

# EFFICIENCIES AND SYNERGIES REVIEW

**REPORT FROM THE DGX  
CONSULTATION GROUP**

**MODERNISING THE HR FUNCTION**

*- Final Report, 27/01/2016 -*

## The HR Community

Performance Through People



## 1. CONTEXT AND METHODOLOGY

This report summarises the conclusions of the consultation group of Directors-General<sup>1</sup> on the revision of the HR delivery model in the Commission<sup>2</sup>. The objective of the different proposals is to optimise the current HR function to better serve the clients of the HR community, staff and managers, and to make the most out of the Commission's talent pool. Offering meaningful and challenging careers to Commission staff, taking account of service needs and the experience and aspirations of staff, has become an imperative to our Institution in times of pressing political priorities and resource constraints. This puts the HR community at the centre of managing this institutional challenge; a modernisation of the current way of how HR services are delivered is a key component of this overall transformation process.

The Commission currently organises its HR function around a bipolar model (central-local), which maximises proximity to users, but does not represent the most efficient use of resources<sup>3</sup>. In addition, there is scope for simplification of processes and reducing duplications. As a result, the Commission's HR ratio of 1:29<sup>4</sup> (HR staff to clients) is comparatively high, while there is a need to invest into the upgrading of HR services to better serve the people.

In this sense, the distinction between the three HR roles proposed in this report allows to do "better with less". The increased specialisation and ensuring to "have the right staff at the right place" will not only allow for better services but also generate economies of scale. A part of these efficiency gains can be re-invested into the HR field. Another part will be redeployed to the frontline, thereby benefitting the DGs which will have access to additional resources during a period of cuts. The resource allocation decision for 2016 leaves no doubt: in the current context, marked by the 5% reduction in Commission posts, efficiency gains in horizontal support communities, and among them HR, are not only a prime source to reinforce priority areas<sup>5</sup> but also an opportunity for staff to reflect on their career and if desired to change the current path. This transformation therefore, is also a source to improve staff engagement and motivation.

But this is not just about the size of the HR function. It is about people. An overly quantitative focus on (vacant) posts must be complemented by a strong qualitative approach. In a first respect, talents and aspirations of staff need to be duly taken into account in order to seek best matches of available staff profiles with the requirements of the proposed model. In this sense, responsibilities and accountabilities will be allocated more clearly and HR staff can develop to its full potential. In the second respect, this new distribution of roles will also lead to better and more easily accessible HR services for the rest of Commission's staff. This will enable them to fully focus on delivering on the political priorities, while the handling of HR issues will be more customer-friendly and duly taken care of by the responsible actor in

<sup>1</sup> For the members of the group cf. annex 1.

<sup>2</sup> The group was created as part of the synergies and efficiencies review requested by the President, as stated in the annex to the Mission Letters to the Commissioners: "The re-organisation of services will be an occasion to ensure synergies and should also contribute to the Commission's staff reduction objectives. The Vice-President for Budget and Human Resources has been charged by the President to assess the synergies and efficiency gains and to draw conclusions for each service by Summer 2015."

<sup>3</sup> For more details on the Commission's current HR function cf. annex 2.

<sup>4</sup> Available benchmarks for public organisations suggest a better HR staff to client ratio (e.g. 1:77 for public organisations in Belgium, UK, Germany and 1:100 for public organisations in Australia, Denmark, Japan).

<sup>5</sup> (2015) 501 final: "Between now and the time when the synergies and efficiency exercise results in creating redeployment capacity, the most appropriate way of matching new and urgent needs shall be the internal redeployment within each DG. Should this be insufficient, the redeployment of staff with their posts between DGs should be applied [...]."

the revised HR delivery model. The customers and their satisfaction are at the heart of this transformation process.

The findings in this report should be seen as just one component of a wide range of initiatives in this field, notably the development of HR professionalisation, a corporate talent management policy, fit@work, BPR, simplification of HR rules and the review of the internal communication strategy.

In addition, the report builds on the conclusions of previous studies on the matter, notably the “Demarty DGx Report” (2013) and the Report of the Resource Directors (2015)<sup>6</sup>.

The consultation group on HR held four meetings. The first three meetings centred around the following topics:

- The case for modernising and rationalising the HR function (23/10/2015);
- Proposals for optimisation of workflows and actors (09/11/2015);
- Questions related to implementation (24/11/2015).

A draft report was shared with the participants of the group and discussed during the fourth meeting (09/12/2015). This version of the report takes into account their comments.

To support each meeting, DG HR prepared an interactive presentation which allowed participants to (anonymously) give input through a dedicated electronic voting system, followed by a group discussion. In addition, in the second and third meeting DG HR presented Excel-based dynamic simulations allowing participants to propose groupings of DGs to be served by the different Account Management Centre units<sup>7</sup> in the future. These simulations were sent to participants after the meetings so they could play with the parameters and test their views, before sharing this feedback with DG HR<sup>8</sup>.

## 2. CHALLENGES & ORGANISING PRINCIPLES

### 2.1. The Case For Change

The group acknowledged the progress made in modernising the HR function in the Commission over recent years, such as the strategic HR plans initiative, the HR professionalisation programme, the development of forward planning practices and HR metrics and the simplification of HR rules and procedures. Business Process Re-engineering in DG HR was launched in 2011; it is based on an inventory of HR processes. The participants considered that further efforts should focus on the following remaining key challenges:

Local HR staff is overall still largely working on day to day administrative tasks, while there are not enough resources assigned to the (mid-term) strategic dimension. The issue is partly due to the current architecture where even routine tasks have been decentralised to a very large extent amongst more than 40 DGs<sup>9</sup>, and overlap in HR administration exists. At the same time, Commission resources are shrinking and serving the political priorities requires the Commission to be as efficient as possible, notably in the

<sup>6</sup> For details cf. annex 4, figure 4.1.

<sup>7</sup> For more details on the Account Management Centre cf. paragraph 3.1.2.

<sup>8</sup> For Excel template cf. annex 3, figure 3.1.

<sup>9</sup> In this report, the term “DG” is meant to encompass also other Commission services.

support communities. In this context, the group agreed on the need to improve the HR staff to client ratio of 1:29 to (at least) 1:40<sup>10</sup>, as already communicated by Vice-President Georgieva.

Any attempt to optimise the efficiency and effectiveness of an organisation must start with its most important resource: the people who come to work every day to turn ideas and objectives into reality. So in addition, and in view of the general savings context, it is necessary to ensure that the existing staff is appropriately guided, trained and looked after through modern and comprehensive HR policies. Corporate HR therefore needs to continue to upgrade and modernise its service offer. Priority areas mentioned by the group include talent management, head hunting, organisational development and performance management.

The move to a new HR delivery model will also provide opportunities for staff looking to expand their horizons with a career move or new perspectives. In line with the above issues, the group expressed the following expectations from a modern HR function (in descending order): (1) change, culture and organisational restructuring; (2) performance and engagement; and (3) talent management and leadership development<sup>11</sup>.

## 2.2. Organising Principles

The group agreed on the following general organising principles for the future evolution of the HR delivery model:

- (1) No change in decision-making powers of Directors-General: The present proposal should not impact substantial decision-making powers regarding HR matters, but aims at shifting the administrative burden of preparing and implementing such decisions. Only in exceptional cases, where the process is characterised by single-rule-applications<sup>12</sup>, full centralisation will be considered.
- (2) Better balance between centralisation and business proximity: The higher the degree of standardisation of a given task, the higher the degree of centralisation should be, allowing for economies of scale and more consistency in application. Conversely, strategic activities requiring knowledge of the DG's business and staff as well as judgement should remain with the DG concerned.
- (3) In each DG there should be a small local capacity to concentrate on strategic HR issues.
- (4) Administrative HR tasks should be performed in a more concentrated manner, thereby reducing/avoiding a duplication of work and inefficiencies and establishing economies of scale.
- (5) Functional reporting lines should be put in place between the HR actors in the DGs and in the centre to ensure alignment and coherence.
- (6) The HR service offer should be upgraded and extended to new flagship areas, especially where this benefits staff (e.g. talent management).

<sup>10</sup> When looking at the staffing of the HR community (~2,200 FTE), it needs to be taken into account that also services to other institutions are provided and that the Commission offers a range of HR services to its staff that are not offered by the organisations against which the Commission is benchmarked. Considering these factors the HR staff to client ratio is today 1:29 with a target of 1:40. This target is based on an observed productivity rate of the shared HR service provider unit HR.R.2, which is serving already the Collège, EPSO, and IAS as well as expected automation and simplification measures throughout the HR community.

<sup>11</sup> For voting results cf. annex 3, figure 3.2 and figure 3.3.

<sup>12</sup> Standard rules for the whole Commission and no need to tailor to DGs' specificity.

### 3. PROPOSED ARCHITECTURE

The group agreed on the necessity to revise the existing HR delivery model in the Commission, in line with the above organising principles and centred on the needs of staff and management. The proposed architecture as agreed by the group is set out below.

#### 3.1. A Clear Distinction Of Roles

The starting point for the transformation of the HR function should be a clearer distinction between the three key roles in the domain, i.e. strategic partner, service provider and policy developer. Such a specialisation will ensure that more resources are allocated to the strategic and policy aspects of HR, while creating economies of scale as far as the administrative work is concerned. However, this “three legged stool model”<sup>13</sup>, which is well established in many public and private organisations, should be tailored to the specific Commission context. In particular, the group voiced a clear preference not to create additional HR actors outside the existing DGs/services (i.e. HR in local DGs and at corporate level), which could make the system unnecessarily complex.

The proposed HR architecture should thus centre around the following actors<sup>14</sup>:

- (1) In every DG, a small local capacity, focusing on strategic issues (HR Business Correspondent, HR BC);
- (2) Within DG HR a Directorate dealing with transactional and administrative HR tasks of local nature, with each unit serving a coherent set of client DGs (Account Management Centre, AMC);
- (3) Within DG HR a reinforced Centre of Expertise, CoE, offering a modern range of HR services and profound professional HR knowledge. At the same time, DG HR, EPSO and PMO carrying out certain transactional and administrative tasks.

The new actors correspond to a genuinely new distribution of tasks compared to the as-is situation. In particular, the HR BC team is not simply a leaner local HR unit, with the same responsibilities but less staff. On the contrary, the bulk of today's local HR tasks and administrative work will be ensured by the new AMC structure in DG HR. This is why AMC staff should primarily come from the existing HR community, in order to draw on their valuable local HR expertise and experience. The future HR BC team, on the other hand, will be able to focus on and deepen the strategic counselling role, be it regarding the organisational dimension (strategic planning, design of reorganisations) or the equally important people aspect (deciding on the content of local talent management programmes, fit@work initiatives, etc.). However, also for these tasks the AMC will have a role in providing related administrative support<sup>15</sup>. This implies that while people focussed services will continue to be initiated and guided at local level (e.g. as set out in the local HR strategy), they will be supported by their AMC counterpart in terms of administrative preparation and

<sup>13</sup> Cf. Ulrich, D. (1997). *Human Resource Champions: The next agenda for adding value and delivering results*. Boston: Harvard Business School Press.

<sup>14</sup> In 2016 it will be reflected on the potential revision of the terminology “HR BC” and “AMC”.

<sup>15</sup> Cf. the detailed examples in section 3.5 below.

follow-up but also through issuing of proposals following the HR BC team's request and its subsequent implementation.

As far as the distinction of two different actors within DG HR is concerned (AMC on the one hand and CoE on the other), it reflects the Commission's experience with full centralisation of HR on the one hand<sup>16</sup> and far-reaching decentralisation of HR on the other hand<sup>17</sup>. The proposed model is expected to harvest the insights of both models by proposing an intermediate approach.

In fact, there are many tasks that – while administrative in nature – require a certain degree of business and people proximity. An example is the administrative handling of the rotation exercise for Commission staff in EU delegations, which is only relevant to the DGs of the external relations family. Another example is career guidance, which requires knowledge of the staff and of workplace issues (for instance research DGs have the executive agencies as a particularity). Independently from available corporate level support, the creation of dedicated AMC units, serving only a limited group of DGs, will make it possible to take this local dimension into account, encouraging deeper knowledge of the needs of specific clusters of staff while still ensuring coherence and creating economies of scale<sup>18</sup>. In addition, there are of course tasks that are not subject to local specificities and could be taken on by the CoE directly, as is already the case for certain issues today (e.g. the implementation of recruitments by unit HR.B.2).

This proposed HR delivery model builds on existing successful experience of the shared service unit HR.R.2, who provides a group of clients (IAS, EPSO and the Cabinets) with services that are carried out locally in other DGs today, capitalising on economies of scale. They already practice the proposed split of responsibility for taking decisions and for carrying out the underlying administrative support. For instance, the IAS retains the AIPN powers and remains responsible for the overall HR policy while HR.R.2 manages all administrative tasks related to among other things recruitment and mobility procedures as well as time management, on the basis of the delegations granted by the IAS management. This model has worked very successfully so far as this solution offers efficiency gains while ensuring continued proximity to DGs in physical as well as business terms with a high degree of customer satisfaction. Even though on small scale, the pilot project validates the viability of the overall approach proposed in this report.

<sup>16</sup> Until some 15 years ago, the centre of gravity was clearly with corporate HR. In this model, the role of local HR correspondent was ensured by the assistant of each Director-General and a very small team attached to him/her. This strongly centralised system was generally criticised as too slow and too remote from the business needs of the various DGs.

<sup>17</sup> A move to today's more decentralised delivery model was made in the '90s (MAP2000 and SEM2000 programmes) and continued with the White Paper on Administrative Reform of 2000. This current bipolar model (corporate-local) responds to a logic of maximising the business proximity rather than resource efficiency.

<sup>18</sup> Cf. section 3.5, description of career guidance process.

