Laboratory for Organizational Change and Knowledge network, and encourage their change management staff to utilize the network as a means to learn from the experience of other organizations both within and outside the United Nations system.

Recommendations for consideration by governing or legislative bodies

Recommendation 1. Governing/legislative bodies are encouraged to ensure that executive heads embed change management approaches and methods in their organizational reforms and report on the results.

Recommendations for consideration by executive heads

Recommendation 2. Executive heads should embed structured and comprehensive change management approaches in their ongoing and future organizational reforms and report thereon to their governing/legislative bodies.

Recommendation 3. Executive heads, through the United Nations System Chief Executives Board for Coordination, should support the development and standardization of organizational staff surveys across the United Nations system.

Recommendation 4. Executive heads should ensure that resources allocated to change management are clearly earmarked and the intended results are measured, tracked and evaluated.

Recommendation 5. Executive heads should give greater prominence to the role that their strategic human resources management functions play in organizational change management. This would include promoting changes in individual attitudes and behaviours, establishing mechanisms to reinforce these, and creating channels to communicate feedback across all personnel.

Recommendation 6. Executive heads should include an item on the agenda of the next meeting of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination to consider how to support the United Nations Laboratory for Organizational Change and Knowledge to play a greater role in United Nations system reforms.

Contents

Abbreviations

AIPS	Agency-wide Information System for Programme Support (IAEA)
CEB	United Nations System Chief Executives Board for Coordination
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ILO	International Labour Organization
IMO	International Maritime Organization
IT	information technology
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNWTO	World Tourism Organization
UPU	Universal Postal Union
VUCA	volatile, uncertain, complex and ambiguous
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

I. Introduction

1.   The present review is about change management in organizational reforms across the United Nations system. Historically, these reforms have tended to focus on what needs to change in terms of structures, systems and processes, rather than on how it should change and the management of that change: preparing, equipping and supporting individuals to successfully adopt that change in order to drive organizational success and outcomes.[1] This focus on people in the change process is the essence of change management.

2.   The Joint Inspection Unit (JIU) initiated in 2018 the present review to take stock of how the United Nations system is employing change management approaches and processes, based on emerging evidence that organizations are increasingly focusing on people in the change process rather than just on structures and systems. This is considered important, as successive reform agendas of the United Nations system continue to highlight the same set of issues around fragmentation and inefficiency in service delivery, overlapping mandates and challenges of accountability – implying that reform, and the aim of internal organizational change, remain unfinished business.

3.   The wider attention being paid to change management is tied to compelling evidence from studies across the public and private sectors over the past two decades that indicate that the majority of organizational reforms fail to achieve their expected outcomes. The reasons for failure have tended to relate to factors around leadership, management, communication, and engagement with those who have to implement the actions and change the way they work as a consequence. Change management is seen, therefore, as a means to limit the risks of failure of organizational reforms in the United Nations system, at a time when major reforms are being undertaken across the development system, in peace and security, and in United Nations Secretariat management.

4.   The present report looks at change management practices in the United Nations system in detail. It reviews 47 organizational reforms over the period 2010–2018 across 26 United Nations system organizations to ascertain how change management has been understood, how it has been applied and to what effect. It focuses on good practices and draws out key enablers of change management to guide future reforms. It also explores how organizations are starting to embed change management more firmly into their structures and processes as a permanent feature of good management practice.

A. Rationale for the review

5.   The central challenge facing the United Nations system is whether or not it is fit for purpose to meet the needs of the international community and the people it serves in the twenty-first century. Changes in the geopolitical landscape, increases in frequency and duration of environmental and humanitarian emergencies, new developmental challenges and the rise of technology require all United Nations system organizations to think differently and act accordingly.

6.   In response, recent General Assembly resolutions have called for major changes in the way the United Nations system is organized and managed. In responding to General Assembly resolution 71/243, the United Nations development system conducted a review of its existing functions and capacities in order to assess its readiness to tackle the challenges and opportunities of the 2030 Agenda for Sustainable Development. The review found a visible gap in the delivery of important functions required for the 2030 Agenda and the ability to respond to changing country needs, including, inter alia, insufficient capacities for data management and for the provision of integrated policy advice (A/72/124, para. 31).

7.   In addressing the peace and security pillar of the United Nations Secretariat, the Secretary-General highlighted "non-structural factors" including working methods and the overall work culture of the Organization as key to realizing a vision of a United Nations that is ready and able to change (A/72/525, para. 52). Similarly, the Secretary-General's report on shifting the management paradigm highlighted "the Secretariat's centralized and

cumbersome management structure and administrative framework" as being unable to respond "to the growing number and scope of the mandates of the United Nations" (A/72/492, para. 4). The report went on to note several challenges across the United Nations system, including poor service delivery, fragmentation of management structures and weak performance management culture.

Organizational reform and change management

8.   United Nations system organizations have the challenge of addressing both system-wide and organization-specific priorities through their reforms. Making necessary changes and managing the change process is a major factor now facing United Nations system organizations.

9.   However, change management is not new to the United Nations system. The reforms of Secretaries-General of the United Nations over several decades have highlighted change management initiatives to improve service delivery, efficiency and accountability. These include Investing in the United Nations (A/60/692), of 2006; the Five-Year Action Agenda, of 2012, which included establishing a change management network (which predated but was included in the Five-Year Action Agenda); and the latest reforms, in Shifting the Management Paradigm (A/72/492). Beyond the Secretariat, reforms with change management components have been evident from the mid-2000s, including the Plan of Action of the Food and Agriculture Organization of the United Nations (FAO), of 2008; Programme Management and Implementation of the United Nations Environment Programme, of 2007; and Regionalization of the United Nations Population Fund (UNFPA), of 2007, to name a few.

10.   The focus of these reforms, and their associated change management practices, has changed over time. Until recently, the tendency has been to emphasize structural details – reporting lines, decision rights and formal processes – to the extent of ignoring the role that people,[2] with their inbuilt biases[3] and cultural norms, play in implementing these changes. Conversely, it has been assumed that culture, because it is "soft" and informal, will be malleable enough to adapt without requiring explicit attention. This has been true not only in the United Nations system organizations, but across public and private sector organizations as well.

11.   Studies conducted across the private and public sectors[4] have shown a low rate of adoption, and sustainability of the benefits, of internal organizational change initiatives. The evidence from these studies tends to note that the impact of not managing change effectively has costs and risks for the change owner (both at project and organizational levels).[5] The studies also point to success hinging primarily on people rather than on structures and technology, and note that "changing mindsets and attitudes" and "corporate culture" are two of the most significant challenges to be addressed.[6]

12.   In more recent years, the realization that organizational change has become a constant, and is more of a process than an event,[7] has led to the establishment of units and groups within organizations that are dedicated to managing this process. As regards the United Nations system, the United Nations Laboratory for Organizational Change and Knowledge was established in 2015[8] to provide a range of change management services.

13.   However, while several papers and studies have been prepared on the history, effectiveness and lessons learned from change management initiatives in the United Nations system,[9] none have taken stock of the range of approaches being employed, nor looked in detail at the cultural and behavioural aspects of change that are increasingly recognized as critical to success and sustainability.

14.   Furthermore, it is acknowledged that delivering on the 2030 Agenda will require significant adjustments in the mindsets and skill sets, leadership, and coordination and accountability mechanisms of the United Nations development system (A/72/684, para. 4). Integration across, and collaboration between, United Nations system organizations to align behind the 2030 Agenda implies, in many cases, change management. Relatedly, the management reforms of the Secretary-General of the United Nations (A/72/492) focus on a paradigm shift in culture, leadership and management to be led through an exercise in change management (A/72/492, para. 106).

B. The concept of change management and definition for the present review

15.   Organizational change management has many antecedents and tenets, but at its core it is about supporting people – their role and agency in implementing a change in the workplace. It is a discipline that guides how to prepare, equip and support individuals successfully to adopt change in order to drive organizational success and outcomes.

16.   Underpinning the discipline of change management is the understanding that people's capacity to change and carry out reforms is influenced by the extent to which they are involved, engaged and supported throughout the change process. Their capacity to adapt to changes being made, to carry out new roles and to take on new responsibilities can shrink if they misunderstand or resist the change, causing barriers and ongoing issues. Conversely, if people understand the benefits of change and "what is in it for them", they are more likely to participate in the change and see that it is successfully carried out.

17.   Such behavioural insights are relevant to organizational change management. Behavioural science disciplines, including industrial-organizational psychology, cognitive psychology and behavioural economics are pertinent to the management of organizational change within the United Nations system. While industrial-organizational psychology (known also as business or occupational psychology) considers questions common to work and organizations through a psychological lens, cognitive psychology explores the branch of mental science that deals with motivation, problem-solving, decision-making, thinking, learning and memory. Behavioural economics focuses, inter alia, on concepts related to organizational behaviour, including the intention-action gap and choice architecture. When workers do not make choices and when they fail to behave in ways consistent with an organizational reform, there is a temptation to assume they either do not understand what to do or are actively resisting the new way of doing things. While that is sometimes the case, at other times the problem has more to do with an intention-action gap, that is, a failure to follow through on the intention to change. In such cases, the solution may entail designing a physical or cognitive work environment that helps people realize their intentions. Choice architecture refers to the design of different ways in which choices can be presented to consumers or users, and the impact of that presentation on their decision-making.

18.   As people comprise organizations, they also determine organizational culture. The relationship between individual behaviour and organizational culture as central to change and transformation has been subject to academic debate. While culture is often perceived as affecting people's behaviour, the reality is commonly the other way around: the people that an organization employs shape its culture. Over time, this is reinforced by organizations employing people who hold views and attitudes that match the prevailing culture.

19.   Culture is understood in various ways across the United Nations system, reflecting the range of mandates, organizational histories and types of individuals employed. Attempts to diagnose and define culture have been undertaken at different points by several United Nations system organizations, typically as part of determining readiness for a reform or emanating from a resolution that aims at bringing about specific changes in the way their organizations work. A second strand of emphasis has been around the concept of ethics and behaviour, with a number of ethics offices across the system focusing on social norms and rules of behaviour.[10] A third strand has been about results, management and accountability, clearly articulated in several General Assembly resolutions and by the Secretary-General in his report on shifting the management paradigm, which refers to a culture that is centralized, bureaucratic and risk-averse, while striving for one that is more focused on results, empowerment and accountability (A/72/492, para. 6).

20.   Based on these concepts and on a review of all of the models and approaches, organizational change management is defined in the present review as the approach and actions to change practice, culture and behaviour to ensure the adoption and sustainability of improvements in existing work practices, whether through a reform, or a management initiative, or as a continuous incremental process. Change management, when properly applied, ensures that individuals within an organization are able to efficiently and effectively transition through change so that the organization's goals are realized.

C. Purpose and objectives of the review

21.   The central purpose of the present review is to inform and guide United Nations system organizations undertaking or planning to undertake organizational reforms or major management initiatives.

22.   The review highlights the significance of change management as a strategic priority worthy of consideration by governing or legislative bodies. It provides guidance to management on the critical elements of successful change management, and on how these can be applied in United Nations system organizations.

23.   To achieve this, the review:

(a)   Assesses change management initiatives and practices across United Nations system organizations, taking stock of where, in what form and how change management approaches have been and are being used, and the added value or difference made by change management initiatives/efforts;

(b)   Points to good practices and innovations, and illustrates what is appropriate depending on the size and focus of the organization and the nature of the change sought;

(c)   Provides an in-depth look at the critical role that culture and behaviour play in change, outlining where individual and organizational behavioural approaches have been used across the United Nations system and outside, and makes recommendations for how and where they can be better used in the future.

D. Approach and methodology

24.   The objectives, scope and questions posed in the present review were developed taking into account the views from various stakeholders. The terms of reference were reviewed and amended on the basis of input from the JIU inspectors and participating organizations. Subsequently, the inspectors presented the review's concepts and objectives to the United Nations Laboratory for Organizational Change and Knowledge network of change management specialists drawn from across United Nations system organizations, and derived suggestions and inputs from the peer network exchange that they held in July 2018.

25.   Change management in United Nations system organizations has typically taken place through organizational reform – often multifaceted initiatives that have focused on changes to structures, systems and processes. Therefore, to understand the role and function of change management, how it was designed and carried out, and to what effect, the inspectors focused predominantly on change management within individual reforms.

26.   Procedurally, all JIU participating organizations were requested to identify their best examples of organizational reforms that had included change management approaches and processes from 2010 to 2018. The inspectors provided guidance to the participating organizations on the features of good change management practice to aid their selection processes. The intentional selection of "best cases" was predicated on the objectives of the present review to identify how well United Nations system organizations have designed and implemented change management in practice, and to draw out good examples to guide future organizational reforms.

27.   A questionnaire was prepared asking for basic data and information on between one and four reforms per organization, to provide a large enough sample. Information on ongoing rather than only on completed reforms was also requested in order to ensure that recent changes in approach and strategy to change management were captured.

28.   JIU received 52 reform cases from 26 United Nations organizations, of which five did not meet the basic criteria outlined in the original request. The United Nations Development Programme (UNDP), which is well known for its work on change management, opted not to participate in the review during a period of major restructuring in 2018.

29.   A final sample of 47 cases was used as the basis for generating data on approaches and practices against a case summary framework designed for the present study. The content of the case summary framework included: (a) the overall organizational reform and the drivers of this reform; (b) the change management approach and strategy or plan; (c) the implementation of the change management strategy and the process involved; (d) the expected and actual results of the reform and change management within this; and (e) critical success factors and lessons or good practices identified. Case summaries using the framework were completed both by the inspectors and by the relevant organization, and were further validated using desk reviews of pertinent documentation and interviews.

30.   Based on these summaries, a sample of cases in which good or novel practices had been identified during the desk review phase were reviewed in greater detail. For these cases, interviews were set up with a range of people involved in the reform process – senior managers, implementers, staff, the staff council and evaluators – to triangulate the information and better understand the context and the results. Information from these interviews, along with good practices from the private sector and academia, led to the identification of the key enablers of change management: a set of elements, issues or processes considered as central to navigate change management successfully within a reform process.

31.   A further subset of six reform cases was identified to look into the specific use of cultural and behavioural approaches in the design and implementation of their strategies for change management. Interviews were carried out with key interlocutors in each of the organizations involved in these reforms, against a set of questions prepared in order to better understand why and how they had approached organizational cultural and behavioural issues in their reforms.

32.   To assess how well United Nations system organizations have addressed change management, two analytical frameworks were developed: one, termed "presence of critical elements", to look across the entire process of a reform and ascertain how many of the key elements of change management had been covered, was scored on a binary scale. For example: whether the reform included a communication strategy or not. The second instrument looked at the depth or quality of change management in each reform. This drew on the framework of key enablers (described in detail in chap. IV) and scored each reform against each enabler on a scale of 0 to 4. For example: how comprehensive the communication strategy was and how it was applied in the reform. The quantitative information from these scores was mapped against organization and reform characteristics to develop evidence for the recommendations in the present review.

33.   In order to target the recommendations, all JIU participating organizations were categorized by size. Given that size is composed of both the personnel and the finances of an organization, these elements were weighted equally. The personnel figures for 2017 were extracted from a recent JIU report (JIU/REP/2018/4) and total revenue figures for 2017 were taken from data collected by the United Nations System Chief Executives Board for Coordination (CEB) (A/73/460). See annex II of the present report for the breakdown of organizations by size.

34.   Other ways of disaggregating the data were tested by the inspectors. Organizations were categorized as follows: (a) by their predominant mandate (normative, development, humanitarian) based on spending patterns; (b) by the ratio of headquarters staff to field staff; and (c) funds and programmes versus specialized agencies. None of these categories provided evidence of differentiating patterns in the data, so were not used in the analysis.

35.   Complementary paper 1 to the present report contains detailed information on the approach and methods employed, including the inception paper, the definition and guidance document, and other technical notes. Complementary paper 2 contains the case summaries for 47 cases. Both papers can be accessed from the JIU website, and are available only in English.

E.   Scope and limitations of the review

36.   Given the breadth of change management initiatives across United Nations system organizations, the project delimited the scope to organization-wide reforms and management initiatives that had used change management approaches in their implementation, and had been led by the senior management of the organization. This, therefore, excluded smaller-scale initiatives within organizations, such as departmental reforms with change processes. While these may be instructive, the inspectors did not have the capacity to review that scale of initiatives.

37.   The review is focused on the period 2010 to 2018, primarily to draw lessons from recent past efforts, and to cover the new reforms that have been introduced. These include the 2030 Agenda and the more recent management, development system, and peace and security reforms which will have a major impact on how the United Nations system works, and the change processes that this implies.

38.   The analysis had three main limiting factors. While the focus of the present review was on change management, the inspectors sought to establish a link between good and less good change management practices and the success or failure of the reforms of which they were a part. However, it was not possible to do this in a comprehensive manner, as very little comparable evidence on the performance or results of reforms was available. Evaluations were identified in a number of cases, but with very different scopes and approaches, and very few addressed the change management aspects of the reform (see chap. IV). Therefore, the assertion that change management is key to the success or failure of reforms is made on the basis of the evidence from external assessments and the literature (cited in this and the next chapter).

39.   Secondly, the unit of analysis for the review was individual organization-wide reforms as the vehicle through which change management was employed in an organization. However, reforms varied considerably in scope and size, and did not always provide a fuller picture of organizational change. To address this, additional information was reviewed and followed up on through interviews in specific cases to assess organizational patterns beyond individual reforms.

40.   Thirdly, data on budgeting, on spending and on actual results from change management was very sparse. This made the analysis of the resource implications of change management challenging to ascertain.

F.   Report structure

41.   The present report is divided into five chapters. Following this chapter, chapter II outlines the types of organizational reform and the role of change management in these reforms. Chapter III focuses on the quality of application of change management, addressing the breadth and depth of change management practice in United Nations system organizational reforms over the period. Chapter IV focuses on the critical elements or enablers of change management, drawing from the evidence; and chapter V addresses change management in the wider context of organizational change and the United Nations system as a whole. Each chapter begins with a summary of the main conclusions and recommendations pertinent to that chapter. The exception is chapter V, which has summaries at the start of each subsection.

Endnotes to chapter I

[1]   Prosci, "What is Change Management", available at prosci.com/resources/articles/what-is-change-management.

[2]   DeAnne Aguirre and Micah Alpern, "10 principles of leading change management", in *Strategy+Business*, issue 75 (June 2014).

[3]   Daniel Kahneman, *Thinking, Fast and Slow* (New York, Farrar, Straus and Giroux, 2011).

[4] The largest change management study identified by the review team was carried out by McKinsey & Company in 2008 with a global survey of 3,199 executives who reported that two thirds of executives indicated that their firm had failed to successfully implement organizational changes. While this was drawn from the self-reflection of executives of these organizations, it conforms with prior analyses that the majority of organizational change management efforts fail to succeed: the Katzenbach Center's 2013 survey of more than 2,200 executives, managers and employees from across the globe found that only 54 per cent of change initiatives were adopted and sustained; McKinsey & Company's 2010 survey found that 70 per cent of all changes in organizations failed (McKinsey & Company, "McKinsey Global Survey results: what successful transformations share", in *Organization Practice*); a 2008 study by IBM Corporation found that approximately 60 per cent of change efforts failed (IBM, "Making change work" study (accessed on 7 June 2013); and John Kotter, "Leading change: why transformation efforts fail", *Harvard Business Review* (March–April 1995).

[5] See the matrix of costs and risks associated with weak change management processes: Tim Creasey, "The costs and risks of poorly managed change", available at blog.prosci.com/the-costs-risks-of-poorly-managed-change.

[6] IBM Corporation, "Making change work" study report (2008).

[7] In the United Nations Secretariat alone, a change *process* requires concerted efforts to align the often differing interests of nearly 200 stakeholders (Member States) and a large multinational bureaucracy spread across four global headquarters, five regional economic commissions, and approximately 30 field-based peacekeeping and political missions.

[8] The United Nations Laboratory for Organizational Change and Knowledge is a project of the Knowledge Centre for Leadership and Management at the United Nations System Staff College; for further information, see chap. 5 of the present report.

[9] Francesco Mancini, "Managing change at the United Nations: lessons from recent initiatives" (New York, International Peace Institute, October 2015); United Nations System Staff College, "Delivering successful change with Enterprise Resource Planning (ERP) systems", case study series, #1/2017; United Nations System Staff College, "Global shared services and transformation of the UN system", case study series, #3/2017; and United Nations Development Programme, "Behavioural insights at the United Nations: achieving Agenda 2030".

[10] Ethics Office, "About the Ethics Office", available at www.un.org/en/ethics/culture.shtml; and Alayne Frankson Wallace, "Creating and sustaining ethical organizational culture" (12 August 2014), available at www.undp.org/content/undp/en/home/blog/2014/8/12/creating-and-sustaining-ethical-organizational-culture-.html.

