



**NINTH SESSION OF THE SUBCOMMITTEE  
ON PROGRAM, BUDGET, AND ADMINISTRATION  
OF THE EXECUTIVE COMMITTEE**

*Washington, D.C., USA, 18-20 March 2015*

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*Provisional Agenda Item 4.8*

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**REPORT ON THE DEVELOPMENT OF THE PASB HUMAN RESOURCES  
STRATEGY: A PEOPLE STRATEGY**

**Background**

1. The development of the Pan American Sanitary Bureau (PASB) Human Resources Strategy: A People Strategy for 2015-2019, is responsive to the Strategic Plan of the Pan American Health Organization 2014-2019. Specifically, the rationale for the strategy is provided by the sixth category in the Plan's programmatic structure—"Corporate Services/Enabling Functions: Fostering and implementing the organizational leadership and corporate services that are required to maintain the integrity and efficient functioning of the Organization, enabling it to deliver effectively on its mandates." Recognizing that significant internal transformation is required to achieve the Strategic Plan's goals, the Director informed the Eighth Session of the Subcommittee on Program, Budget, and Administration that the Bureau would develop a comprehensive human resources strategy and plan that would enable it to fulfill its commitments under the Strategic Plan 2014-2019. The Strategy has been captioned as the "People Strategy" because it requires the commitment and participation of all those engaged in PAHO's work—staff, managers, and Executive Management.

**Vision**

2. PAHO seeks to be "the preferred institution for top talent dedicated to achieving the global and national health outcomes to which the people of the Region aspire". The People Strategy sets forth a five year plan to realize this vision during 2015-2019.

**Context**

3. In response to a steady and significant decline in budgetary resources, PASB has reduced its overall staff numbers, drastically scaling back established (fixed-term and limited) posts, and increased non-post hiring. Further, the Bureau has resorted to hiring through less costly, shorter term contingent contracts as a way to minimize business risk and protect operational budgets in an uncertain fiscal environment. Finally, the Bureau

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has been forced to cut back on investments in key human resource areas, including learning and development.

4. A review of PASB's current staffing practices reached a critical conclusion: while relying on short-term, renewable non-post appointments has enabled the Bureau to contain costs, the strategy has not allowed it to attract the best talent available. In fact, it is likely that such practices have eroded the quality of the work force and damaged the Organization's core comparative advantage - the quality of its technical work force.

5. Summarized below are the nine key Strategic Lines of Action for the People Strategy.

### **Strategic Lines of Action**

#### ***Strategic Line of Action 1: Overhaul of PAHO's workplace architecture.***

6. To attract and retain top talent, the Organization must be able to offer medium-term employment stability along with competitive pay and benefits. PASB will set up a Strategic Staffing and Workforce Architecture Working Group responsible for developing approaches to offer the appropriate duration of contracts needed to attract the best talent, without linkage to funding source. This group will also consider a staffing model that enables managers to manage flexibly within allocated budgets and agreed upon fill ratios (in dollar terms), thereby ensuring a balance between regular and contingent staffing. As a way to preserve technical standards, the group will consider introducing a technical clearance process for current and future technical staff in order to offer them four-year renewable contracts.

#### ***Strategic Line of Action 2: Simplification of PAHO's processes and redirection of its resources to technical functions.***

7. PAHO will seek to fully realize the benefits of implementing the PASB Management Information System (PMIS) and will pursue major additional simplification of business processes across all departments and locations, focusing on delegation of authority, implementation of accountability mechanisms, and reduction in resources committed to administrative tasks; this effort is intended to enable the Organization to create an opportunity for strengthening its technical capacity.

#### ***Strategic Line of Action 3: Renewal of staff skills so PAHO can fulfill its mandate.***

8. PAHO will address the challenge of skills renewal to fulfill the Strategic Plan's goals. The changing needs of Member States, the emergence of other specialized international players, the shift towards universal health coverage and family wellness and away from a disease-focused approach, the growing importance of PAHO's power to convene and its roles as a partnership broker and a network integrator; the need to mainstream public health policy in the agenda of the economic ministries; and the need to

pursue cross-sector approaches, among other factors, require a fundamental shift in the skills mix of PASB staff.

9. PASB will set up a Skills Renewal Working Group to thoroughly assess the Organization's current technical, operational, and behavioral skills and those likely to be needed in the future. This group is expected to present a multi-year plan to upgrade current staff skills.

***Strategic Line of Action 4: Review of PAHO's country office staffing to gain excellence, efficiency and cost-effectiveness.***

10. There is room for modernization of PAHO country offices, reduction and automation of clerical functions, and the fostering of a culture of self-help. PASB will convene a Working Group to develop recommendations on these issues.

***Strategic Line of Action 5: Strengthening of PAHO's accountability and performance management.***

11. The Strategic Plan 2014-2019 contains a set of cross-cutting goals and metrics to track organizational performance. Directors and PWRs will mainstream these into the performance management system and tie them to appropriate metrics. These metrics will be published and tracked by the executive team, and departmental performance will be assessed on an objective basis before objectives are cascaded through the rest of the Organization.

***Strategic Line of Action 6: Need for PAHO to make greater sustained investment in learning and development.***

12. The priority for the biennial learning plans for 2016-2017 and 2018-2019 will be to upgrade staff skills in the areas identified in the Strategic Plan and by the Working Group on Skills Renewal.