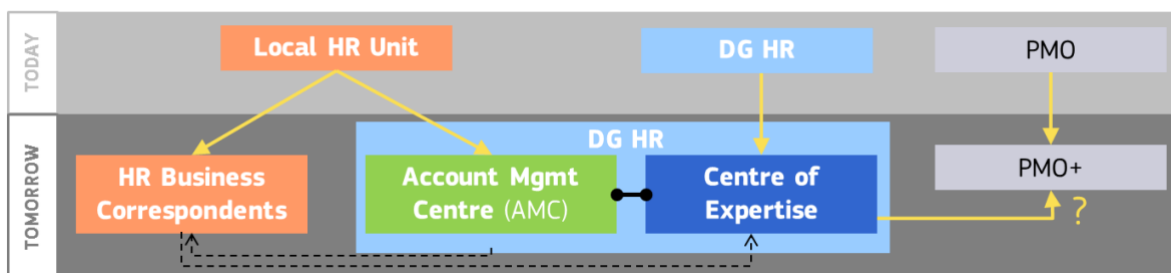
**Figure 1. The new actors**

Install a **small local capacity** in the DGs, **HR Business Correspondents**, that can concentrate on **strategic HR issues** requiring **business knowledge** and is freed from everyday administrative issues.

Concentrate all **administrative requests** as well as the preparation and follow-up of HR decisions **at one place** in a dedicated **Account Management Centre (AMC)**, whereby each unit could cater for one **DG grouping**.

**Upgrade the HR service offer** in DG HR acting as the **Centre of Expertise**. In this role DG HR would also be focusing on leading and overseeing their effective implementation. At the same time, centralise certain **administrative tasks**, which are either **sensitive** (e.g. recruitments) or **fully standardised** (single rule application) in DG HR or PMO to create **economies of scale**.

Ensure coherence and seamlessness in HR at local and corporate level through **functional reporting lines**.



### 3.1.1. HR Business Correspondent (HR BC) Team

The future local HR capacity, the head of the HR BC team, should become a consultant to the Director-General and the management team, concentrating on supporting the DG's operational business through (the initiation of) adequate HR interventions. In this respect, the HR BC and the team will steer the respective measures, while the administrative support will come from the AMC. Also, where applicable the HR BC team will establish the "regime"<sup>19</sup>, under which central policies will be realised locally, while the monitoring support of the correct local application of the rules will be done by DG HR (notably through reports to the HR BC team).

The HR BC team's responsibilities also include strategic HR planning, and contribution to substantial HR decisions, whether relating to staff or to organisational issues. The HR BC team should be freed from standard HR transactions, while maintaining oversight on the basis of frequent reporting provided by DG HR<sup>20</sup>. On top of this, the HR BC team will have a key role in this revised HR delivery model: it should be familiar with issues and concerns of the DG's staff and be available on a needs basis for individual people management issues, with support from the AMC for personal contacts and counselling of staff.

<sup>19</sup> For instance, the corporate policy on working time can to some extent be tailored to DG needs (within the possible limits) by establishing local guidelines for its implementation.

<sup>20</sup> Also cf. annex 4, figure 4.2.

*As an illustration, the HR BC team would inter alia carry out the following tasks, under the guidance of its Director-General: Determine the gap between today's workforce and future needs, define learning priorities, design reorganisations, decide on the modalities for teleworking and flexitime in the DG-specific context when applicable, take decisions on posts and external staff credits as well as internal reallocation and redeployment, oversee and validate selection procedures, provide dedicated career talks as necessary, request local HR events and give guidance on its realisation such as team buildings, career events etc. The HR BC team would generally not need to technically validate any transactions in Sysper, but can access all pertinent information in the system at any given moment for oversight and checks.*

In order to be a credible strategic partner, the HR BC team should be lean and consist of high performing staff with strong business knowledge. Moreover, it is essential that the HR BC team has a good general understanding of HR in the Commission, which can also be acquired once on the job (“business knowledge outweighs HR knowledge”). It can even be of advantage to bring into the HR BC team (some) staff from outside of today's HR function, as they are likely to approach existing issues from a new angle and contribute with valuable ideas. Corresponding to the nature of the tasks, the HR BC team should consist mainly of AD-staff, with some staff at AST and/or AST/SC level in support.

### 3.1.2. Account Management Centre (AMC)

The AMC units will ensure the daily management of HR operations and services. As far as strategic HR exercises are concerned, especially HR planning or the modalities for the application of local HR policies, the AMC will have a supporting role and contribute e.g. through reporting, data mining or advice on best practices<sup>21</sup>.

*As an illustration, the AMC would inter alia carry out the daily HR operations such as handling establishment plan movements, encoding all transactions in Sysper and providing the secretariat for selection procedures - including inviting candidates, organising interviews, communicating with applicants - and periodic monitoring (e.g. absences, overtime, ...). It would also manage all administrative tasks related to the HR function for the handling of local-type recruitment and mobility procedures, create decentralised DG-specific training courses upon request from the HR BC team and manage relevant data in the learning management system.*

The group agreed that the introduction of the AMC, offering shared services, will by definition create benefits for the HR community. These benefits consist in the creation of scale economies, while at the same time ensuring that staff is familiar with specific client needs. By grouping the clients of each respective AMC unit in a coherent way, staff in the AMC will familiarise themselves with specific needs. For instance, the AMC serving the external relations family will be familiar with the specificities of staff working in EU Delegations, whereas the AMCs dealing with research DGs will be familiar with the externalisation of programme management and executive agencies and so forth. In addition to the specialisation in client DGs, AMC staff will also become specialised in one specific HR (sub-) process. This will enable them to position themselves as experts in a particular area and therefore, to

<sup>21</sup> Also cf. annex 4, figure 4.3.

offer their clients better, more consistent and more reliable services than it is the case today. Also, general services offered can and should be adapted to the needs of the client grouping by the AMC<sup>22</sup>. Additionally, the fact that the AMC units will be working in a more integrated setting means that best practice can be promoted more easily and duplication of effort avoided. This will lead to a gain in coherence, compared to the current system where 43 DGs and services carry out similar tasks, each in their own way. Another element which will help the coordination between HR policy and its implementation and will contribute to building expertise in the AMC is the proximity with the CoE in DG HR. The AMC will be a Directorate in DG HR, and therefore share the same Director-General as the CoE, and corporate units in the CoE will systemically oversee the work of the AMCs in their respective areas of responsibility.

The group stressed that the quality and speed of the service delivered by the AMC is paramount to the success of the new model. This is why the AMC will capitalise on existing expertise by integrating the majority of staff working in today's local HR units. This staff will already be familiar with the business and people of several client DGs. In keeping with the people-centric nature of the new model, customer orientation will be key, so recent efforts to promote this aspect in the framework of the HR professionalisation programme should be continued. In this regard, proximity between CoE and AMC as well as CoE professional leadership will allow more targeted professionalisation actions for HR staff specialising in the different HR subject matters (structures, recruitment, appraisal and performance, promotion, well-being and working conditions, etc.). The AMC will consist mainly of AST and AST/SC level-staff<sup>23</sup>, corresponding to the nature of the tasks.

Concerning the exact composition of the grouping of client DGs served by each AMC unit, the group agreed that the criteria to be considered include the nature of the DGs' business, staff size, staff profiles, location and number of sites. Also, the group stressed the need to consider the total number of DGs served by each AMC, with a possible limit of seven clients; the "administrative family" group (i.e. the group serving DG HR and administrative offices) and the "central services family" group could be an exception. As far as the specific case of Delegation staff is concerned, the group agreed that it should be managed by the same dedicated AMC unit. This AMC will have the particularity of the need to deal with staff in the headquarter as well as staff in delegations and the related mobility exercise and therefore be familiar with this specific context. The group also highlighted the need to limit the number of AMC units, because the higher the number, the more complicated it will be to ensure a standard service for all client DGs. The feedback of the group on the preferred composition of the DG client groups is as follows<sup>24</sup>:

<sup>22</sup> For instance organisation of a career event or fit@work initiatives.

<sup>23</sup> The group also stressed that highly qualified AST-staff could take over the role of team leader within an AMC unit.

<sup>24</sup> Results of the Excel simulation circulated to group members on 16 November 2015 (1st round) and 30 November 2015 (2nd round) for their input and group discussion during the fourth meeting. *NB: Also DGx – who are not member of the CG HR group - will be consulted at a later stage.*

- **Group 1:** COMP, ECFIN, (ESTAT)<sup>25</sup>, FISMA, GROW, TAXUD, TRADE
- **Group 2:** CNECT, ENER, MOVE, RTD, SANTE
- **Group 3:** AGRI, CLIMA, EMPL, ENV, MARE, REGIO
- **Group 4:** DEVCO, ECHO, FPI, NEAR, (TRADE)
- **Group 5:** Collège, COMM, EPSC, HOME, JUST, OLAF<sup>26</sup>, SG, SJ
- **Group 6:** ESTAT, DGT, OIL, OP, SCIC
- **Group 7:** BUDG, Cdp-OSP, DIGIT, EPSO, HR, IAS, OIB, (OIL), PMO
- **Group 8:** EAC, JRC<sup>27</sup>

The group could envisage allocating DG TRADE to a "main" AMC group (together with COMP, ECFIN, ESTAT, FISMA, GROW, TAXUD) for all HR issues relating to headquarters, while all delegation aspects could be handled by the AMC unit serving external relations DGs (i.e. DEVCO, ECHO, FPI and NEAR). However, the proposed shift of administrative HR tasks to the AMC should be without prejudice to DG DEVCO's centre of gravity role with regard to the management of staff in delegations. Specifically, DG DEVCO should keep the lead role for the committees "COMDEL" and "EUDEL" and have a steering role in the rotation exercise, while the relevant AMC unit should provide the administrative support.<sup>28</sup> Furthermore, the group proposed to create an AMC unit physically located in Luxembourg serving all DGs primarily based in Luxembourg (i.e. OP, ESTAT, OIL, ...). This unit could also support trans-ardennaise DGs regarding the necessary on-site staff support (e.g. fit@work initiatives, organisation of a career week, ...). All aspects concerning the DG as a whole and not requiring physical proximity would be handled by the "main" AMC unit located in Brussels. As far as the JRC is concerned, the new model needs to take account of its distinct business characteristics (high number of sites, corporate equivalent HR tasks and separate establishment plan financed from the direct research budget). In practice, however, the JRC staff concerned should work in the AMC, just like staff from other DGs, and have reporting lines to DG HR. Any implications resulting from the specificities of OLAF will also be duly examined.

The internal structure of each AMC unit should correspond to DG HR's organisation chart, in order to ensure smooth coordination with the centre through the creation of one dedicated natural counterpart for the respective topic/process in question. In addition, such an organisation of the teams around subject matters rather than around clients served will allow for greater specialisation and scale economies. This will naturally lead to greater coherence in the implementation of rules and a higher general level of service than is the case today<sup>29</sup>. But the needs and wellbeing of staff within

<sup>25</sup> ESTAT would normally belong to group 1 and OIL to group 7, however they could also be placed at group 6 to best represent the Luxembourg belonging.

<sup>26</sup> Any proposed change in the HR delivery model must be in line with the OLAF decision.

<sup>27</sup> A reflection should take place on its potential location in Ispra.

<sup>28</sup> These may include for example, managing the secretariat of COMDEL, preparing and launching all the COMDEL consultations (such as those on transfers of persons and creation of posts in Delegation, reorganisations in Delegations etc.), carrying out all the administrative work related to the rotation of officials and mobility of contractual agents, consulting concerned DGs on EEAS inspection mission reports and preparing the draft replies to EEAS, coordinating the consultation of RELEX DGs to the annual appraisal of Heads of Delegation. In addition, the future of other related activities involving the coordination with the EEAS will be clarified during 2016.

<sup>29</sup> Cf. the current experience with pre-litigation procedures (Article 24 and 90 of the Staff Regulations). Based on information from unit HR.D.2, in charge of requests and complaints, the local HR units in the DGs do not have the same level of knowledge on the rules and procedures. Consequently, they do not interpret the Staff Regulations and implementing rules consistently. An attempt to increase awareness was made in 2012/13 and bilateral discussions with the local HR units proved useful to increase knowledge regarding the pre-

the AMC are also important. In fact, the success of the system will depend on the quality of service by the AMCs, and this will only be assured if AMC staff are motivated and enthusiastic about the new set-up. The organisation of the AMC unit teams around subject matters would lead to greater specialisation while preserving familiarity with client needs. Next to the practical rationale for this organisation, the group also highlighted the possibility of the development of an increased team spirit and decreased silo mentality due to the organisation of teams around topics/ process that will also interact across AMCs (cf. matrix structure). The different areas covered in each AMC unit will be as follows: (1) organisational development; (2) talent management & diversity – administrative support; (3) talent management and diversity – people management; (4) health & wellbeing – working conditions<sup>30</sup>. The group expressed their preference to have the AMC integrated within DG HR as a separate Directorate.

Although there will be a dedicated cluster in the AMC focusing on people management, it should not be forgotten that line managers in the DGs, who know their staff best, remain primarily responsible for this aspect and need to take this task seriously. This is in line with recent results of the staff opinion survey which indicate that staff demands more leadership and support from their managers. The new middle management policy that will be adopted in 2016 puts more focus on people management skills in the selection, appraisal and development of middle managers.

### 3.1.3. Centre of Expertise (CoE)

The CoE within DG HR will continue to design and improve HR policies, ensuring they are aligned with the political priorities of the Commission. It will also oversee their effective implementation, focusing on corporate organisational effectiveness. Regarding HR tools and processes, it will set the appropriate standards and act as a provider of specialist knowledge. Finally, together with PMO, DG HR will continue to act as a service provider for administrative tasks which are either sensitive or highly standardised and do not require business proximity. This centralisation of certain tasks in the CoE could be extended to additional areas of single-rule applications in the context of a new HR delivery model, as it allows for additional efficiency gains compared to the transfer of tasks to the AMC units, which are specialised by client.

To deliver effectively, the CoE needs to keep modernising and enhancing the HR portfolio. For this reason, the recent reorganisation of DG HR puts a clear emphasis on political priority areas such as organisational development, talent management, as well as the health and wellbeing of staff. Two of those priority areas will be overseen by a Deputy Director-General, who will also be responsible for the shift to a new HR delivery model.

The role of DG HR as CoE inserts itself into the larger concept of “domain leadership”<sup>31</sup>. In application of this principle DG HR, as leader of the HR community, is responsible for creating a sense of belonging among HR staff as well as for increasing their professionalism and client orientation. This emphasis on the domain community will also benefit the staff concerned by expanding their horizons and opening up new opportunities for mobility and career development. DG HR should furthermore work on the simplification of rules and guidelines<sup>32</sup>, the improvement of respective IT systems

litigation rules. However, the DGs continue to often contact the unit to clarify questions before answering staff requests and also, reportedly, still take decisions in different subject matters (e.g. promotion exercise, ethics) which are annulled by the Appointing Authority (~10% positive decisions).