II. Types of organizational reform and the role of change management

42. This chapter outlines the types of organizational reform that have incorporated change management in the United Nations system organizations over the past decade, based on a sample of 47 reforms from 26 organizations. It describes the factors that led to the formulation of these reforms, the characteristics of the reforms themselves, and the role that change management plays in each of these types of reform.

43. The second part of this chapter focuses on how United Nations system organizations have conceptualized the role of change management in the context of their specific reforms. Looking first at the stated objectives of the reforms, it goes on to describe and categorize how the organizations intended to apply change management in each specific organizational reform, based on a review of reform strategies and change management planning documentation. The purpose of this is to reveal patterns and features regarding how change management has been conceptualized and designed by United Nations system organizations.

44. This chapter provides the context for examining in detail the actual practice and quality of change management across all reforms (chap. III), and the key enablers of success in change management (chap. IV).

Summary

45. While United Nations system organizational reforms typically have multiple objectives and areas of focus, four main types were identified from across the 47 cases and 26 United Nations system organizations included in the present review. Reforms focused on:

- **Improving business processes**, such as enterprise resource planning solutions

- **Organizational restructuring**, ranging from headquarters-focused reorganizations to major decentralization-related reforms

- **Management system reforms**, including the introduction of results-based management and/or enterprise risk management approaches

- **Organization-wide cultural transformations**, focused on strengthening organizational values, improving trust, and strengthening collaboration, transparency and accountability within the staff

46. It should be emphasized that these categories were not always mutually exclusive, with some reforms focusing on more than one of the areas identified above.

47. The role that change management played in enhancing success in each of these types of reform varied. In reviewing the reform strategies and change management plans, a number of patterns were revealed. In close to 20 per cent of cases, no change management objectives or strategies were evident at all, in spite of the understanding that change management was part of the process. This suggests a lack of understanding on the part of a number of United Nations system organizations as to what change management is, and how it can be applied.

48. In close to 10 per cent of cases, change management was defined in a narrow sense – focused on preventing, managing or mitigating resistance to change. In these cases, the purpose of change management was to maintain the status quo in staff morale, typically in cases of downsizing or relocating staff as part of a restructuring reform. The inspectors consider this limited use of change management, typically centred only on communication activities, as insufficient.

49. The majority of the reforms included change management as a means to strengthen the likelihood that new systems and practices would be taken up and applied. These could be business processes or management systems. Change management was designed in these cases to be an adjunct to the reform – getting staff buy-in when proposing a new system or practice, and seeking continued involvement by staff in the design and implementation to ensure that the system or practice would be applied. The mutual benefit of enacting change

management alongside the introduction of new systems and practices was made clear in a number of cases, with increased engagement impacting positively on systemic goals around reducing costs and improving efficiencies.

50.   Finally, a proportion of the reforms were focused on changing staff organizational culture. In those cases, change management was effectively both a means and an end for the reform. In these reforms, the change management was designed to be focused entirely on people-centred change, where staff and how they worked, interacted and behaved, were central to the reform.

_____

A.   Organizational reforms and their characteristics

51.   Organizational reforms in the United Nations system organizations that have sought to incorporate change management principles, approaches and methods since 2010 are large in number and varied in focus.

52.   Details of 47 organizational reforms covering 26 United Nations system organizations were submitted to the inspectors for review. The mean average length of a reform was just over four years from inception to completion, implying that organizational reform in some shape or form has been almost a constant across these organizations over the past decade.

53.   These reforms did not generally lend themselves to simple classification. The majority had multiple objectives, dimensions and features, often interlinking and overlapping in terms of their focus on aspects of management and operations. This complexity has had implications for how change management – the focus on people within the reform, and the ultimate application of the changes sought by those involved – has been applied. This matter is addressed in the next section of this chapter.

54.   While recognizing the multifaceted nature of many of these reforms, the present review seeks to identify, categorize and explain the key features of the reforms, including their primary objectives and the drivers behind them. The purpose of doing so is to establish whether change management, as a set of principles, approaches and practices, has been applied differently in each type of reform or not, and whether differences in change management could be explained by other factors, for example the organizational mandate, the size of the organization, or governance structure.

55.   Four main types of organizational reform[11] were identified: improving business processes, restructuring, management system reforms and organizational cultural transformation. The role of change management in these reforms is based on evidence from across the cases presented: the critical features that support the wider objectives of the reform are identified, and those that failed to do so are highlighted too.

56.   The analysis of these organizational reforms revealed that the types are not mutually exclusive, with a number of reforms addressing more than one of these areas concurrently.[12]

Improving business processes

57.   A key driver of United Nations system organizational reforms over the past decade has been a recognition of the presence of outmoded and fragmented systems that are not making use of the latest technologies. Of the 47 reform cases submitted, 40 per cent highlighted the availability of new technology combined with the need to pull together disparate and disconnected systems to integrate data and business processes across a unified information system as a key reason and focus for the reform.

58.   Enterprise resource planning solutions have been introduced to increase the efficiency of operations, improving the flow of information across essential business processes, and to speed up critical transactions. They typically address a range of areas, such as management information, procurement, finance and control, human resources management, corporate governance and project administration. Enterprise resource planning-related reforms in this sample include those carried out across the United Nations Secretariat (i.e. Umoja), the International Labour Organization (ILO), the International Atomic Energy Agency (IAEA),

FAO, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO), the United Nations Office for Project Services (UNOPS) and the World Intellectual Property Organization (WIPO).

59.   The critical issue for change management in enterprise resource planning-type reforms was found to be ownership and adoption. Where change management is not adequately addressed in the launch and implementation of an enterprise resource planning system, the view emanating from staff was that this would be the introduction of just another information technology (IT) system, implying that it was business as usual and that no major changes in working practices would need to be made. Behind this view was the fatigue from multiple reforms, new systems and practices without clarity as to whether and how this would make life easier, or not, for those involved, and whether it would result in commensurate benefits in terms of outputs and outcomes. This fatigue, in itself, was a reflection of past attempts to roll out enterprise resource planning-type solutions, which in some cases[13] had not provided comprehensive or tailored solutions to strengthen business processes.

60.   Where change management was addressed adequately, the introduction of the enterprise resource planning system had been done within a wider framework and engagement around this being a new way of working. In this context, the enterprise resource planning system was a vehicle for change, not the change itself.

Restructuring

61.   A second set of reforms, constituting approximately 30 per cent of the total sample, was focused, to varying extents, on internal organizational restructuring. This category ranged from comprehensive change processes including headquarters, regional and country offices, to those focused on particular functions or locations. The common feature among these reforms was the human dimension - the relocation of staff, downsizing at headquarters and scaling up in regional and/or country offices - in response to external and internally driven pressures to reduce expenditure and enhance focus on the point of delivery.

62.   For humanitarian response-focused organizations that have carried out these reforms, the increased frequency and severity of humanitarian crises and natural disasters in conflict and non-conflict zones has been a major driver. Organizations such as the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP) and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) have all carried out large structural organizational transformations over the past decade, in part due to the need to be able to respond better to the changing needs of beneficiary countries and populations.

63.   For development-focused organizations, such as the United Nations Children's Fund (UNICEF), UNFPA, the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat), reforms have been instigated in response to changes in the location of development needs, reflecting the changed nature and location of poverty, conflict and environmental challenges. They also reflect changes in the needs and demands of countries – away, in some cases, from direct intervention, towards policy advice, strengthening capacity and the like.

64.   In response, United Nations system organizations have looked not only at their mandates, but also at their capacities at the regional and country levels. There has been an increased focus on devolution of responsibilities and decentralization of operations towards the point of delivery, and an alignment of systems to the needs of the people affected.

65.   The role of change management in restructuring-focused reforms can vary. Where the focus of the reform has been narrowly defined, for example in downsizing operations in particular geographical units, the role of change management is focused on avoiding negative spillover effects on the morale of the staff as a whole, while seeking to achieve the objective quickly in order to minimize disruption. Where the focus of the reform is wider, involving decentralization and structural reorganization across several operational units and the reprofiling and hiring of staff, change management has a broader and bigger role to play if the objectives are to be achieved. This implies engaging more fully with the staff in the vision of the change and its objectives, engaging with staff throughout the process and addressing the reforms effectively.

Management system reforms

66.   A third major set of reforms was focused on different dimensions of management, in particular introducing results-based management tools and approaches, and enterprise risk management. Almost 40 per cent of the reforms were focused on one or other or both of these types of management system reform.

67.   Strengthening the focus of systems and practices around defining, measuring and achieving results has been driven by demands from both programme and donor countries for the United Nations system to demonstrate that it is adding value and making a contribution to the needs and priorities in programme countries and globally (JIU/REP/2017/6). Reforms incorporating systemic approaches to risk management are typically more recent, and have been driven, inter alia, by the same need to focus on achieving results, and also by the pressure of declining resources and changing expectations from member States over levels of efficiency and effectiveness in the management of these organizations. Reforms that included a focus on results-based management and/or enterprise risk management have taken place in WIPO, the World Health Organization (WHO), UNIDO, UNESCO, the International Telecommunication Union (ITU), the International Civil Aviation Organization (ICAO), FAO, UNHCR, UNFPA, the United Nations Office on Drugs and Crime (UNODC) and the United Nations Conference on Trade and Development (UNCTAD) over the past decade.

68.   Change management in a results-based management-focused reform pertains both to changes in mindset, defining and working towards outcomes rather than outputs (a so-called culture of results), and to the link between corporate performance and individual performance management and measurement. The implications for engagement with staff in the design of, implementation of and follow-up to results-based management reforms are therefore considerable.

69.   Similarly, the introduction of enterprise risk management focuses on a change in culture around an increased understanding of, and focus on, responsible and effective financial and risk management. Beyond bringing in systems and practices, and strengthening internal controls, the focus on change management is about creating a shared understanding of risk, and embedding risk management practices throughout an organization.

Organizational cultural transformation

70.   The fourth category identified from across the sample relates to reforms that were focused explicitly on changes to the culture of the organization itself. These ranged from actions to break down silos between groups and departments and identify a strong common identity, to initiatives to engage staff in refreshing and buying into organizational values, and to improve trust, thereby strengthening collaboration and enhancing transparency and accountability.

71.   Of the sample of 47 reforms, 28 per cent were focused on cultural transformation, either as the primary objective or one of the objectives of the reform. These included reforms at ILO, OCHA, UNEP, UN-Habitat, IAEA, WHO, WIPO, and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

72.   The driver of these reforms was a recognition that working culture and practices needed to be addressed. These were in line with, but often preceded, the 2017 management reform by the Secretary-General of the United Nations, which was triggered by previous United Nations reform efforts such as Delivering as One, and by specific conditions related to individual organizations.

73.   Change management is central to reforms that address organizational culture, as both relate to the role that people play in a reform process. Cultural transformation implies diagnosing and understanding cultural and behavioural traits in an organization, what has driven them, and building a vision for what type of organization they want to see and be. Actions to address this necessarily imply clear and open leadership, and a lot of engagement with staff across an organization throughout the process.

B. Role of change management in United Nations system organizational reforms
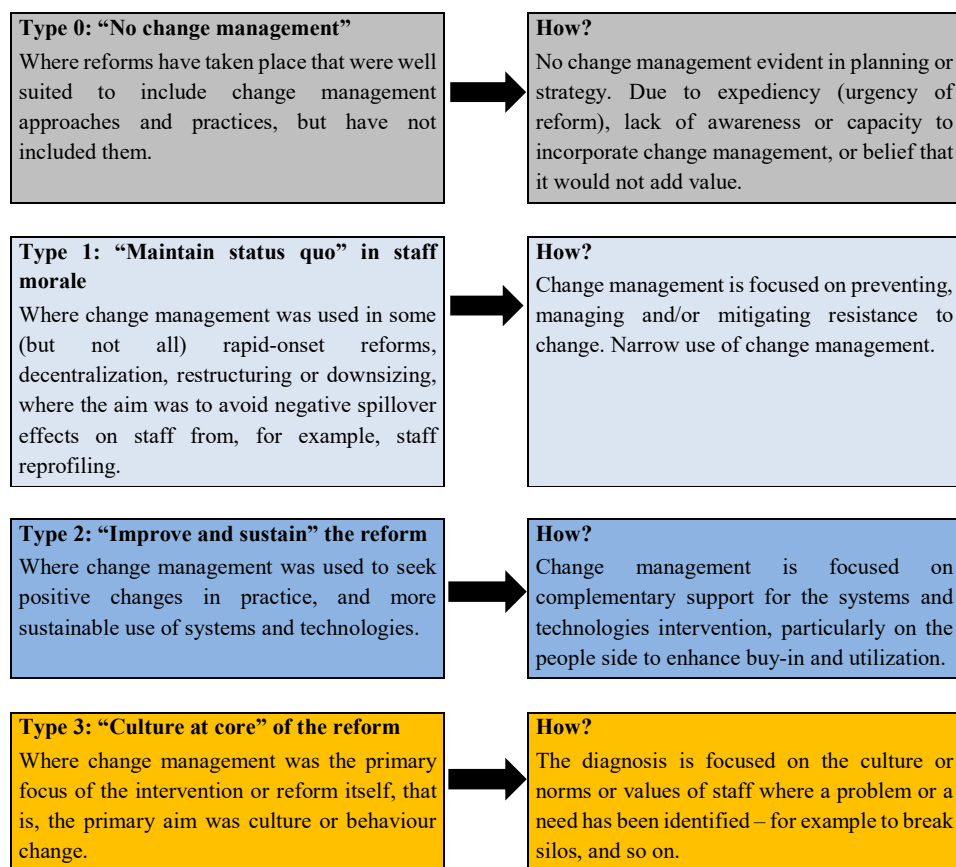
74. This section outlines the actual role that change management played in the organizational reforms studied. The factors that influence this are the understanding of what change management is and can deliver, the organization's priorities and characteristics, and the timing and expectation of what the reform will deliver. This is distinct, in some cases, from the ideal role of change management in different types of reforms outlined in the previous section.

75. In order to assess the actual intent of change management in a particular reform, strategy and planning documents, as well as change management plans, were reviewed and interviews were carried out in a sample of cases. Four types of intent were identified (fig. 1), ranging from no evidence of change management (type 0) to cases where change management on organizational culture was the focus of the reform itself (type 3).

76. This typology does not indicate how well the change management was designed or implemented (this will be addressed in chap. III). Rather, it focuses on the intent: in other words, how change management was to be used in the context of the reform. This typology was generated on the basis of the case evidence across the entire sample.

Figure 1
Objectives of change management within organizational reforms

| **Type 0: "No change management"** Where reforms have taken place that were well suited to include change management approaches and practices, but have not included them.	**How?** No change management evident in planning or strategy. Due to expediency (urgency of reform), lack of awareness or capacity to incorporate change management, or belief that it would not add value.
Type 1: "Maintain status quo" in staff morale Where change management was used in some (but not all) rapid-onset reforms, decentralization, restructuring or downsizing, where the aim was to avoid negative spillover effects on staff from, for example, staff reprofiling.	**How?** Change management is focused on preventing, managing and/or mitigating resistance to change. Narrow use of change management.
Type 2: "Improve and sustain" the reform Where change management was used to seek positive changes in practice, and more sustainable use of systems and technologies.	**How?** Change management is focused on complementary support for the systems and technologies intervention, particularly on the people side to enhance buy-in and utilization.
Type 3: "Culture at core" of the reform Where change management was the primary focus of the intervention or reform itself, that is, the primary aim was culture or behaviour change.	**How?** The diagnosis is focused on the culture or norms or values of staff where a problem or a need has been identified – for example to break silos, and so on.

77. As figure 2 reveals, 17 per cent of all organizational reform cases submitted were classified as type 0, that is, with no evidence of a plan using change management approaches or practices in their design or implementation. Among these were cases focused on improving business processes, restructuring, and management system reforms. Further analysis revealed that, in most cases, this reflected either organizations with no experience in change management, or organizations lacking an understanding of what change management is as per the definition outlined in chapter I. In about half of the cases, the reforms had been started

prior to or at the beginning of the last decade, and therefore the organization had since advanced in its understanding of change management, as was evident in other cases from the organization. For the other half, the inspectors found that more needed to be done to sensitize organizations to what change management is, its potential benefits and how to apply it.

Figure 2
Proportion of reforms by type
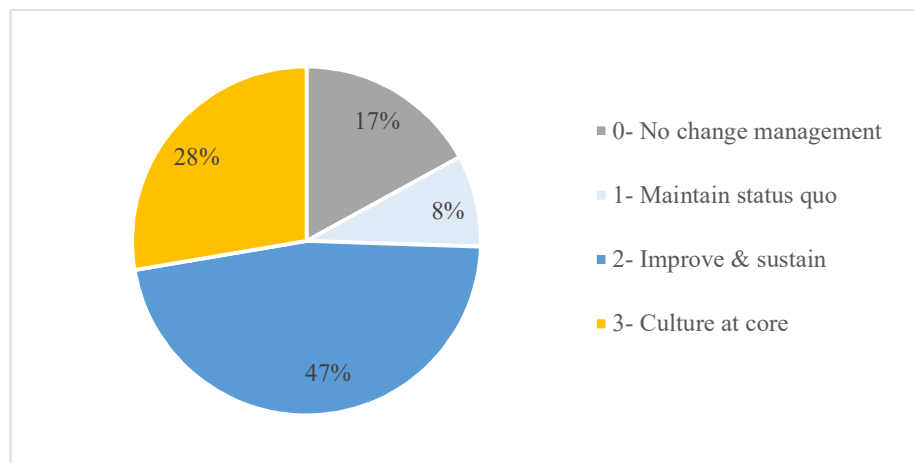
Source: JIU analysis based on case summaries.

78.   Type 1 reforms were termed "maintain the status quo" as they related to initiatives where change management was defined and structured in a limited manner – typically focused on trying to maintain the state of affairs in the attitude and focus of staff in the face of reforms that had an impact on them or their colleagues. Eight per cent of all reforms fell into this category, and all of these were focused on restructuring (it is of note that the total number of reforms focused on restructuring was somewhat higher, with a number categorized as types 2 and 3). Type 1 reforms were typically defined by a narrow set of objectives, and where the emphasis was on changes relating to staff, such as downsizing (and hence redundancies), relocation, reprofiling and the like. Change management plans in these reforms typically focused on communication to manage and mitigate against risks, and focused on avoiding things getting worse, rather than focusing on things getting better.

79.   Almost 50 per cent of all reform cases studied were type 2 – termed "improve and sustain". In these reforms, the primary focus was on a change to processes, through the introduction of new systems and practices such as results-based management or enterprise risk management, and to achieve this reform, change management was recognized to be an important component of the approach and process. The role of change management in type 2 reforms is to ensure that staff are aware of the reform, that they are involved, and that they use systems and tools once rolled out.

80.   Change management itself, of people and culture, was the focus of 28 per cent of all reforms. These type 3 reforms focused their change management approach and processes on organizational cultural transformation. Change management was, in effect, both the goal of the reform, and the means to achieve it. This was a focus on people-centred change, where staff and how they worked, interacted and behaved were central to the design of the reforms. In a number of reforms, the emphasis on culture change was designed as a component of a wider initiative seeking to address complementarities between changes to staff working culture and the introduction of new systems and processes.

Types by size: the effect of size in applying change management measures

81.   When classifying the types by the size of organization, further patterns are revealed (fig. 3). The majority of reforms without a change management component (type 0) were found in the smaller organizations. As will be explored in later chapters, this may relate to the capacities and resources necessary for designing and implementing a reform effectively.

Figure 3
**Typology of reforms by size of organization**
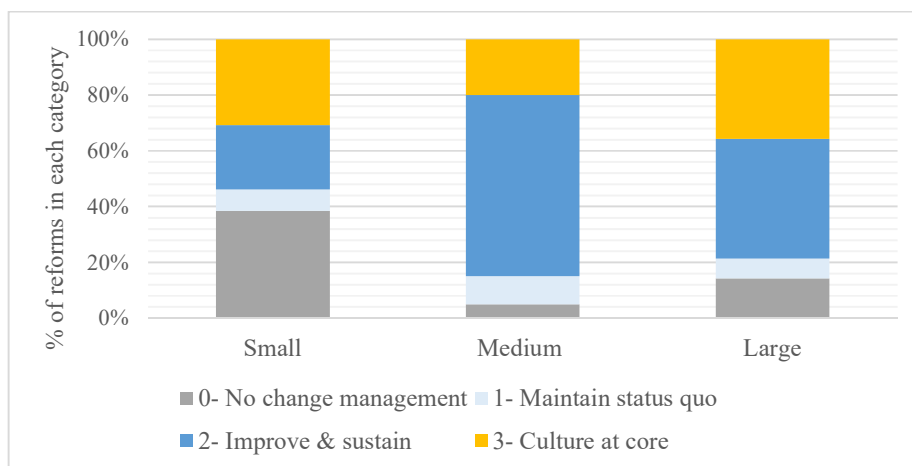
Source: JIU analysis based on case summaries.

