



**SECRETARIAT OF THE PACIFIC COMMUNITY**

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COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**  
(Noumea, New Caledonia, 4–7 November 2014)

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***AGENDA ITEM 7: OPERATIONS AND MANAGEMENT DIRECTORATE REPORT***

**AGENDA ITEM 7.6: OPERATIONS AND MANAGEMENT: PERSPECTIVES AND INITIATIVES**

(Paper presented by the Secretariat)

**SUMMARY**

1. The 8<sup>th</sup> Conference of the Pacific Community welcomed the significant steps taken by the Operations and Management Directorate (OMD) in 2013 to ensure that its services (administration, human resources, finance, ICT, library, publications and translation/interpretation) meet the needs of an expanded organisation.
2. CRGA 43 also noted OMD's commitment to be an example of best practice in providing services in support of the Programmes Directorate and SPC as a whole, benchmarked against international standards.
3. To build on that commitment, OMD will undertake or complete several initiatives in 2015. Rather than present a retrospective view of work undertaken in 2014, this paper aims to provide members with a concise view of these initiatives, which are a key part of efforts to improve OMD services across SPC. (Note: Human Resources initiatives are dealt with in a separate paper.)

**RECOMMENDATIONS**

4. CRGA is invited to:
    - i. note and endorse the Operations and Management Directorate's continued commitment to improving services across SPC;
    - ii. note the significant resources required to implement many OMD initiatives;
    - iii. endorse increased investment of SPC resources to strengthen OMD services, particularly in ICT.
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## OPERATIONS AND MANAGEMENT: PERSPECTIVES AND INITIATIVES

### Introduction

5. At CRGA 43, the Operations and Management Directorate made a commitment to ensure that its services (administration, human resources, finance, ICT, legal, library, publications and translation/interpretation) met the needs of an expanded organisation.
6. In that framework, rather than presenting a retrospective view of actions undertaken in 2014, this paper aims to provide members with a non-exhaustive selection of key future initiatives the Directorate intends to implement in 2015 and beyond as part of its efforts to improve OMD services across the whole of SPC. (Note that Human Resources initiatives are dealt with in a separate paper.)
7. The paper also provides cost estimates for many of the initiatives so that members can better gauge the size of the investments necessary to ensure that SPC has high-quality internal capacity, systems and processes to support the work of the Programmes Directorate and provide donors and prospective partners with confidence in engaging in, or enhancing their relationships with SPC.

### Selection of OMD initiatives for 2015

#### Administration Section

##### *Implementation of standardised and integrated administrative processes at all SPC offices*

8. In 2015, the Administration Section aims to make administrative processes such as procurement and travel streamlined, integrated and standardised across all SPC offices.
9. Implementation of an e-procurement and e-bid system is expected to be completed by the end of the first quarter of 2015; and implementation of a standardised electronic travel process (integrated with the e-procurement system) will begin in late 2015 for completion in 2016.
10. These new 'paperless' processes will improve efficiency, accountability, control and security. They are also aimed at improving the compliance of administrative processes with international audit standards.
11. Collaboration will also begin with SPC ICT in 2015 to develop a standardised electronic records management system. Implementation of this particular system is projected for 2017.

##### Cost estimates (USD):

- 1) *E-bid system: 2014 – 7,200; recurring - 4,700/year*
- 2) *New document management and search system (2015 – 44,000) Admin. staff hours \$1,000*

##### *SPC office accommodation development and upgrade*

12. The host countries of all SPC offices have initiated projects to either provide permanent office space or undertake major refurbishment of existing space to meet their obligations under host country agreements and provide the secretariat and its staff with suitable working environments.
13. These projects are as follows:
  - Office space at SPC headquarters in Noumea, funded by the New Caledonian Government;

- Construction of the Pacific Village, funded by the Government of Fiji, at SPC's current Nabua location in Suva;
  - Development of the Micronesian Village, funded by the Government of FSM.
14. The Administration Section is the focal point for such matters within OMD and will work with all internal partners and liaise with host countries as these major projects move forward in 2015.
15. The Solomon Islands Country Office is currently facing a severe shortage of office space. The secretariat intends to pursue discussions with the Solomon Islands Government to explore the possibility of relocation to a bigger office.

