



ORGANIZATION OF AFRICAN UNITY

COMMUNICATION TO STAFF MEMBERS

**OAU PROGRAMME
FOR
REFORM AND RENEWAL**

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June 1999

I. INTRODUCTION

In February 1984, an OAU Ad Hoc Committee on Structural Reform was established in order to review the existing structures with an overall view of making the General Secretariat more responsive to the challenges and new priorities of the Organization and its Member States. The Ad Hoc Committee, in the first phase of its work, examined the overall conditions of service and recommended various reforms, i.e. : new Staff Rules and Regulations, recruitment policies, classification and harmonization of posts, career development prospects for some categories of staff etc... Those reform proposals were endorsed by the Council of Ministers in its various sessions.

2. In the second phase and especially from 1996, the Ad Hoc Committee actively embarked on consideration of zero draft proposals for the restructuring of the General Secretariat, in order to endow it with efficient, effective and well coordinated structures that can carry out the duties and responsibilities entrusted to the Organization. The objective was also to come up with cost-effective structures, taking into account the limited available resources of the Organization and their rational use.

3. In order to critically assess its own restructuring proposals, the Ad Hoc Committee benefited from the consultancy services of a well-known Canadian Firm, Genivar. That Firm was given clear Terms of Reference on which to base its work. The Ad Hoc Committee thoroughly examined the proposals of the Consultancy Firm and made concrete restructuring proposals as contained in its Report CM/2093 (LXIX) which was endorsed by the 69th Ordinary Session of the Council of Ministers by its Decision CM/Dec.446 (LXIX).

II. OAU REFORM PROGRAMME

4. The structural reforms that were approved by Council cover various aspects as detailed in the Report of the Ad Hoc Committee on Structural Reform. These reforms touch on the following aspects:

- the structural reorganization,
- the critical review of the scientific and technical programmes, the enhanced coordination of the AEC and RECs programmes,
- the coordination between the Headquarters and the Specialized/Representational Offices,
- the establishment of a new Career Development Plan for all professional groups, and
- the improving of methods of work and procedures.

A. The structural reorganization

5. The new structure will comprise the following Offices/Departments/Units whose existing and new staff complement are indicated against each structure as follows:

	Existing	New
1.1. The Office of the Secretary-General	56	66
1.2. The Policy & Prog. Coord. Dept.	10	13
1.3. The Community Affairs Dept.	67	57
1.4. The Political Affairs Dept.	35	36
1.5. The Communications & Confs. Dept.	110	88
1.6. The Administration & Finance Dept.	158	123
1.7. The OAU/STRC Lagos Office	37	16
1.8. The African Commission for Human & Peoples Right (Banjul)	11	12
1.9. The OAU New York Office	20	15
1.10. The OAU Geneva Office	16	12
1.11. The OAU Brussels Office	10	10
1.12. The OAU Cairo Office	<u>10</u>	<u>9</u>
Total staff complement	540	457

6. The new staff complement is distributed between Departments at Headquarters and in the Specialized/Representational Offices as follows:

DISTRIBUTION OF STAFF CATEGORY BY CATEGORY AT HEADQUARTERS DEPARTMENT BY DEPARTMENT

Categories	Office of SG	PPCD	Community Affairs Dept.	Poli. Affairs Dept.	Commun. & Conf. Dept.	Admin. & Fin. Dept.	Total All Depts.	
							Existing	New
Elected	6	-	-	-	-	-	6	6
Special (Prof.)	10	-	-	-	-	-	3	10
Special (GS)	26	-	-	-	-	-	26	26
Professional	11	9	42	26	52	30	166	170
General Service	13	4	15	10	36	93	245	171
TOTAL	66	13	57	36	88	123	436	383

DISTRIBUTION OF STAFF CATEGORY BY CATEGORY IN SPECIALIZED/REPRESENTATIONAL OFFICES

Categories	Banjul	Brussels	Geneva.	Lagos.	New York.	Cairo	Total Field Offices	
							Existing	New
Elected	-	-	-	-	-	-	-	-
Special (Prof.)	-	-	-	-	-	-	-	-
Special (GS)	-	-	-	-	-	-	-	-
Professional	4	5	7	8	9	4	44	37
General Service	8	5	5	8	6	5	60	37
TOTAL	12	10	12	16	15	9	104	74