82.   By contrast, medium-sized and large organizations had a greater share of type 2 reforms, driven by requirements to improve efficiency and effectiveness and to attract non-core resources. Interestingly, type 3 reforms were most prevalent among large and small organizations. For larger organizations, this reflects the intent to address underlying causes of change across all facets of organizational life. Conversely, for smaller organizations, the focus of a change in culture was specific to particular dimensions, whether through the establishment of an innovation laboratory (for example at the International Trade Centre (ITC)), through a focus on gender equality within the organization (for example at ITU) or with efforts to reform the culture in particular constituent bodies (for example at the World Meteorological Organization (WMO)).

83.   An analysis of the typology by start year of the reform (fig. 4) reveals a statistically positive trend towards type 2 and 3 reforms over a 12-year period between 2006–2018. This suggests that United Nations systems organizations have increasingly shaped reforms towards the people side of change.

Figure 4
Typology of reforms by start year
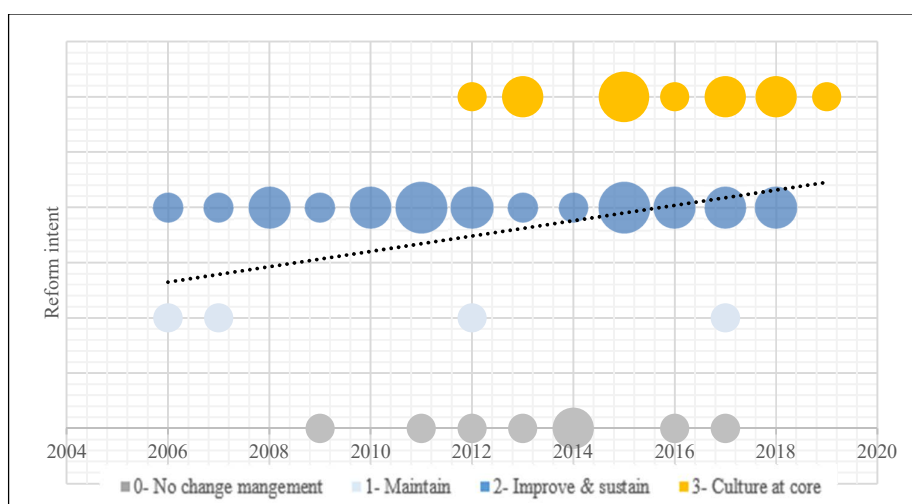
Source: JIU analysis based on case summaries.

Endnotes to chapter II

[11] In addition, less than 10 per cent of reforms focused on other issues, including governance, gender mainstreaming, and innovation.

[12] Consequently, the total of the percentages for reforms across the three categories comes to more than 100 per cent.

[13] The examples cited include rollout of Atlas in a number of United Nations system organizations, such as UNDP and UNOPS.

III. Quality of application of change management in reforms

84.   Organizational change management is a structured process of engagement with staff regarding their role in implementing a change in the workplace. All of the models for and approaches to change management established and evolved over the past seven decades outline a series of steps or stages to be carried out if change management is to be effective. Understanding this empirical basis and practical approach to change management is therefore important.

85.   This chapter discusses the level of understanding and application of change management principles, approaches and methods across United Nations system organizational reforms since 2010. It outlines the conceptual foundations of change management within the organizational reforms, and the application of this in practice.

86.   The quality of the overall strategies, plans and implementation of change management was assessed on the basis of the case evidence provided by 26 United Nations system organizations. Two analytical frameworks were prepared, based on best practices drawn from the models and approaches used in United Nations system organizations, and from the public and private sectors more generally. One framework looked for the presence of critical elements of change management across each organizational reform. The second looked at the depth with which they had been applied. This chapter presents the findings of the analysis from both frameworks.

87.   Furthermore, analysis is provided on variations in practice associated with different phases of the change management process – by type of reform, size of organization and sources of budget in which the reforms were carried out. The purpose of looking at change management from these different perspectives is to reveal which factors are most important in determining how well change management has been designed and implemented, and to provide a basis for the recommendations in this chapter.

Summary

88.   Only 30 to 40 per cent of organizational reforms in United Nations system organizations based their change management strategy or plan on an established model or approach. Many United Nations system organizations appear to have some way to go in developing a better understanding of the central tenets of change management, the principles, and the established approaches and methods for managing a change process effectively.

89.   The application of change management across United Nations system organizational reforms has been uneven over the past decade. At one extreme, almost 20 per cent of the reforms reviewed exhibited none of the 15 key elements of change management (see box 1) in their reform design and implementation. At the other extreme, 40 per cent of the reforms displayed 10 or more of the 15 key elements in their organizational reforms, reflecting good coverage across all the key areas of the process. The depth with which change management was applied was fairly weak on average. This evidence further confirms a lack of awareness among a substantial share of United Nations system organizations as to what change management really is, or how to apply it. Within this, a number of variances have been identified.

90.   Firstly, change management appears to have been most effectively designed and implemented in respect of reforms focused on improving business processes. The evidence suggests that this is due to the detail with which enterprise resource planning-type reforms have been planned and executed, and the implications in terms of how staff are necessarily engaged in the design and rollout of these reforms. This is consistent with the findings of the JIU review of enterprise resource planning systems (JIU/REP/2012/8), which highlighted the same issues as being critical to success.

91.   By contrast, change management in reforms focused on organizational restructuring have been, on average, the most poorly designed and implemented. Reforms focused on restructuring in many cases understood and applied change management in a very limited

way, concentrating on a few aspects around communication, primarily to mitigate against risks when moving, reprofiling or downsizing staff. However, this is not the case for all reforms centred on restructuring, and examples are given of where change management has been addressed more comprehensively in these circumstances. The inspectors suggest that United Nations system organizations looking to undertake reforms focused on or incorporating organizational restructuring should look at the better practices and experiences highlighted in the present report.

92.   Secondly, larger United Nations system organizations, on average, tended to demonstrate a better grasp and practice of change management. However, a proportion of even the small organizations were found to have good practices in change management, suggesting that size – while important – is not always an inhibitor of carrying out change management.

93.   Thirdly, the flexibility that core financing allows in terms of prioritizing areas for investment does appear to reflect the investment in change management, with those United Nations system organizations with greater core funding than non-core showing greater application of change management in their organizational reforms. However, again, the pattern is not assured. Some organizations with larger non-core than core resources also exhibited good use of change management, particularly those that have managed to establish financing models that can effectively align core and non-core resources to areas of strategic priority. This latter finding has not been fully tested, as funding models and the relationship to strategic prioritization was not fully investigated in the present review.

_____

A.   Application of change management theory

94.   As outlined in chapter I, change management is rooted in theory and practices built over seven decades in private and public sector organizations. The present review recognizes that it is important to look at how United Nations system organizational reforms were designed, and the extent to which they were based on this wider body of evidence.

95.   United Nations system organizations' understanding and application of change management have at their root been derived from various theoretical underpinnings of change and what it means to change. The models and approaches[14] most drawn upon across the reforms reviewed in the present study were Kurt Lewin's "unfreeze–freeze–refreeze" model (1947), John Kotter's eight-step process to leading change (1996), McKinsey & Company's 7-S model (1980) and the United Nations Laboratory for Organizational Change and Knowledge change model (2018).[15] A wider set of sources and approaches have been used for specific technical work, including feasibility studies, organizational health indices, surveys and the like. For these specific interventions, the models and the approaches of the consultants supporting the technical work have been used.[16]

96.   The review found that the use of established models and approaches in the design of change management in the United Nations system organizational reforms reviewed was relatively low. As illustrated in figure 5, only between 30 and 40 per cent of reforms over the period from 2011 to date have drawn explicitly on an established model or approach, and this has remained fairly constant over the period. This implies that for the majority of United Nations system organizational reforms reviewed, change management has not been based on a theoretical foundation and the associated empirical basis.

Figure 5
Use of established change management models and approaches in United Nations system organizational reforms over time
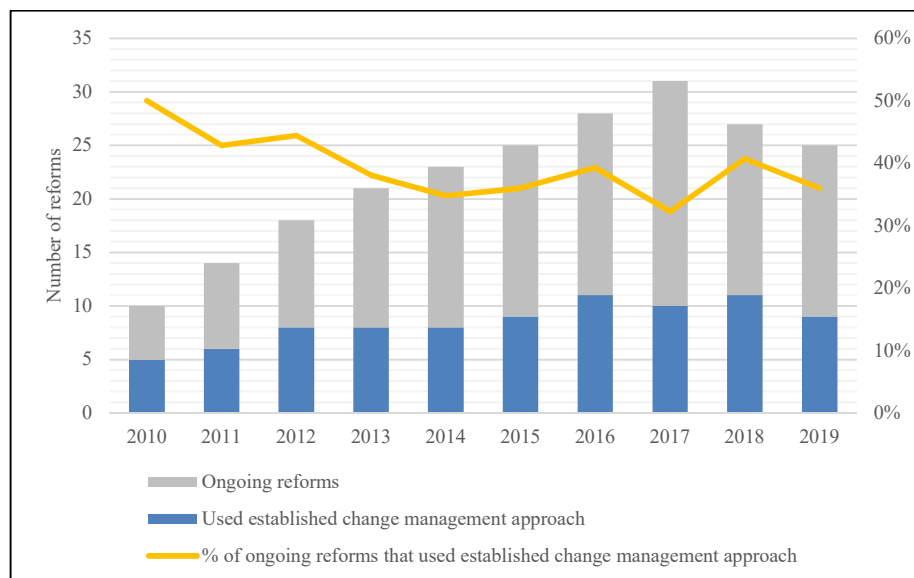
Source: JIU analysis based on case summaries.

97.   Where established models or approaches have not been drawn upon, it is hard to ascertain whether the elements of change management that do appear in the strategies are part of standard management practices, or whether these reforms are drawing on particular features of change management in an ad hoc and unsystematic manner.

98.   For example, certain elements or features were universally present, such as the use of communication methods in the rolling out and application of a reform – but not necessarily as part of a wider defined approach to change. This is problematic, as a norm behind many models and approaches (such as those of Kotter and McKinsey) is that all of the steps or elements have to be applied in their entirety to ensure an effective change management process. Elsewhere, the language of change management is used, but is not backed up in terms of strategy and action.
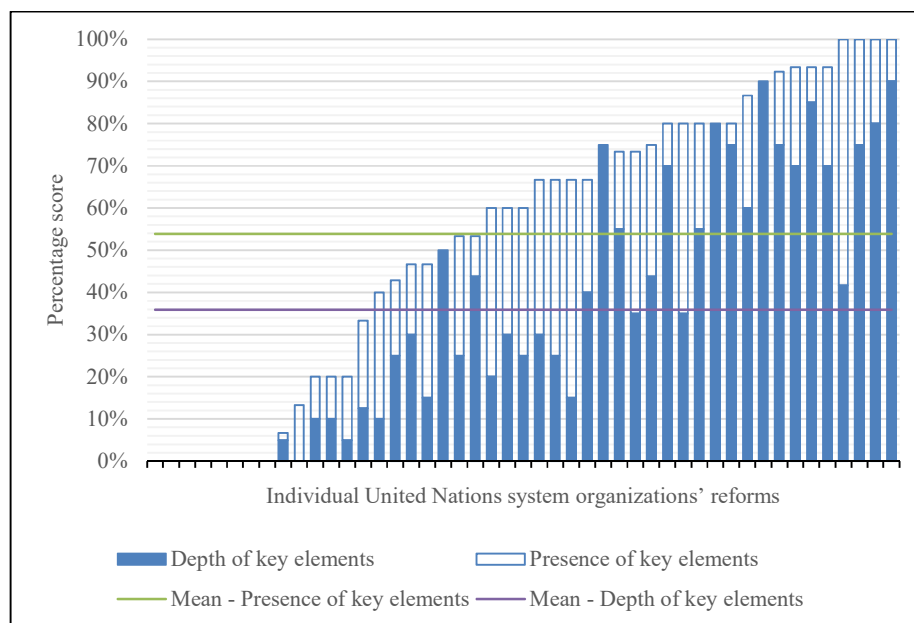
99.   Many United Nations system organizations appear to have some way to go in developing a better understanding of the central tenets of change management, the principles, and the established approaches and methods for managing a change process effectively.

100.   The case evidence gathered and interviews conducted revealed that in only a few cases did organizations have resident expertise or knowledge of different approaches, and of how to apply and test these in practice. Yet the literature reveals that performance can improve considerably when the right approaches are applied. Given the human dimension of change management, a much fuller understanding of how to engage, select and train people and to assess how they work, as well of their intrinsic motivations and behaviours, is vital for success.

B.   Quality of change management across organizational reforms

101.   This section looks at how widely change management has been applied in United Nations system organizational reforms since 2010, and the quality of that application. The data are drawn from the 47 reform cases that incorporated approaches to and processes of change management.

Figure 6
Presence and depth of key elements of change management, by reform

Source: JIU analysis.

Box 1

Defining and measuring the presence and depth of change management in United Nations system organizations

To assess how well United Nations system organizations have addressed change management, two analytical frameworks were developed.

The **presence of key elements of change management analytical framework** lists 15 critical factors or key elements in the planning, management and assessment of change management (see annex IV) drawn from the established models and best practices from the United Nations system organizations, public and private sectors. The key elements address aspects of pre-planning, planning, implementation and assessment of the change management process. Each organizational reform's change management approach and practice was assessed against each of these elements to see whether they were present or not, for example, the presence of a communication strategy. For each element present, one point was given, so a presence score of 15 out of 15 would be 100 per cent in figure 6 above.

The **depth of key elements of change management analytical framework** addressed the depth with which change management was applied. Depth was assessed in terms of the actual quality of the strategies and plans against a detailed set of metrics specific to each area, on a 5-point scale running from 0 (not addressed) to 4 (fully addressed), and how these were applied in practice. For example: the quality of the communication strategy and how well it was implemented. If the communication strategy was comprehensively designed and well implemented, the maximum score of 4 points would be allocated. These were added up for each area and calculated as a percentage.

See complementary paper 1 to the present report, on the JIU website, for more on methodology.

---

102.   The application of change management across United Nations system organizational reforms has been uneven over the past decade. As illustrated in figure 6, close to 20 per cent of organizational reforms exhibited none of the 15 key elements of change management in their reform design and implementation. In effect, while they were stated to be organizational

reforms with change management, no change management was found. A further 25 per cent of organizational reforms revealed limited evidence of change management practice, with eight or fewer of the 15 key elements of change management present in their reforms.

103.	By contrast, 40 per cent of reforms displayed 10 or more of the 15 key elements of change management in their organizational reforms, reflecting good coverage across all the key areas of the process.

104.	Those organizational reforms which exhibited more of the key elements of change management also tended to be those which implemented them more effectively. This is illustrated in the filled portion of the graph in figure 6. This confirms that there were organizations that thought through and applied change management principles and practices well in their reforms, and another group that picked specific facets in the absence of a wider strategy or plan, and hence have not applied it fully. On average, though, when reading across the entire set of 47 reforms, the average depth with which change management was applied was fairly limited.

105.	This conclusion is further supported by the evidence presented in figure 5 showing the relatively low proportion of change management strategies based on established models or approaches. This suggests a lack of awareness among a substantial share of United Nations system organizations as to what change management really is, or how to apply it.

106.	The following recommendations are expected to enhance the effectiveness of United Nations system organizations.

Recommendation 1

Governing/legislative bodies are encouraged to ensure that executive heads embed change management approaches and methods in their organizational reforms and report on the results.


Recommendation 2

Executive heads should embed structured and comprehensive change management approaches in their ongoing and future organizational reforms and report thereon to their governing/legislative bodies.

Change management application through different phases of the process

107.	When broken down by phase, a number of patterns emerge. Many of the elements of change management were evident during the phases of pre-planning, planning and implementation, but were less apparent at the assessment phase. Evidence of assessment mechanisms, in this context, refers to proof of a results or benefits framework, evidence of internal mechanisms and practices of monitoring and learning, and proof that external evaluations of change management were present. As illustrated in figure 7, on average, only 40 per cent of the key elements of assessment were identified.

Figure 7
Breakdown of scores for presence and depth of change management, by phase of the reform process
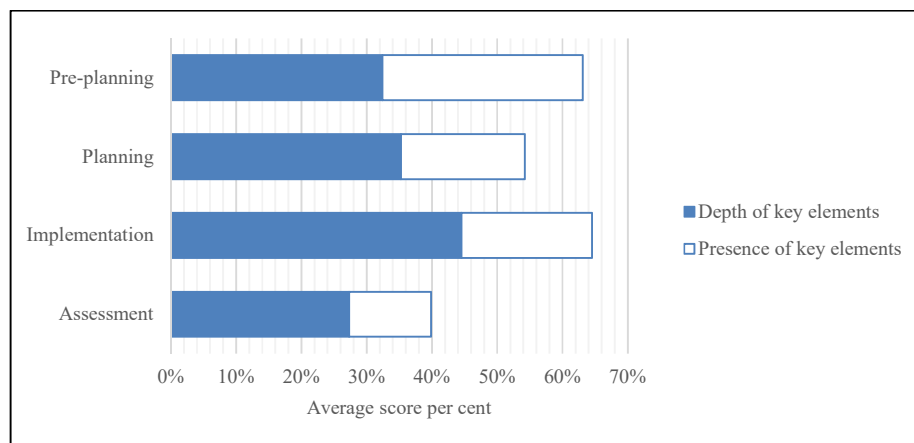
Source: JIU analysis.

108.   In terms of the quality of the change management strategies, plans and implementation, the weakest area was pre-planning. This is illustrated in the relatively shallow depth of the filled portion of the pre-planning bar in figure 7. Pre-planning involves making the case for change, assessing the readiness for change and establishing a baseline against which change would be assessed. As will be discussed in the following chapter, this is an important finding, as setting the parameters for why change management is considered necessary, diagnosing the areas that need to be changed and capturing the views of staff at the outset are critical factors in the eventual success or failure of the change.

109.   In contrast, while the assessment elements of change management were addressed in relatively few organizational reforms, those that did include results frameworks, assessment mechanisms and evaluations did so relatively well. Among these assessment instruments, the use of informal mechanisms that allowed for learning during the process of change management stood out as the most widely practised. Less well utilized were specific metrics for outcome monitoring or the formal assessment or evaluation of change management at the end of a process. If an organizational reform does not have a basis for measuring change, and does not carry out an evaluation of this change, then there is little evidence of success or of failure. This is a weak area across United Nations system organizational reforms. This issue will be returned to in chapter IV.

110.   Overall, across all phases, the gap between the presence of a key element of change management and the depth (or lack thereof) with which it was applied confirms that there are limitations in United Nations system organizations as regards their approach to and understanding of change management, in their reforms.

C.   Patterns of change management across organizational reforms

111.   This section looks at change management practice across the 47 reforms and 26 United Nations system organizations from three different perspectives. Change management practice is analysed by the focus of the reform, and then by two organizational characteristics – the size of the organization and the budget structure. The purpose of this section is to reveal whether specific patterns can be identified, and the implications of these in terms of conclusions and recommendations on the practice of change management in United Nations system organizations.

Change management practices in different types of organizational reform

112.   Chapter II classified all organizational reforms from the sample into four types – those that focused on improving business processes, restructuring, management system reforms, and organizational cultural transformations. An analysis of the presence and depth scores of change management by type of organizational reform revealed a number of patterns.

113.   Firstly, change management was identified as most comprehensive (both in terms of presence and of depth) for reforms focused on improving business processes, in comparison with other types of reform. This was evident across all phases of the process, from design to assessment. The qualitative evidence suggests that this is due to the detail with which enterprise resource planning-type reforms have been planned and executed, and the implications in terms of how staff are necessarily engaged in the design and rollout of these reforms.

114.   The best cases (discussed in more detail in chapter IV) have sought to complement "hard" interventions (i.e. new systems, technologies, structures and processes) with change management practices in an integrated manner. Evidence from the work of ILO on lean management practices under the Business Process Review reform, for example, operated in tandem with its work on organizational health. This appears to have had mutually beneficial effects, both on management practices and staff engagement, as well as the harder effects on improving efficiencies, and enhancing sustainability. Similar evidence was found in the Agency-wide Information System for Programme Support (AIPS) reform, in IAEA, and in the Programme for Change and Organizational Renewal, in UNIDO.

115.   This is consistent with the findings of the JIU review of enterprise resource planning systems (JIU/REP/2012/8), which highlighted the same issues as being critical to success. This suggests that cognizance has been taken in enterprise resource planning-focused organizational reforms since 2012 of the importance of these factors.