<sup>30</sup> Also cf. annex 4, figure 4.4.

<sup>31</sup> According to this concept, central services should have an increased professional leadership for their respective community, e.g. DG COMM regarding the communication community, DG BUDG regarding the finance community etc.; cf. annex 4, figure 4.5.

<sup>32</sup> A review of all HR legal bases from this angle has been launched by DG HR in the second semester of 2015.

(notably the ongoing development of an electronic Single Entry Point), further automation and re-engineering of HR processes and oversee performance in the domain through KPIs and annual reporting.

### 3.2. The People Dimension

As pointed out throughout this report, offering better and more coherent services to staff is one of the aims of the proposed HR delivery model. However, caring for people does not imply that all related issues need to be handled at local DG level by the HR BC team. It is rather a question of distributing the responsibilities between the local HR BC team and the more concentrated AMC team in a smart way. Due to the strategic nature of the HR BC team, their primary contact will be with the management team. However, it is also the HR BC team's role to know the people in the DG and, when necessary, be available for them (e.g. career talk). As far as the role of the AMC is concerned, it should not be mistaken for an anonymous structure far away from staff. On the contrary, it will consist mainly of the current local HR community. Also, the idea of grouping AMCs by DG family is precisely so that AMC staff are aware of the people issues beyond the confines of an individual DG so that for instance career opportunities in the respective DG grouping could be explored. In fact, there will be a specific cluster in the AMC dealing with the "people management" aspect. In addition, "proximity hours" will be offered in DGs' premises so that staff can be directly in touch with the HR people from the AMC. On top of that, an important part of people management will be fulfilled by line managers in the DGs. The new HR delivery model will also require them to take their managerial role very seriously; they will receive additional support<sup>33</sup> in this respect under the new middle management policy to be adopted in 2016.

### 3.3. Interactions

From a user perspective, the system would work as follows: The management team in the DGs, for HR transactions or systemic issues, will typically turn to their HR BC team (while the possibility of direct contacts between Directors-General for urgent or important issues of course remains available). In addition to the local correspondent in the DG, managers will also have a "focal point of contact" in the responsible AMC, usually the HoU or team leader responsible, who will provide the necessary support regarding administrative HR issues<sup>34</sup>. When fulfilling the role of line manager and staff member, the user will primarily turn to an electronic portal (electronic Single Entry Point, eSEP) to initiate a request. This will allow line managers and staff to be automatically directed to the relevant counterpart in the AMC or in DG HR (for fully centralised HR processes or complicated issues). While the eSEP will contribute to increased efficiency and effectiveness in the handling of requests, it is however clear that it will not replace the personal contact between staff and HR officers when necessary (cf. section 3.4 for more details). In addition, the HR BC team will be available upon request for instance for a career talk. Of course, just like today, staff will continue to talk to, seek advice from, and discuss HR-related requests with their line managers, who will keep their important role as people manager and receive additional support for this task in the framework of the new corporate policy on middle management.

As far as the interaction between the HR actors is concerned, HR BC teams will turn to the CoE for support on complex, strategic, legal or sensitive issues and to their dedicated AMC unit for transactional HR support and advice. In addition, a HR BC team can always turn to their AMC counterpart for any special request. In this respect the HR BC team will guide and provide a general vision, while the AMC will propose solutions and execute, after agreement with the HR BC team. In turn, HR BC teams will feed back

<sup>33</sup> Including outlining expectations and offering guidance and tools.

<sup>34</sup> There will be high interest to provide a high level of service, as functional reporting lines (cf. paragraph 4.5) will be put in place, including the input of the Head of the HR BC to the appraisal of the HoU in the AMC.

to the CoE needs and business-related insights. Finally, the CoE interacts with the AMC to provide professional expertise and guidance.

### 3.4. Electronic Single Entry Point (eSEP)

The first entry point for all administrative HR transactions, and in particular for the implementation of statutory rights, should as a general rule be an IT-based Single Entry Point (eSEP). This eSEP can build upon the currently existing elements, such as the information contained in MyIntraComm, HRM Forms, PMO Contact, JSIS Online and the modules in Sysper for absence management, ethics, etc. These elements and modules would be brought together under a single, easily accessible "front office" portal. At the same time, they would be further integrated so that the user's experience is one of a seamless HR tool. Using the portal as a default "first contact point" will make life easier for staff members, as all relevant legal bases and frequently asked questions will be in one place, with remaining questions or resulting requests going automatically to the right person in charge of the file. And this with a reduction in lead times as well. Quality and lead time for answers will be more easily monitored, allowing for continual improvement in client service. Depending on the issue at hand, the follow-up will happen electronically, through a telephone call or through personal contact. In order to facilitate the latter, AMC staff should offer regular "proximity hours" in each building.

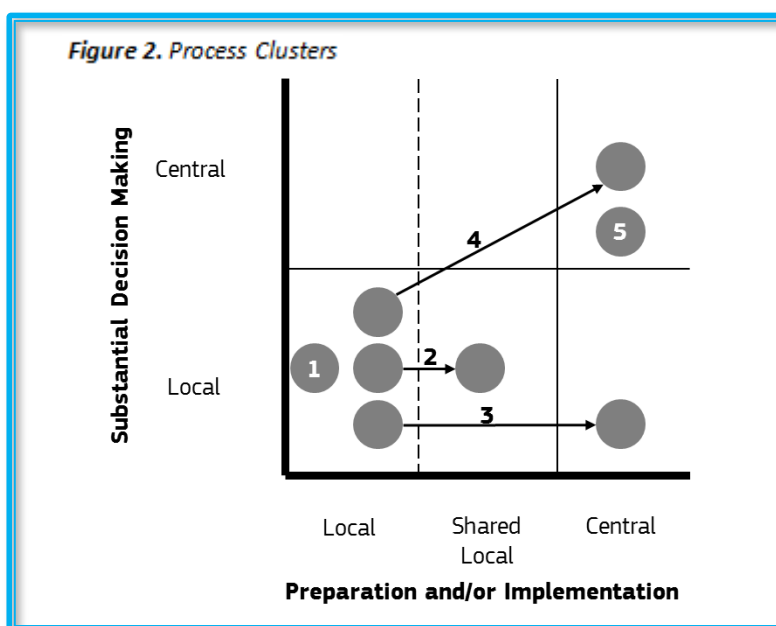
*To illustrate this, the process of mobility will serve as an example. In case a staff member would like to move, (s)he can turn to eSEP and look up the general rules regarding mobility as well as a dedicated Q&A section. If (s)he is not satisfied with the information provided, the staff member can enter a question in the system, which will automatically be sent to the person in charge of mobility and the person concerned in the AMC unit or in SCOP, the central career guidance service. Through the use of a ticket the staff member can follow the status of the request at any given moment. Follow-up will be done electronically, by telephone or through a dedicated face-to-face meeting, depending on the nature of the question and the complexity of the case. For example, in case the staff member would not only need to know the rules for mobility, but would also like to receive related career guidance, a personal appointment could be appropriate. If the mobility interest concerns a DG which is not in the same client grouping of the AMC, the staff member could also be directed to the AMC in charge or the central career guidance team in DG HR.*

The use of eSEP as a first point of contact presents three advantages: Firstly, the system will cater for the majority of the needs for information that are currently addressed to local, corporate and even DIGIT services. Secondly, the system will provide the possibility to carry out online transactions<sup>35</sup>. Finally, the eSEP will cater for much of the coordination of transactional work to be done in the back office. Through eSEP, staff and managers will therefore be able to obtain information and carry out transactions quicker and at any time of the day, while the Institution will save resources. The use of google-like search features, history journals of questions for each user, as well as the possibility to post administrative news specific to distinct user groups (e.g. parents with children, newcomers, staff in delegations, etc.) will also reinforce the client-centred focus and user ergonomics. However, it should be noted that the move to the new model does not require the introduction of the eSEP tool as a technical pre-condition. Rather, eSEP can be seen as tool to further facilitate the interaction between the different HR actors and their clients.

<sup>35</sup> Notably, this will be done by redirecting to the appropriate existing system and landing page (e.g. time management module in Sysper). The staff member therefore, does not need to navigate in different systems but uses the eSEP tool as a seamless entry point.

### 3.5. Who Does What?

For the purposes of the present analysis, HR processes<sup>36</sup> can be broken down into five stages: initiation, preparation, substantial decision, formal decision<sup>37</sup> and implementation. In this context, the term "processes" is not limited to *transactions* (e.g. recruitment, appraisal, reorganisation), but also refers to *activities* related to HR management, such as career guidance, equal opportunity initiatives, or learning and development. Therefore, moving towards the revised model does not prevent a Director-General from continuing specific activities that are important to him or her. For instance, the "AST Professionalisation Network" can continue to flourish without invalidating the distinction between the HR BC team and AMC role: while the strategic dimension of AST motivation can be addressed at HR BC team level by requesting such an AST event to exchange best practices, the planning and execution itself can be done by the AMC.



The proposed model mainly concerns shifts in the (administrative) preparation and implementation phases, which can be carried out by the AMC or in some cases even directly by DG HR. Only exceptionally could it be envisaged to also centralise decision-making powers (full centralisation). On this basis, five clusters emerge<sup>38</sup>.

The first cluster comprises processes which are already today and will continue in the future to be carried out at local level. These processes typically

have a strategic value and all related tasks, including preparation, implementation and decision making, require business proximity. An example could be the drafting of job descriptions.

A second cluster encompasses those processes where the preparation and/or implementation should in the future be entrusted to the AMC, while the substantial decision remains local and only the formal agreement remains with DG HR, notably where it is the appointing authority. These processes typically also have a strategic value, but also entail a high administrative workload which can meaningfully be dealt with by the AMC. Clearly, this does not mean there will no longer be any understanding for individual circumstances. It simply means that the related support and advice will come from a different structure, the AMC unit, which will nevertheless be familiar with the business and the staff in the client DG. This does however, not prevent the HR BC team from initiating a request for a particular need at the strategic level, while the AMC team will perform the operational realisation. They are best placed to propose

<sup>36</sup> For main HR sub-processes and its respective staffing level, degree of centralisation, and AD-intensity cf. annex 4, figure 4.6.

<sup>37</sup> The distinction between substantial and formal decision is made because in many instances the formal decision is taken by DG HR (often in the case of appointing authority powers), while in practice DGs nevertheless keep an important degree of power on the substance of the decision.

<sup>38</sup> A precise definition of tasks and responsibilities for the three roles (HR BC, AMC, CoE) will be established in 2016, which will be reviewed again on the basis of lessons from the (pre-)pilot.

solutions to respond to the HR BC's wishes, as they can make use of good practices and tailor it to the specific needs and context of the DG. A good candidate for the second cluster could be the management of mobility within a DG.

The third cluster is similar to the second one, only that here the tasks related to preparation and/or implementation should be entrusted to a unit in DG HR (outside the AMC). The processes concerned are typically highly standardised and present a significant potential for automation. This could apply, for instance, to the administrative management of secondments.

The fourth cluster, which will only apply to a limited number of cases, consists in full centralisation, meaning that also the decision-making stages should be carried out by DG HR. The processes concerned have the same characteristics as the ones in the third cluster, but there is also little or no dependence on a DG-specific context. Specifically, the group identified processes related to time management and some processes related to ethics as potential candidates for full centralisation<sup>39</sup> (e.g. acceptance of a gift or payment, standard special leaves and maternity leave, family and parental leaves, management of unauthorised absences)<sup>40</sup>. However, where appropriate input from line managers will remain relevant (e.g. approval of all leave and time management-related requests). They are best placed to judge on individual circumstances and the ones who are primarily responsible for managing their people.

Finally, there is a fifth cluster covering processes already fully centralised at present, e.g. the handling of article 90 cases or disciplinary procedures. For these cases no changes are proposed.

These five clusters put forward general principles on which there is wide consensus in the group. Yet, it is very important to have an understanding of the detailed workflows and task distribution between the different actors. For this purpose, some examples are presented below that illustrate the responsibilities of the different actors. However, a detailed analysis of all processes needs to be conducted together with colleagues working in the respective areas, from both corporate and local level. In addition, the detailed process analysis ('as is' and 'to be') needs to benefit from the experience of the pre-pilot and pilot phases<sup>41</sup>.

<sup>39</sup> With the exception of "conflict of interest" and "request to engage in outside activity".

<sup>40</sup> List only provides examples for full centralisation and is not exhaustive.

<sup>41</sup> Cf. paragraph 4.8

**Learning & Development** needs at local level are voiced and detailed by the HR BC team who then turns to the AMC to identify the best way to address them, benefitting from past L&D actions organised for other DGs and lessons learnt. An illustration of a more complex learning event is the organisation of a "career week". The **HR BC team** identifies the need and endorses the final set-up (e.g. topics, speakers), asking for tailored or specific items as necessary. They attend the career week and report with any comment on satisfaction level. The **AMC** will propose different options to address the needs identified by the HR BC team, building on previous experiences and good practices. It will tailor the career week to the specific needs expressed by the HR BC team. The AMC also deals with advertising and promoting the event to the staff of the DG. Members of the AMC attend each event and make sure all logistics are in place. They also take care of presence registration, collection of feedback and further satisfaction surveys. They then report back to the HR BC team. The **CoE** provides expert advice and feeds in best practice in the central corporate L&D offer. The CoE will collect the feedback of the AMC after the event for lessons learnt<sup>42</sup>.

