UNDP STRATEGIC PLAN
1998

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I. BACKGROUND

1. The UNDP 1998 Strategic Plan is being provided to the Executive Board for information at its annual session. In addition, the Board will have before it at its annual session a conference room paper providing an update on UNDP 2001, including specifically a status report on the subregional resource facilities (SURFs).

2. UNDP made its first corporate plan available to the Executive Board at its annual session 1995. The plan focused on five corporate operational objectives and provided a framework within which to align individual unit objectives and work programmes.

3. The 1996-1997 Corporate Plan was provided to the Executive Board in document DP/1996/2, dated 21 November 1995. It built on the substantive foundations laid down by the first plan. The 1996-1997 Plan also identified five major operational objectives, which remained very similar to those laid out in 1995. In summary, these objectives were to:

   (a) Support programme countries and strengthen country offices and headquarters in their efforts to achieve sustainable human development (SHD);

   (b) Implement successor programming arrangements efficiently;

   (c) Play an effective advisory role and mobilize resources for SHD;

   (d) Strengthen UNDP partnerships and enhance UNDP performance in countries in crisis;

   (e) Build a leaner, more accountable learning organization.

4. In mid-1997, the Executive Committee of UNDP reviewed and analysed the experience to date. While recognizing that considerable improvements had been made over the 1995 plan, the Committee identified a number of weaknesses that required further attention. They were summarized as follows:

   (a) The objectives of the Plan were too general and not sufficiently operational;

   (b) The Plan tended to be input-oriented rather than output-oriented;

   (c) Greater clarity was needed in setting performance indicators as opposed to identifying results;

   (d) Indicators and results were too detailed and, consequently, of limited use to UNDP units and to the organization as a whole;

   (e) There was little sense of ownership of the Plan among the different units of UNDP.
II. UNDP 2001

5. During the course of the process, the Administrator launched UNDP 2001. UNDP 2001 represents a major set of reform proposals building on the initiatives for Change presented to the Executive Board in 1994 and 1995. At its annual session 1997, the Executive Board adopted decision 97/15 on change management.

6. UNDP 2001 is based on an extensive situational analysis of current practices and prospects. It proposes a number of major reform initiatives focused on the twin imperatives of ensuring client satisfaction and speed in the delivery of services. Reform is heavily focused on improving the effectiveness of country office support to programme countries. The initiatives are laid out in document DP/1997/16/Add.7 and that has been updated in document DP/1997/CRP.16.

III. THE CHANGE PROCESS AND STRATEGIC PLANNING

7. UNDP 2001 has significant implications for the planning process in UNDP. In particular, it has had an impact on the location of the institutional responsibility for planning; it has defined a strategic agenda for the next two years; and it has generated a new process for setting and monitoring strategic objectives.

8. Before the implementation of UNDP 2001, the planning function was incorporated in the Office of Evaluation and Strategic Planning. With the restructuring integral to the implementation of UNDP 2001, the planning function was moved to the Bureau for Planning and Resource Management (BPRM). This reflected the need to align the overall planning function more closely with the budgetary and human resource planning functions. Experience suggested that unless planning and resource allocation functions were closely integrated, the planning function risked becoming too theoretical. As a reflection of the new emphasis on the importance of an integrated approach, the Director of the Planning Office was designated as the Deputy Assistant Administrator of BPRM.

9. UNDP 2001 has defined a new strategic vision for UNDP, the base for the formulation of strategic objectives for the period 1998-1999. In effect, it represents the situational analysis, which, in conceptual terms, provided the base for the 1996-1997 Plan.

10. Finally, UNDP 2001 has generated a new process for defining and monitoring strategic objectives. UNDP 2001 itself is a highly participatory process. Once the vision was defined and the change management objectives established, the principal challenge became the assumption of responsibility for change by the staff and managers throughout the organization. From being led by a small group acting as a catalyst, change had to become institutional.

11. It is evident that the planning process for 1998 needed to build on and integrate both the vision established by UNDP 2001 as well as the processes generated by it.
IV. 1998 STRATEGIC PLAN: NEW ELEMENTS

12. The 1998 Strategic Plan incorporates a number of new characteristics that take into account both the consequences of UNDP 2001 as well as lessons learned from its experience with the planning process undertaken in 1996-1997.

13. The Plan incorporates a two-phase approach to the formulation and articulation of strategic objectives. In the first phase, the senior management retreat, overall objectives were defined and line-management objectives reviewed. The second phase consisted of the signature of compacts between the Administrator and his senior management. Both of these elements have been described above. The 1998 Plan in effect represents a strategic synthesis of the major outcomes of this process.