116.   Secondly, reforms focused on restructuring had, on average, the weakest depth in terms of the practice of change management. The data reveal two patterns within this average, the majority (two thirds of the reforms) with very low depth scores, and the minority (one third of the reforms) with medium and quite high depth scores. This finding confirms the evidence presented in chapter II. Reforms focused on restructuring in many cases understood and applied change management in a very limited way, focusing on a few aspects around communication, primarily to mitigate against risks when moving, reprofiling or downsizing staff. In other cases, such as in the OCHA "Creating a Better OCHA" and WFP "Fit for Purpose" reforms, a more comprehensive approach was taken in reforms focused on restructuring, engaging with staff fully to explain what was happening, and the implications, and getting buy-in through the process. While the present review has limited evidence of the results of the reforms studied against which to assess the success or failure of change management, the evidence that was collated does suggest that a narrow approach to change management, even in cases of restructuring, is not an effective strategy.

117.   Thirdly, the inspectors were surprised to find that reforms focused explicitly on organizational cultural transformation did not come out, on average, with the highest scores in terms of the presence and depth of change management in the analysis. This is another case where averages do not present all of the facts. Considerable variation was found, particularly in the depth with which change management was applied in these reforms. **The inspectors recommend that United Nations system organizations seeking to fully or partially address changes in working culture through their reforms consult with those organizations whose reforms have achieved high scores in the JIU analysis, such as WHO, through its AFRO Transformation Agenda, and ILO, through its Business Process Review and related organizational health work.**

Change management by size of organization

118.   To explore further how the variations observed are tied to various types of organizations, an analysis was carried out on the relationship between change management and the size of United Nations system organizations represented in the present review. A number of patterns emerge regarding the relationship between organizational size and the presence and depth of change management in their reforms.

119. Smaller organizations have tended to exhibit, on average, fewer of the key elements of change management, compared to the medium-sized and larger organizations. However among these smaller organizations there are two distinct groups: those which exhibited limited presence and depth of change management in their reforms, and those which had managed to achieve some depth of application of change management (see annex III A for a graphical representation). This suggests that implementing change management in organizational reforms is not simply a matter of finances and staff numbers. Some smaller organizations have found ways to implement change management within their reforms without necessarily having a large internal capacity to design and carry out such work, nor major finances to invest.

120. The nuance in the data is that size matters most in the pre-planning phase of change management. The larger organizations achieved greater depth in this phase. This is perhaps due to the ability to invest in upfront costs in order to carry out readiness assessments and engage fully with staff on the case and rationale for change. This is also true as regards monitoring and evaluation. A positive relationship was found in the data between the size of the organization and the practice of having a change management results framework that carries out monitoring and external evaluations, with larger organizations incorporating more of these elements in their reforms.

Change management variances by source of budget

121. The earmarking of funds by donors can limit the ability of United Nations system organizations to distribute resources where they deem it most necessary – that is, in line with their mandates and strategic plans. Core resources are provided without any conditions to support the mandate of the organization (i.e. unearmarked/unspecified contributions). Non-core or extrabudgetary resources are the so-called earmarked/specified contributions (see JIU/REP/2014/1), but these terms are not necessarily used consistently across the system.[17] To assess whether the balance of unearmarked versus earmarked financing (core vs. non-core) has affected the application of change management within organizational reforms, financial data for 2016 was plotted against the presence and depth of critical elements of change management in the reforms currently underway.

122. The data (represented graphically in annex III B) appears[18] to support the case that the greater the core funding (with a ratio of >1), the greater the flexibility that organizations have to pursue change management. Examples of this are IAEA and ILO, which have a proportionally larger share of core to non-core financing, and have used these core resources, inter alia, to finance change management-focused reforms.

123. There is a less clear pattern for organizations with higher levels of non-core funding (with a ratio of <1). The evidence suggests that some largely non-core-financed United Nations system organizations have employed change management effectively where the financing models[19] have been reformed to better align and balance the application of core and non-core resources. An example of this is WHO, which has a larger share of non-core than of core financing, but has enacted effective change management-related reforms. At the other end of the scale, there are a number of organizations which also have a larger share of non-core resources, but which in the present review's analysis did not embed change management processes very effectively in their reforms.[20]

124. However, these findings are considered tentative, due to data limitations. Further analysis with a larger sample would be necessary in order to fully validate these findings.

Endnotes to chapter III

[14] Lewin is widely considered the founding father of change management, with his "unfreeze–freeze–refreeze" or "changing as three steps". However, the applicability of this model is increasingly questioned in the context of an era of constant change (Kurt Lewin, "Frontiers in group dynamics: concept, method and reality in social science; social equilibria and social change", *Human Relations*, vol. 1, issue 1 (June 1947), pp. 5–41). Kotter's eight steps are to increase urgency, build a guiding team, develop a vision, communicate the vision, empower action, create quick wins, build on the change, and make it stick (John Kotter, "Leading change: why transformation efforts fail", *Harvard Business Review* reprint). McKinsey's 7-S model is skills, systems, structure, staff, strategy, style and shared vision (McKinsey & Company, "Enduring ideas: the 7-S framework" (March 2008)). For the model of the United Nations Laboratory for Organizational Change and Knowledge, see United Nations System Staff College, "Change management at the United Nations and the UNLOCK change model" (6 November 2018).

[15] The United Nations Laboratory for Organizational Change and Knowledge change model is based on a variety of existing change management models (including Kotter's and Prosci's ADKAR model), research by Gartner and various consulting firms (including McKinsey, Deloitte, PricewaterhouseCoopers and Accenture), and observed best practice in the United Nations system.

[16] These include McKinsey's Organizational Health Index, used at ILO; PricewaterhouseCooper's Strategy& change management approach, applied in the IT Transformation reform at ILO; and full feasibility studies as part of the UNHCR Structural and Management Review; and Harvard University's Leading Change and Organizational Renewal Model, drawn upon in the Programme for Change and Organizational Renewal reform, of UNIDO.

[17] See www.un.org/en/ecosoc/qcpr/pdf/technical_note_on_funding.pdf.

[18] This data should be taken with caution, with a coefficient of determination (R^2) of 0.1 for the presence of key elements and of 0.17 for the depth of key elements. To test this, further analysis is recommended.

[19] Such as the reform, initiated in 2011, of the World Health Organization financing model (Bruce Jenks and Jennifer Topping et al., *Financing the UN Development System: Pathways to Reposition for Agenda 2030* (Dag Hammarskjöld Foundation and United Nations Multi-Partner Trust Fund Office, 2017), pp. 52–54.

[20] This judgment is based on the analysis of change management documentation pertaining to the reforms reviewed by JIU.

IV. Enablers of success in change management

125. This chapter explores the factors behind good practices in change management, which for the purposes of the present review are termed "enablers": issues or processes that are central to navigating change management successfully within a reform process. The chapter illustrates where and how these enablers have been used, what some of the good practices are, where there have been gaps, and what organizations might improve upon and how.

126. To identify the key enablers of successful change management, the inspectors analysed each of the established change management models and approaches (see chap. III) and drew out the critical success factors from across the 47 organizational reform cases studied, and then reviewed the evidence to look for common features and patterns, culminating in a list of six factors (i.e. enablers).

127. These enablers are: (a) establishing the case for change; (b) creating a guiding coalition for change; (c) establishing strong communications; (d) resourcing change management; (e) assessing and learning from change management practices and results; and (f) institutionalizing change management capacities and practices within an organization (fig. 8). The first five of these are addressed in this chapter, and institutionalizing change management is the subject of chapter V.

Figure 8
Enablers of change management

Source: JIU analysis.

A. Establishing a case for change

Summary

128. Over the past decade, the scope and frequency of organizational reform in United Nations system organizations has increased. In this context, establishing and conveying a clear and compelling case for change prior to rolling out a reform is critical. The chances of reform failure are high without establishing buy-in based on strong diagnostic work of what needs to change and why, and establishing the organization's readiness to change. This is the case for United Nations system organizational reforms. Only half of the 47 reforms reviewed were based on some form of readiness assessment.

129. Among the organizations and reforms that did establish a clear case for change based on readiness diagnoses, a variety of practices were identified. The evidence suggests that the case should be both content- and process-focused, and several cases illustrated a blend of objective and perception-based data-gathering through surveys and other instruments, together with a clear process of engagement and discussion with staff on a collective vision about what needed to change and how.

_____

Establishing a case for change

130. It is normal for staff, governing body members and other stakeholders to respond to the introduction of a plan for organizational change with questions around what is changing, why it is needed, the scope of the change, its urgency and the intended outcomes. This is most pronounced in the current era of waves of multiple reforms, where clarity regarding the benefits over the costs (not just financial, but also motivational) is necessary in order to avoid reform fatigue and ultimately reform failure.

131. Establishing a clear and compelling case for change involves engaging staff and conveying to stakeholders why they should engage in the effort required by the change, and what the benefits will be for them. Making the case for change in response to externally or internally driven needs is rarely sufficient, unless it resonates with those most directly affected by it. The rationale for change, and the way change is approached, is more likely to be judged as fair when it reflects the concerns, values and outlooks of the individuals involved.[21] In turn, the evidence suggests that the level of buy-in to a reform, or, conversely, the level of resistance to it, is a key determinant of its eventual success or failure.

132. There are two interrelated dimensions to the case for change: content and process. The content of the case for change relates to an organization's readiness, ability and capacity to undergo a reform – which requires information on the change and the likely impact that it will have on the individual and the organization. History, culture and value systems play a key role in this. Some organizations have systems in place to gather periodic information from staff and other stakeholders on various relevant issues, including motivation, leadership, accountability and direction. For others, information would need to be generated from scratch.

133. The second dimension is the process. Case evidence and literature suggests that organizations have to go through a period of self-reflection and engagement designed to create motivation and readiness to give clear shape to the vision, to create awareness and to minimize reluctance to change.[22] This takes time, careful planning and commitment. The evidence suggests that communication is critical both to individual change adoption and to addressing resistance to change.[23] Face-to-face contact, and engagement with both groups and individuals, is important.

134. Against this definition, United Nations system organizations have arguably performed below par. Less than 50 per cent of all reforms studied in the present review were based on any explicit diagnostic work that sought to ascertain the readiness of the organization to change. This was particularly the case in small organizations.

135. Of those reforms where some form of readiness assessment was undertaken, two thirds carried out diagnostic work that included the use of formal surveys to generate relevant data. One third used more informal and qualitative methods, including dialogue and engagement to gather opinion and form a consensus around the intended shape that the change would take (but not necessarily including a diagnosis of strengths, weaknesses, and challenges to adoption by the organization of the intended change).

136. Of those readiness assessments that included survey work, there were organizations with pre-established, routine staff and external stakeholder surveys that captured, inter alia, data and perceptions relevant to preparing for change, and organizations that commissioned an assessment specifically as part of the preparation for the reform they were about to undertake.

137. The analysis points to a number of patterns for those organizations that did conduct systematic diagnostic work in preparing for a reform. The following section outlines patterns

and cases of diagnostic work grouped into three types, drawing on the typology outlined in chapter II. Firstly, comprehensive reforms that included elements of restructuring, in large, field-based organizations; secondly, reforms focused more specifically on cultural change; and thirdly, reforms focused primarily on improving business processes.

Role of change management diagnostics in large, restructuring-related reforms

138. The reforms of WFP (Fit for Purpose, 2012–2017), OCHA (Creating a Better OCHA, from 2015 to date) and UNHCR (UNHCR Change Process, from 2017 to date) were all driven to varying extents by a need to respond to changes in their operating environments through, inter alia, organizational restructuring. Prior analyses and feedback from within the organizations had revealed dissonance between field realities and the procedures and requirements in place, leading them to take a comprehensive look at how their organizations functioned in response to their beneficiaries' needs.

139. For each of these reforms, the purpose of a diagnosis – termed rapid organizational assessments for WFP and UNHCR, and a functional review for OCHA – was to focus on understanding the organizations' strengths and weaknesses, and identifying how to strengthen the organizations' efficiency and effectiveness. All three diagnoses focused on the following elements: strategic focus, organizational structure, people, staffing, and importantly, culture. Two of the three diagnoses also focused on the organizations' operating and management models.

140. All three organizational reforms sought to make the case for change on the basis of empirical diagnostic work. However, the degree to which change management and organizational culture features in these assessments varied substantially. This ranged from highlighting a number of issues around the organization's culture based on staff interviews and recommending the monitoring of organizational health over time (WFP Fit for Purpose), to a fuller outlining of key elements for successful change based on interviews with staff and senior management (UNHCR Change Process), to a comprehensive organizational survey focused on culture (Creating a Better OCHA). Box 2 provides further details on the OCHA case.

141. These differing degrees of focus on change management within the diagnosis are instructive. The review of Fit for Purpose[24] found that while the approach did provide managers with clear incentives and resources to act, many of the proposals within the initiative lacked detailed plans, and the failure to scale back other work to make space for the implementation of this reform resulted in some smaller country offices being overwhelmed by change initiatives. While it is acknowledged that there were many factors at play, it is possible to infer that a greater focus on organizational change and culture in the diagnosis may have addressed some of the constraints that were identified later on.

142. Even in the OCHA case where there was a comprehensive diagnosis of culture, the process of carrying it out matters. As noted, building the case for change is about content and process. OCHA itself considered that there had been insufficient buy-in at the beginning of the process, with limited engagement of staff into the functional review aside from their participation as respondents. Subsequently, OCHA had difficulty communicating the findings of the diagnosis to staff. This was recognized to be a challenge of managing expectations and communicating in a manner that did not undermine effort or trust.[25] In turn, this raises the question of what the most appropriate diagnostic tools are to enhance engagement when working across multiple locations and contexts.

Box 2

Diagnosing culture as part of organizational reform: the functional review of OCHA

In 2015, OCHA initiated a functional review to improve its efficiency and effectiveness by ensuring it had the optimal structure, resources and capacities to deliver on its mandate and commitments emanating from General Assembly resolution 46/182. It was recognized that in addition to addressing structures and processes, the core culture of OCHA needed to be better understood in order to strive to be a more transparent, collaborative and service-

orientated organization. The review recognized the interdependencies between culture and the structural and operational aspects of the change.

As part of the review, an organizational survey was designed to understand and measure the culture of OCHA, and compare staff engagement scores with those of peer institutions. This focused on two areas: behaviours at work and staff engagement and satisfaction. The behaviours at work section focused on three areas that had emerged as topics of interest earlier in the review, namely: a cautious versus a risk-permitting culture, a diplomatic versus a transparent culture, and an internally focused versus a service-oriented culture.

The staff engagement and satisfaction section sought to understand such issues as: staff objectives and aspirations, including whether or not there was a sense of shared vision and mission; whether the systems in place and environment fostered a strong accountability and collaboration culture or not; whether performance management systems worked; and whether the organization had strong people skills and leadership behaviours. Preliminarily staff engagement and satisfaction responses were benchmarked against 508 public sector organizations. The public sector benchmark group included primarily governmental institutions, across three regions worldwide.

Source: OCHA Functional Review: Final Report, conducted by the Boston Consulting Group and MANNET (26 July 2016), pp. 126–128.

Role of readiness assessment diagnostics in reforms focused on organizational culture

143.   As outlined in previous chapters, just over 25 per cent of all 47 reforms reviewed focused extensively or partially on changing or transforming organizational culture. In most cases, this was part of a wider set of reform goals, such as reorganization and restructuring (e.g. in OCHA, UNHCR and WFP, as outlined above). In other cases, it was linked to improving business processes, such as in ILO (Business Process Review, from 2016 to date), UNOPS (Human Resources Transformation, 2013–2016), and UNICEF (Human Resources, from 2015 to date); while in others it was linked to management systems reforms, such as WHO (WHO Reform 2011–2017; and AFRO Transformation Agenda, from 2015 to date). However, while there are other facets, the focus on people – the culture, the behaviours and related practices – was central. All of these reforms were derived, to varying extents, from the aim of creating more dynamic organizations. This is subtly different from a focus on efficiency and effectiveness, as it plays more to the emphasis on the role of people over process.

144.   Making the case for change where the change itself is around organizational culture and individual behaviours requires extensive, structured engagement. Evidence from the WHO AFRO Transformation Agenda case, which operated at the regional and the country levels, demonstrates the lengths that WHO went to in order to bring staff together from all levels, to show what was "in it for them".[26] This included regular communication on the process to prevent rumours from spreading, and continually informing staff and external partners as to the purpose and process of change (box 3).

Box 3

Diagnosis using expert knowledge within the organization: AFRO Transformation Agenda in WHO and Human Resources Transformation in UNOPS

The WHO AFRO Transformation Agenda and the UNOPS reforms used expertise within the organizations as part of their initial diagnosis. The Regional Director of the WHO Regional Office for Africa played an important role in framing issues on the ground, and in the case of UNOPS, the Director of Human Resources played an important role in mainstreaming and managing the change. Both directors brought strong transferrable lessons from previous experience in the field and within the United Nations system, which added credibility to the approach.

Furthermore, attention was paid to structured pre-engagement with senior staff to discuss the intended reforms and build consensus about what needed to change. For WHO, regional

programme meetings took place in the first phase of the transformation agenda, to engender buy-in, ownership, and eventually, joint implementation.

Through this learning-by-doing approach, where productivity is achieved through practice, self-reflection and innovation, past experience in initiating and implementing change management initiatives are critical. In both of these reforms, expert knowledge, either from within the organization or from the past experience of staff, has been applied.

   Source: JIU case summary on the WHO Afro Transformation Agenda; JIU case summary on the UNOPS Human Resources Transformation; and Matthieu Glachant et al., "Greening global value chains: innovation and the international diffusion of technologies and knowledge", Policy Research Working Paper No. 6467 (Washington, D.C., World Bank, 2013).

145.   Approximately one third of the reforms that were focused on organizational culture change incorporated some form of cultural diagnostic in the pre-planning phase of the work. These ranged from drawing on relevant indicators and evidence pertaining to staff welfare, priorities and performance from global staff survey data (UNICEF), to specific, tailored, culture-focused surveys (ILO, OCHA and WHO).

146.   Two reforms (the WHO AFRO Transformation Agenda and the ILO Business Process Review) prepared and utilized organizational health indices as a means to diagnose, benchmark, track and strengthen various dimensions of organizational functioning and performance, including staff motivation, leadership, culture and climate, innovation, and learning.[27] As in the ILO case (box 4), the baselining of various interrelated dimensions of an organization's functioning can be a powerful instrument for making the case for change and supporting that change, measuring the response to interventions, and reacting accordingly.

Box 4

Organizational health index: ILO Business Process Review

ILO recognized that in order to achieve a sustainable change in the way business processes and administrative services were transacted, it would need to look more closely at the working practices, behaviours and incentives in the organization. To address this, ILO worked with a consulting firm around localizing an organizational health index for the organization. The purpose of the index was to diagnose current strengths and developmental needs to improve the efficiency of business services and organizational health. It focused on establishing a baseline for administrative services to measure future performance improvements and compare against similar organizations, and involving staff in the change process to understand perceptions of efficiency and barriers to successful transformation.

The diagnosis was based on a survey focused on understanding the organizational culture. The survey assessed nine different outcomes, which included direction, leadership, accountability, innovation and learning. These outcomes were grouped into three clusters: (a) Alignment – Are people at all levels aligned around the organization's vision, strategy, culture and values?; (b) Execution – How does the organization execute in accordance with its strategy? Can the organization perform essential tasks with its current capabilities and motivation level?; and (c) Renewal – How does the organization understand, interact with, respond to and adapt to its situation and external environment? The results of the diagnostic guided the Business Process Review reform, and were also used as a proxy to measure the impact of the reform. These results were further used to reinforce the case for change and led to greater ownership of the reform.

   Source: JIU case summary on the ILO Business Process Review.

147.   The evidence suggests that it is prudent to carry out specific organizational cultural diagnostic work prior to embarking on a reform that is focused on organizational cultural transformation. Evidence from newer and emerging reforms, such as the change process of UNHCR, suggests an increased focus on defining and diagnosing the specific organizational culture as a means of establishing what changes are desired, and actions to achieve this.

Readiness assessments in improving business process-focused reforms

148.   A third pattern emerged from the data on change management readiness specifically in relation to reforms focused on the use of technology. Four reforms that addressed readiness for change were identified, at IAEA (the AIPS project, 2011–2017), the United Nations Secretariat (Umoja, from 2008 to date), UNOPS (Enterprise Resource Planning, 2014–2016), and ILO (Integrated Resource Information System rollout – enterprise resource planning, from 2008 to date). Common features of technology-focused reforms have already been highlighted in chapter II, where change management has been used in reforms focused around technology.