7. The new staff complement is distributed between Headquarters and Field Offices as follows:

**DISTRIBUTION OF STAFF BETWEEN HEADQUARTERS
AND THE SPECIALIZED/REPRESENTATIONAL OFFICES**

Categories	Headquarters	Banjul	Brussels	Geneva	Lagos	New York	Calro	Total General Secretariat	Total Headquarters		Total Field Offices	
									Existing	New	Existing	New
Elected	6	-	-	-	-	-	-	6	6	6	-	-
Special (Prof.)	10	-	-	-	-	-	-	10	3	10	-	-
Special (GS)	26	-	-	-	-	-	-	26	26	26	-	-
Professional	170	4	5	7	8	9	4	207	166	170	44	37
General Service	171	8	5	5	8	6	5	208	245	171	60	37
TOTAL	383	12	10	12	16	15	9	457	436	383	104	74

B. Review of the Scientific and Technical programmes

8. Council also endorsed the proposals regarding the transformation of some Scientific and Technical Offices such as the IBAR Nairobi , the IAPSC Yaoundé, into independent agencies. Only the OAU/STRC Lagos Office will be maintained to coordinate and promote scientific and technical research programmes in the Continent. This transformation is to be achieved during the transition period of 18 months, during which the OAU will assist in mobilizing the partners such as interested Member States, donor agencies and regional intergovernmental organizations in order to participate and assume responsibility for those agencies in providing the required human and financial resources for their operations. The OAU would continue to provide political/diplomatic as well as financial support for their activities through grants/subventions as it has been doing in the case of SAFGRAD.

9. The SAFGRAD Project based in Ouagadougou (Burkina Faso) will continue to benefit from the OAU political support and be granted an OAU subvention as at present. SAFGRAD will be encouraged to extend its network to other interested Member States while seeking more support from donor countries and Sub-Regional Organizations.

10. The coordination role and activities of the Fouta-Djallon Project currently under the Conakry Office will be transferred to a more appropriate regional Organization, during the transition period.

11. The programmes and activities currently carried out by the OAU/CELHTO Niamey Office and the CARFOP Project will be transferred during the transition period to relevant African Universities and regional research centres to which the OAU shall provide subvention/grant to carry out specific projects/programmes that will be selected on the basis of merit.

C. Coordination Between OAU and RECs

12. The new structure is designed to strengthen the coordination and harmonization of AEC and RECs programmes and will assist in the smooth implementation of the Abuja Treaty in the 6 stages identified, fully utilizing the Community's structures and the expertise of the ECA and ADB Secretariats.

D. Coordination between Headquarters and Specialized/Representational Offices

13. Coordination between the Headquarters and its remaining field Offices will be enhanced in terms of the reporting system, the budget programme preparation and implementation, the allocation and integration of human and financial resources as well as the avoidance of duplication of work. In this respect, it has been decided that Brussels, Cairo, Geneva and Lagos Offices will report to the Community Affairs Department while the Banjul (ACHPR) and New York Offices shall report to the Political Affairs Department.

E. Career Development Plan for All Professional Groups

14. It is to be recalled that in February 1994, by Resolution CM/Res.1483 (LIX), Council had adopted a Scheme of Service and Career Development Plan for Technical and General Services Staff categories (vide Document CM/1797 (LIX)). Council has now during its 69th Ordinary Session held in March 1999, approved the Career Development Plan for Professional Group. This Plan would promote the following principles:

- efficiency and resource optimization,
- Motivation,
- Sustainability,
- fair and adequate staff placement and movement,

- facilitation of training needs assessment and operation-
alization,
- internal mobility
- increased accountability,
- productivity, and
- sense of responsibility.

The implementation of the Plan will further address the problem of stagnation of deserving staff. Under the new Career Development Plan, staff would move to the immediate next grade or sub-grade without waiting for a possible vacant post in the structure.

