

Note to Mr. Takasu

### Change Management – UMOJA Progress and Challenges

1. Reference is made to our meeting held on 18 August 2014 in which, in addition to a stock-taking of the current state of the UMOJA process and its challenges presented by you, we discussed concrete next steps for moving forward. Key findings emerge from this exercise, namely:

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- a. **Technical:** From a purely technical perspective, the current state of play of the UMOJA deployment roll-out is basically proceeding without major technical hindrances.
- b. **Change Management:** Notwithstanding progress made on the purely technical front, UMOJA is at its core a change management exercise. In this connection, you have identified three areas that are of particular concern, these are as follows:
  - i. *The number of change requests to the SAP software. [The situation is such, that SAP as a leading provider of Enterprise Resource Planning (ERP) software has identified the UN as the client that has requested the greatest number of changes to the core program software in its history].*
  - ii. *Complex pending executive decisions rooted in lack of standardization across different offices/Departments that are resistant to the adoption of a unified corporate model.*
  - iii. *Organization readiness issues [including lack of critical resource allocation for planned deployments, lack of definition of roles and responsibilities for staff responsible for processes and certification, etc.]*

2. These findings warrant immediate measures to be implemented to mitigate risks to the project core objectives and timelines as committed to the Member States. Immediate and concerted action must be taken to address each of the points [1b (i, ii, and iii)] above.

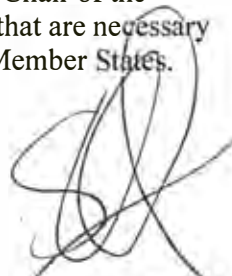
3. These issues also point to a deeper problem in the Change Management process that can only be addressed through the articulation of an end-state vision for the operational administrative support model. While it is recognized that this vision will be implemented over a period of time spanning both the 2016-2017 and 2018-19 bienniums, the need to come to agreement now on the vision itself is paramount. To this end, the following actions are required:

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- a. **End state vision:** There is an immediate need to expedite and finalize the identification of the service delivery model. A basic design of the service delivery model must be agreed to by the Senior Leadership. UMOJA is too seminal a project to allow a purely technical roll-out, particularly in the context of the existing lack of harmonization of administrative processes. Proceeding on that basis is therefore a risk to the project, to the point that the technology alone, in the absence of a unified and agreed strategic direction will, in all likelihood, fail. This conclusion is well supported by lessons learned from comparable ERP roll-outs.
- b. **Budget guidelines for the biennium 2016-2017:** In accordance with the commitments made to the Member State legislative bodies, the concrete financial benefits to the Organization of the UMOJA implementation would be viable starting in 2017. In accordance with this commitment made by the Secretary-General, budget preparations for the 2016-2017 period (including those in peacekeeping budgets) must identify UMOJA related savings and efficiencies gained. The basis for these initial gains must be rooted in the agreed end state vision.
- c. **Umoja progress report 2014:** The next progress report, to be submitted to Member States this fall, provides the opportunity to articulate, in broad terms, the vision that will both underpin the benefits articulated in the 2016-2017 budget, and provide the roadmap going forward.
4. Based on the conclusions of our meeting and our identified way forward I want to reiterate my readiness to support you in your role as Project Owner and Chair of the UMOJA Steering Committee to arrive at these time sensitive measures that are necessary to safeguard the progress of UMOJA implementation as committed to Member States.



Susana Malcorra  
19 August 2014