### **Information and Communication Technology Section (ICT)**

16. The ICT Section has identified three critical areas for strengthening and developing corporate ICT capacity and services over the next three years. This work is of particular importance for business continuity and risk management, with several equipment failures in 2014 highlighting the dependence of the organisation on ICT and the need to update current systems.

#### ***Improving communication tools and information access***

17. Over the course of the next 12 months, ICT will deploy a new email system that will provide staff with larger mailboxes and provide a system that is accessible from the field, cheaper to manage and less likely to experience service interruptions.
18. The ICT team will also deploy a new document management system that can be accessed remotely and that will provide staff across SPC sites and field locations with richer document collaboration capability.
19. In 2015 and 2016, the ICT team will lead efforts to implement a new SPC website and remote access systems designed to give SPC staff more seamless access to corporate resources when working in the field.
20. These initiatives should contribute to removing some of the technical barriers which reduce the ability of SPC staff to effectively find and share information with both internal and external partners

#### ***Modernising SPC ICT infrastructure and services***

21. Modern, reliable and cost-effective ICT services are a key enabler for SPC in providing services across the region in collaboration with members, partners and agencies, and thus in positioning itself at the forefront of the international development community in the Pacific.
22. Under this programme of work, the ICT team will focus on:
- Upgrading and optimisation of internet links to SPC offices.
  - Adoption of an Infrastructure Refresh Lifecycle programme to ensure ICT infrastructure services are able to meet and adapt to the demands of the organisation.
  - Design and implementation of an ICT disaster recovery plan.
  - Deployment of ICT enterprise management, monitoring and reporting systems.
  - Optimisation of operational processes and strengthening of project management and project delivery capability within ICT.
  - Implementation of data management strategies to enable better protection, performance and capacity management of SPC's data footprint
  - Establishment of an SPC cloud infrastructure, services and software development platform.
  - Implementation of a unified identity management platform.

***Improving quality and sustainability of ICT for Development (ICT4D) in SPC***

23. Developers in SPC divisions lack scalable, standardised, and easily accessible platforms on which to develop their ICT4D applications. In 2015, the ICT team (in collaboration with the SPC developer community) will design and deploy a cloud-based application and database development platform and associated policies that will allow SPC to rapidly develop applications, assign hardware and storage, and share information between teams in a way that is standardised, secure, scalable and cost-effective.
24. The new platform will also facilitate external stakeholder access to ICT4D applications and make SPC's work products less dependent on the internet and infrastructure at SPC's Noumea and Suva locations.
25. This platform will also mitigate some of the risks of having separate and ad-hoc application and database development in SPC.
26. Most importantly it will help to ensure all work is done under the SPC brand and is delivered with a consistently high level of quality and sustainability.

***Cost estimates (USD)***

27. The estimated cost to carry out this important programme of work, and replace equipment coming off line after a 5–7 year life cycle, is USD 250,000 in 2015. SPC will also need to commit significant funds, in the order of USD 150,000 per annum in 2016 and 2017, to consolidate its ICT base and provide the organisation with the necessary level of ICT support and service.
28. In the past, SPC has underinvested in ICT as the comparison presented below shows. Non-profit/public sector organisations typically spend 1.5 to 2 times as much as SPC on IT, while governments spend 6 times as much per employee.