F. Means of Improving Methods of Work and Procedures

15. Council approved all the proposals made by Genivar Consultants as endorsed by the Ad Hoc Committee on Structural Reform and aimed at improving the methods of work and procedures particularly the improvements in the accounting system, the elimination of duplication of work, the procurement procedures, the contracting out of maintenance services such as gardening and cleaning, the rationalization of conference organization, the systematic use of information technology and the simplification of decision-making processes.

16. Among the areas which will be introduced in the organizational culture are:

- values of transparency
- open communication
- ethics
- global thinking
- self-assessment and critical review of individual and collective achievements on regular basis.

17. All efforts shall be deployed to ensure that the structures are realigned to respond to the new vision and expanded mandate of the Organization while ensuring cost-effectiveness in line with the limited resources, the relevance of programmes and, in the final analysis, the continued relevance and self-sustainability of the Organization. It is against these requirements that emphasis will be put on the renewal of human resources, the competencies for results, a learning organization, as well as the staff empowerment. These goals would only be achieved through modern management principles such as delegation of authority, integrated planning, efficient budgeting, financial and moral integrity, accountability. These efforts would also be supported by modernised methods of work through a massive use of information technology.

G. Technical and financial evaluation of the new structure

18. After the Committee on Structural Reform had proposed the posts to be retained in the new structure, it undertook to examine and adopt detailed job descriptions for each and every post. Such job descriptions provide for the academic, professional and technical requirements for prospective incumbents and shall be the guide for the evaluation/assessment of staff members eligible to the relevant positions.

19. On the basis of the Hay Management point system as endorsed by the Genivar Consultants and the Structural Committee itself, all the jobs have been evaluated and graded at the levels/grades commensurate with the following aspects:

- the different levels of responsibility,
- the accountability for the job,
- the volume and workload of the job,
- the size of structures supervised, and
- the academic and professional requirements.

The grading exercise took also into account the need to harmonize among positions of similar nature and nomenclature.

20. The grading determined the level of remuneration which had to take into account the financial capacity of the Organization.

21. The financial evaluation of the structural reorganization shows that the new structure including the personnel related expenses will cost US\$19,213,797.00 compared to the present staff cost of over US\$23 million. The restructuring will therefore enable the Organization to save from its budget more than US\$4 million on administrative charges which can be allocated to essential or critical programmes. In terms of percentage, the staff cost will be reduced to 57% from the present level of over 75%. This reduction is in line with the persistent call of Member States on the General Secretariat to reduce administrative costs for the benefit of concrete programmes relevant to the real needs of the Organization and the Continent..

22. The financial evaluation of the restructuring touched also on other related aspects such as:

- the retrenchment cost: US\$9,327,894.00
- the transition cost: US\$4,594,439.00

NB. which would be funded through budgetary and extra budgetary resource mobilization, and

- the recruitment cost : US\$ 586,000.00

III. THE RENEWAL OF THE ORGANIZATION

23. In the process of making the OAU a modern Organization with a leaner and more cost effective body, a total number of 210 posts will be suppressed from the old structure during the transition period, including the 82 established posts under the Regional Offices that are to be transformed into autonomous agencies or whose programmes are to be funded through grants to similar research institutions such as Niamey Office.

24. It is also anticipated that a number of staff members would want to leave the Organization on voluntary basis, or will be requested to leave through retrenchment.

25 Such departures are made necessary for the following reasons:

- the suppression of posts which are no longer relevant to the Organization, taking into consideration its new priorities and the new methods of work and information technology, and
- the profile and requirements of the new posts.

26. By Decision No. CM/Dec.446 (LXIX), the Council of Ministers has adopted the new structure and has requested the Secretary-General "to take all necessary measures in order to ensure a smooth implementation of the restructuring exercise in a most efficient, objective, transparent and human manner". This mandate has to be carried out with the cooperation and the understanding of the entire Secretariat and staff.

A. RETRENCHMENT PLAN

27. The establishment of the new structure will require a lot of effort, sacrifices from each and everyone, and the acceptance of measures that will be taken in this respect. It is also understood that the exercise will be carried out, as much as possible, taking into account the legitimate interests of both the Organization and the staff. Indeed, on one hand, the OAU, as a quality employer, wants to keep and attract quality human resources. On the other hand, the OAU retrenchment plan should enable its employees who do not fit into the new structure to leave in an honourable way that would not place them in serious financial insecurity at the end of their employment.