**Career Guidance** is already provided at local and central level by dedicated career guidance officers (following a mandatory training organised by DG HR). In the context of the future HR delivery model, the local career guidance officers will be members of the **AMC**, while all career guidance officers will work under the professional leadership and the methodologies established by the CoE, i.e. SCOP. AMC career guidance officers will have a good knowledge of the DGs served and their specificities. The AMC devotes the time needed to each staff member, respecting the confidentiality, and reporting to the HR BC team only if needed and agreed with the staff member. The career guidance officers follow further professional training and report to the CoE any need for specific training. The **HR BC team** can also be consulted by staff members to have career talks<sup>43</sup>, which are focused on the local context (e.g. wish for mobility within the DG) and are more informal and shorter than a fully-fledged career guidance. When a need for broader career guidance is identified, the HR BC team advises the staff member to contact a career guidance officer in the AMC or the CoE. The **CoE** will equally provide professional career guidance upon request, but with a broader scope than the AMC and the HR BC. It also steers the work and gathers all the career guidance officers in a network (similar to the current RELOP network) with regular meetings to ensure professionalisation, coordinate actions and update on the main HR developments.

<sup>42</sup> The described role distribution is in line with "Learning and Development Strategy" (Ref. Ares(2015)5355194 - 25/11/2015).

<sup>43</sup> Thereby, at least one member of the HR BC team should be trained in this area.

**Selection Procedures** are organised when a position is vacant and published. The **HR BC team** decides to fill a vacant position by publication and gives its agreement on the publication notice, on the composition of the panel, on the results of the panel and decides whether the selected candidate(s) have to be approved by members of the senior management team. The HR BC team can check at any moment the state of play of the selection procedure and recruitment on the basis of interactive reporting tools. Once requested by the HR BC team to publish a post, the **AMC** checks the quota availability, the level of the post and its job description. It prepares the vacancy notice in Sysper and submits it to the HR BC team for approval. The AMC answers the candidates' questions related to process and checks the eligibility of the applications received. It also proposes members of the panel to the HR BC team, organises the work of the panel and the interviews. The AMC ensures the secretariat of the panels, including the drafting of the panel report which is sent to the HR BC team for further decision<sup>44</sup>. Once the selected candidate is confirmed by the HR BC team, the AMC sends the mobility or recruitment request to the CoE. The AMC also takes care of the logistics' aspects and the organisation of a welcome session. The **CoE** takes the formal decision on the mobility (if inter-DG) or recruitment. It is available for any question related to the selection, mobility and recruitment procedures. It also informs the AMC of the state of play of the movements requested. The CoE regularly informs all relevant AMC staff about new rules and procedures.

**Reorganisation** needs are generally identified by the **HR BC team**, and the HR BC team will assist the Director-General in designing a new organisational structure. They also take all related decisions, such as the decision to submit the proposal, the decision to communicate to staff and the decision on related internal mobility. Working under the HR BC team's guidance, the **AMC** will prepare the reorganisation proposal in technical terms, register the new structure in Sysper, liaise with the competent colleagues for the IT and the logistics aspects, support the communication measures, provide career guidance in liaison with SCOP and implement internal mobility. The **CoE** in turn will provide advice and counselling on appropriate organisational design options and existing rules, examine the proposal submitted by the HR BC team and liaise with the SG, validate the new structure in Sysper and steer, where appropriate, the enhanced career guidance support accompanying the reorganisation.

<sup>44</sup> Of course, for sensitive recruitments from the point of view of the Director-General the possibility remains that the HR BC team is directly involved by sitting in the selection panel.

## 4. IMPLEMENTATION

The group discussed the following issues related to the implementation of the proposed architecture:

### 4.1. Selection Of New Actors

It lies in the nature of the proposed model itself that the HR BC team, being a local resource needing the full trust of the DG's management team, should be chosen by the respective Director-General. However, given that the head of the HR BC team will also become the natural counterpart of the AMC and the CoE, a certain degree of involvement of DG HR in the selection should be envisaged. Voting on this question, the large majority of the group (60%) was in favour of a selection of the head of the HR BC team by the Director-General concerned, but with a non-binding opinion of DG HR<sup>45</sup>. The last word therefore remains with the respective DG. While Directors-General will determine the management status of the Head of the HR BC team, it will be important that in any case this function is visible in the organisation chart.

As far as the selection of the HoU/team leaders of the AMC units is concerned, there was agreement within the group that the client DGs should be involved in their selection to ensure good cooperation and allow them to carry out a certain quality control<sup>46</sup>. After discussion, the group agreed that the DG involvement should consist of a non-binding opinion of the client DGs, mirroring the preferred option for the selection of the head of the HR BC team ("reciprocity principle"). However, there was a general understanding that DG HR would reject a candidate when there were negative opinions from several client DGs.

Regarding the selection of the AMC team members, the majority of the group was in favour of a call for expression of interest<sup>47</sup>. After the discussion the group advocated a phased approach, i.e. to first limit the call to the current HR community<sup>48</sup> and to only subsequently open it up to other staff. Most importantly, the group felt that the process should remain simple and ensure a smooth transition to the new delivery model. Once, the team members are identified they can move to the new AMC unit altogether rather than following a gradual transition approach generating a period of uncertainty for both staff and clients. There was a strong feeling amongst the group members that the quality of the people working in the AMC will be critical. It was stressed that it is important to work on the branding of the AMC units to make clear how pivotal the AMC staff will be for the success of the whole system. Also, it is essential to offer attractive career perspectives to AMC staff to ensure a high level of staff engagement in the AMC units. The matrix structure for AMCs and the strong customer orientation enabled by the proposed structure were also considered as important motivation factors for AMC staff. Additionally, the team-based organisation should also facilitate mobility between the different units as well as between the CoE and the AMC.

<sup>45</sup> Cf. voting results in annex 3, figure 3.4.

<sup>46</sup> Cf. voting results in annex 3, figure 3.6.

<sup>47</sup> Cf. voting results in annex 3, figure 3.5.

<sup>48</sup> The group expressed the concern to start the new structure with experienced staff in the HR area to get results quickly, ensure business continuity, and not to put the success of the new architecture at risk.

## 4.2. Size Of New Actors

The group considered that the parameters which should determine the size of the future HR BC team, by order of priority, are: (1) total size of the DG; (2) business complexity; (3) number of sites at which a DG is operating<sup>49</sup>. In the subsequent discussion there was nevertheless agreement that these criteria should not be applied "mathematically", but that the resulting numbers will require individual manual adjustments. Therefore, the situation needs to be further analysed also taking into account – for some DGs – the HR-related work carried out by the Director-General's assistant or Director's assistants today. In any case, the group agreed on the need for an absolute minimum (2-3 FTE<sup>50</sup>) and maximum (6 FTEs, or 25% of the size of the current local HR unit) staffing level for the HR BC team. This proposed staffing level seems reasonable as a first order of magnitude but is only indicative and depends on the exact allocation of tasks. Of course, the (pre-)pilot<sup>51</sup> will help to fine-tune this estimation<sup>52</sup>.

As far as the size of AMC units is concerned, the group acknowledged that a balance needs to be found between on the one hand, the need to generate scale economies and ensure consistency in rule application, and on the other hand, maintaining a manageable size of AMC units. Their target staffing should in a first stage represent the best in class HR ratio for administrative work in today's local HR units<sup>53</sup>, while further efficiency gains are expected over time due to specialisation, professionalisation, automation, economies of scale and at times full centralisation in the CoE of the administrative management of processes.

## 4.3. Location Of New Actors

The HR BC teams will be located within their DGs in the proximity of their Director-General. In organisational terms it will be the decision of the Director-General where the HR BC team will be best placed, be it directly attached to the Director-General, integrated in the existing Resource Directorate, or combined with the local SPP function of the DG for instance. For the physical location of the AMC units, different solutions could be considered. The group expressed the view that they should be physically located together, close to DG HR's main building, while "proximity hours" at the client DG sites could be envisaged<sup>54</sup>.

Today, there is a great diversity in the way the local HR units are organised. Often they are grouped together with logistics, document management, or finance. The move to the new HR delivery model has implications for the part of the unit dealing with HR matters. Therefore, the present proposals are without prejudice to how the Director-General wishes to organise the remaining (non-HR) part of the unit. Of course, as a result of the revised HR delivery model those units would be smaller, but there may be enough critical mass left to remain a unit, stand-alone or combined with other functions.

<sup>49</sup> Cf. voting results and resulting hypothetical entity size in annex 3, figures 3.7 and 3.8.

<sup>50</sup> However, for singular cases not more FTEs than they have today.

<sup>51</sup> Cf. paragraph 4.8.

<sup>52</sup> Thereby, DG specificities might be considered, such as DEVCO's role as centre of gravity and DGs with staff in delegations. It needs to be clarified if there is an additional workload for the HR BC team (that will not exist for the other HR BC teams), which might justify an additional staff member in the HR BC team.

<sup>53</sup> In order to assess the target size of the AMC units, a special (minimum) HR ratio for the respective administrative support tasks was calculated. This ratio is based on the observed productivity of the shared service provider HR.R.2, which today is 1:95. However, this ratio by itself cannot be measured against the overall 1:40 target for the whole HR community. Indeed, in addition, one needs to take account of the HR staff remaining in the DGs (Business Correspondents) and staff in corporate HR.

<sup>54</sup> Cf. voting results in annex 3, figure 3.9.

### 4.4. Financial Management

The move to the proposed HR delivery model implies that the AMC will manage certain budget lines of the global envelope of the client DGs, following their instructions and the guidance provided by the HR BC team. This concerns e.g. the training budget or the external staff budget. Tasks to be taken on by the AMC include managing ABAC, monitoring payment delays, carrying out ex-post controls and providing advice. Hence the AMC needs to have access to the respective administrative credits, through an appropriate delegation in the internal rules. This is, of course, without prejudice to the responsibility for the client's overall budget planning and the use of the appropriations concerned. The general principle remains that the decision-making power stays with the DGs and only the administrative support comes from the AMC. The client DG would remain AOD, while DG HR becomes AOS. DG HR will also establish periodic AOS reporting for the client DGs and contribute to their AAR. Unit HR.R.2 and HR.R.3 already use this distribution of tasks with clients today and it works well in practice. An open question is how the respective financial circuits within the AMC should be designed. One option would be to have within the AMC, a dedicated financial unit, acting as financial initiating agent and where necessary as authorising officer. This would ensure the highest economies of scale. Another option is to spread the necessary financial staff between the different AMC units.

### 4.5. Rules Of Engagement

In order to ensure smooth cooperation between the HR BC team, the AMC and the CoE, regular coordination meetings should take place between these actors. For DGs, these coordination meetings are also an opportunity to provide feedback and policy evaluation to DG HR, as input for corporate policy. While these interactions are considered necessary, they should be as efficient as possible and not be perceived as another bureaucratic burden. DG HR gave the following recommendations for coordination:

**Figure 3. Recommendations for coordination**



- Business meeting between each **BC** and their **Director-General**
- Management meeting between **AMC Director** and all **AMC HoUs**
- Business meeting between each **AMC unit** and the individual **client BC**

- Business meeting between **BCs of relevant AMC group** on a needs basis
- Business meeting between relevant **teams of all AMC units** and corresponding **DG HR unit**

- Meeting between **DG HR's** senior official in charge of business relations and **all BCs**

It is proposed that the head of the HR BC team and the Director-General meet at least once a week to align on policy direction and HR issues. However, in the end each Director-General needs to decide how cooperation with the HR BC team should be organised. It is important that the head of the HR BC team enjoys the trust of the Director-General and is empowered to launch and validate HR measures according to the guidance received from the hierarchy. The management meeting between the AMC Director and all AMC HoUs once a week serves to align practices between the different AMC units, discuss particular cases and flag any issues. The weekly business meeting between the head of the HR BC team and its respective

AMC unit will ensure that the staff in the AMC is fully aware of what is going on in the client DG, be it on the business or on the people side. This is important so the AMC staff can tailor their services accordingly and maintain a strong client focus. These meetings are also an opportunity for the head of the HR BC team to provide customer feedback and steer the work of the AMC.

On a needs basis, approximately every two weeks, the heads of the HR BC teams of the relevant AMC group will get together to discuss any issues with the services they are receiving and prioritise requests if necessary. They will feed-back the result of these discussions to the AMC. Also on a bi-weekly basis, the teams for any given process in the AMC will meet with their CoE counterpart to receive guidance, align practices and feed-back their practical experiences to the colleagues in charge of policy making. For example all staff in charge of ethics requests will get together with the DG HR unit in charge of "Ethics & Ombudsman". These meetings will replace the current network meetings, in this case the network of the ethics correspondents.

Thirdly, every month DG HR's senior official in charge of business relations will meet all head of HR BC teams to discuss the performance of the AMC in general, i.e. trends going beyond a single AMC unit, innovations and serious issues affecting one or more clients. This meeting corresponds to the current "RRH meeting".

Finally, a high-level review meeting should take place on a yearly basis between the Director-General of DG HR, the Director of the AMC, and the Directors-General of the client DGs to feed-back practical experiences and satisfaction with the services offered.

To ensure the quality of services, the group stressed the importance of "service agreements" between the respective AMC units and their clients, including not only quality standards but also agreed KPIs to monitor performance. This will be overseen at corporate HR level, so that a consistently high level of service is guaranteed for all clients, notably in terms of customer orientation. However, there is only going to be one agreed level of service, for instance in the form of a universal service charter, for all clients as having more than 40 different levels of service agreement would run counter to the idea of scale economies and simplification. Nevertheless, there will be different service portfolios, depending on the needs of the different DG groupings (e.g. the external relations AMC will support the rotation exercise for staff in delegations, which is a service that is not relevant to other groups of client DGs).

To ensure the performance of the AMC units and the HR BC team, functional reporting lines should be established (1) between the Director-General/head of the HR BC team and the heads of the AMC units and (2) between DG HR and the head of the HR BC team. These functional reporting lines consist of a right to participate in the selection of the respective colleagues<sup>55</sup>, contribute with an input to their annual appraisal (however without impact on workflows in Sysper), be consulted on necessary training and give regular feedback on performance. In addition, the establishment of a systematic and possibly automated customer satisfaction feedback system should be considered (potentially to be integrated in the eSEP), to monitor the quality and timeliness of replies and the clients' satisfaction with the different HR services.

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<sup>55</sup> However, the last word for the selection of the Head of HR BC as a local resource remains with the respective Director-General, cf. section 4.1 above.

#### 4.6. Efficiency Gains

The target HR ratio of 1:40, requested at the political level, requires minimum efficiency gains of around 380 FTEs (all categories, including posts and external staff)<sup>56</sup>. Further efficiency gains would be very useful, as these could be reinvested in the HR community to provide additional services. The necessary efficiency gains will originate from two main sources: today's (1) local and (2) corporate HR function.