<b>Spending comparisons</b>	<b>SPC</b>	<b>Non-profit Average</b>	<b>Govt National / International</b>	<b>Cross –sector Avg</b>
ICT spending per employee	<b>\$3,353</b>	\$5,270 ** (+57%)	\$20,662 *	\$13,197 *
ICT spending per supported client computer	<b>\$2,422</b>	\$4,667 ** (+92%)		
ICT spending as a percentage of total revenue	<b>2.2%</b>	3.0% **	9.2% *	3.5% *

\*Gartner: **IT Spending and Staffing Report, 2013.**

\*\* Computer Economics: **IT Spending & Staffing Benchmarks 2013/2014 – Public and Nonprofit Sector Benchmarks.**

29. The secretariat considers, therefore, that urgent action needs to be taken if SPC is going to continue to be able to rely on effective, secure ICT.

**Printery**

30. In 2015, the SPC printery will move from its current business model to a “copy centre” type operation.
31. In this framework, little used or obsolete equipment will be decommissioned, freeing up space that can be used for a new office or meeting room.
32. The Printery Manager will work with the Administration Section to investigate the feasibility of developing a Suva-based copy centre (on the same business model as in Noumea) to provide cost-

effective, centralised in-house capacity for producing reports, manuals, leaflets and other information that meets members' requirements and SPC standards.

### **SPC Solomon Islands Country Office (SPCSI)**

33. SPCSI falls under the authority of the Deputy Director-General OMD. In 2015, SPCSI intends to implement two actions that will contribute to OMD's whole-of-organisation initiatives.

#### ***Mainstream the SPCSI internship programme for people with disabilities***

34. SPCSI has implemented a small mentoring and internship programme for people with disabilities over the last two years, employing up to five people per year for training, followed by assistance in finding permanent job placements. To date, SPCSI has placed interns in permanent jobs in the Ministry of Foreign Affairs, Solomon Islands Broadcasting Corporation, King Solomon Hotel and at SPC.
35. SPCSI intends to build from this success and work with the Noumea, Suva and North Pacific offices to mainstream an internship programme for disabled people in all SPC offices as part of our corporate responsibility and as a means of assisting vulnerable groups to gain access to opportunities for training and employment.

#### ***Implement an NCD campaign in all SPCSI activities in Solomon Islands***

36. SPCSI will implement a "lokal kaikai-only" (local foods) policy for all SPC and divisional activities that take place in Solomon Islands in 2015.
37. This policy calls for serving only healthy island-produced food at all meetings, workshops and training provided by SPC in Solomon Islands.
38. Through this initiative, SPCSI aims to put into practice the values underpinning the Pacific NCD Partnership, highlight measures that help prevent NCDs including a healthy diet based on diverse local produce, and promote the use of locally grown products to support national economies.

### **Finance Section**

39. The Finance Section has undertaken several major initiatives in 2014 that will come to fruition in 2015.
40. In particular, the complete review and modernisation of financial regulations, policies and procedures will be completed and SPC will benefit from a consolidated up-to-date finance manual.
41. For the first time, SPC's accounts will be prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as part of OMD's efforts to ensure appropriate international level procedures and benchmarking.
42. To facilitate the preparation of an outcomes focused budget and to provide management with a tool for allocating resources according to SPC's priority areas of activity (as opposed to making allocations based on previous years), a new internal budget procedure will be developed and used to build the 2016 SPC budget which will be presented to CRGA 45.
43. An important new tool for the whole of SPC will be the new, upgraded Navision finance system (NAV 2013), which will go live in early 2015. The move to NAV 2013 will provide access to consolidated, real-time financial information across the whole of the organisation, with no need for manual consolidation or reconciliation.

## **Conclusion**

44. While the rationalisation of printery operations will lead to cost savings in the future, it should be noted that many OMD areas, particularly ICT, have suffered from underinvestment in the past.
45. Notwithstanding these resourcing issues, OMD remains committed to providing the highest quality service to SPC and its members.

## **Recommendations**

46. CRGA is invited to:
    - i. note and endorse the Operations and Management Directorate's continued commitment to improving services across SPC;
    - ii. note the significant resources required to implement many OMD initiatives;
    - iii. endorse increased investment of SPC resources to strengthen essential OMD services, particularly in ICT.
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