14. Thanks to the participatory process, the new Strategic Plan is fully owned by the senior management, who will be responsible for its implementation. It represents a living management instrument and does not run the risk of becoming a parallel paper exercise. This responds to one of the principal weaknesses identified in the 1996-1997 plan.

15. The strategic objectives entered into by senior managers with the Administrator are at a new level of specificity. For the first time, specific targets in a number of areas have been negotiated and committed in the individual compacts signed with him. This again addressed one of the weaknesses identified in the 1996-1997 Plan.

16. Considerable progress has been made in the 1998 Plan in identifying clear, measurable success criteria. While more work is needed in this area, the Plan does represent a step forward, particularly since this area was viewed as a weakness of the 1996-1997 Plan.

17. UNDP 2001 is a vision of an agile organization that is client-focused, service-oriented and committed to speed. The 1998 Plan is thus strategic in nature rather than corporate. Close monitoring of the implementation of the Plan is an essential part of the process.

18. In keeping with these goals, the strategic planning process is now foreseen as an annual rather than a two-year process. Focus on client and speed is more amenable to a one-year, flexible framework. More particularly, the planning process now envisaged, incorporating full senior management participation, ownership and commitment, requires a one-year framework.

19. Against this background, it is important to note that the process pursued in 1997-1998 will be institutionalized in the future. In other words, senior management retreats in October/November will set strategic objectives for the following year, which will be reflected in compacts between the Administrator and the senior management at the beginning of each year.
V. 1998 STRATEGIC PLAN

20. The 1998 Strategic Plan is contained in the annex.

21. The Plan incorporates six major strategic objectives:

(a) Strengthen country office effectiveness in support of sustainable human development;

(b) Strengthen UNDP as a learning organization;

(c) Improve organizational effectiveness by re-engineering business practices;

(d) Deepen accountability and shared values;

(e) Mobilize resources;

(f) Support vigorously the reform proposals of the Secretary-General.

22. A strong level of consistency will be found between the key areas identified for the 1998 Plan and those included in both the 1995 and 1996-1997 Plans. This is testimony to the soundness of the bases established over the last four years.

23. The first strategic objective has very close antecedents in both the first and second Plans. The commitment to increase the effectiveness of country offices is an essential component of the UNDP 2001 vision. UNDP is committed to focus on country-level operations and to see the role of headquarters more as strategic and supportive. For this reason, the objective focuses exclusively on results at the country level, marking a shift from the 1996-1997 Plan.

24. The second objective, for UNDP to be a learning organization, is indispensable to the vision of UNDP 2001. Not only has the concept of learning become a key ingredient in the practice of organizational change but it is a critical component in the change plans of many UNDP collaborators and partners. Knowledge networks will be a key dimension in the provision of effective services in the global economy. This is being undertaken through the establishment of SURFs in all geographic regions.

25. The third and fourth objectives relate to UNDP operational effectiveness. The need to re-engineer business priorities and to increase productivity is continuous. These objectives are particularly important in a vision that stresses improved, faster and more efficient ways to deliver services to clients. The corollary of this is to strengthen accountability and engender shared values, which must accompany the new focus on delegated authority and the effective delivery of services.

26. The fifth objective, the mobilization of resources, is a precondition for the work of the organization. In particular, every effort needs to be made to
arrest the decline in voluntary core contributions. In addition, further growth in non-core contributions must be secured.

27. In conclusion, UNDP is strongly committed to supporting the reform proposals of the Secretary-General. UNDP sees its future as belonging at the heart of United Nations development operations, working effectively with all its partners to provide services to programme countries. In particular, as funder and manager of the resident coordinator system, UNDP has a key responsibility in ensuring the success of the reform proposals of the Secretary-General.
## Annex