149.   The depth with which change management has been implemented around technology reforms has varied substantially, including in terms of making a case for change on the basis of strong diagnostic work. While all of the reforms identified are in large or medium-sized organizations, the diagnostic work varied substantially, ranging from largely dialogue-focused approaches, to the use of data from staff surveys, to more comprehensive assessments. The example of the IAEA AIPS project (box 5) illustrates how change readiness assessments were conducted prior to the release of each phase (or plateau) of the enterprise resource planning and provided a basis for the "go" or "no go" decisions on how to proceed.

Box 5

Organizational readiness strategy: IAEA Agency-wide Information System for Programme Support

In 2011, IAEA began its AIPS reform which was aimed at improving overall effectiveness and efficiency by replacing the legacy systems with a single enterprise resource planning system. The reform was driven by an earlier feasibility study, carried out in 2006, and by a requirement to adopt the International Public Sector Accounting Standards. It was implemented in four phases, with an organizational readiness strategy for each phase.

The objectives of the strategy were (a) to have a clear vision by involving key stakeholders; (b) to identify, document and evaluate the organizational impacts of the change; (c) to identify actions required for communication, training and organizational preparedness to support organizational change; and (d) to set up regular checks of organizational readiness throughout the phase to assess change readiness.

As part of the strategy, organizational impact assessments were built into the design stages of the project. The assessments included a focus on changes related to users' work practices, workflow processes, and the relationship between sections and departments. On the basis of these assessments, a detailed change action plan was drawn up that set out actions needed to support the various expected changes. These included actions such as direct communication to and from affected groups, indirect communication via subject-matter experts and super users, and training.

Additionally, staff readiness and acceptance of change was assessed through awareness and preparedness surveys of staff members in the prospective user community. These surveys focused on: (a) awareness and understanding of the proposed changes and expected benefits; and (b) personal perceptions of AIPS.

  Source: IAEA organizational readiness strategy (for AIPS plateau 2), 2011.

Standardizing staff survey instruments to guide change readiness

150.   Currently, some individual organizations are carrying out organizational surveys – focused on a range of issues including staff culture, motivation, practices and performance. These are being carried out independently of each other, using different metrics and methods. When used well, surveys can gauge the readiness for change management, and assess the actual changes that are taking place through the gathering of data over time.

151.   A standardized approach could provide a useful benchmark. Inspiration could be drawn from the Mayflower Group, a consortium of private sector organizations which formed a pact in 1971 to administer common, relevant survey items in order to produce norms and

benchmarks available to members of the consortium.[28] If private sector organizations operating in high-stakes and competitive environments can coordinate and share information in this manner, it seems quite feasible that United Nations system organizations could do something similar, to the benefit of all.

152.   The following recommendation is expected to enhance coordination and cooperation between United Nations system organizations.

> **Recommendation 3**
>
> **Executive heads, through the United Nations System Chief Executives Board for Coordination, should support the development and standardization of organizational staff surveys across the United Nations system.**

B.   Creating a guiding coalition

153.   A second key enabler of effective change management that stands out from the review data and wider literature is the establishment of a coalition of people working throughout an organization to shape and deliver the intended reform. There are various dimensions to this, notably leadership and governance, institutional arrangements, collective leadership and the use of change agents. Each of these is addressed below.

Summary

154.   Senior leaders need to be sponsors of the change, as staff, governing body members and other stakeholders tend to respond more positively to messages and actions from the top. The leadership of a change management reform by the executive head alone is typically a necessary but insufficient condition for success. Evidence suggests that the presence of a collective leadership group with an aligned vision and complementary roles is especially important to the success of a strategic initiative.

155.   Governance structures for overseeing change management are important. They help clarify the direction of the change and address a number of processes and topics that might otherwise become issues during a programme's life cycle.

156.   While leadership has already been identified as important, the data also show that if a strong and legitimate coalition of people is put in place to guide a reform, the issue of reliance on individual leadership potentially becomes less important. To have legitimacy, such distributed leadership needs to be based on perceptions of fairness in how they were selected, what their role is and how others are expected to relate to them. When staff do not view a process as fair, they are more likely to withdraw from it. The United Nations system organizational reforms that scored highest in the assessment of the depth or quality of change management were also those that had the most distributed leadership of the reform, and where leadership capacity was explicitly and intentionally built.

157.   Reforms that use change agents are twice as likely to have good depth across all the critical areas of change management. Among the reforms reviewed, various types used change agents, including those focused on embedding new technologies in the organization concerned and those focused on culture and new ways of working. All United Nations system organizations should consider identifying and using change agents across their reforms. These do not necessarily need to be part of the coalition of leadership, but do need to have a close and regular connection with the leadership group to provide a conduit between the staff and those shaping and leading the reform.

_____

Leadership and governance

158.   Three aspects of leadership of a change management-focused reform stand out. The first is that senior leaders need to be sponsors of the change, as staff, governing body members and other stakeholders tend to respond more positively to messages and actions

from the top. The topic of leadership was highlighted throughout the case work carried out for the present review, and links closely with making the case for change, discussed previously. Positive examples were provided of leaders inspiring followers through the articulation of a clear vision for change, providing visible support for the change, and serving as positive role models throughout the change process (see box 6). This personal connection between the leadership and the staff, particularly on what the change will mean for them, is vital for the success of reforms which require staff to adapt and adopt to new practices and ways of working.

Box 6

Examples of transformational leadership in United Nations organizational reforms

The Regional Director played a strong role in advocating for and communicating the change during the reform of the WHO Regional Office for Africa (AFRO Transformation Agenda). Supported by the Regional Director's past experience and knowledge of the organization, the approach worked well in mobilizing and engaging the change agents. Interactions with staff were combined with change management workshops that provided colleagues at all levels with opportunities to have their voices heard.

At IAEA, it was noted that many leadership changes occurred during the implementation of the AIPS reform, including rotations of heads of department, and rotations and changes of Director General. This can make it difficult to maintain a sustained, consistent tone of transformational leadership from the top. In order to address this, IAEA leaders went on a "listening tour" to allow staff to voice their opinions, an effort that complemented the annual satisfaction survey.

Leadership played a key role in the "Creating a Better OCHA" reform, mirroring the wider research evidence regarding the positive effect that transformational leadership can have during organizational change. The Under-Secretary-General was reported to be very active in listening, communicating the change in practical terms, setting the tone from the top, and, with the change agents, championing the initiative. Opportunities for staff to have a voice were offered, which supports the kinds of procedural justice perceptions important during organizational change management. Change agents were given the mandate to "speak truth to power", and to collect views from colleagues who would not have otherwise been heard, including those in field offices, and views that people are often hesitant to voice. Such an approach can be helpful in heading off negative "groupthink".

Source: JIU internal paper on applying behavioural science to organizational change management in the United Nations; and JIU case summary on the WHO Afro Transformation Agenda.

---

159.   Secondly, leadership of a change management reform by the executive head alone is typically a necessary but insufficient condition for success. Evidence suggests that the presence of a collective leadership group with an aligned vision and complementary roles is especially important to the success of a strategic initiative.[29] Thirdly, the role that governing bodies play in a reform is indicative of the nature and shape of that reform. Across the reforms reviewed, a wide range of practices were identified: from governing bodies being regularly involved and guiding decisions pertaining to the reform, to them being periodically informed of progress with the reform, to them only learning about the reform through updates in annual reports. These configurations varied by type of organization, and the scale and scope of the reform.

160.   As highlighted by the United Nations Laboratory for Organizational Change and Knowledge,[30] overall, the rationale for having governance structures in place when planning change initiatives is to clarify the leadership for and direction of the change and address a number of processes and topics that might otherwise become issues during a project's life cycle. Governance structures help to address: clarity around roles and responsibilities; accountability for the work; disclosure and transparency; risk management and internal control; decision-making power; ethics; performance and effectiveness; and the implementation of strategy.

Institutional arrangements: functions, capacity, structure

161.   Varying patterns emerged as to how change management was set up within the context of organizational reforms. Four main types were identified from the case data. Just under half (47 per cent) of all reforms in United Nations system organizations did not have any form of identifiable change management capacity – either embedded with the reform as a whole, or as a separate unit (fig. 9). These cases correlate with those reforms that scored poorly in the analysis of the depth of their change management (fig. 6). This was found to be particularly true for small organizations, which scored significantly lower for the depth with which change management was applied.

162.   Of all the reforms reviewed in the present study, 17 per cent embedded change management specialists within a wider project or reform management team. There was considerable variance within this particular configuration. In some cases, change management expertise was evident and was properly mainstreamed through task teams and networks across the organization as part of the reform (embedded expertise), whereas in others there was minimal evidence, with limited expertise spread across different components of a reform.

163.   Perhaps surprisingly, embedded expertise did deliver in terms of the depth with which change management was applied. As table 1 illustrates, there was little difference in the depth with which change management was practised within a reform for those whose capacity was embedded in a project team (depth score of 56 per cent), compared with specific time-bound or even permanent change management units (58 and 56 per cent respectively). This embedding function appeared to work better for medium-sized organizations, compared to larger organizations, with medium-sized organizations scoring more highly. This may reflect cost elements in a reform, where it is more economic to mainstream capacity throughout the organization than to build separate teams and units in medium-sized organizations.

164.   The remaining reforms, 36 per cent in total, established either temporary or permanent change management teams (fig. 9). These resided almost entirely within medium-sized and large organizations. Temporary (or time-bound) change management teams, found in 15 per cent of organizations, were typically set up around a specific reform to deliver the change and then disband. Time-bound teams were found to be mainly charged with task-driven work – focusing on leading, engaging, and embedding practices through the reform strands. Typically, these teams combined expertise pertinent to the reform (such as technology, management or human resources skills) with staff whose role was to focus specifically on the change management facet of the reform. Examples of this included FAO (Global Resource Management System, 2006–2014), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) (Regional Architecture, 2012–2014), and ICAO (Organizational Performance Management, 2015–2018).

Figure 9
**Configuration of institutional arrangements for change management in
United Nations system organizational reforms**
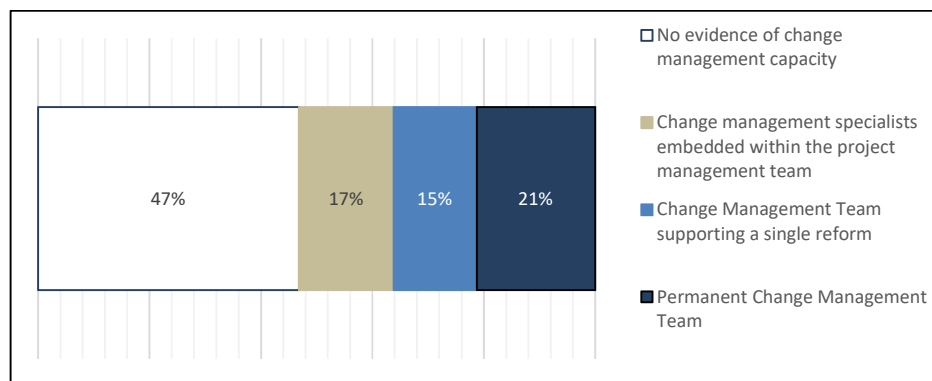
Source: JIU analysis based on case summaries.

Table 1
Average depth of change management practices in reforms with different team configurations

	All organizations	*Small*	*Medium*	*Large*
All reforms	36%	19%	43%	41%
No team (even embedded)	32%	19%	36%	40%
Change management capacity embedded in project team	56%	NA	66%	40%
Time-bound change management team	58%	63%	53%	70%
Permanent change management team /unit	56%	55%	44%	66%

Source: JIU analysis based on case summaries and frameworks for the presence and depth of key elements.

Note: The percentages given above are the mean depth scores for change management; for further information on the instrument used to measure depth of change management, see chapter I.

165. Permanent change management teams or units were identified in one fifth of all organizations' reforms. These teams and units were typically embedded within a management department or reported directly to management. Their role was typically different from that of temporary teams, and they were less involved in actual implementation but more involved in coordination across several concurrent reforms, with a mandate to provide overall guidance, alignment, and quality control. In a number of cases, organizations both had permanent units providing this coordination and oversight, and temporary teams or task forces providing change management guidance within individual reforms or work streams. Examples here included UNFPA, UNOPS and WFP (see the full list in table 2 in chap. V).

166. In summary, the data (table 1) show similar levels of depth of change management in reforms whether the expertise was embedded across the organization, or located in time-bound teams or in permanent units, which is perhaps surprising. The inspectors had assumed at the beginning of the study that separate change management teams would have performed better, which does not appear to necessarily be the case. This would suggest that there is not just one way to achieve a degree of depth of change management, but that varying configurations that suit the organizational structure and the number and type of ongoing reforms can work.

Use of change agents

167. One quarter of all reforms reviewed used change agents or a network of designated personnel to help move the reform forward. Change agents are individuals selected from across an organization to participate actively in the change process. Typically, but not in all cases, they are selected from all strata of the organization, and usually are influential individuals who play a role both in listening to how staff feel about a particular issue and in transmitting this to the reform leaders. They are not necessarily individuals with formal power, but are individuals who are respected and trusted, with strong social networks.

168. In all cases, the presence of change agents dramatically improved the depth with which change management was embedded in the reform, with the depth scores ranging from 66 per cent to 76 per cent and being consistent across small, medium-sized and large organizations, compared with a mean for reforms without change agents ranging from 25 per cent to 44 per cent. In other words, statistically, a reform is twice as likely to have a better depth of change management if a change agent network is used than if not.

> "Change agents are a litmus test for how things are going in an organization as they are the connecting point on the whole change process." (Under-Secretary-General for Humanitarian Affairs, March 2018.)

169.   One of the central roles of change agents is to ascertain and strengthen the level of staff engagement in a change process. Staff engagement is recognized as critical to achieving effective results,[31] and is most at risk during an organizational reform if the changes planned are not clearly communicated and the views of staff are not well understood and taken into account.

170.   Change agents have been identified as invaluable in promoting and legitimizing a reform and helping drive the change from the bottom up. Those who resist change may do so for a variety of reasons, including being fearful of something new, being protective of the status quo and/or not having the skill set required to enact the change. Proactively and sincerely engaging resisters provides them with an opportunity to express concerns, which the organization can address, to the extent possible, during implementation. It has been recognized as important not to ignore those who resist change, because they can wield a great deal of influence among their peers.[32]

Selection of change agents

171.   The process of selecting, developing and utilizing change agents varied across organizations. There are important questions related to the selection and development of personnel for this role, which typically entails communicating, and supporting and influencing others, to adopt the change at hand (box 7).

172.   Consideration was given to bases of power in United Nations system organizations using change agents, with some organizations realizing that sources of influence such as expert power can be at least as important as legitimate power (i.e. being in an official position of authority) when selecting change agents. For example, when introducing new technology, one organization ultimately engaged "super users" of the technology to help support and lead the organization's adoption of the technology.

Deployment and after-effects

173.   Some of the change agent networks utilized during the reforms studied operated as teams, including remote teams that connected virtually with one another, with leaders, and with staff. Subject matter experts working with the reforms described interesting uses of organizational teams – some including a concerted focus on team communication, for example in ILO in the form of regular meetings and "huddles".

174.   The use of teams of change agents during reforms also leads to questions about what happens after their role as change agents has come to an end. Best practices in talent management may inform how to leverage the experience and responsibility developed during this role after the assignment has ended. The concept of loss aversion would suggest negative consequences if the transition out of the role of change agent was accompanied by a feeling that one had lost incentives associated with the role, including a valued sense of meaning, purpose, or influence at work.

Box 7
Selection of change agents within reforms

The ongoing change process in UN-Habitat is using a staff-led model. Change agents were appointed at middle management level, supporting an overall change champion. The selection was carried out by a change task force, with the final list validated by the organization's Executive Director. The selection of 39 change agents from 71 applicants ensured gender balance, regional and headquarters representation, contract diversity, diversity of years of experience at the organization, and representation of national and international staff at duty stations.

The UNOPS structure to address change included a change team and a change network for the OneUNOPS enterprise resource planning reform. The team, chosen from within the People and Change Group, drew in change facilitators from each of the functional areas of the reform to help support its implementation and reiterate the change story. This network was built from staff from across the organization, ranging from support staff to heads of office, and focused on communicating the change and on continuous improvement. Each

---

member of the network was certified internally, and also externally by the APMG International change management certification process.

WHO-AFRO Transformation Agenda demonstrated an interesting approach to selecting change agents. More than 300 people volunteered. In addition to asking for volunteers, staff were asked, via a survey, to nominate people whom most colleagues go to for advice and support. The results were used to identify influential people in the organization. Volunteers identified as influencers in this manner were especially likely to be selected as change agents. Those who were not selected were engaged in other ways. For example, they were trained to address resistance to change. Overall, this thoughtful approach clearly considered bases of power and influence when change agents were being chosen, as well as a sensitivity to the perceptions of those who were not selected for the role. Perceptions of procedural justice (the perceived fairness of the selection process and rules) are important when hiring or selecting external candidates for a job or role, and are perhaps even more important when selecting internal candidates, as those who were not chosen typically remained with the organization.

Source: JIU case summaries regarding UN-Habitat, UNOPS and WHO.

175.   More generally, the formation and development of teams should be rooted in strong evidence of what works. Ideas from organizational psychology and related disciplines have been used extensively to train and develop teams worldwide, including in high-stakes settings such as the military, aviation, medicine, and aeronautics.[33] Arguably, the consequences of success and failure in some United Nations system organizations are every bit as high as they are for teams working in military, medical and other such settings, and hence cutting-edge insights from the science of teamwork could easily be applied in the United Nations system. **The inspectors suggest that in team formation and management, greater use be made by United Nations system organizations of approaches and evidence from the behavioural sciences.**

C.   Establishing strong communications

176.   A third key enabler of effective change management is strong communication. Communication is about clarifying intent, and exchanging information so as to obtain a common understanding, and is a means to receive feedback, and a mechanism to further develop staff and other stakeholders' understanding of and commitment to the change process. This section examines the extent to which communication has been effectively planned for, and applied, within the change management-based reforms studied in the present review. It also looks at key facets of effective communication, as evident from the case material.

Summary

177.   A communication strategy or plan is a critical part of an overall approach to change management in an organizational reform. The depth with which change management was applied in the reforms studied was five times greater for those with communication strategies or plans than those without. Yet, only half of the 47 reforms reviewed in the study had a communication strategy or plan.

178.   Where, as part of reforms, communication strategies or plans had been prepared, they were of reasonable quality. Interestingly, on average, some of the best strategies were for reforms carried out in small United Nations system organizations. While the number of such good-quality strategies was also small,[34] this further illustrates a point made throughout the present review that the quality of change management is not necessarily contingent on the size of an organization.

179.   The framing of a reform is important, as it sets the tone and makes the connection between the organization and the reform, and between the leadership and the staff. Likewise, consideration of which messages are appropriate for which audiences, and consideration in terms of the frequency and timing of communications, have also been identified as central elements of a good communication strategy.

_____

Design and application of communication strategies in United Nations system reforms

180.   Academic evidence from change management best practices suggests that the design and application of communication strategies may affect the level of success of organizational reforms.[35] Evidence from the 47 cases studied is congruent with this research. The depth or quality with which change management was applied in United Nations reforms was five times greater for those with communication strategies or plans than for those without. This shows the significant role of communications, and the need to follow a clear and structured approach.

Breadth of inclusion of communication strategies

181.   Across the United Nations system organizational reforms reviewed, just over half (54 per cent) had prepared a communication strategy or plan, either stand-alone or as part of an overall change management strategy or plan. Only one quarter of the reforms in small organizations included communication strategies or plans, compared with three quarters of the reforms in medium-sized organizations. Reforms in large organizations fell between the two, with just over half having communication strategies or plans.

182.   The explanation for why the largest number of communication strategies or plans were produced in medium-sized organizations appears to be due to the nature of the reform itself. As discussed in earlier chapters, reforms focused on technology, particularly enterprise resource planning systems, make up the single largest group in this sample, and were largely carried out by medium-sized organizations. This, itself, is reflective of the reforms since 2010 that have included change management. There is evidence that organizations carrying out enterprise resource planning-focused reforms have learned from each other, and that their strategies for change management have covered most of the critical areas. The depth with which they have implemented the change varies, which is also true for communication.

Quality of communication strategies

183.   Drawing on the lessons from the case material and on the academic evidence base, high-quality communication strategies or plans include:

        (a)   Clear objectives for communication, that is, what the intention is, who it is for and what the expected response will be;

        (b)   A set of principles governing how communication is understood in this context and how it should be applied;

        (c)   Segmentation – the identification of key messages for different audiences and communication channels – who it will be carried out by, how and for which purposes;

        (d)   Key events, and a timetable that outlines the intended frequency and intensity of communications;

        (e)   An assessment framework, which outlines how the impact of communications and messaging will be measured, and how this information will feed back into the overall strategy.

