



COUNCIL
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Agenda item 11

C 89/11
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ORGANIZATIONAL REVIEW

Note by the Secretary-General

SUMMARY

Executive summary: This document provides a report on the implementation of the Secretary-General's Change Management Programme (CMP), further to his last report to Council (C 88/12(a)/Add.1 and Add.2)

Action to be taken: Paragraph 3

Related documents: C 88/12(a) and Add.1 and Add.2

- 1 Council will recall that the Secretary-General has launched his CMP on two broad fronts:
 - (i) organizational reform and development; and
 - (ii) reform of the accounting, financial and budgetary control systems.

- 2 Since the Council's last session, the Secretary-General has continued to press ahead with his CMP, and particularly on the priority elements he set out in his last reports to the Council, taking into account the Council's conclusions on the matter. The Secretary-General will provide further progress reports in addenda to this document, since a number of initiatives are currently in hand. However, at this juncture, the Council might note that:
 - .1 Progress is being made on the improved organizational structure and management of the implementation of technical co-operation following the "mapping" of current work flows and of future processes. The process mapping has analysed the six elements of the Integrated Technical Co-operation Programme cycle: the development of the ITCP, resource mobilization, development of the Programme Implementation document, programme implementation, monitoring and impact assessment. The mapping exercise has identified the key success factors, the functional relationships within the Organization's programme indicators and measures of success. The Secretary-General envisages that revised arrangements will be implemented during September and he will provide the Council with an outline of the new arrangements in an addendum to this document;
 - .2 A Residential Leadership Workshop for senior management took place in July at Tylney Hall in Hampshire. The Secretary-General, Directors and Senior Deputy Directors participated. This workshop launched the start of the Leadership and Management Programme. The workshop participants reflected their commitment

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to the CMP in the adoption of a Statement (a copy is annexed, for the Council's information, to this document);

- .3 The Human Resource (HR) Development Programme is progressing steadily; the process of streamlining and redefining HR roles between managers and the HR Section will be developed and progressively implemented during the second half of 2001. One concern is that the initial funding for the Training and Development Fund will need to be increased and the Secretary-General will make further proposals to this effect.
- .4 So far as the reform of the accounting and financial system is concerned, progress is being made:
- In accordance with the Council's decision that tenders from qualified international contractors for the supply and installation of a new accounting and information system be invited, on the understanding that the tender might not proceed, a request for Expression of Interest for inclusion in the bidding for an ERP system, as was recommended by the Organization's consultants, was posted, in accordance with the Council's decision, on the Organization's website and also advertised in Lloyd's List and the Inter-Agency Procurement Services Office (IAPSO);
 - The project remains on target to provide a proposal for the Council's eighty-ninth session in November, including a full cost benefit analysis, together with a full analysis of the proposal by Brazil. The outcome of these studies will be issued in an addendum or addenda to this document;
 - The consultants are assisting the Secretariat in the development and implementation of an Interim Solution which will be effective from 1 January 2003, to contribute to the improved flow of expenditure information to Programme Managers;
 - The high level budgeting procedures will be strengthened to enable the Senior Management Committee (SMC) to take a stronger and more direct part in the development of the Secretary-General's work programme and budget, and as part of the process of increasing accountability.

Action requested of the Council

3 The Council is invited to take note of the information contained in this document and to comment or decide as appropriate.

ANNEX

*The Tylney Declaration**18 July 2002***We, the senior management of IMO:**

Acknowledge the contribution of the Secretariat in the achievements accomplished so far in the pursuit of the Organization's objectives; however, we recognize that changes are needed to further enhance efficiency and effectiveness.

In effecting this, **recognise** that change is not a criticism of the past and that the IMO Secretariat has many strengths and qualities.

Recognise also that the demands placed on the Secretariat and the environment in which it operates have changed and appropriate adaptation is necessary through strengthening the management of IMO and building a new organizational culture.

Recognise further that there are some current institutional constraints that make it difficult to manage effectively and to bring about change.

Recognise finally that the organizational culture is the key to change and it should therefore be adapted to meet the future needs of the Organization and that this process involves participation of all the staff at all levels.

Agree that change must be led from the top and should involve all staff.

To this end, we are determined to develop a culture, which builds on the existing commitment and work ethic, encourages creativity, revitalizes team spirit and commonality of purpose, fosters respect, and promotes integrity, transparency and trust.

We will do this by:

- demonstrating commitment and leadership through taking action to promote the new organizational culture;
- involving all staff at all levels in the development and implementation of the new organizational culture;
- addressing the key areas of information-sharing, delegation, accountability; responsibility, supervision and performance management; and staff training; and
- monitoring the change management process.