### 1998 Strategic Plan

#### Objective I. Strengthen Country Office Effectiveness in Support of Sustainable Human Development

<table>
<thead>
<tr>
<th>Results</th>
<th>Success criteria</th>
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</table>
| 1. Effective implementation of successor programme arrangements         | - Increased responsiveness as reflected in allocation from target for resource assignment from the core (TRAC) line 1.1.2  
|                                                                         | - Compliance with provisions of decision 94/14                                     |
| 2. Focused programme                                                    | - Increased focus reflected in classification exercise                              
|                                                                         | - Operationalization of the guiding principles emerging from the focus paper       |
| 3. Effective programme implementation                                   | - Timely approval of country cooperation frameworks (CCFs)                          
|                                                                         | - Programme delivery rates                                                        |
| 4. Increased synergy between global and country-level activities         | - Identifiable inputs generated from global programmes into country and regional activities |
| 5. Focused support in the area of governance/capacity-building           | - Development of operational strategies/best practices in the area of governance/capacity-building |
| 6. Promotion of rights-based approach to development                     | - Operationalization of rights-based approaches to development                     
|                                                                         | - Introduction of operational strategies at the country level                      |
| 7. Further decentralization of authority to country offices | - Country programme/project design and development and programme resource management fully delegated to country offices  
- Approval authority to country offices for individual projects/programmes fully delegated  
- Authority delegated for cost-sharing and trust fund financial agreements  
- Approval authority delegated for activities of limited duration/special service agreement |
| --- | --- |
| 8. Holistic oversight by Operations Group enhanced | - Implementation of new set of management indicators  
- Pilot testing of new set of programme impact/performance indicators  
- Simplification of reporting processes and mechanisms  
- Effective functioning of Operations Support Group (OSG) and of the Operations Group in general |
| 9. Effective response mechanism in case of special situations | - Effective performance by the Crisis Committee  
- Establishment and functioning of the Disaster Prevention Programme in UNDP  
- Establishment and effective functioning of the Countries in Special Development Circumstances Unit in the Regional Bureau for Africa  
- Effective use of TRAC 1.1.3 resources  
- New human resource practices in place (increased capacity for prioritization/speed/special training) |
| 10. Review of successor programming arrangements successfully completed | - Approval by Executive Board  
- New arrangements simplified |
<p>| 11. Strengthened country office/headquarters relationship | - Compacts signed between each Resident Representative and Regional Director |</p>
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<tr>
<th>OBJECTIVE II. STRENGTHEN UNDP AS A LEARNING ORGANIZATION</th>
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<tbody>
<tr>
<td>1. Knowledge networks established and operational</td>
<td>- Six subregional resource facilities (SURFs) established:</td>
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<td>- personnel and budget assigned</td>
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<td>- managed structures established</td>
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<td>- networks operational</td>
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<td>- Global hub established and functioning</td>
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<td>2. Competency-based learning established</td>
<td>- Basic competencies established</td>
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<td>- Competency-based learning catalogue produced</td>
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<td>- Staff given access to competency-based learning opportunities</td>
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<td>3. National staff empowered to play an increasingly important role in country offices</td>
<td>- National staff policy adopted and implemented</td>
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<td>- National staff learning policies implemented</td>
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<td>- New learning opportunities created for national staff</td>
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<td>4. Sustainable human development promoted through expansion of human development reports</td>
<td>- Publication of <em>Human Development Report 1998</em></td>
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<td>- Publication of national human development reports in majority of UNDP programme countries</td>
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<td>5. Knowledge on poverty analysed and disseminated</td>
<td>- First annual report on poverty</td>
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<td>6. Expanded use of information technology</td>
<td>- Increase in number of country office home pages</td>
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<td>- Increase in use of Intranet/Internet</td>
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<td>7. Country office access to knowledge widened/deepend</td>
<td>- Lessons-learned databases expanded</td>
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<td>- Search facilities established</td>
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<td>- Knowledge partnerships developed</td>
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<td>8. Contribution to development and dissemination of improved monitoring and evaluation methodologies</td>
<td>- Issuance of practical guides</td>
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<td>- Development of training packages</td>
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<td>- Launching of pilot schemes</td>
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<td>9. Improved impact of evaluation findings on the organization</td>
<td>- Tracking system for the implementation of evaluation findings and recommendations set up</td>
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| 10. Strengthened participation of civil society | - Opportunities for non-governmental organization programme implementation expanded  
| | - Opportunities for partnerships with the private sector expanded  
| | - Networks with civil society actors expanded  

**OBJECTIVE III. IMPROVE ORGANIZATIONAL EFFECTIVENESS BY RE-ENGINEERING BUSINESS PRACTICES**

| 1. Information systems operational | - Integrated Management Information System (IMIS) Releases 2 (Human resources) and 3 (Budget) functioning  
| | - Financial Information Management System (FIMS) modules rolled out and functioning  
| | - Executive Information System (EIS) in place  
| | - Enhanced Automated Field Operations Accounting System (AFOAS) functioning  

| 2. Connectivity enhanced | - Standardized installation and use of Netscape Communicator  
| | - Use of Intranet/Internet expanded  

| 3. Procedures/manuals simplified | - New manuals for finance/administration  
| | - New manuals for national execution/programme approach  

| 4. Reporting simplified/reduced | - 50 per cent reduction in reporting requirements from country offices to headquarters  
| | - Better use of existing data  

| 5. Increased responsiveness in human resource practices | - New policies adopted on contracts for activities of limited duration and temporary staff  
| | - New separation policy initiated  

| 6. Better Meetings Programme | - Senior managers advised on management of meetings practices  
| | - Specific meetings practices reviewed (e.g. Executive Committee and Operations Management Group)  
| | - More efficient, effective and better-managed meetings  