Regarding the contribution of local HR:

- Efficiency gains could be generated upfront through the move to the proposed architecture, if staff belonging to today's HR function is redeployed outside of the HR BC team or AMC entities. The exact scenario for the redeployment of resources will have to be decided after the detailed to-be analysis of processes is established. For instance, it could be envisaged that part of the posts may be redeployed in DGs at the start of the exercise, while others need to be redeployed to the Commission's redeployment pool to make sure they are allocated to Commission priorities.
- Efficiency gains can also be generated over time once the model is in place. In the very beginning, a phase of adjustment to the new model is expected. In order to be able to deliver at all times at least the same level of service as today and in order to ensure service continuity, it might be envisaged to allow a higher number of staff to move to the AMC initially and support the transition phase. Those extra resources can be redeployed over time, due to the established routine and increased specialisation within the AMC. The total number of the efficiency gains will also depend on the target size decided for the HR BC team and AMC.

Regarding the contribution of corporate HR, efficiency gains will be achieved over time, through further modernisation of the processes dealt with by corporate HR, including notably PMO and EPSO.

- One important strand in this respect in the continuation and extension of Business Process Re-engineering exercise. On the one hand, some BPRs were already conducted, which will be implemented in the future and thereby, lead to efficiency gains. On the other hand, in the context of moving to the new HR delivery model, a transversal BPR will be conducted to first, establish an exact list of tasks for the new actors and second, look for optimisation potential in the workflow and actors involved.
- In this context, also automation potential will be duly examined. In addition, once the eSEP is in place, HR staff can use this seamless interface for client as well as professional contact with HR colleagues and thereby, many other scattered means of communication will become redundant (e.g. functional mailboxes) and efficiency can increase.

<sup>56</sup> This overall 1:40 target is for the entire Commission HR community (central and local) and therefore cannot meaningfully be compared with ratios that only look at a part of the Commission's HR population. If one looks at the local HR ratio only, the average is 1:55. However, it would be misleading to conclude that if a local HR unit already exceeds the 1:40 target there would be no need for change. The present HR staff to client ratio for the Commission is 1:29, taking into account the unique characteristics of the organisation and services provided to other Institutions. Available benchmarks for public organisations are e.g. 1:77 for public organisations in Belgium, UK, Germany and 1:100 for public organisations in Australia, Denmark, Japan [cf. Kienbaum (2011). *Benchmarks for International HR*] and according to IAS 1:63 for private-sector-companies, 1:82 for organisations in manufacturing and production and 1:75 for public-sector employers. The chosen ratio of 1:40 is appropriate, considering that the model must be adapted to the context of the Commission and the target should be achievable by a manageable combination of natural outflows and redeployments.

- Finally, also the review of the legal basis for all HR processes will be continued (work started in 2015). Conclusions will be drawn that might lead to simplification of processes and therefore contribute to the share of expected efficiency gains.

#### 4.7. What's In It For Me?

The switch to the proposed HR delivery model entails benefits for all stakeholders. Staff and middle management will have quick and transparent access to modernised HR services, notably through eSEP, without prejudice to the possibility of face-to-face contact where useful. The HR services delivered will be of a consistent and high standard across the Commission, and rules will be implemented in a coherent manner (avoiding arbitrary differences between DGs but taking due account of specificities, e.g. need for shift work in certain parts of the security directorate).

The HR BC team will be freed from administrative transactions and be able to focus on strategic issues. They will receive targeted support from dedicated counterparts in DG HR, notably the Director of the AMC and the head of the respective AMC unit (to whose selection and appraisal (s)he contributes). At the same time, the Director-General retains the possibility to address himself directly to the Director-General of DG HR, especially for politically sensitive issues.

The staff in the AMC will benefit from further specialisation, further professionalisation and proximity with the CoE and will contribute to bringing DG HR closer to the customer. In this sense, they will play a great part in how HR services are perceived by the customers.

As far as the CoE is concerned, it will also benefit from the proximity of the AMC as part of DG HR. Rather than having to animate numerous networks across more than 40 DGs, it can give targeted input and guidance and the AMC units in turn can more directly feedback day-to-day practical experiences for further policy development and development of enhanced HR corporate tools. New synergies will be achieved between the CoE and the AMC.

Finally, the expected efficiencies will allow Directors-General and the Institution to reinforce the staffing of priority areas and relieve the burden on over-worked staff through redeployments, despite the current decrease in Commission posts.

Last but not least, today's staff in the Commission's HR community, no matter whether local or corporate, should be able to find additional and more clearly defined options for challenging HR careers in a more united and focussed HR professional community.

#### 4.8. Risk Assessment

In order to ensure the success of the new HR delivery model, related risks need to be considered and mitigating measures must be put in place:

- **Risk I: Lack of buy-in from management and staff**

Strong political support for the project already exists. On the one hand, the President himself has issued the request to VP-Georgieva to assess the synergies and efficiency potential in the Commission, under which the HR delivery model. On the other hand, this report is a common proposal of the dedicated Consultation Group HR involving 22 Directors-General. The report will also be presented shortly in the weekly DGx meeting for endorsement of the Directors-General not part of the group.

In order to reassure affected colleagues and their hierarchy of the advantages of the proposed changes, a pre-pilot in DG HR will be carried out followed by a pilot involving a number of willing DGs to demonstrate the feasibility of the model in practice before its full roll-out as from 2017.

This process will be accompanied by a comprehensive communication and change management plan, meeting needs and addressing concerns of all stakeholders involved. In this respect, also meetings will be planned with the parties concerned to actively shape how the model will precisely work in the future. Co-creation is an important aspect of this initiative as well as the participatory and transparent selection process for the team members for both the HR BC and the AMC role. This will involve a call for interest as set out above. Also for those staff members that do not want to pursue their career in HR, a transparent redeployment process will be set in place.

- **Risk II: Deterioration on the quality of HR services**

In order to ensure that the level of service will be at least retained and even improved over time, a detailed analysis of HR processes and workflows will be conducted in early 2016. Thereby, the legal basis as well as the IT workflows will be taken into account and a clear revision of tasks and responsibilities for the new actors will be established. As a result of this analysis, expectations can be set for each role, which will be reflected in a service charter. This charter especially aims at reassuring the client DGs of the quality standards in the AMC, but also to define KPIs to monitor performance against a baseline (to be possibly established through a survey). This agreement will be complemented with functional reporting lines to ensure coherence and alignment between on the one hand, the AMC and the client DGs and on the other hand, the HR BC and DG HR.

In addition, other quality control and monitoring systems will be put in place, including a steering group at DGx level to monitor the process and a technical working group involving Resource Directors and HR practitioners to define practicalities. Also regular coordination meetings between the HR BC team, AMC, and DG HR will contribute to ensure quality of service. Moreover, the AMC will offer "proximity hours" in DGs' premises so that staff can be directly in touch with the HR people. Finally, performance indicators will be established to continuously measure the quality of the services delivered as well as satisfaction surveys will be administered to the clients.

- **Risk III: Project is not implemented as intended and ultimately does not reach its objectives**

In order to be able to successfully implement such a project, detailed and on-going project management will be key. Therefore, a detailed project work plan, including milestones, activities, tasks, roles & responsibilities, will be established. Progress can be monitored against a timeline.

Furthermore, this project plan will be established first on a smaller scale and tested during the pre-pilot and pilot phase. Thereby, a standard plan can be designed regarding import milestones and communication packages and adapted along the way through the pilots. Not only the project plan can be tested, but also how the new model's principles work in practice and task allocation to the different actors can be fine-tuned. This gives also the opportunity to end-users to test the new system and to ensure that it responds to their needs.

- **Risk IV: Staff in the HR community is demotivated and disengaged following the changes**

In order to avoid that HR colleagues feel not engaged, act hostile, or feel indifferent about the proposed changes, it is key to involve them actively in the process as soon as possible. In this respect, a change management programme, including communication plan, will be established in early 2016. Messages to the different stakeholders need to pass the right information at the right time. Next to information sessions, that can take place in different forms (e.g. videos, town hall meetings, ...), the HR community will also be expected to actively take part in various discussions and thereby shape the final set-up of model (e.g. focus groups, workshops, ...).

Finally, it is important that all parties feel involved in a transparent process of change. This will be ensured through regular communication as indicated above, but also through the selection and redeployment process for HR staff, including a call for the expression of interest to indicate their preferences and career aspirations. In order to accompany the transition to new roles, also training and coaching programmes will be available.

#### 4.9. Way Forward

The proposed change in architecture and way of organisation will impact many colleagues in the HR community in terms of potential change in tasks, responsibilities, career, location, etc. as well as management teams and Directors-General in local DGs regarding ways of interaction on HR issues and contact persons. Therefore, for the success of the project it is of crucial importance to accompany the exercise by a professional change management plan from all points of view (people, processes, governance, need for clarity of responsibilities, IT adjustments, adjustment of legal bases, staff engagement, capability building programs including mentoring and job shadowing, internal communication plan, ...). During this phase, the aspirations of individual staff members should also be taken into account. Staff of the current HR community, notably colleagues at local DG level, will be consulted on their wishes regarding their future career. Specifically, as outlined in section 4.1., they could express their interest in joining the HR BC team, moving to the AMC, changing to a corporate job in HR or leaving the HR function altogether, in order to pursue a career somewhere else (i.e. as an administrative assistant making a critical contribution to frontline activities). In a second phase, a call for interest could also be held for staff not yet part of the HR community, but interested in this career path.

The revised organisation chart of DG HR will integrate the units primarily responsible for supporting with this transition process in one Directorate (HR.A - Organisational Development<sup>57</sup>). This is an opportunity to respond to the change management challenge by enabling appropriate alignment of actions, coordination, and guidance. In addition, this Directorate will be overseen by the Deputy Director-General for change, also responsible for the core HR processes most concerned by the HR delivery model (HR.B – Talent Management) and for the general implementation of the HR delivery model. This whole change process will need adequate and timely communication and exchange with all stakeholders, including through dialogue with staff and social dialogue.

Regarding next steps, the BPR exercise launched in DG HR in 2011 identified over a hundred different processes and sub-processes, which are being analysed in detail to define their as-is and to-be situation with regard to the role of the different HR actors. This transversal BPR exercise will in addition also look at optimisation potential of the HR processes concerned regarding legal basis and IT workflow. DG HR proposes to carry out a pre-pilot within DG HR in the first quarter of 2016, in order to test the proposed principles in practice, which will also allow for fine-tuning the analysis of processes. This exercise should be followed by a larger pilot project involving a number of DGs in the third quarter of 2016. This year will therefore, be crucial for testing the feasibility and practicality of the proposed model as well as for evaluating the experience. The possible full roll-out of the new HR delivery model, taking due account of the lessons learnt from the pilot projects, could then take place as from the first quarter of 2017. In this respect, it needs to be clear that people's aspirations and needs will be an important factor to consider for this operation. Also, it will be reflected on how to support the redeployment process from the centre and guide the DGs. Generally, executive agencies (EAs) could also be part of the exercise. However, as a first step full attention must be given to making the switch to the HR delivery model within the

<sup>57</sup> With units A.1 – Organisational Performance, Resource Allocation & Structures; A.2 - Organisational Development Projects & Knowledge Management; A.3 - HR Processes, IT & Reporting; A.4 - Internal Communication.

Commission a success. A phased approach will also allow EAs to benefit from the Commission's experience.

In parallel to the pilot projects, and within the framework of the HR Professionalisation Programme, individual and team coaching sessions for future HR BC teams and the team leaders of AMC units should take place. In addition, local HR units should start aligning their internal organisation with the structure foreseen for the future AMC units. This will enable the team to transition more easily to the new model at a later stage and ensuring continuity of service for their clients.

The proposed project is a big challenge, but also a big opportunity to lead and steer the necessary changes. If well implemented, the revised HR delivery model could represent a true win-win situation compared to the status quo. However, it will require the buy-in and endorsement of senior management, and the involvement of the different stakeholders concerned. This is why a small steering group at DGx level should accompany the change process, preferably consisting of regular participants of this consultation group. But also at technical level HR practitioners from the DGs and corporate HR should come together to analyse the details of the to-be design of the HR processes. Finally and most importantly, end users need to get the opportunity to test the system and make sure it responds to their needs. This will be the benchmark against which success should be measured.

\*\*\*

## ANNEXES

### Annex 1: Members of DGx Consultation Group

DG/ Service	Group 2. HR (chair Irene Souka)	Present 23/10/2015	Present 9/11/2015	Present 24/11/2015	Present 09/12/2015
EPSO	Nicholas David BEARFIELD	YES	YES	YES	YES
ENV	Daniel CALLEJA CRESPO	NO	NO	NO	YES
NEAR	Christian DANIELSSON	YES	YES	YES	NO
REGIO	Walter DEFFAA	NO	NO	YES	YES
TRADE	Jean-Luc DEMARTY	YES	YES	YES	YES
DEVCO	Fernando FRUTUOSO DE MELO	NO	YES	NO	NO
FISMA	Olivier GUERSENT	YES	NO	NO	YES
MOVE	Henrik HOLOLEI	NO	NO	NO	NO
OLAF	Giovanni KESSLER	NO	YES	NO	NO
PMO	Marc LEMAITRE	YES	NO	YES	YES
DGT	Rytis MARTIKONIS	YES	YES	YES	YES
OIL	Marian O'LEARY	YES	YES	YES	YES
AGRI	Jerzy Bogdan PLEWA	YES	YES	YES	YES
EAC	Martine REICHERTS	NO	NO	NO	NO
SJ	Luis ROMERO REQUENA	NO	NO	NO	NO
HOME	Matthias RUETE	NO	NO	NO	NO
EMPL	Michel SERVOZ	NO	NO	NO	NO
RTD	Robert-Jan SMITS	NO	NO	NO	YES
JRC	Vladimir SUCHA	YES	YES	YES	YES
IAS	Philippe TAVERNE	YES	YES	YES	YES
SRSS	Maarten VERWEY	NO	NO	NO	NO
TAXUD	Heinz ZOUREK	NO	NO	NO	NO

## Annex 2: Background on status quo of the HR function (composition and organisation)

The HR Function has been reorganised several times (DG IX; DG ADMIN; DG HR) with the purpose to better achieve its purpose. Regarding the HR architecture, HR in the Commission is based on the split between corporate and local tasks. Corporate HR is the task of DG HR, EPSO and PMO (but also of certain other DGs with specific characteristics<sup>58</sup>) and local HR is entrusted to dedicated units within each DG. The current bipolar model (corporate-local) responds to a logic of maximising the business proximity rather than resource efficiency. If this was acceptable in times of expansion, it is now at odds with the context of staff reduction. Interactions between the corporate and local levels are rather intensive, depending on the (sub-) process in question, and decision-making powers<sup>59</sup> are split between them. In addition, the distinction between the different HR actors is sometimes blurred.