184.   For half of all reforms that included a communication strategy or plan, the depth or quality of that strategy or plan was, on average, reasonably satisfactory. The performance ranged from partially fulfilling the criteria for a high-quality communication strategy, as laid out previously, to largely fulfilling those criteria. Small organizations performed the best in terms of quality.

185. Only half of all reforms that focused on internal reorganization prepared a communication strategy or plan. This is surprising, given the importance of communication when making changes to the configuration or structure of the organization – all of which can greatly affect the staff. The reforms focused on decentralization fared worse, with only 40 per cent of reforms that incorporated aspects of decentralization of organizational units and staff to regional and/or country offices having a communication strategy or plan as part of their reform. As regards the reorganization or decentralization reforms that did have communication strategies, the quality was fair, partially fulfilling the depth criteria previously outlined.

186. In summary, the picture is rather mixed. Despite the importance of communications to effective change management, the absence of strategies in many cases is a concern. For those that did prepare strategies or plans, the depth or quality was reasonable – addressing some or many of the elements considered critical to effective communication.

Framing of communications

187. The framing of what is to be communicated was highlighted as an important issue in the reforms reviewed. Even small changes in the way communications are framed can affect how they are received. For example, options set or framed as the default, the status quo or a social norm can affect people's willingness to go along with them. Social norms are especially persuasive when they are local or are followed by a group with whom staff identify.

188. For the cases reviewed, the framing of the reforms varied. Approximately one third to one half of all reforms were framed with a focus on the core values of the organization. This reflects a clear and specific intent to stimulate an emotional engagement between the individual and the organization – seeking a rediscovery of mission that is central to international public service. Reforms in this category tended to be large, strategic reforms covering organizational mission, culture and performance, rather than technology-focused reforms. A second set of reforms were framed around the concept of cohesion – emphasizing the organizational values rather than region or country versus headquarters, or department versus department, typically in response to diagnostic work revealing a trend toward organizational silos or a lack of responsiveness between headquarters and field operations. A third set focused on empowerment – stressing that the reform would allow for greater local control and autonomy. The final set focused on more pragmatic issues around the specific potential benefits to staff of the reform – whether in terms of labour-saving (eliminating steps in a process (the so-called "de-layering")), systematization, or an improved working environment.

189. In summary, the framing of the reforms studied in the present review tended to accentuate the positive, focusing on group and individual change adoption, rather than specifically tackling potential resistance to change. It was recognized that resistance may be addressed at a later stage. In this context, it is important to emphasize that acceptance and resistance are two different constructs, not opposite ends of the same continuum. Whereas high resistance entails negatively directed effort, low acceptance is the absence of support.[36] Realizing this difference can help organizational decision-makers when diagnosing behavioural and attitudinal barriers and when designing communications and other interventions to bolster acceptance of a reform.

190. The science behind framing reforms was discussed with a number of United Nations system organizations. Box 8 highlights how existing theory can assist when considering how to frame particular kinds of reforms in order to have the best likely outcome.

Box 8

Basing the framing of communication on relevant theory

One quarter of all reform cases with change management studied across United Nations system organizations since 2010 involve a focus on technology, such as enterprise resource planning software. In reviewing the case evidence, and in interviews with the relevant teams, it was noted that few were aware of specific theories in the management information systems

literature that could contribute to acceptance of a new technology. One comprehensive theory is the unified theory of acceptance and use of technology, which points to various factors that shape whether employees will use a new technology. According to this theory, four factors are especially important: (a) performance expectancy (i.e. belief that the system will help the staff member attain gains in job performance); (b) effort expectancy (i.e. perceived ease of use); (c) social influence (i.e. the perception by staff that important others believe they should use the system); and (d) facilitating conditions (i.e. the belief that an organizational and technical infrastructure exists to support usage of the system). Theories such as the unified theory of acceptance and use of technology can guide the framing of communications to staff by providing insight about what kinds of things to emphasize during the rollout of a new technology.

Source: JIU analysis; and Viswanath Venkatesh et al., "User acceptance of information technology: toward a unified view", *MIS Quarterly*, vol. 27, No. 3 (2003), pp. 425–478.

Segmenting communications by audience

191.   There was generally good evidence that United Nations system organizational reforms sought to identify specific messages for different audiences and to use varying approaches to reach these groups. This was equally true for reforms with clear communication strategies or plans in large, medium-sized or small United Nations organizations. UNODC, one of the smaller organizations studied, targeted a range of audiences with different approaches. These began with town hall meetings six months prior to the go-live date for the local application of the Secretariat-wide Umoja initiative. They were followed by weekly meetings with directors, operational meetings with process owners and focal points in various divisions, newsletters and special messages informing the users affected and their management of key milestones, kiosks to provide information, and lunch-time sessions to discuss changes to business procedures with staff.

192.   The IAEA AIPS reform outlines a communication strategy based on the concept that messages will be more likely to be accepted if spoken by a variety of voices and authorities. This supports the case made earlier for using change agents or nominated and trained staff across the organization. Readiness sessions in the IAEA reform were managed jointly with departmental representatives and business owners in order to address this point.

193.   The Health Reform of UNRWA, as another example, had to address initial resistance by staff members to the introduction of a new approach to health service delivery and tackle a perceived "closed culture" in the organization. The change process involved introducing and sensitizing staff to the concept of family health teams – multidisciplinary groups of health professionals in a community setting – through a variety of different workshops and training exercises targeted at the different audiences. The size of this task was reflected in the scale and diversity of the key audiences: Palestine refugees (clients or beneficiaries), UNRWA staff (3,000 in the area of health; 30,000 in total), the host Government and donors. Assessments conducted after the reform had been initiated found a positive response to the introduction of these teams, from both the patients and staff.

194.   Further examples of clear, thought-through approaches to communication were identified in the cases reviewed. Similarly, the Strategic Realignment Programme, of WMO, used a range of methods to target different audiences, to good effect (box 9).

Box 9

Communication strategy for the WMO Constituent Body Reform

The Transition Plan elaborates the WMO communication strategy, with a clear focus on targeted and frequent communication to reinforce the rationale for change, and ensuring two-way communication to receive feedback.

The plan provided information on three key areas. Firstly, it outlined the target audiences – divided into internal and external stakeholders, with specific communications channels and objectives for each. Secondly, key overarching messages were elaborated for the two groups. These fed into the specific use of communication methodologies. Finally, the methodologies

outlined included specific tools and platforms such as status reports, briefings, formal meetings with stakeholders, surveys and explanatory memoranda. A cascading champions approach was described to deliver information. The plan also outlined a centralized source of information that would provide the broader vision, priorities, overarching values, long-term goals and strategic objectives.

The WMO communication strategy was set within a wider change management plan that outlined ways to prepare for, manage and reinforce the change. This gave the strategy a context and linked it to other features of the plan.

Source: JIU case summary on the WMO Constituent Body Reform.

Frequency and timing of communication

195.   Evidence from the case material also suggests that the frequency and timing of communication are important factors for success. It has been noted in the wider literature that leaders and managers can make the mistake of imagining that if they convey a strong message only at the start of a reform, people will understand what to do throughout the process. Conversely, powerful and sustained change requires constant communication throughout. A thorough review of correspondence throughout reform cases such as "Creating a Better OCHA" reveals the extent to which communication played a constant and critical role in that wide-ranging reform. In the Business Process Review reform at ILO, daily team "huddles" and other team management practices were implemented to encourage and improve team communication and organizational functioning. Evidence from psychology suggests that regular team debriefs or after-action reviews (through the modality of a "huddle" or otherwise) can improve overall performance by 20 to 25 per cent if they are focused on active self-learning, developmental intent, and/or a reflection on specific events and inputs from multiple information sources.[37]

D.   Resourcing and results

196.   One facet of a structured approach to change management is resourcing it appropriately. A second is establishing a clear set of intended results and a system to track and evaluate how well it has performed. From a cost–benefit perspective, it is the relationship between what it costs to manage the people side of change and the benefits of applying a structured approach to enabling and encouraging employees to adopt a change.[38] As with any resource allocation, it can only be justified over time if the real and tangible benefits of change management can be clearly measured, and if they outweigh the costs.

197.   This section looks at how clearly United Nations system organizations have costed and budgeted for change management in the context of reform, having reviewed how well they have planned for, monitored and evaluated change management. The significance of this as the basis for learning from and justifying the investment made is discussed.

Summary

198.   Two major elements of making a case for a particular course of action are the cost and the benefits, or results.

199.   Only 20 per cent of the 47 reforms assessed since 2010 clearly earmarked funds for change management. The lack of financial planning for change management in the majority of cases makes it difficult to see how the investment could be justified after the event. Without being able to attribute specific benefits or results to particular costs, the benefits of the reform are difficult to ascertain and claim. This is a major area of concern. **The inspectors propose that all cost elements of a reform be clearly budgeted for, including change management.**

200.   In only 30 per cent of the cases reviewed was a results or benefits framework prepared with indicators or metrics to track and establish which changes occurred, which did not, and the reasons why. Furthermore, in only 30 per cent of the cases was some form of external or independent review or evaluation carried out. In short, few reforms in United Nations system

organizations have established a strong basis to assess change, and to learn from and be accountable for it.

201. Organizational reforms that earmarked budgets for change management were twice as likely to measure their results. Reforms tended to either exhibit good practices in both earmarking budgets and assessing results, or in neither.

_____

Budgeting for change management

202. Data gathered through the case material, across the 47 reforms, reveal that only 20 per cent of the reforms earmarked funds specifically for change management. A direct correlation was found between those that earmarked funds and the overall quality of the change management strategy – with the depth scores double for those with funds earmarked than for those without.

203. Earmarking was mostly practised in reforms in medium-sized and large United Nations system organizations, with only one reform in a small organization doing so. However, even within medium-sized and large organizations the practice was not consistent. A look across multiple reforms within a single organization revealed that funds were only earmarked for change management in some cases, and not in others. This indicates that different reforms were budgeted differently, with some mainstreamed into core department budgets, and others as stand-alone projects. It is recognized that budgeting specifically for change management does not equate to actual spending on change management (it is accepted that the majority of the 47 reforms in the sample spent money on change management at varying levels). However, the lack of a clear ex ante budget allocation as part of a financial plan in 80 per cent of the reforms is of concern.

204. The source of financing for change management was, in the main, difficult to ascertain. Few organizations responded to specific questions as to the sources of funding for the reforms in general, and, within this, the source(s) used to finance their change management plan or actions. For those organizations which did respond, no clear patterns emerged as to the use of core versus non-core (extrabudgetary) resources for change management. Most reforms for which data were available appeared to be financed from a mix of the regular approved budget and extrabudgetary funds. Staffing constituted a major cost element of change management (see below) and this is largely funded by the regular budget. Conversely, where consultants were hired to support a change management process, the funding source was more commonly extrabudgetary. Other cost sources varied depending on the organization and the reform.

Cost elements of change management

205. The primary cost elements of change management are staff time, communications, training, travel and materials. Secondary cost elements are consultants' fees and event costs (for workshops, events, town hall meetings and so on).

206. *Staff component of change management:* The staffing of change management within organizational reform has several components. As discussed previously, a wide range of staff across an organization is typically involved in organization-wide reforms, and within that, the change management components. Furthermore, the disaggregation of staff whose role was in a technical component of a reform, such as focusing on systems development, organizational restructuring and the like, and staff specifically focused on change management (in terms of staff readiness and related diagnostic work, the establishment and work of change agents, communications and assessment) was difficult to ascertain, as these distinctions were not always made by the organizations in budgetary terms.

207. The review was, however, able to disaggregate staff involvement within those reforms that established change management teams – either change-specific teams, or change management capacities within a wider project reform team. Figure 10 illustrates the size of change management capacity working across the reforms studied, for which data were available. The mean size of the change management capacity was 4.8 persons per reform (out of a sample of 15 reforms), with the average length of these reforms being 5.2 years. This is

skewed slightly due to a small number of reforms with large numbers of change management staff. Nine of the fourteen reforms had teams with between two and four staff focused on change management. As figure 10 illustrates, the largest share of reforms (five out of the fourteen) had only two change management staff.

Figure 10
Distribution of dedicated staff working on change management, across reforms carried out in United Nations system organizations
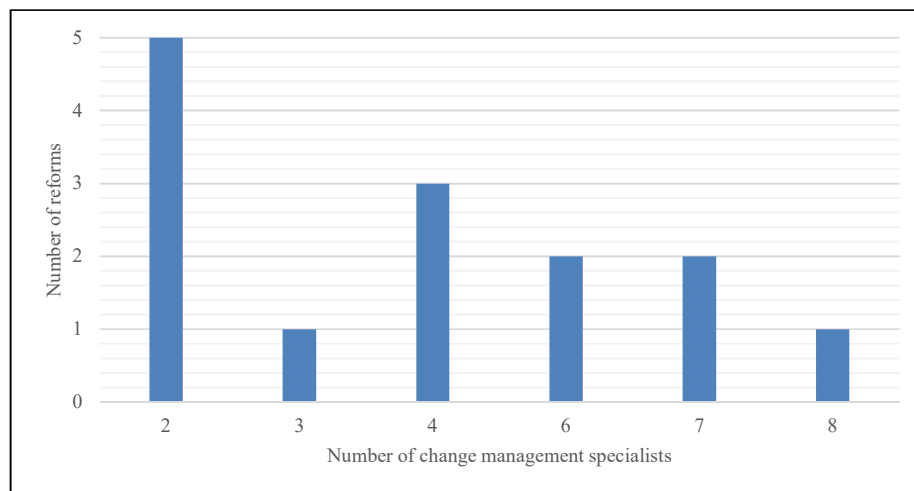
Source: JIU analysis based on case summaries.

208.   As well as taking into account the mean and mode size of change management teams, the average duration of reforms, and the average amount of time spent on change management during the reform, the final element needed in order to calculate the cost to the organization is the staff grade. This also varied considerably between organizations and reforms. Change management teams were typically led by staff at the D2, D1 or P5 grades, supported by staff from a range of categories – P5, P4 and P3, as well as the General Service. In summary, there was no standard composition of a change management core team, and therefore no basis for estimating the average cost to the organization.

209.   Beyond the core staff embedded in change or project management teams, the estimated number of staff involved in change management varies substantially. For the 12 reforms out of 47 that established change agent networks, between 25 and 40 change agents were identified from within the staff. The estimated time commitment to change management varied from 5 to 15 per cent over a one- to two-year period, depending on the reform. Typically, staff were required to work on change management in addition to their regular jobs.

210.   *Consultants:* Half of the 47 reforms reviewed hired consultant companies to support their reform efforts, including change management. Half of the consultants hired were involved solely in designing the approach to change management within the reform, which included diagnostic work in some cases, and the other half were involved in aspects of the design, implementation and assessment phases of the initiative. No information was provided by the United Nations system organizations on the duration of hiring or the costs of the consultants. Chapter V will look more closely into the implications of using consultants, as well as at how they have been used.

211.   *Other costs:* For other costs involved, including communications, training, workshops and travel, no standardization or comparison has been possible. Some organizations noted that efforts were made to dovetail costs into pre-planned activities, for example the United Nations Secretariat reported that the Umoja change process consistently took advantage of the Secretariat's regular calendar of staff conferences, informing and involving staff as much as possible. Furthermore, this allowed specific groups of people to be targeted, and travel costs already incurred for such conferences to be leveraged. Other organizations

cited the main costs as being the implementation of training (including the hiring of external trainers), workshop facilitation, and coordination.

212.   *Hidden costs:* A change process can have hidden costs that need to be considered and planned for in advance. These include, in particular, a potential dip in productivity during the implementation phase, due both to planned shifts, such as transitioning staff and time taken to build new skills, and to unplanned effects, such as uncertainty and reduced morale leading to reduced productivity and an increase in sick leave. Provision may be needed for adding temporary staff for critical functions during the key transition phase, and a strong focus on change management to prevent loss of morale and fatigue through the critical areas of planning, engagement and communication outlined in the present review.

Benefits of monitoring and evaluation

213.   The other side of the value-for-money equation is the benefits or results sought. Organizations need metrics and mechanisms to measure progress and change – both to learn within and from a reform, and to provide accountability to the staff, the governing bodies and other stakeholders on what has been achieved against what was spent.

Planning to measure change management

214.   The basis for tracking and evaluating progress and performance is a framework or theory of change that identifies the key steps to be taken, the results expected, the risks and the assumptions made. Interestingly, while change management is itself founded in the theories outlined in chapter II, these theories themselves, in the main, provide little guidance on the details, the types of results, the risks that may be encountered, the logical linkages between the intended change and the wider results of the reform, or the assumptions being made. What they provide is broad guidance on the types of issues and processes, but it is up to individual organizations to mould their own performance and results strategy.

215.   The five key elements of a benefits or results strategy are as follows:

(a)   **Definition of the key results sought, including outputs or deliverables, immediate and intermediate outcomes and longer-term impacts.** Assumptions should be defined and made explicit that detail how the expected results will be realized, particularly noting the transition from the initial acceptance of new ways of working to the changes in practice sought. Understanding of the pathways or trajectories of change and the causal factors has also been subject to scientific inquiry for several decades, and was addressed in the 2017 JIU review of results-based management in the United Nations development system (JIU/REP/2017/6). These sources should be drawn upon in the preparation of the framework.

(b)   **Assessment design, outlining how the measurement of the change management processes and results will be carried out.** This might seek to assess changes over time, comparing data at the start of the change, the middle and end as the sole basis for determining cause and consequence. It might seek to establish controls or counterfactuals or rival hypotheses, where the implementation tests out different approaches and compares and contrasts them.

(c)   **Indicators or metrics used to measure key processes, intended results and assumptions along the results chain.** Indicators should be strategic, measuring key pressure points or results that are critical to the success of the reform. Where direct measurement is not possible, proxies should be identified. When seeking to assess individual change, psychometrically sound assessments of behaviours, other psychosocial effects and sometimes related constructs such as knowledge and attitudes may be required (see box 10 for examples).

(d)   **Data collection tools to capture the data, including quantitative and qualitative data.** The link between the indicators and the tools is important.

(e)   **Mechanisms for sharing, discussing and disseminating data and information from the monitoring processes.** This would link closely with the communication strategy, identifying what data and information would be needed at which stages of the process. The purpose within a change process is to provide information to incentivize staff where things are going well, and to seek corrective measures where they are not.

216. These criteria are defined expectations of a results-based management system, and all United Nations system organizations are expected to integrate these principles of results-based management including monitoring and evaluation in all aspects of management. Against these five criteria, the reforms under review performed poorly. Only 30 per cent included any form of results or benefits framework, or planned for an assessment or evaluation to assess change management outputs, outcomes and impacts. Small organizations were particularly weak in this area, with only 8 per cent of reforms in small organizations having any form of framework, compared with 47 per cent in medium-sized organizations and 29 per cent in large organizations.

Box 10

Demonstrating value through results frameworks and monitoring mechanisms

The Strategic Realignment Programme in WIPO incorporated change management outcomes focused on changing practices, behaviour and culture of the organization into its results framework. This framework was drawn from the organization's core values survey, which established baseline scores for indicators centred on staff perceptions across a range of issues, including working together and accountability. Hence, data from the survey could be used to populate indicators that measured the change management results of the programme.

Within the Business Process Review reform of ILO, metrics were established and tracked in relation to both business process efficiencies and organizational health. Through tracking reform measures (in the lean management initiative) and behavioural measures (in the organizational health index initiative) simultaneously, it was possible to infer some attribution between the two pillars of work. For example, the reported result on the time savings agreed upon with managers was equivalent to 89 full-time equivalent positions, enabling a reallocation of resources from back office to frontline services to constituents, or reinvesting in administrative services. Regarding culture, the increase in organizational health index scores in units where lean management had been implemented was three times higher than in the rest of the Office.

Source: WIPO Strategic Realignment Programme results framework; Core Values Survey analysis report, 2011; ILO Business Process Review: organizational health index survey information, 2018; and ILO Business Process Review results summary, 2018.

---

217. The types of reforms that fared better were those focused on management systems development (results-based management and enterprise risk management), with 50 per cent of the reforms in this category having a results measurement framework that addressed – typically in a very partial manner – change management outputs and outcomes.

218. An assessment of the quality of results or benefits frameworks for those reforms revealed that, on average, they partially addressed the criteria laid out above. Typically, they included a set of intended results for the reform, including limited reference to specific change management outcomes and measures to assess these. Those that addressed change management outcomes most effectively focused on staff perceptions on the changes sought, measures of organizational health, and the like (see annex III C for more guidance).

Monitoring and learning

219. Half of all reforms did, in practice, employ some form of mechanism to track or discuss their progress and performance.