13. PASB's current practices include rotation of staff members within the Region and inter-agency transfers to and from WHO Headquarters and other WHO Regions. PASB will formalize a Technical Staff Rotation Plan to rotate staff members who have been in one assignment for more than five years, including to the extent possible and where appropriate through inter-agency transfers to and from WHO Headquarters and other WHO Regions, and will strengthen induction training to help incoming staff become fully operational more quickly. A requirement of field experience either before or upon joining PAHO will be a prerequisite for promotion to P4 and above positions in the technical stream.

***Strategic Line of Action 7: Greater focus on leadership development and succession as a way to achieve more effective management.***

14. The Organization will make a sustained investment in management development. Current managers at the Director level and above will be provided with the services of an executive coach for a pre-established, limited duration. To ensure continuity and succession, PAHO will implement succession management. A talent pool of staff thought to be ready for manager or director level positions will be identified, based on an assessment of skills, performance and potential.

***Strategic Line of Action 8: Need to build a world-class work environment at PAHO to enhance staff well-being and productivity.***

15. Three key strategies will be adopted to increase staff engagement and motivation, and to help build a more productive work environment:

- a) Greater career development opportunities: PASB will update its professional, behavioral and technical competencies in all career streams. Subject to complement controls on staff numbers in P4 and above levels, PASB will consider launching separate streams for technical and for managerial careers.
- b) Improved internal communication and feedback: PASB will develop and track an integrated staff engagement plan to improve internal communication and proactively tackle issues of concern to staff. PASB will regularly conduct a staff survey, which will be administered anonymously and analyzed externally.
- c) Telecommuting, part-time, and flextime work policies: PASB will review and update these policies in order to enhance productivity and the work environment.

***Strategic Line of Action 9: Strengthening of PASB's human resources function***

16. Taking advantage of PMIS implementation, PASB will shift the focus of its HR function from process administration and compliance monitoring to a more strategic planning and policy role to support the Organization's objectives. The Department of Human Resource Management (HRM) will also develop metrics for the delivery of services.

### **Next Steps**

17. In order to ensure that the PASB's People Strategy addresses the Organization's need and is developed with the input of all relevant parties, an Organization-wide consultation process was initiated at the 2014 Regional Managers' Meeting. Heads of country offices, department directors, and other senior staff will continue to participate in this exercise coordinated by the HRM Department.

### **Funding**

18. Funding needs to be provisioned in order to fully realize the significant changes contemplated in this People Strategy and place the future effectiveness and productivity of the organization on strong foundations. It is proposed to allocate a total of \$1,055,178<sup>1</sup> from the unallocated IPSAS Surplus (\$281,684) and unallocated Budgetary Surplus (\$773,494) to a new fund to support implementation of the People Strategy.

### **Action by the Subcommittee on Program, Budget, and Administration**

19. The Subcommittee is requested to take note of this report and to provide any recommendations it deems necessary.

### **Annex**

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<sup>1</sup> Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

**Annex**

**Funding Requirements and Proposed Sources of Funds**

<b>Fund</b>	<b>Funding Status</b>	<b>Funding Requirements</b>	<b>Proposed Source(s) of Funding</b>	<b>Funding Proposed</b>
Master Capital Investment Fund (MCIF) – Information Technology (IT) Subfund	MCIF is primarily funded through the appropriation of budgetary surpluses. The available balance in the IT Subfund as of 31 December 2014 was US\$ 306,849. <sup>1</sup>	PASB’s Draft IT Strategy (Document SPBA9/15) indicates that the Bureau requires significant additional investment in IT infrastructure and support.	IPSAS surplus	\$2,000,000
Human Resources Strategy reserve	This is a new funding recommendation.	PASB’s Report on the Development of the Human Resources Strategy (Document SPBA9/13) indicates that one-time funding will be required to achieve the recommended transformation.	Unallocated IPSAS surplus (\$281,684) and unallocated budgetary surplus (\$773,494)	\$1,055, 178
MCIF – Real Estate Maintenance and Improvement Subfund	The balance of this existing MCIF Subfund as of 31 December 2014 was \$1,804,810.	The Update on the Master Capital Investment Fund (Document SPBA9/10) sets forth the results of a Region-wide assessment of PAHO-owned real estate, identifying approximately \$2 million of needed major repairs to country office buildings per biennium for the coming decade.	Revenue surplus	\$2,000,000
MCIF – Vehicle Replacement Subfund	The balance of this existing MCIF Subfund as of 31 December 2014 was \$378,520.	The Vehicle Replacement Subfund lacks sufficient resources to launch a Region-wide, self-financing vehicle replacement program needed for country office operations.	Revenue surplus	\$1,000,000

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**Funding Requirements and Proposed Sources of Funds (cont.)**

Fund	Funding Status	Funding Requirements	Proposed Source(s) of Funding	Funding Proposed
Epidemic Emergency Fund - special reserve for infectious disease response	The balance of this existing fund is \$464,550.	Additional funds are required to ensure that PASB can advance funds so that Member States can procure needed supplies to respond to Ebola and other emergent outbreaks.	Revenue surplus	\$1,000,000
Revolving Fund for Strategic Public Health Supplies - capitalization	The capitalization balance stood at \$7.6 million as of 31 December 2014, less outstanding advances of \$1.6 million, for an available cash balance of \$6.0 million.	The trend toward increasing utilization of the Strategic Fund by Member States requires strengthening of the capitalization level.	Revenue surplus	\$1,000,000
TOTAL proposed for allocation				\$8,055,178
AVAILABLE SOURCES				
		Unappropriated IPSAS surplus		\$2,281,684
		Unappropriated budgetary surplus		\$773,494
		Revenue surplus		\$5,090,037
TOTAL AVAILABLE SOURCES				\$8,145,215
REMAINING UNALLOCATED AMOUNT				\$90,037

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