/...
| 7. Decentralization/efficiency package implemented | - Specific new opportunities for effectiveness identified  
- Efficiency Incentive Programme initiated |
|--------------------------------------------------|--------------------------------------------------|
| 8. Increased speed and responsiveness in management practices | - Implementation of one-stop shop at headquarters for country offices  
- Implementation and monitoring of five-day response time |
| 9. Full cost recovery for the management of non-core resources ensured | - Review current cost-recovery practices  
- Review distribution of income between headquarters and country offices and within headquarters  
- Provide guidance to country offices and trust fund managers |

**OBJECTIVE IV. DEEPEN ACCOUNTABILITY AND SHARED VALUES**

| 1. Mechanisms for exercise of accountability promoted | - Full implementation of UNDP Accountability framework  
- Effective meetings of the Management Review and Oversight Committee |
|------------------------------------------------------|--------------------------------------------------|
| 2. Concept of mutual responsibility promoted | - Formulation and implementation of compacts between the Administrator and each senior manager  
- Formulation and implementation of compacts between Regional Directors and each Resident Representative |
| 3. Improved management performance systems | - Management indicators established  
- Programme impact indicators initiated  
- EIS established |
| 4. Shared values reinforced | - Dissemination of values statement  
- Pilot-testing of control self-assessment |
| 5. Principles of accountability for staff-management practices reinforced | - Strengthened commitment to good staff-management practices  
- Incorporation of good staff-management practices into all compacts |
| 6. Link between principles of resource allocation and strategic priorities strengthened | - Resource allocation supporting implementation of UNDP 2001 |
| 7. Gender equity promoted | - Issuance and implementation of new gender policy |
8. Principles of personal accountability strengthened

- Issuance of new guidelines on respective responsibilities
- Promotion of transparency

**OBJECTIVE V. MOBILIZE RESOURCES**

1. Increased core resources

- Facilitation of Ad Hoc Open-ended Working Group to develop sustainable funding strategy for UNDP
- Development of coherent country-specific strategies for mobilizing support
- Development of strategies for mobilizing support among emerging donors

2. Support for development agenda mobilized

- Specific activities targeted at strengthening support for official development assistance
- Establishment of clearly defined constituency bases for UNDP activities

3. Outreach activities strengthened

- Mobilization of support among parliamentarians
- Increased collaboration with professional networks and academic institutions
- Collaboration and joint activities with NGOs strengthened

4. Increased government local office cost contributions

- Increased compliance with government contribution to local office costs targets

5. Increased non-core resources

- Establishment of regional and country-specific targets through compacts

6. Full accountability for non-core resources ensured

- Full compliance with provision of decision 98/3 monitored
- Full recovery for costs associated with non-core activities assessed and monitored
- Strengthened reporting mechanisms to donors for non-core contributions in place and fully functioning

7. Private sector participation in UNDP promoted

- Development of new partnerships with the private sector
- Guidelines on private sector co-financing issued
### OBJECTIVE VI. SUPPORT UNITED NATIONS REFORM

| 1. Strengthened resident coordinator system | - Effective management and funding of the resident coordinator system  
- Increased transparency and openness in management of the system  
- Increased number of resident coordinators appointed from outside UNDP  
- New performance appraisal system in place  
- Revised selection procedures agreed on and functioning (including competency assessment) |
| 2. Strengthened United Nations structures initiated as part of reform | - Active participation in Secretary-General’s Senior Management Group  
- Active participation in United Nations Development Group  
- Full support to the Secretary-General’s Great Lakes Task Force |
| 3. Strengthened country-level coherence of United Nations presence | - Strengthened resident coordinator system  
- Implementation of United Nations Development Assistance Frameworks  
- Expansion of United Nations houses |
| 4. Strengthened partnerships with United Nations Secretariat | - Strengthened collaboration with the Department of Political Affairs, focused on implementation of strategic frameworks  
- Strengthened collaboration with Department of Public Information in implementation of its reform agenda  
- Strengthened partnership with the Office of Emergency Relief in implementation of reform agenda of the Office of the Coordinator of Humanitarian Affairs  
- Collaboration on common-services project |
| 5. Strengthened relations with Bretton Woods institutions | - Overall policy on strategic partnerships adopted  
- Strategy for relations with the World Bank adopted  
- Specific initiatives in line with the strategy implemented, leading to strengthened partnerships |
6. New partnerships within United Nations system developed

| - Identification of opportunities for new initiatives with United Nations system  
| - Support to the United Nations Special Initiative on Africa  
| - Review of opportunities for increased collaboration with Regional Commissions  
| - Strategy for system-wide collaboration on knowledge networks in place |