220. Many of the mechanisms used were informal, not based on a clear framework of results and indicators. These included team meetings, and cluster and cross-organizational virtual discussions around progress, with data drawn from various sources. Those organizational reforms that did have clear data-gathering systems pertaining to change management results typically carried out multi-phase surveys addressing changing practices and behaviours, and reflecting on changes in these metrics through feedback mechanisms across the various strata of the organizations.

Evaluation of change management

221.   In just over one third of the organizational reforms assessed in the present review, some form of external review or evaluation was carried out that sought to assess the results of change management (whether separately or as part of a wider review or evaluation of the reform). The distribution of evaluation practice was more even, ranging from just under one third of reforms in small organizations to half in reforms in large organizations.

222.   While little information was provided on evaluation practice, those that carried them out were typically led either by the independent or internal evaluation office of the organization, or were an external review carried out by a consultancy company. Evaluations were carried out at different phases of the reforms. Mid-term or phase-based evaluations were typically structured to learn what had worked and what had not during the previous phase. The WHO Global Transformation Plan and Architecture (from 2018 to date), preceded by the WHO Reform (2011–2017), for example, included three evaluations for each phase of the reform process. These addressed change management issues including making a case for change, the use of change agent networks, and organizational impact assessments. End-of-reform or ex post evaluations can be useful to provide an overall summative view and accountability regarding what has been achieved against what was intended.

223.   Generally, the change management dimensions of reform have been poorly addressed by evaluation. Evaluations have tended to focus on the overall reform results and lessons, such as whether systems have been introduced, structures aligned and resources freed up. They have rarely looked at the intended changes in actual practice, behaviours and attitudes towards these systems, structures and approaches, which are central to their uptake and sustainability. Nor have they looked at how change management has been approached in the design and implementation of reforms.

224.   Evaluations that seek to measure changes in these human dimensions may need time for the reforms to evolve, or else clear proxies should be established that are indicative of the longer-term changes. Developmental evaluation models are available that are well suited to both supporting and assessing innovation and adaptation in dynamic environments, such as reforms with change management. These evaluation approaches tend to position the evaluators as internal to the process – rather than the traditional, external approach. The aim is to integrate evaluation into the implementation process and to focus on rapid, real-time results that can inform change. [39] One example of this is the pilot work of UNFPA on developmental evaluation in the context of results-based management.

225.   **The inspectors recommend that evaluation offices of United Nations system organizations ensure that forthcoming evaluations of major organizational reforms are designed to study both the extent to which change management has been embedded effectively in a reform process, and the results of the reform in terms of actual changes to practice, culture and behaviour.**

226.   **They also recommend that the United Nations System Staff College, through the auspices of the United Nations Laboratory for Organizational Change and Knowledge, work with the network of change management specialists, budget specialists (through the CEB Finance and Budget Network) and evaluation specialists (through the United Nations Evaluation Group) to prepare guidance on budgeting for measuring, monitoring and evaluating change management in the context of United Nations reform.** Some guidelines, standards and case examples from different types of reforms would assist all United Nations system organizations, particularly those that are less well resourced, to achieve certain standards in how they resource and assess change.

227.   The following recommendation is expected to enhance efficiency in United Nations system organizations.

Recommendation 4

Executive heads should ensure that resources allocated to change management are clearly earmarked and the intended results are measured, tracked and evaluated.

Endnotes to chapter IV

21 Jerald Greenberg, "Organizational justice: the dynamics of fairness in the workplace", in Sheldon Zedeck (ed.), *APA Handbook of Industrial and Organizational Psychology*, vol. 3 on maintaining, expanding, and contracting the organization (Washington, D.C., American Psychological Association, 2011), pp. 271–327.

22 Georg Schreyögg and Christian Noss, "Reframing change in organizations: the equilibrium logic and beyond", *Academy of Management Proceedings*, vol. 2000, No. 1 (Briarcliff Manor, Academy of Management, 2000).

23 Edgar H. Schein, "Defining organizational culture", *Classics of Organization Theory* vol. 3 (1985), pp. 490–502.

24 See WFP/EB.1/2017/11-C (World Food Programme, 2017).

25 JIU case summary, "OCHA: Creating a Better OCHA" (unpublished, 2019).

26 JIU case summary, "WHO AFRO reform" (unpublished, 2019).

27 A number of organizational health indices exist. ILO and WHO drew upon the index designed by McKinsey & Company.

28 The Mayflower Group was formed with the following aims: "(a) develop core items for inclusion in member surveys to facilitate normative comparisons across companies; (b) exchange best practices on survey design, administration, and data analysis; and (c) conduct original research on the group's norm base to generate new insights for members about trends in employee attitudes on key topics". Documentation exists outlining how this group functions and shares norms while still respecting needs for confidentiality in a highly competitive environment. Over the years, members of the Mayflower Group have included 3M, Allstate Insurance, AT&T, General Electric, Home Depot, Honeywell, IBM, Intel, PepsiCo, Procter & Gamble, and Xerox, to name just a few. (Claude Ury, *The SAGE Encyclopedia of Industrial and Organizational Psychology* (2017).

29 Jean-Louis Denis, Lise Lamothe and Ann Langley, "The dynamics of collective leadership and strategic change in pluralistic organizations", *Academy of Management Journal*, vol. 44 (2001), pp. 809–837.

30 United Nations System Staff College, "Change management at the United Nations and the UNLOCK change model" (6 November 2018); Éamonn V. Kelly, "Governance rules! The principles of effective project governance", paper presented at the Project Management Institute Global Congress 2010.

31 Gartner, "What is employee engagement?", 28 November 2018, available at www.gartner.com/smarterwithgartner/what-is-employee-engagement/.

32 Quotation from Mark Lowcock, Under-Secretary-General for Humanitarian Affairs, cited in summary, draft note on second Change Agents Forum, 27–28 March 2018.

33 Janis A. Cannon-Bowers and Clint Bowers, "Team development and functioning", in Sheldon Zedeck (ed.), *APA Handbook of Industrial and Organizational Psychology*, vol. 1 on building and developing the organization (Washington, D.C., American Psychological Association, 2011), pp. 597–650; and Eduardo Salas et al., "Teams in space exploration: a new frontier for the science of team effectiveness", *Current Directions in Psychological Science*, vol. 24, No. 3 (2015), pp. 200–207.

34 Of the 11 United Nations organizations categorized in the present review as being small, eight did not have any evident communication strategy or plan. Of the three that did, they were of good quality.

35 Jennifer Frahm and Kerry Brown, "First steps: linking change communication to change receptivity", *Journal of Organizational Change Management*, vol. 20, No. 3 (2007): pp. 370–387.

36 Steven D. Caldwell, "Organizational change", in Steven G. Rogelberg (ed.), *The SAGE Encyclopedia of Industrial and Organizational Psychology* (2nd ed.) (Thousand Oaks, California, Sage, 2017), pp. 1074-1076.

37 S. I. Tannenbaum and C.P. Cerasoli, "Do team and individual debriefs enhance performance? A meta-analysis", *Human Factors*, vol. 55, No. 1 (February 2013), pp. 231–245.

38 "Cost-benefit analysis of change management", available at www.prosci.com/resources/articles/cost-benefit-analysis-change-management.

39 See, for example, Michael Quinn Patton, *Developmental Evaluation: Applying Complexity Concepts to Enhance Innovation and Use* (New York, Guilford Press, 2010).

V. Learning from and embracing change

228.   The final chapter of the present report shifts the emphasis from change management within individual reforms to the intent, practices and capacities of United Nations system organizations, and the United Nations system as a whole, to embrace change as a continuous process.

229.   One concept to describe the nature and speed of constant change facing public and private sector organizations today is VUCA: volatile, uncertain, complex and ambiguous. The traditional organizational model assumes a degree of predictability in the operating environment, structured around a linear, hierarchical planning and implementation process, in which change can be implemented in controlled conditions in line with Lewin's unfreeze–freeze–refreeze model outlined previously. As the environment of the United Nations system has become more complex and uncertain, the implications are for organizations to be structured differently, work differently and have different skill sets among their staff.

230.   This chapter analyses how United Nations system organizations have been shifting focus, how they are restructuring and improving their capacity to respond to this new environment, and how and where the system or organizations can support this effectively.

Summary

231.   The evidence collated in the present review suggests that United Nations system organizations are realigning their organizational cultures and capacities to respond to the increasing complexity and magnitude of demands, in line with their mandates. However the effectiveness of this response has been uneven, to date. This assessment of change management practices and capacities reveals stark differences across organizations, with only one quarter of the 26 organizations reviewed currently considered to be addressing these challenges effectively.

232.   Only seven United Nations system organizations covered in the present review had established change management units or permanent or semi-permanent teams within their organizational structure. While the analysis showed that where change management capacity resides is not critical in order to deliver on a specific reform, these units play a wider role, whether they are permanent or semi-permanent teams. If change management is located only within the confines of individual reform structures, the risk is that the change process ends when the reform ends. This can be premature, with reforms not always coming to defined ends, but closed down or left to peter out due to a lack of resources, a failure to achieve intended targets, or a change in executive leadership. For change management to play a continuous role in organizational change, it needs to be embedded in the organizational structures and processes, beyond the confines of individual time-bound reforms.

233.   While evidence supports the case that change management reforms should be led from the top, they also need to be linked to and supported by a strategic and transformative human resources function. The locus of expertise as regards staff selection, systems for performance management, incentives, training and learning is often in human resources, yet this function has to be transformed in a way that supports the change process and moves organizations towards being agile, risk-taking and results-oriented.

234.   At the system-wide level, the opportunities for positive change are evident. The United Nations Laboratory for Organizational Change and Knowledge network provides a strong conduit for learning and growth in change management, and provides the evidence to support the redeployment of expertise where and when it is most needed. Such networks need nurturing to grow beyond the visionary individuals who start them up, in order to become self-sustaining and permanent entities.

_____

A. Shifting the focus

235. A central theme of the present review is the importance of aligning organizational culture and individual behaviours as a strategic enabler in managing change. This implies having a culture where staff are comfortable with constant changes in the way they work, are adept at multitasking and handling ambiguity, and can make quick decisions despite complexity and uncertainty.[40]

236. One quarter of United Nations organizations included in the present review implemented at least one reform focused partially or completely on their organizational culture, in which how staff work, interact and behave was central to the design of the reform.[41] These culture-focused reforms were found across all types and sizes of participating organizations. Furthermore, such reforms have been increasing in number and intensity since 2015, which implies that United Nations system organizations are increasingly recognizing the importance of making major changes to the way they work. However, the quality with which these culture-focused reforms were designed and implemented varied considerably: half of the reforms scored poorly, and only one quarter scored well in this review's analysis of the depth of these initiatives.

237. Understanding and shaping the working culture to an organization's mission and vision, and to the core values of the United Nations system, is considered vital. United Nations systems organizations will only be able to effectively manage change and generate value if they focus on how they work, rather than just on what they do.

B. Organizational capacities

238. The magnitude and speed of change in the operating environment is reflected in the number and scope of reforms undertaken across United Nations system organizations over the past decade. The data collected as part of the present review reveal that there was a threefold increase in change management-related reforms in United Nations system organizations over the period 2010 to 2017 – from nine reforms active in 2010 across the 26 organizations reviewed, to 29 in 2017.

239. To respond proactively, a number of organizations have established permanent capacity in the form of change management units or teams. Of the 26 organizations covered in the present review, seven (just under one third) have established some form of unit to coordinate the change management function.

240. As outlined in table 2, there are a number of common features to the units established. Firstly, they have, generally, been formed in response to a major call for change in an organization, and a recognition that some form of change management oversight and coordination would be needed in order to ensure success. Typically, they started out as time-bound teams with a narrow mandate in relation to a particular reform, but their value was recognized and the unit was established or embedded within a permanent structure in order to play a continuing role in future reforms and changes.[42] Secondly, one of the primary roles of these units has been coordination and harmonization of change management, reflecting the increasing number and complexity of reforms going on within these organizations.

Table 2
Established change management capacity in United Nations system organizations[43]

Organization/date	Origin and function	Features
UNOPS People and Change Group and Change Facilitation Team 2013 to date	Overall change management direction provided by the People and Change Group, and then specific micro-level work on particular reform by the Change Facilitation Team. The team provides design advice, advisory services, tracking of changes, analytics and training.	Change management capability within UNOPS is an integral part of the People and Change Group. The Director of the People and Change Group is a member of the senior management group of UNOPS and reports to the Deputy Executive Director. The Director of the People and Change Group is supported by a manager of "people

Organization/date	Origin and function	Features
		functions" and a manager of "change functions".
WFP Global Change Team within the Innovation and Change Management Division 2014 to date	The team and division seek to coordinate and align change management-related initiatives at the corporate level to avoid duplications and to bring synergy.	The Global Change Team was established in 2014 and then subsumed under the Innovation and Change Management Division that was established in 2015 following a restructuring exercise. The Director of the Division reports directly to the Executive Director of WFP.
UNODC Business Transformation and Change Management, Division of Management 2015 to date	Leading the local Umoja implementation process within UNODC with a focus on establishing new ways of working.	Started out as Umoja implementation. Moving now into a change management function and refocusing the project team to incorporate change management aspects.
OCHA Change Management Unit/Organizational Development Unit 2016 to date	Established on the basis of a recommendation from the 2015 functional review. Role: to facilitate and "lead from behind" the OCHA change management process and to promote cross-functional collaboration.	Upon completion of main elements of the change implementation process, the term of the Change Management Unit came to an end and it was replaced by the Organizational Development Unit in 2018 to follow up on ongoing internal and United Nations-wide reforms.
UNHCR Change Management Division and Change Management Team 2017 to date	Established with a specific and time-bound objective of supporting the implementation of the rapid organizational assessment, including the design of the decentralization and regionalization of the organization (the latter being the current focus). The team plays different roles within different change streams – from design support to hands-on direct facilitation and training of task teams.	The Director of Change Management reports directly to the High Commissioner. Formalized governance structure is being implemented in the second and third quarters of 2019. As of January 2020, a newly established Transformation and Change Service, reporting to the Deputy High Commissioner, will become a permanent and professionalized capacity.
UNFPA Change Management Secretariat 2018 to date	Formed in response to the evaluation of the 2014–2017 strategic plan, which identified the lack of a clear process and leadership in change management. The secretariat's role is to facilitate coherence and integration of the various change management initiatives and processes within UNFPA. The secretariat is the focal point for the change management work stream.	Reports to the Deputy Executive Director of Management, and to the Comprehensive Change Process Steering Committee. Currently a time-bound unit, until 2020.
WHO African Regional Office being formed	Working on the WHO AFRO Transformation Agenda in particular, but also organizing leadership training, compiling best practices and so on.	Team of three, but in the process of recruiting, and aiming to institutionalize the function. WHO recognized, from challenges in 2015–2017, that it needed full-time change management capacity.

241. Thirdly, these units tend to be located in close reporting proximity to the executive heads or senior management, reflecting the strategic importance given to the change management function within these organizations.

242. A related issue here is the role that the human resources management function in an organization plays in change management. Evidence from the private sector suggests that while a clear line of accountability between those leading change management and the organization's senior leadership is important, it is also important for the human resources management function of an organization to play a greater role than it has done traditionally in supporting them.[44] This may include helping identify change teams on the basis of past performance, support in the design of reward and recognition mechanisms for change initiatives, and aligning internal recruitment, training, performance and talent management with change management capabilities.

243. A number of reform cases did reveal that human resources management was increasingly playing a strategic rather than just an administrative role within organizations. The creation of "people strategies" or a focus on "people management" is more than rebranding; it is an opportunity to play the kind of role envisaged here, identifying and supporting skill sets such as change management that are likely to be needed in these organizations for the foreseeable future.

244. A good example of this was evident in UNOPS, through the human resources transformation process managed over 2013–2016. A review carried out in 2013 proposed that "human resources take a bigger seat at the table, requiring it to move beyond the human resources basics to become a strategic business partner". The key elements of this reform are outlined in box 11.

Box 11

Change management and the human resources function: UNOPS

The drive to strengthen the human resources function in UNOPS was strongly linked with change management capacity in the organization. The improvements in change management capacity were both a result of the human resources transformation, and an enabler to facilitate the delivery of the transformation.

The central focus of the reform was to build a stronger and more extensive human resources function at the organization's headquarters that could be a strategic business partner for all units in the organization. Through the reform, change management has become a central part of the People and Change Group, whose overall functions include talent management, outreach, learning, human resources policies, excellence and quality management, and change management.

Internal capacity in change management has been developed progressively since 2013 and a network of change managers has been developed throughout UNOPS. While change management covers areas beyond human resources, in this instance it has been developed as a response to the requirement to transform the human resources offering. Human resources business partners have been systematically trained in change management skills and techniques.

Source: JIU case summary on the UNOPS Human Resources Transformation; and UNOPS, Options for alignment of UNOPS Headquarters Structure, 2013.

---

245. However, beyond UNOPS, what was not always clear in the other cases reviewed was whether or not organizations had overall long-term strategies that drew together people strategies, structural and technical reforms, and change management.

246. The following recommendation is expected to enhance the effectiveness of United Nations system organizations.

Recommendation 5

Executive heads should give greater prominence to the role that their strategic human resources management functions play in organizational change management. This would include promoting changes in individual attitudes and behaviours, establishing mechanisms to reinforce these, and creating channels to communicate feedback across all personnel.

Training

247. In addition to these centralized units, capacity in change management has been built in various ways across United Nations system organizations. Approximately 40 per cent of United Nations system organizational reforms included some form of training and/or development – and hence a capacity that can be utilized beyond the timeframe or scope of a single reform. However, in the majority of cases, the training was focused on technical aspects of the reform itself, including procedures and practices, rather than on the communication, management and leadership skills required to support ongoing change management.

248. It is recognized that training that is focused on changing behaviours and practices is complex. Learning a new way of doing things is not enough. It is not uncommon for staff to acquire new knowledge, skills or attitudes in a training programme but then to fail to exhibit behavioural change on the job in day-to-day work routines. Among other things, supervisory and peer support can be important factors affecting whether knowledge, skills and attitudes newly acquired during training translate into behavioural change on the job.[45] Transfer of learning from training is an important element of building long-term capacities.

249. The scientific literature on organizational training evaluation provides a number of useful models for assessing participant responses to training provided – including which types of training are more effective under similar circumstances. The most well-known framework is Kirkpatrick's model, of 1976, which articulates four levels of training evaluation outcomes: (a) reactions – the degree to which staff appreciate the training provided (quality, relevance, delivery modality and so on); (b) learning – the degree to which knowledge was gained; (c) behaviour – the degree to which the intervention changed behaviours back on the job; and (d) results – "bottom line" benefits of the intervention in terms of reduced costs (for example) or increases in other outcomes of interest to the organization. Another example is Robert Brinkerhoff's model for high-impact learning, and his success case method[46] which places greater emphasis on the systemic features of organizational change and involves identifying the most and least successful cases in a programme and examining them in detail. **The inspectors suggest that United Nations system organizations consider these or similar models when seeking to evaluate training to support change management, as they provide a clear basis for determining effectiveness.**

The role and use of consultants

250. Of the change management-related reforms in United Nations system organizations, 50 per cent drew on the services of external consultants. As outlined in chapter IV, consultants' inputs varied from diagnostic or design work to support during implementation.

251. Two patterns were identified. First, the use of consultants was found to be more prominent in the reforms of medium-sized and large (rather than small) United Nations system organizations. Only 17 per cent of reforms in small organizations used consultants, compared with 53 per cent in medium-sized organizations and 50 per cent in large organizations. There is no indication that small organizations have larger embedded change management capacities than medium-sized and large organizations do, so this difference may reflect financial limitations, or a belief that consultant support was not required. This latter explanation correlates with the finding in chapter II that organizational size is a determinant in the uptake of change management, with smaller organizations having fewer of the critical elements of change management in their reform planning and implementation.

252. Second, a few organizations highlighted their cautious approach to the use of consultants, stating that it was important to be clear where the consultants' role started and ended, and also that consultants' inputs fit within a wider strategy and embedded capacity to absorb and utilize these inputs. In these organizations, there was recognized value in "knowing what you don't know" and obtaining the expertise needed. However, this was tempered by a recognition that reliance on external consultancies can come with trade-offs. These include a knowledge deficit: where the expertise is not sufficiently built within the organization, leaving a capacity gap when the consultants leave; or where the processes and measures that the consultant used are not quite suited to the unique context of United Nations system organizations.

253. Evidence generated through the present review does point to a number of examples of managing consultant inputs effectively while avoiding the pitfalls outlined above. Typically, this involves a clear plan of engagement and on-the-job knowledge-sharing on a diminishing basis over time. This does have cost implications, as consultant engagement may be required over a lengthy, if reducing, period.