In terms of staffing, the HR community in the Commission is comprised 5.4% of all jobs in the Commission in January 2015. HR jobs as share of the Commission's total number of jobs are stabilising since 2012. At the beginning of 2015, 2,186 staff (officials, temporary agents, contract agents as well as other types) worked in the HR function.

The HR function is for its vast majority composed of permanent and non-permanent AST level staff (83%), while non-management AD staff represent about 10% (17% including managers).

66% of the HR jobs are corporate (1,445), whereof 553 jobs are occupied centrally in DG HR. The remaining 34% of jobs (741) are local. At local level, the size of HR units varies considerably, from a few jobs up to 92 in the JRC (cf. figure 2.1).

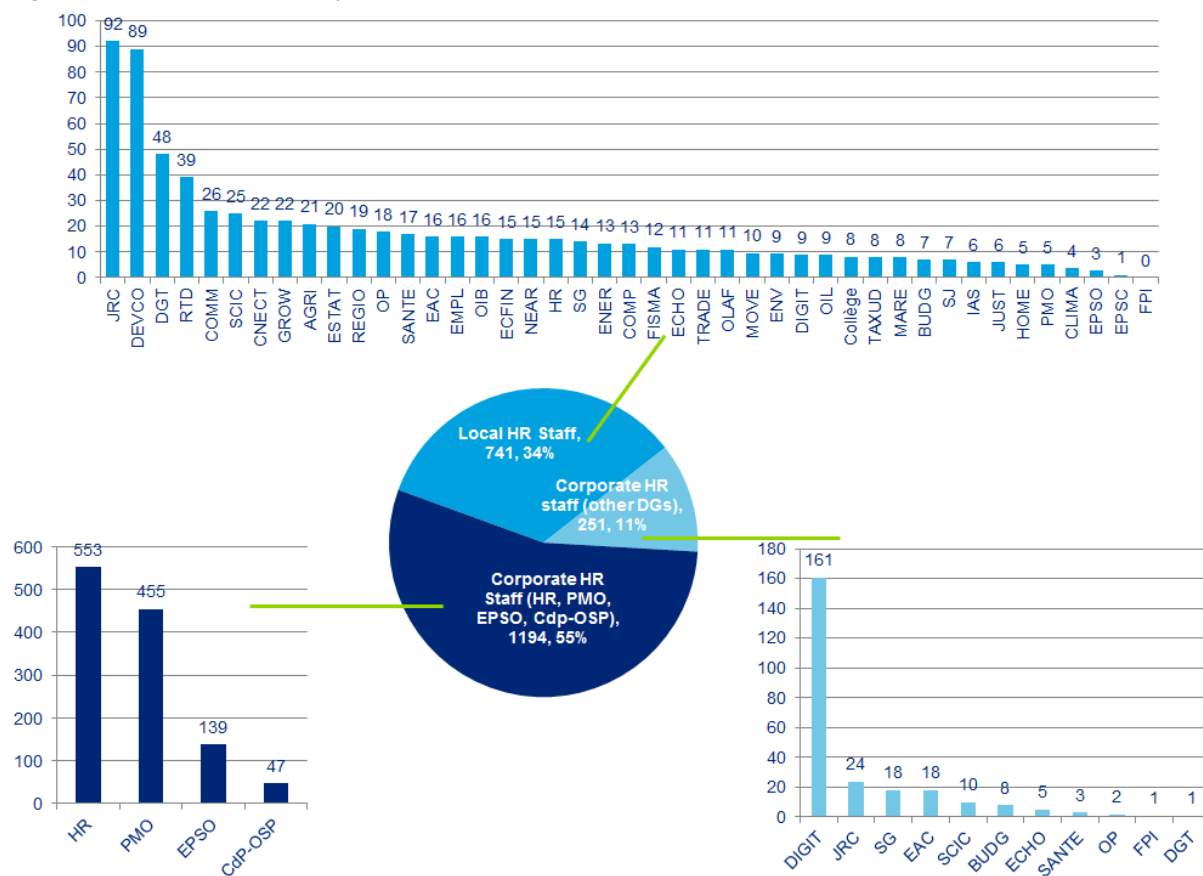
Next to looking into the HR community itself, it should be stressed that other horizontal support functions exist in the Commission, each with its own delivery model. Examples include logistics, document management, communication/publication, IT, but also finance/budget/accounting. Figures below give an idea of the relative sizes of each overhead or support community, indicating that HR is the third biggest support community in the Commission.

In terms of cost, the average monthly basic salary per staff member working in the HR community is below the Commission average (including overhead and frontline jobs). However, given the number of staff in the function, the total salary paid to statutory HR staff is the sixth highest in the Commission and the second highest within the support communities (cf. figure 2.2).

<sup>58</sup> E.g. the traineeship office in DG EAC or the mediator in SG.

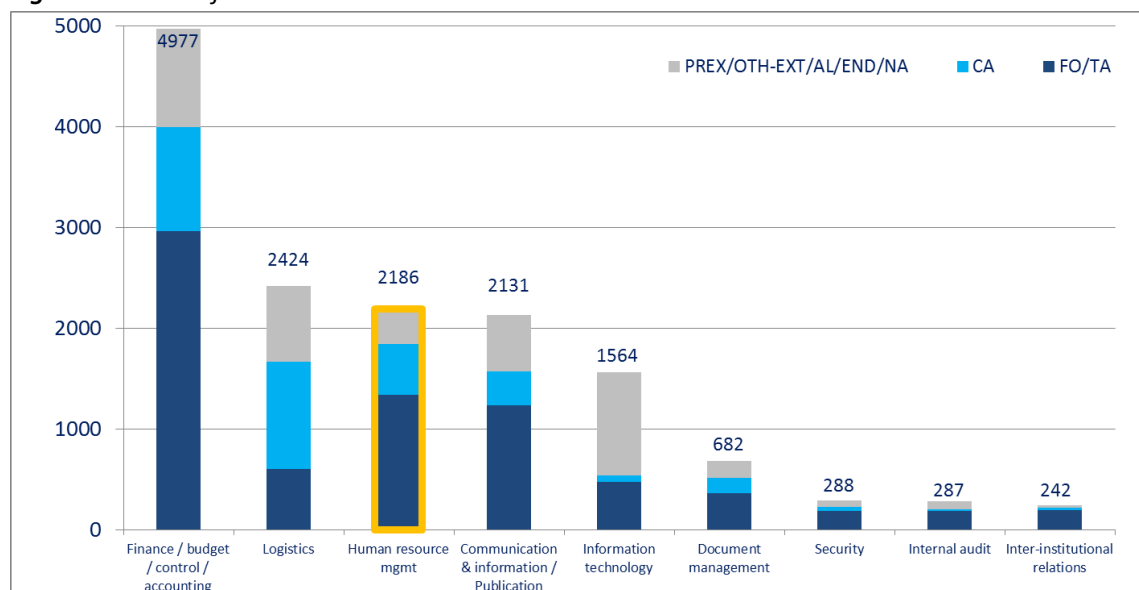
<sup>59</sup> For example the powers of appointing authority ("AIPN").

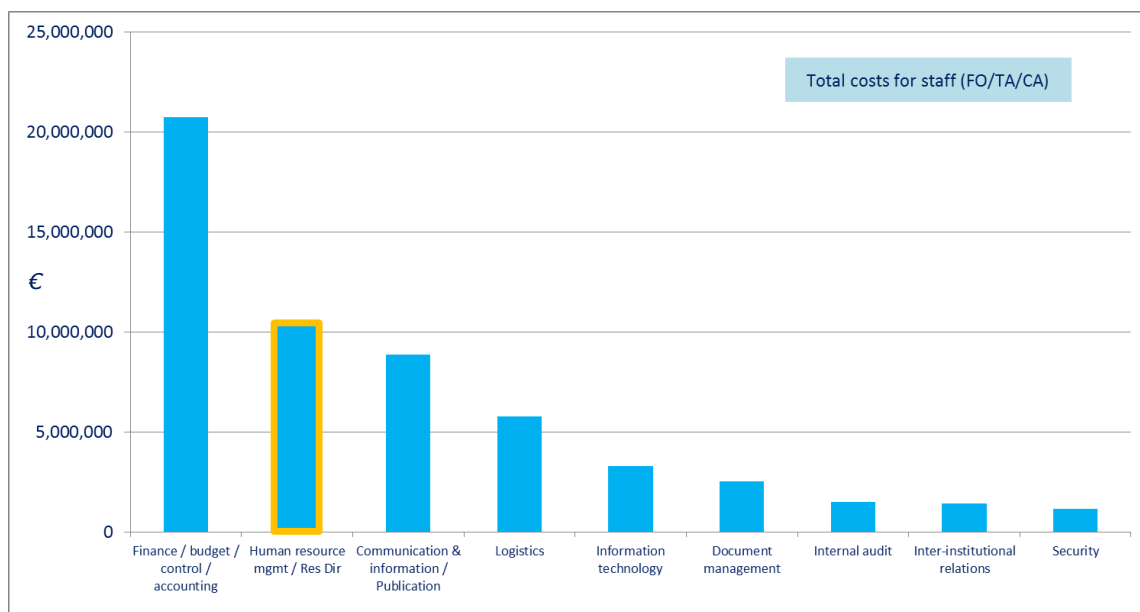
**Figure 2.1 The HR Community**



Source: Job Listing 23-Jan-2015, all staff types included; total job count = 40,895  
NB: including local agent staff in delegations

**Figure 2.2 Costs of the HR Function**





Source: Job Listing 23-Jan-2015, all staff types included; total job count = 40,895

### Annex 3: Voting results and results of the simulation exercise

Figure 3.1 Template DG grouping simulation exercise (sent 16 November 2015) --- still under review

DG/ Service Characteristics

Please select to which group each DG should belong.

Total jobcount per group (all staff categories)

Total jobcount per group (without prescriptive external)

DG/Service	Total Jobcount	Total Jobcount	Number of sites	Jobcount in DELs	Jobcount in REPs / MSs	Group
	(all staff categories)	(with jobcount 2-10)				
AGRI	1203	1121	1	8	27	Group 3
BUDG	576	486	1			
CAP-OP	47	47	1			
CLIMA	225	208.36	1		1	Group 2
CNECT	1157	1109	2	10	1	
COLLEGE	709	629	1		51	
COMM	1461	1140	1		817	Group 5
COMP	1034	917	1		23	Group 1
DEVCO	1387	1214	1	2181	7	Group 4
DGT	2612	2580	2		38	Group 6
DIGIT	1703	531	2			
EAC	681	559	1		10	
ECFIN	834	777	2	6	33	Group 1
ECHO	772	316	1	7	389	Group 4
EMPL	973	842	1		8	Group 3
ENER	773	707.16	2	3		Group 2
ENV	583	547.64	1	2	6	Group 2
EPSC	39	37	1		5	
EPSO	157	145	1		1	Group 7
ESSAT	880	799	1		7	
FISMA	401	390	1	2	2	Group 1
FPI	191	178	1	58	2	Group 4
GROW	1115	1221	1	5	1	
HOME	428	402.26	1	3		
HR	873	775	8		4	Group 7
IAS	179	175	1		4	
JRC	194	2121	8	1	28	Group 8
JUST	507	459.74	1		2	
MARE	387	370	1	8	1	Group 3
MOVE	561	494.84	1	2	6	Group 2
NIAR	1581	1527	1	1015	17	Group 4
OIB	1420	1166	2		25	Group 7
OS	448	315	1		1	Group 7
OLAF	520	427	1	1	1	
OP	728	663	1		8	
PMO	696	583	1		8	Group 7
REGIO	902	777	1		10	Group 3
RTD	1921	1749	1	30	56	
SANTE	997	849	1	7	4	
SCIC	885	841	1		7	Group 6
SG	669	620	1		6	Group 5
SI	471	434	1	4	1	Group 5
TAXUD	588	531	1		5	Group 1
TRADE	809	760	1	195		
TOTAL	40895	34951				

Number of DGs per group

Number of different sites per group

	4	4	4	4	3	2	5	1
Broadfield	2	2	1	1	1	2	3	6
Geol	4	4	2	4	2	2	4	1
Grange	0	0	0	0	0	0	0	1
Home	0	0	0	0	0	0	0	1
Karlsruhe	0	0	0	0	0	0	0	1
Luxembourg	1	1	0	0	0	1	3	0
Paris	0	0	0	0	0	0	0	1
Sevilla	0	0	0	0	0	0	0	1

Possible DG Groupings for Future Shared Local Units (SAMs)

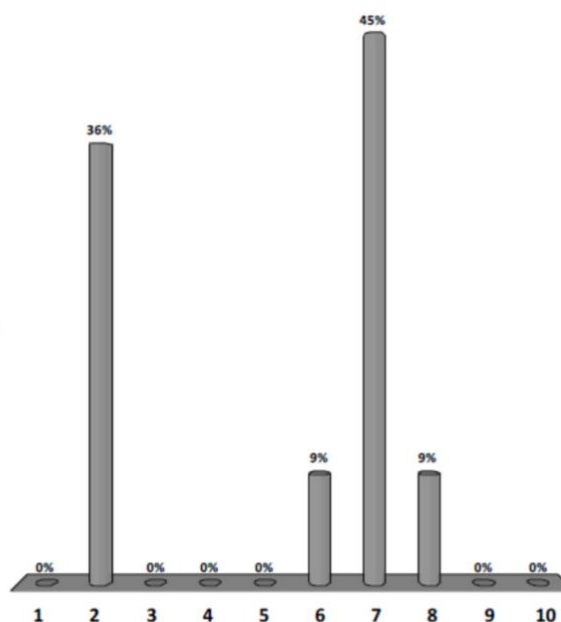
The different "Group Boxes" will be updated automatically. You also get automatically an estimate on the size of each group.

GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8
2857	2142	3465	5931	2601	3409	3556	3702
2615	1958	3110	5235	2234	3321	3004	2521
		AGRI					
	CLIMA						
COMP				COMM			
			DEVCO		DGT		
ECFIN							
	ENER ENV	EMPL					
FISMA				FPI			EPSC
	MOVE	MARE					JRC
			NEAR				
						OIB OIL	
							PMO
		REGIO					
TAXUD				SG SI	SCIC		

**Figure 3.2a** HR expectations from DGx – voting results: first priority

**Select your 1<sup>st</sup> priority.**

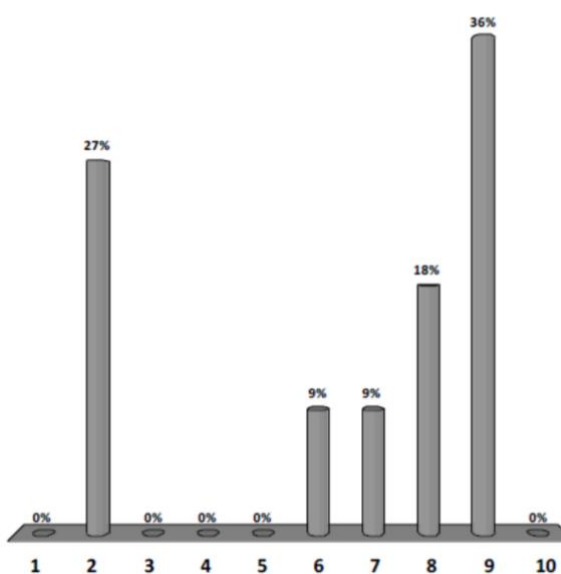
1. Becoming a learning organisation
2. Change, culture and organisational restructuring
3. Corporate Social Responsibility
4. Diversity and demographics
5. Improving HR architecture (SDM)
6. HR effectiveness (processes, metrics, professionalism)
7. Performance and engagement
8. Recruitment and allocation
9. Talent Management and leadership development
10. Work-life balance



**Figure 3.2b** HR expectations from DGx – voting results: second priority

**Select your 2<sup>nd</sup> priority.**

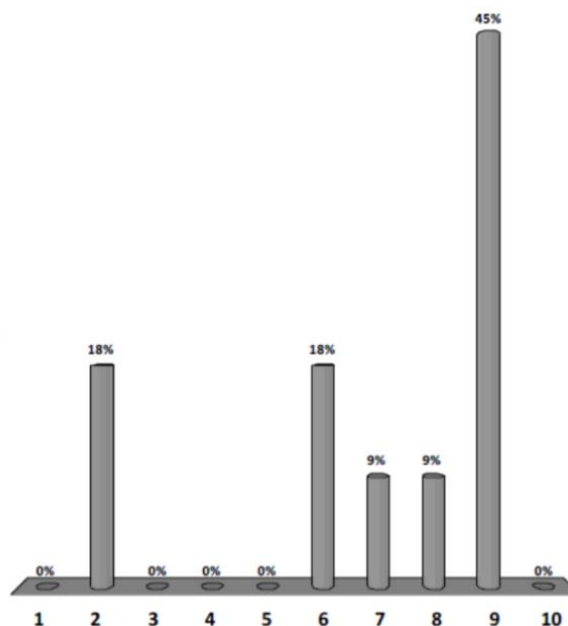
1. Becoming a learning organisation
2. Change, culture and organisational restructuring
3. Corporate Social Responsibility
4. Diversity and demographics
5. Improving HR architecture (SDM)
6. HR effectiveness (processes, metrics, professionalism)
7. Performance and engagement
8. Recruitment and allocation
9. Talent Management and leadership development
10. Work-life balance



**Figure 3.2c** HR expectations from DGx – voting results: third priority

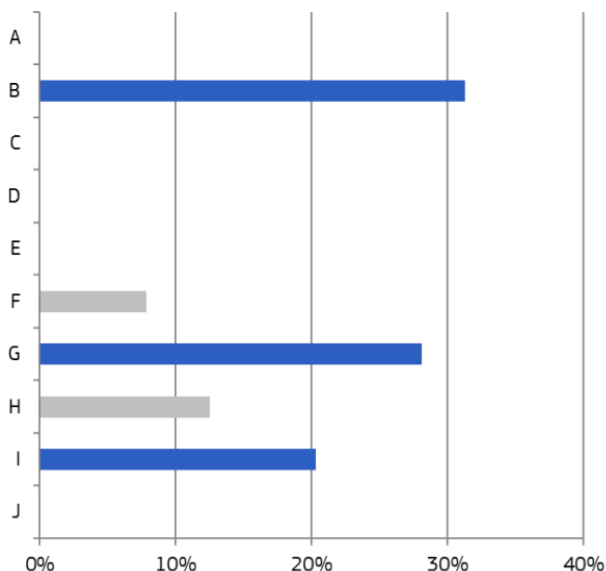
**Select your 3<sup>rd</sup> priority.**

1. Becoming a learning organisation
2. Change, culture and organisational restructuring
3. Corporate Social Responsibility
4. Diversity and demographics
5. Improving HR architecture (SDM)
6. HR effectiveness (processes, metrics, professionalism)
7. Performance and engagement
8. Recruitment and allocation
9. Talent Management and leadership development
10. Work-life balance



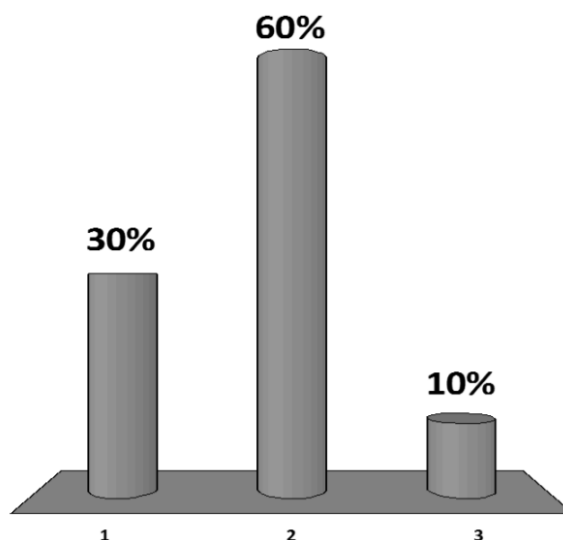
**Figure 3.3** HR expectations from DGx – weighted results

- A. Becoming a learning organisation
- B. Change, culture and organisational restructuring**
- C. Corporate Social Responsibility
- D. Diversity and demographics
- E. Improving HR architecture (SDM)
- F. HR effectiveness (processes, metrics, professionalism)
- G. Performance and engagement**
- H. Recruitment and allocation
- I. Talent Management and leadership development**
- J. Work-life balance



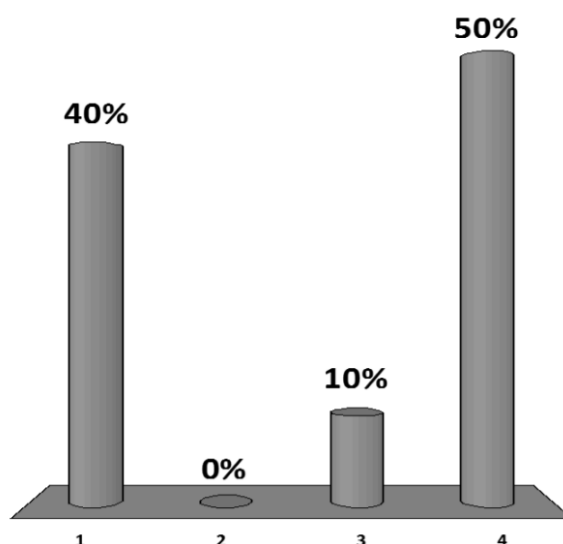
**Figure 3.4** Voting results – Selection head of HR BC team

1. Selection of BC through Director-General without any involvement of DG HR
2. Selection of BC through Director-General with non-binding opinion of DG HR
3. Selection of BC through Director-General in agreement with DG HR



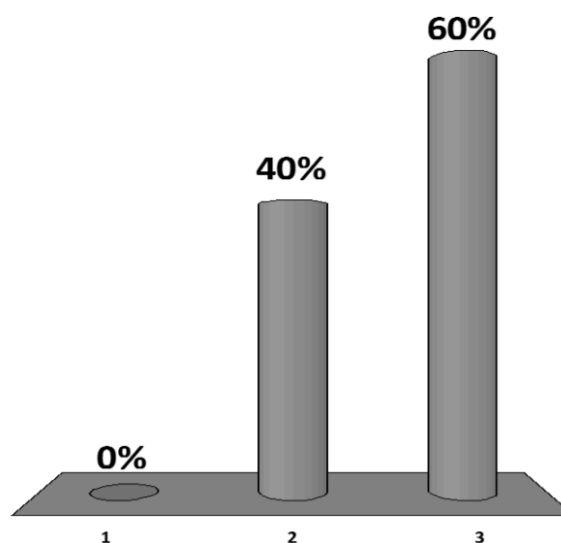
**Figure 3.5** Voting results – Selection AMC team members

1. DG HR freely chooses staff members out of the former local HR unit after DGs have chosen their BC
2. DG HR launches a selection procedure for each post
3. DG HR launches a call for interest within the HR community
4. DG HR launches a call for interests open to all staff



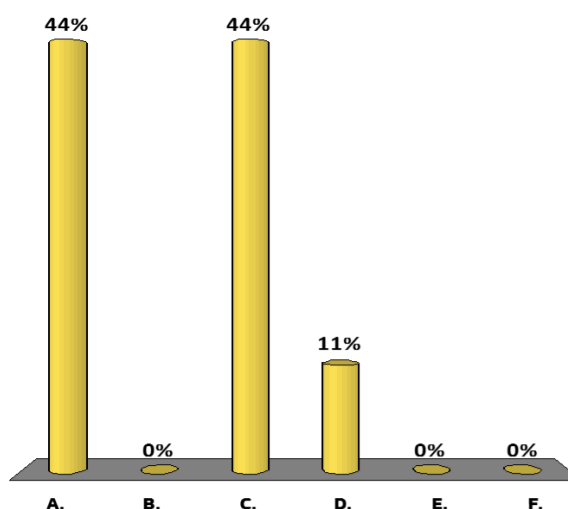
**Figure 3.6** Voting results – Selection head of AMC units and team leader

1. Selection of HoU and TL through DG HR without any involvement of Directors-General of the "client family"
2. Selection of HoU and TL through DG HR with non-binding opinion of Directors-General of the "client family"
3. Selection of HoU and TL through DG HR in agreement with Directors-General of the "client family"



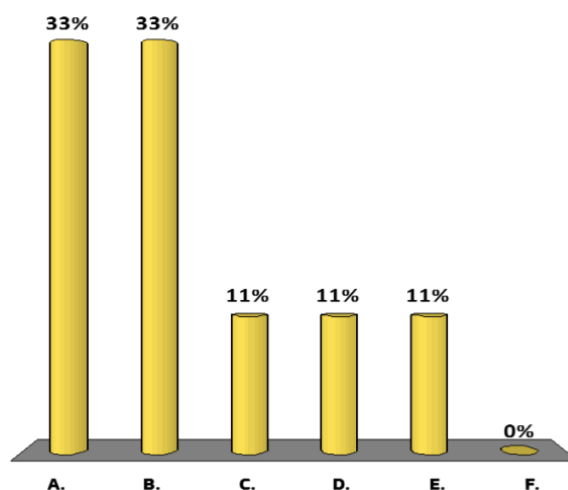
**Figure 3.7a** Factors for size estimation of HR BC team – voting results: first priority

- A. Total **size** of DG
- B. Number of **sites** at which a DG is operating
- C. Business complexity with different **work profiles** as proxy
- D. Current **ratio of AD staff** employed to the total size of the DG
- E. Number of **middle and senior managers** in each DG
- F. ...



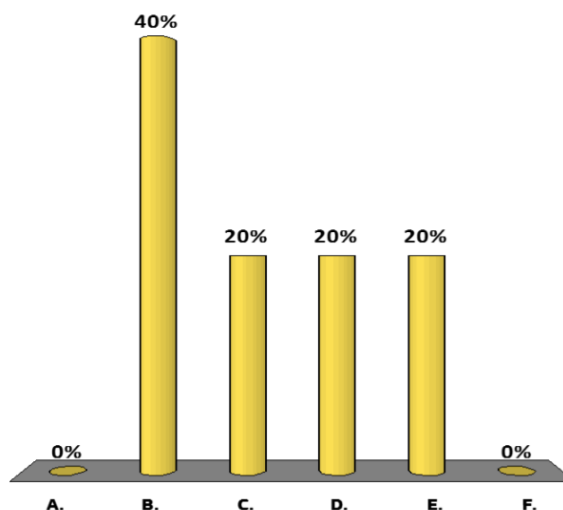
**Figure 3.7b** Factors for size estimation of HR BC team – voting results: second priority

- A. Total **size** of DG
- B. Number of **sites** at which a DG is operating
- C. Business complexity with different **work profiles** as proxy
- D. Current **ratio of AD staff** employed to the total size of the DG
- E. Number of **middle and senior managers** in each DG
- F. ...