28. It is for the reasons above, that the Council has accepted the following conditions for the retrenchment plan, taking into account the available financial resources.

(1) An incentive programme for early/voluntary departure

29. The following information is provided on this incentive programme:

- **Duration of the Offer :** 3 months period as from the starting date of the retrenchment implementation.
- **Date of final departure :** 3 months after the end of the programme.
- **Financial conditions :**
 1. **In Lieu of notice :** The employee shall be entitled to receive the equivalent of his basic salary, post adjustments, dependent allowances, housing allowance and education allowance for a period of three months following the date of departure.
 2. **Retirement allocation:** 14% of the basic salary shall be paid to the employee in lieu of notice.
 3. **Lay-off compensation :** A lay-off compensation equal to one month of basic wages for each year of service, up to a maximum of 12 years of service, for a total of one year of basic wages.
 4. **Additional compensation:** Additional compensation for early departure equivalent to 75% of the lay-off compensation.
 5. **Disbursement conditions:** Any and all sums indicated in the financial conditions shall be paid to the employee as a lump sum.
- **Limitations:** Any employee close to the age of retirement may benefit from the retrenchment plan as long as the financial conditions do not exceed the total remuneration and benefits, direct and indirect, which he would have received if he had retired in the normal way.

(2) Termination of employment

30. After the 3 months offered for the incentive programme for early/voluntary departure, the General Secretariat would have to carry out a redeployment of staff based on the following criteria :

- the requirements of the available posts (on the basis of job descriptions),
- the academic qualifications,
- professional work experience,
- technical and managerial skills and other relevant special skills,
- development skills acquired since joining OAU,
- staff overall cost viz services rendered,
- performance at present job,
- general conduct and behaviour,
- health status,
- age,
- performance in past promotional competitive examinations,
- equitable geographical representation,
- knowledge of the OAU working languages,
- level of representation of country of origin,
- status of contributions of country of origin to the OAU Budget,
- gender equity,
- other relevant measures of performance for the posts under consideration.
- Competitive technical examinations to be carried out as and when required.

31. In order to ensure efficiency, transparency and objectivity, appropriate mechanisms will be put in place for the implementation of the entire restructuring exercise and particularly, the retrenchment and the redeployment processes. After the end of 3 month period of the incentive programme, staff members who would be found not to fulfil the requirements under the new structure will be required to leave the Organization under the normal conditions as provided for by the Staff Rules and Regulations regarding termination of appointment and would not therefore benefit anymore from the incentive programme described above.

B. IMPLEMENTATION PLAN

32. The Organization is determined to ensure a smooth implementation of the reform programmes during the transition period in a most efficient and transparent manner.

33. The implementation plan will be phased, in order to manage effectively legitimate expectations, to control and assess results as well as to limit as much as possible stress and uncertainty. It will be carried out on well established principles and procedures with clear steps and methodology, effective communication based on respect and participation.

(i) Organization of the Transition Project

34. The Secretary-General will soon appoint an Internal Transition Team (IT) which will manage the overall transition project. Members of this Team will be appointed on the basis of their competence, experience, integrity and their commitment to the OAU. The Team will be technically assisted by a Support Group called "Transition Team Support Group" (TTSG). The Support Group will be selected among recognized Experts from the donor countries and specialized in the various aspects of the restructuring process.

35. The TT will act on the basis of the following methodologies:

- a well-defined global plan
- effective communication
- a clear and interference-free mandate
- participation of managers and staff
- training and retraining of human resources
- popularization of the new organizational values
- quick and efficient action
- management of staff retrenchment and redeployment

36. The Team will also be assisted by 3 internal Task Forces that will be studying and proposing action on the following aspects:

- Systems, means, methods and procedures
- Specialized Offices
- Staff redeployment

37. Three Divisions that are expected to play a vital role in technical support of the reforms will need to be urgently reorganized and established, namely: the Human Resources Development Division, the Organization and Methods, Systems and Information Technology Division and the new Communications Division.