Learning from within

254. To see whether United Nations system organizations have improved their application of change management over time, scores for the presence of critical elements for each organization's first and most recent reforms were compared. The data reveal a mixed picture. Of the organizations for which more than one reform was included in the review sample, half saw an improvement in the presence of critical elements over time, whereas half saw a decline.

255. There are a number of reasons for this. Firstly, while all the reforms covered in the present review have been led by senior management, just under one third of all organizations have established change management functions. As discussed in the previous chapter on enablers of change management, leadership is important, but equally so is the guiding coalition including the established centralized capacities and capacities built across the organization such as change agents. Without such embedded change management capacities, the chances of continual growth and learning from the past are reduced.

256. Secondly, the reforms themselves have often been quite separate within an organization. They have been led by different departments or teams (albeit with senior management leadership), with differing emphases, introducing different types of reform over varying time frames. However where no cross-function change management team or capacity exists, the lack of learning from one reform to the next is evident. This coordination and learning role is central to the mandate of many of the permanent change management units.

C. System-wide practices and opportunities

257. When approaching change management from the United Nations system-wide perspective, two issues stand out. Firstly, a mechanism to learn and share from each other's experience is important in order to provide guidance and even establish tools and benchmarks that are relevant and useful in the United Nations system context. Secondly, a platform through which expertise can be identified and mobilized for different needs across and between organizations is also warranted.

United Nations Laboratory for Organizational Change and Knowledge

258. The United Nations Laboratory for Organizational Change and Knowledge was established in 2015 in response to a recognized need to bring about a culture shift in the United Nations system. It is led by the United Nations System Staff College, with considerable support during the first few years from the Management Consulting Team of UNDP. It focuses on strengthening knowledge and skills; documenting change management best practices and lessons learned by United Nations entities, through case studies; providing advisory services; and convening a network and community of practice of those working in change management across the United Nations system.

259.   Two features of the approach taken by the United Nations Laboratory for Organizational Change and Knowledge are of interest here. Firstly, the strategy of the initiative is self-reinforcing; it carries out advisory service work on a demand basis; prepares guidance, including a United Nations Laboratory for Organizational Change and Knowledge model of change management; carries out United Nations system-focused case studies on various change management themes; provides change management training; and convenes a network of change management specialists and senior leaders from across the United Nations system on a regular basis. Each of these elements provides credibility to the other, and forges what is a robust and respected mechanism to strengthen change management practice in the United Nations system.

260.   Secondly, the network itself has considerable convening and communicating power within the United Nations system. It has been successful in attracting the attention of officials at the Under-Secretary-General level, as well as specialists in a variety of technical areas from across the system who have a genuine interest and role in creating sustainable change. These regular interactions, convened through an informal network to share experiences, are extremely important as a means to learn and reinforce good practices, and have the potential to be replicated in other areas.

261.   As a project rather than an established unit, the United Nations Laboratory for Organizational Change and Knowledge has greater flexibility in how it operates, enabling it to work somewhat organically as a platform across the United Nations system. However, this also means that its role and status are not necessarily recognized, as it does not have a formal standing in the United Nations system. As a mechanism still in relative infancy, it is reliant on strong capable individuals to drive it forward. From the United Nations system perspective, it can be seen as a natural experiment in whether the United Nations system can indeed recognize other ways of working and embrace these, or not.

262.   The United Nations Laboratory for Organizational Change and Knowledge is funded through a pay-per-service model for its advisory services and training work, through extrabudgetary resources and through support from the United Nations System Staff College itself. With very limited funding coming from United Nations system organizations, and the unpredictability of income from advisory services, the financial stability of the project is not assured.

263.   The following recommendation is expected to strengthen coherence and harmonization between United Nations system organizations.

> **Recommendation 6**
>
> **Executive heads should include an item on the agenda of the next meeting of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination to consider how to support the United Nations Laboratory for Organizational Change and Knowledge to play a greater role in United Nations system reforms.**

System-wide capacity and mobility

264.   To gain insight into relevant capacities across United Nations system organizations, the United Nations Laboratory for Organizational Change and Knowledge carried out a mapping exercise of the profiles of the change management network members in 2018.[47] This included a survey of approximately 40 persons who had been pre-identified within the network as having relevant expertise. These individuals came from 11 different United Nations system organizations, and within the Secretariat alone from 14 different departments or offices. They work in crisis response, humanitarian assistance, peacekeeping, human rights, political affairs and development. Almost all of these individuals had worked in more than one United Nations system organization over their professional career, revealing a degree of depth of understanding of different parts of the United Nations system.

265.   One fifth had certification in change management, while almost half had training in communication, coaching, facilitation or programme design. In terms of expertise,

respondents were asked to self-assess on a four-point scale, from no expertise to deep expertise. Over 50 per cent of respondents stated that they had deep expertise in change management, one quarter in organizational culture and behaviour change, and a further quarter in communications. In terms of roles in reforms, the majority were internal change management leaders, advisers and technical specialists. A small number (11 per cent) were change sponsors: executive-level decision makers. Almost all (97 per cent) had worked on change management-related reforms, prior to their current role.

266.   This data speaks to the resident, largely latent capacity that exists within the United Nations system to support change management reforms at a system-wide level. The CEB High-level Committee on Management has, in a general sense, recognized this, and in 2016 reported that it would put in place "a global United Nations system workforce", including mechanisms to support system-wide mobility and for the development of skills across the system.[48] This is to be welcomed if it addresses the needs and opportunities outlined above.

Endnotes to chapter V

[40] EY, "Succeeding in the VUCA paradigm: making change happen" (2016), p. 15.

[41] While this only represents 28 per cent of the entire sample of reforms analysed, it is a positive sign that the United Nations system organizations have recognized the need to focus on culture. Of the 47 reforms analysed, 12 were focused partially or completely on organizational culture. These 12 reforms were implemented by 11 organizations (one organization had two reforms focused on culture).

[42] Based on evidence generated from interviews carried out during the review process and detailed in case summaries, where appropriate.

[43] UNDP also has established change management capacity, but was unable to be included in the present review.

[44] EY, "Succeeding in the VUCA paradigm: making change happen" (2016), p. 22.

[45] Kenneth G. Brown and Traci Sitzmann, "Training and employee development for improved performance", in Sheldon Zedeck (ed.), *APA Handbook of Industrial and Organizational Psychology*, vol. 2 on selecting and developing members for the organization (Washington, D.C., American Psychological Association, 2011), pp. 469–503.

[46] Brinkerhoff Evaluation Institute; see www.brinkerhoffevaluationinstitute.com/publications.html.

[47] United Nations System Staff College, United Nations Laboratory for Organizational Change and Knowledge capacity survey, 2018.

[48] See CEB/2016/5.

Annex I

List of reforms reviewed

No.	Organization	Title of reform	Reform analysis	Change management analysis
1	United Nations*	1. Umoja	Yes	Yes
2	United Nations*	2. Global Service Delivery Method	Yes	N/A
3	United Nations*	3. Creating a Better OCHA	Yes	Yes
4	UNCTAD	1. Results-based management	Yes	Yes
5	UNCTAD	2. Nairobi Mafikiano	Yes	Yes
6	ITC	1. Innovation Lab	Yes	Yes
7	UNEP	1. Programme Management and Implementation	Yes	Yes
8	UNEP	2. Restructuring and Regionalization	Yes	Yes
9	UNEP	3. Internal Reforms	Yes	Yes
10	UNFPA	1. Regionalization	Yes	Yes
11	UNFPA	2. Comprehensive Change Process	Yes	Yes
12	UN-Habitat	1. UN-Habitat Change Process	Yes	Yes
13	UNHCR	1. Structural and Management Reform	Yes	Yes
14	UNHCR	2. UNHCR Change Process	Yes	Yes
15	UNICEF	1. Human Resources	Yes	Yes
16	UNICEF	2. Strategic Repositioning	Yes	Yes
17	UNICEF	3. Office Management Plan	Yes	Yes
18	UNICEF	4. Performance Management System	Yes	Yes
19	UNODC	1. Umoja	Yes	Yes
20	UNODC	2. Framework for Engagement of External Parties	Yes	Yes
21	UNOPS	1. Human Resources Transformation	Yes	Yes
22	UNOPS	2. Reform of Process and Project Quality	Yes	Yes
23	UNOPS	3. International Individual Contractor Agreement Modality	Yes	N/A
24	UNOPS	4. Enterprise Resource Planning	Yes	Yes
25	UNRWA	1. Health Reform	Yes	Yes
26	UNRWA	2. Education Reform	Yes	N/A
27	UN-Women	1. Regional Architecture	Yes	Yes
28	WFP	1. Fit for Purpose	Yes	Yes
29	WFP	2. Integrated Road Map	Yes	Yes

No.	Organization	Title of reform	Reform analysis	Change management analysis
30	FAO	1. Global Resource Management System	Yes	Yes
31	FAO	2. Revised Policy for International Consultants	Yes	Yes
32	FAO	3. Risk Management and Internal Control Measures	Yes	Yes
33	IAEA	1. Accountability	Yes	Yes
34	IAEA	2. AIPS Project	Yes	Yes
35	ICAO	1. Organizational Performance Management	Yes	Yes
36	ICAO	2. Organizational Risk Management	Yes	Yes
37	ILO	1. Business Process Review	Yes	Yes
38	ILO	2. IT Transformation	Yes	Yes
39	ILO	3. Integrated Resource Information System rollout – enterprise resource planning	Yes	Yes
40	IMO	1. Review and Reform of the Organization	Yes	Yes
41	ITU	1. Management – Strategic Planning	Yes	Yes
42	ITU	2. Gender Equality and Mainstreaming Policy	Yes	Yes
43	UNESCO	1. Invest for Efficient Delivery Plan	Yes	Yes
44	UNIDO	1. Programme for Change and Organizational Renewal	Yes	Yes
45	UNWTO	1. Collaborator Contractual Scheme	Yes	N/A
46	UPU	1. Union Reform	Yes	N/A
47	WHO	1. WHO Reform 2011–2017	Yes	Yes
48	WHO	2. AFRO Transformation Agenda	Yes	Yes
49	WHO	3. Transformation Plan and Architecture 2018–2020	Yes	Yes
50	WIPO	1. Strategic Realignment Programme	Yes	Yes
51	WIPO	2. Introduction of Enterprise Risk Management	Yes	Yes
52	WMO	1. Constituent Body Reform	Yes	Yes

N/A denotes that the reforms were either too early in the reform cycle or did not have sufficient evidence of change management.

Of the 28 participating organizations, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and UNDP were unable to participate in the present review.

* As listed in ST/SGB/2015/3.

Annex II

Categorization of participating organizations

In order to target the recommendations, all JIU participating organizations were categorized by size. Given that size refers to both the personnel and the finances of an organization, both of these elements were given equal weighting. The personnel figures for 2017 were taken from a 2018 JIU review (JIU/REP/2018/4) and the total revenue figures for 2017 were compiled using data from a CEB report (A/73/460). Based on these statistics, the organizations have been clustered as follows:

- **Small:** United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC), United Nations Human Settlements Programme (UN-Habitat), United Nations Office on Drugs and Crime (UNODC), United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), International Civil Aviation Organization (ICAO), International Maritime Organization (IMO), International Telecommunication Union (ITU), World Tourism Organization (UNWTO), Universal Postal Union (UPU) and World Meteorological Organization (WMO).

- **Medium-sized:** United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), United Nations Office for Project Services (UNOPS), Food and Agriculture Organization of the United Nations (FAO), International Atomic Energy Agency (IAEA), International Labour Organization (ILO), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Industrial Development Organization (UNIDO) and World Intellectual Property Organization (WIPO).

- **Large:** United Nations Secretariat, Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Children's Fund (UNICEF), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), World Food Programme (WFP) and World Health Organization (WHO).

The JIU participating organizations were also clustered by their predominant mandate to assess any trends or correlations in the data. The predominant mandate was assigned based on the percentage of expenditure across each expense category as found in the CEB data for 2017 (see A/73/460). However, no significant patterns were observed with regard to change management, and therefore this categorization was not used in the present report.
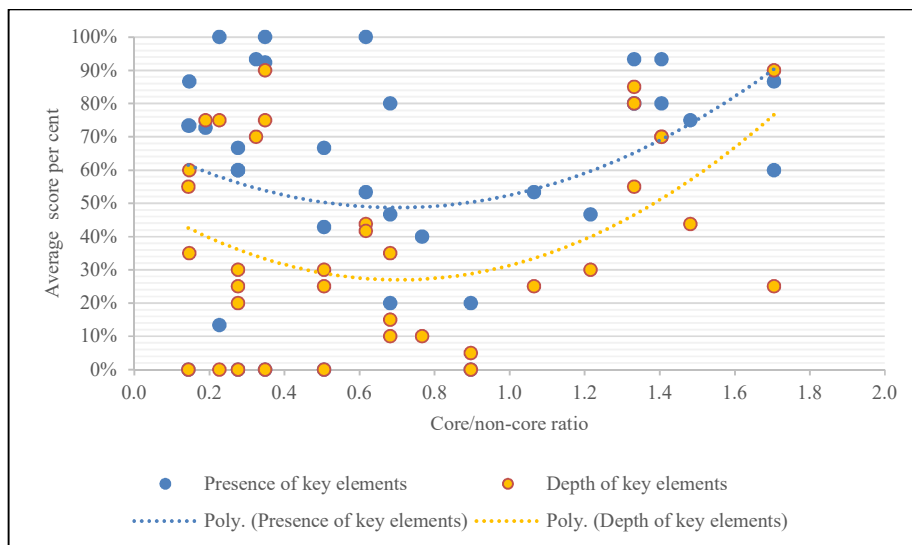
Annex III

Additional information

A. Relationship between organization size and the presence and depth of key elements of change management
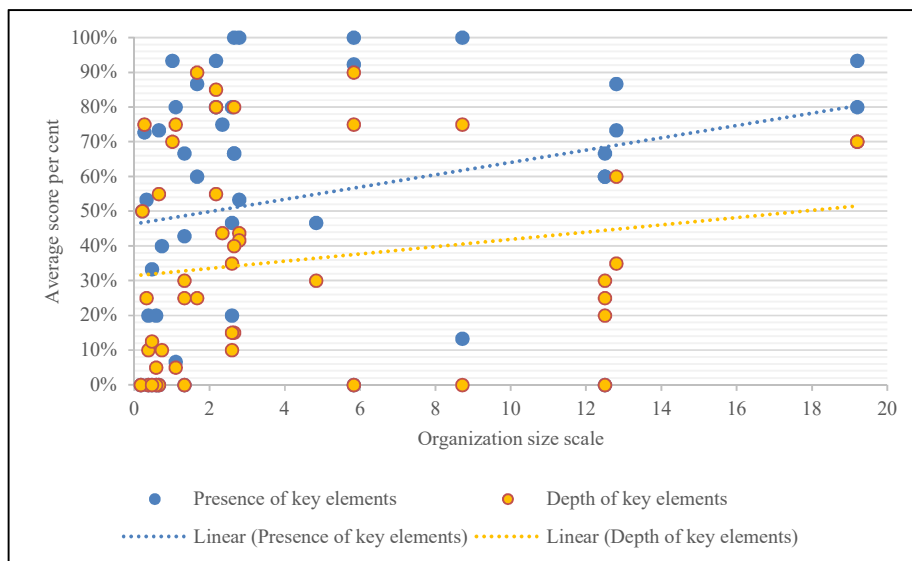
Source: JIU analysis using frameworks for presence and depth of key elements and CEB data for 2017.

B. Core/non-core financing of each United Nations organization (2016) against the presence and depth of change management

Source: JIU analysis using frameworks for presence and depth of key elements and CEB data for 2017.

Note: The correlations are not statistically significant in the data across multiple regression models; the core/non-core ratio is restricted to 2. This decreases the sample size from 42 to 36, however the relationship does not change.

C.   Examples of outcomes and indicators for change management

Change management outcomes refers to the decisions and practices of those targeted in change management initiatives. These should be planned for and sequenced, given that people – their practices and behaviour – are central to the change sought. Drawing on the literature and case evidence, the outcomes were categorized into three kinds: immediate, intermediate and long-term.

Immediate outcomes may relate to the reaction to proposed changes, pertaining to

- Understanding
- Acceptance of shared values
- Knowledge of what is being communicated
- Positive perception

Possible indicators, metrics and evidence could include increases in stakeholder engagement, in morale and in preparedness for the new way of working; knowledge acquisition (to carry out the roles and responsibilities effectively, or understand the changes sought); staff empowerment; studies that measure levels of satisfaction (or, inversely, levels of resistance to change); and client satisfaction studies – as appropriate. Proxies may include measures to gauge the reach of the change management components of the initiative, such as:

- Number of contacts and/or engagement points
- Metrics of engagement at different levels:
    - Receiving a survey
    - Providing comments and feedback (e.g. via web posts)
    - Actively participating in designing the solution

Intermediate outcomes may relate to the adoption of and adaptation to changes sought by the target users or stakeholders; for example, in the case of the Business Process Review in ILO, adoption of new standards and benchmarks. Indicators, metrics and evidence of improvements in organizational readiness, flexibility, and adaptability should be considered; as should increases in stakeholder utilization of, and proficiency in, the new way of working. Surveys can be used here, measuring issues such as:

- Number of staff being able to apply new work practices
- Number of staff dedicated to specific functions
- Demand data versus the number of staff used to respond to demand
- User feedback results on service levels before and after the reform

Studies of organizational health, as used in ILO (based on McKinsey's work), may be a measure of immediate outcomes (around levels of perception of change) and, over time, a measure of intermediate outcomes (about actual adoption and adaptability).

Long-term outcomes and impacts may relate to a more permanent state of change, where improvement in practice and behaviour is sustained, and where the results impact upon the overall reform goals. Long-term outcome and impact measures that pertain to the interface between change management and the reform itself may include:

- Cost savings
- Time savings
- Improvement in service levels
- Reduction in risks

Source: JIU change management project definition and guide, 2018 (complementary paper I).

Annex IV

Change management "presence of key elements" framework

Pre-planning (making the case for change)

1. Evidence of a clear rationale and purpose for change management in the organizational reform.

2. Evidence of a clear oversight framework that links change management to the organizational reform (governance).

3. Evidence of a clear management structure that links change management to the organizational reform.

4. Evidence of any pre-engagement with staff, or use of staff survey data and/or readiness assessments in determining the need for change and the areas of change.

Planning (planning the change management)

5. Evidence of an engagement strategy or plan – either stand-alone or as part of an overall change management plan.

6. Evidence of a communication strategy or plan – either stand-alone or as part of an overall change management plan.

7. Evidence of a training strategy or plan – either stand-alone or as part of an overall change management plan.

8. Evidence of change management planning drawn from academic, private sector or United Nations (United Nations Laboratory for Organizational Change and Knowledge) models, and/or from prior experiences of change management within the organization, or from other organizations.

Budgeting (for change management)

9. Evidence of clearly earmarked financing of change management activities (this can include the use of in-kind resources, such as clearly demarcated staff time).

Implementation (of change management)

10. Evidence of senior-level sponsorship of the change management initiative.

11. Evidence of change management expertise and experience, with designated roles relating to change management in the reform.

12. Evidence of implementation of specific change management actions.

Assessment (of change management)

13. Evidence of a benefits or results framework and/or a plan for reflexive learning and evaluation in place, to assess change management outputs, outcomes and impacts.

14. Evidence of internal mechanisms and practices of monitoring, formative learning and reflexive learning carried out during the process of implementation.

15. Evidence of external ex post or summative evaluations or reviews carried out that include change management aspects.

Overview of actions to be taken by participating organizations on the recommendations of JIU

JIU/REP/2019/4

		Intended impact	CEB	United Nations*	UNAIDS	UNCTAD	ITC	UNDP	UNEP	UNFPA	UN-Habitat	UNHCR	UNICEF	UNODC	UNOPS	UNRWA	UN-Women	WFP	FAO	IAEA	ICAO	ILO	IMO	ITU	UNESCO	UNIDO	UNWTO	UPU	WHO	WIPO	WMO
				United Nations and its funds and programmes															Specialized agencies and IAEA												
Report	**For action**		□	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠
	For information		⊠	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□	□
Recommendation 1	f			L	L			L		L		L	L		L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
Recommendation 2	f			E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E
Recommendation 3	d			E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E
Recommendation 4	h			E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E
Recommendation 5	f			E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E
Recommendation 6	d			E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E

Legend: **L:** Recommendation for decision by legislative organ **E:** Recommendation for action by executive head

▨ **:** Recommendation does not require action by this organization

Intended impact: **a:** enhanced transparency and accountability **b:** dissemination of good/best practices **c:** enhanced coordination and cooperation **d:** strengthened coherence and harmonization **e:** enhanced control and compliance **f:** enhanced effectiveness **g:** significant financial savings **h:** enhanced efficiency **i:** other.