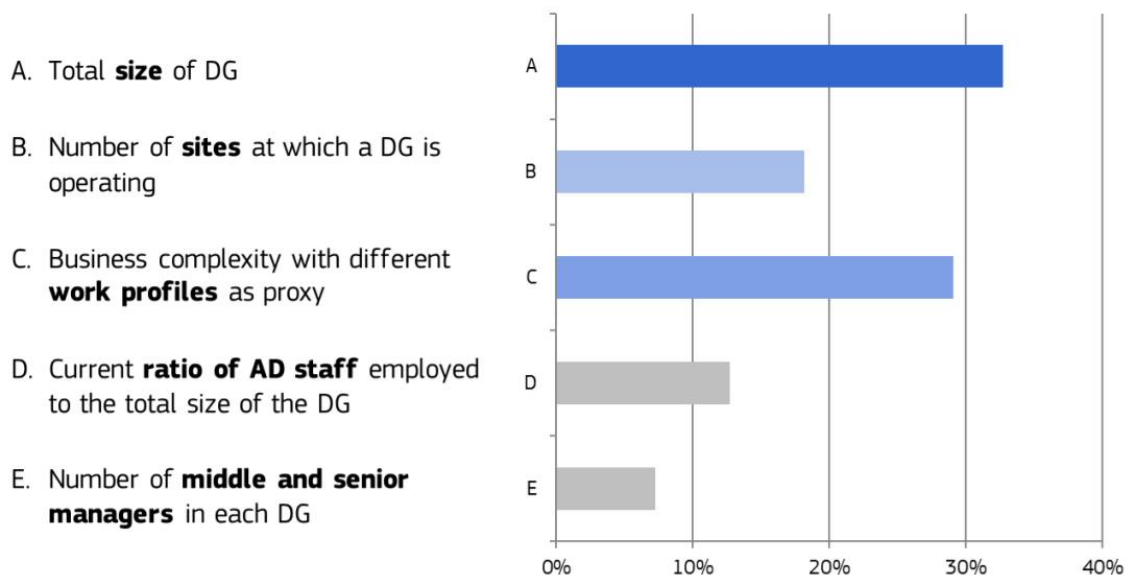


**Figure 3.7c** Factors for size estimation of HR BC team – voting results: third priority

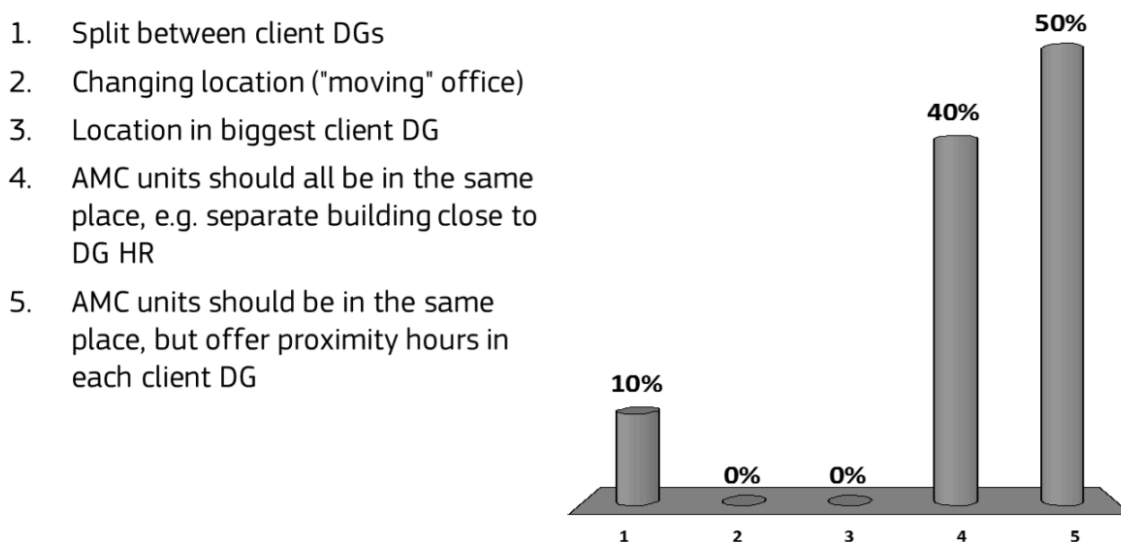
- A. Total **size** of DG
- B. Number of **sites** at which a DG is operating
- C. Business complexity with different **work profiles** as proxy
- D. Current **ratio of AD staff** employed to the total size of the DG
- E. Number of **middle and senior managers** in each DG
- F. ...



**Figure 3.8** Factors for size estimation of HR BC team – weighted results



**Figure 3.9** Physical location of AMC units



## Annex 4: Other relevant charts and slides

Figure 4.1



### Recommendations for Changing HR Service Delivery Model

*Demarty DGx Report (2013)*

*"With budgets and staff numbers under pressure we must ensure that administrative an HR goals are achieved as effectively and efficiently as possible"*

- Strategic HR in local DG
- Activities mechanically preparing or implementing a decision are more suitable for centralisation, externalisation and/or reallocation
- Central guidance and monitoring to ensure harmonised approach


*GDR Report (2015)*

*"The ideas and reflections developed in this document refer to the way the Commission can increase its efficiency and effectiveness as an organisation, striking the right balance in allocating the responsibilities between the horizontal and the operational DGs."*

- Small business partner for strategy and resource planning
- Administrative and transactional tasks in horizontal DG, agency or office
- Definition of strategy in Centre of Expertise

17

Figure 4.2



### HR Business Correspondent

*Future tasks examples*

		Strategic	
	<ul style="list-style-type: none"> <li>• Focus on strategic decisions and policies</li> <li>• Oversight of individual transactions (via periodic reporting)</li> </ul>	<div> <div> HR Planning Workflows Reorg proposal Internal reallocation Job description Screening validation </div> <div> Talent Management Change Management Internal redeployment </div> </div>	
Organisation			People
	<div>Surcharge requests</div>	<div>Decisions on promotion, CCP, ethics, ... Local career guidance</div>	
		Operational	

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Figure 4.3

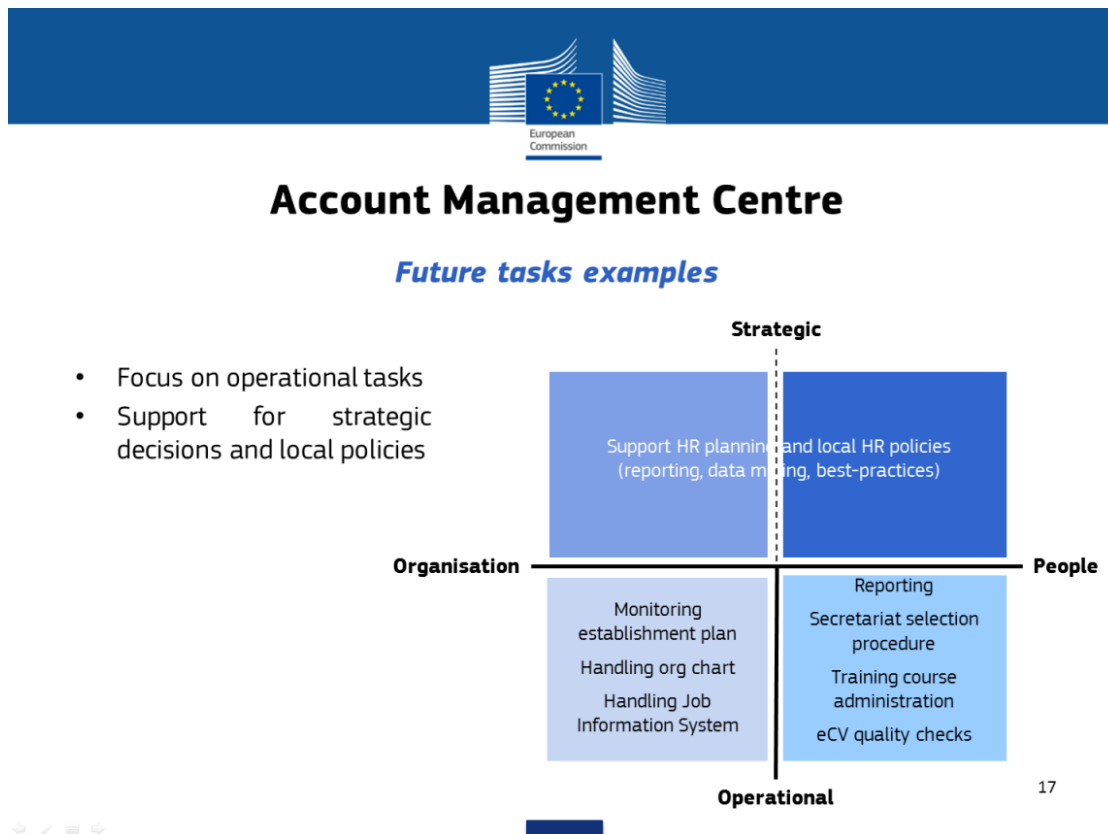


Figure 4.4

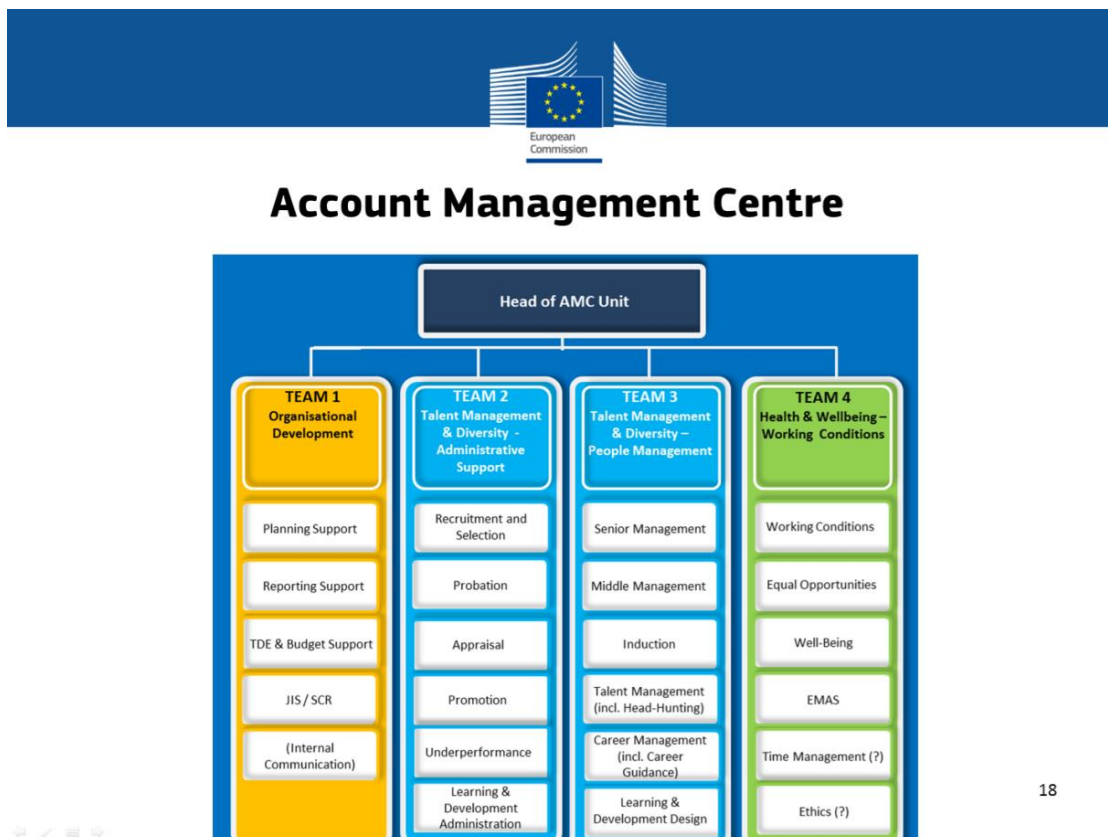
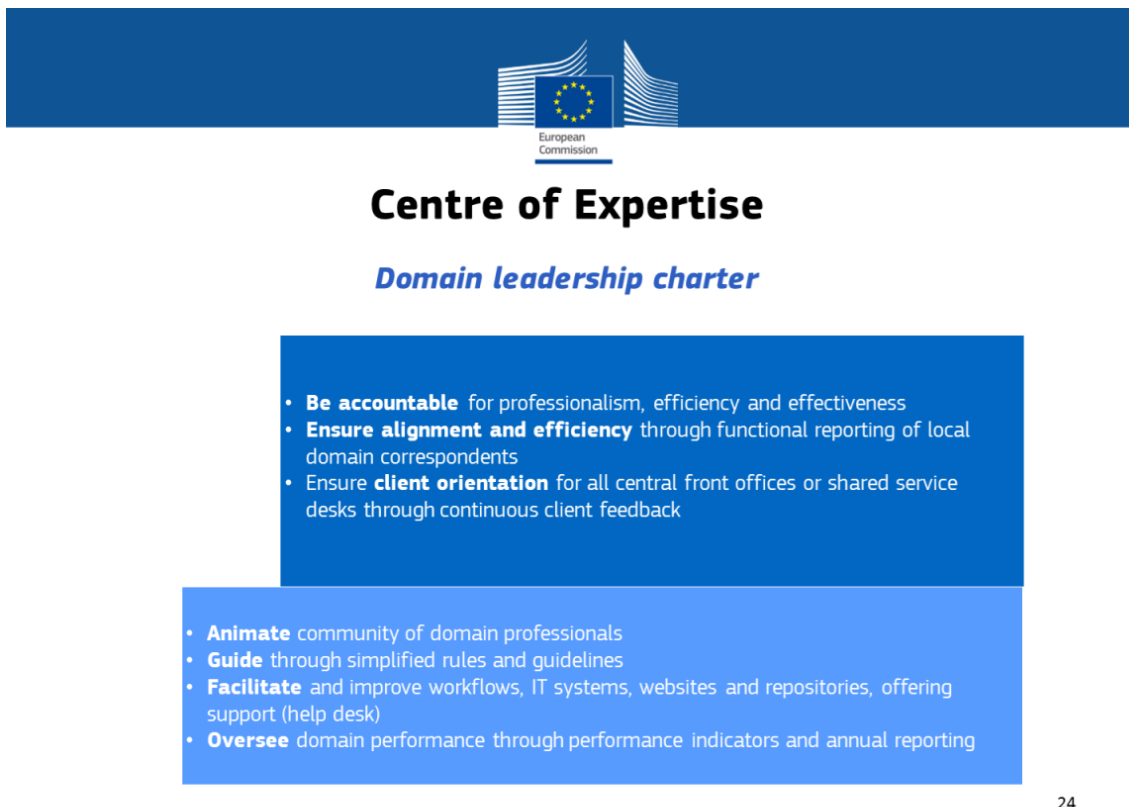


Figure 4.5



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Figure 4.6