(ii) Implementation workplan and period

38. The workplan of the implementation will clearly be defined and will be based on an effective project management system which will be computer-assisted with regular reporting, control and assessment of results.

Timeframe

The implementation will be made in phases as follows:

(I) May/July 1999: Pro-implementation

- Assign Transition Team Director and Core Group
- Appoint TT Support Group
- Negotiate and sign agreements on funding
- Review implementation plan
- Design TT project management information system and processes

(II) July/September 1999: Launching

- Receive requests from staff for early/voluntary departure incentive programme.
- Develop and communicate Retrenchment schedule and procedures
- Develop and communicate masterplan for Specialised Offices
- Develop a detailed office facilities improvement masterplan

(III) October 1999/April 2000: In Progress

- Reorganize STRC and implement decisions on CARFOP and CELTHO
- Define new status and relationship for specialised officers and sign agreements
- Implement voluntary departure plan
- Evaluate staff
- Begin compulsory departure plan
- Begin general recruitment
- Implement training plan for Management
- Negotiate and contract – office facilities improvement

- Negotiate and contract -- information technology improvement
- Review staff and financial rules and regulations
- Implement new budget planning procedures

(iv) May/December 2000: Renewal

- Complete new staff recruitment (July 2000)
- Monitor delivery and installation of products and services for office improvement
- Install new system and information technology
- Improve procedures for security services, external and internal mail, etc.
- Review procedures for contracting out services
- Develop performance indicators for programs and activities
- Continue training for senior management
- Train staff
- Assess the impact of the Restructuring

IV. SOME ILLUSTRATIONS

A. Incentive programme for early/voluntary departure

39. As can be seen in the tables attached, staff who have served the Organization for 6 years as an example and who are not to retire in the next 2 years can expect the following average compensation in case of early/voluntary departure:

Headquarters

Professional

P4 - 6:	US\$63,000.00
P3 - 6:	US\$54,000.00

P2 - 6:	US\$46,000.00
P1 - 6:	US\$39,000.00

General Service

	Internationally Recruited	Locally Recruited
CSA6	US\$39,000.00	US\$31,000.00
GSA5 - 6	US\$35,000.00	US\$27,000.00
GSA4 - 6	US\$31,000.00	US\$23,000.00
GSA3 - 6	US\$27,000.00	US\$19,000.00
GSA2 - 6	US\$24,000.00	US\$16,000.00
GSB5 - 6	-	US\$ 8,000.00

40. Furthermore, staff members are informed that they would be entitled to the following statutory separation entitlements, less any monies they may be owing the Organization, namely:

- (1.) their pension contributions (with ALICO)
- (2.) payment in cash in lieu of accumulated leave up to the maximum authorized in the Staff Rules (Article 32) for each concerned category, i.e.
 - (i) up to 110 working days for professional and internationally recruited CS staff.
 - (ii) up to 52 working days for the GS locally recruited staff

41. The corresponding amounts on the above items would be paid along with the incentive programme allocation.

42. Staff members who would like to take advantage of this incentive programme for early/voluntary departure are invited to give a written notice of their intention to do so *during the period 1st July 1999 to 30th September 1999, being the duration of the Offer*. The Management reserves the right not to entertain any request for early/voluntary departure which in its view may not be in the interest of the Organization. It should be noted that any request not received within the period stipulated above will not be considered.

43. The voluntary departure plan will be implemented *with effect from 1st October 1999 to 31st December 1999*. In this regard, staff members who have opted for this plan, should indicate in their notice referred to in paragraph 42 their preferred date of departure within the said period of *1st October 1999 to 31st December 1999*.

B. Retrenchment through termination of employment

44. At the end of the period of the offer for early/voluntary departure, i.e. *30th September 1999*, employment of staff members who would be considered as not meeting the requirements of the new structure would be terminated under the normal conditions as laid down in the Staff Rules and Regulations, i.e.:

- (i) Article 23 of the Staff Regulations
- (ii) Articles 30, 50, 52, 56 © of the Staff Rules

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