



**PLENARY MEETING**  
**(PL 2.2)**

**Report by the Secretary General**

**1 Subject:** LINKING STRATEGIC, OPERATIONAL AND FINANCIAL PLANNING

<p><b>2 Purpose</b> Minneapolis Resolution 72 sets out a framework for linking the different operational planning cycles of the Union and instructs the Secretary-General and the Directors of the Bureaux, as well as the Council, to undertake measures to ensure a closer linkage.</p>	<p><b>Ref. doc.</b></p> <p>PP Res. 72</p>   <p>C99/31 C00/02 C01/25</p>
<p><b>3 Background</b> Interim reports on this matter were discussed at Council in 1999 and 2000 proposing enhancements to the process and a number of contributions to RAG and TSAG have touched upon this topic. The Working Group on Reform has also made a recommendation on this topic.</p>	
<p><b>4 Recommendation</b> Council is invited to discuss this document and take appropriate action. PP Res. 72 instructs Council to “prepare a report, with any appropriate recommendations, for consideration by the 2002 Plenipotentiary Conference”.</p>	
<p><b>5 Implications</b></p>	

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• For reasons of economy, this document has been printed and distributed in a limited number. Copies will not be made available at the meeting. Participants are requested to consult the ITU Council website: <http://www.itu.int/itudoc/gc/council/C2001.html> •

## LINKING STRATEGIC, OPERATIONAL AND FINANCIAL PLANNING

### 1. Introduction

1.1 Plenipotentiary Resolution 72 addresses the topic of creating a closer linkage between the strategic, operational and financial planning processes of the ITU. It instructs the Secretary-General and the Directors of the Bureaux to implement a system of operational planning, taking into account the elements listed in the Annex to the Resolution. Furthermore, it instructs the Council to report to the Plenipotentiary in 2002 on this matter, with recommendations as appropriate.

1.2 Since the Resolution was passed, considerable progress has been made, as reported to Council in documents C99/31 and C00/02. In particular, operational planning is now an on-going and systematic part of the planning process in the work programmes of the ITU Sectors and General Secretariat. At Council in 2000, a number of enhancements to the system were suggested, proposing to: make the Strategic Plan more action-oriented; involve the Sectoral Advisory Group more closely in the financial planning process; and to promote greater use of measurable performance indicators. These improvements are in the process of being implemented.

1.3 Each of the Sectors and the General Secretariat currently produces and uses its plan in different ways and in different timeframes. This can cause problems in coordinating the operational plans and setting priorities across the Union. Table 1 shows a comparison between the 2000 operational plans according to a series of objective, comparable criteria.

### 2. Perceived problems

2.1 Despite this progress, a number of unresolved problems remain which have given rise to contributions from the membership to the Sector Advisory Groups and to the Working Group on Reform seeking to streamline and improve the process. While the problems are perceived differently among different parts of the membership, there are certain common themes that need to be addressed:

- Problems of **differential cycles**. The strategic plan currently follows a five-year cycle; the financial plan, a four-year cycle; the biennial budget, a two-year cycle; and the operational plans, a one-year cycle. In addition, each of the Sectors has different inter-Conference/Assembly cycles. This causes dislocations in the interaction between the different processes.
- Problems of **timing**. Currently, the ITU-R and ITU-D operational plans are completed prior to the start of the fiscal year in which they apply. The draft operational plans of the three Sectors are not reviewed by the respective Advisory Groups until early in the calendar year in which they apply. The draft operational plan of the General Secretariat is not reviewed until Council when the year is already halfway through. Many members would like to review the plans at an earlier stage.
- Problems of **financial oversight**. It is generally acknowledged that the Sector Advisory Groups, as representative bodies including both Member States and Sector Members, should play a role in financial management for their respective Sectors. However, up to now, their inputs to Council decisions on the budget have been only limited.
- **Lack of feedback**. With the exception of the ITU-R Sector, the mechanisms for reporting back on the results of implementation of different operational plans, and feeding these results into new or revised plans, are not currently well developed. Similarly, the monitoring of key performance indicators needs further attention. The operational plans are also used in some areas (e.g., in the BR) for internal management and monitoring on a quarterly basis.

**Table 1: The different approaches to operational planning in 2000**

<b>Item</b>	<b>ITU-D plan</b>	<b>ITU-T plan</b>	<b>ITU-R plan</b>	<b>Gen. Sec. Plan</b>
First review of plan by membership	Posted, 20/12/99 Discussed in TDAG 2-3 Mar. 2000 and made available to Council	Posted, 22/5/00 Discussed at TSAG, June 2000, and made available to Council	Posted, 17/12/99 and discussed at RAG, Jan 2000. Subsequently revised, based on RAG comments, and made available to Council. Again revised following WRC 2000.	Posted, 19/6/00 and made available to Council.
Review and evaluation, if any, during or following completion of the year 2000	Review of activities for first nine months at TDAG in Oct. 2000.	Review via "annual report of ITU's activities" at Council in 2001 and at TSAG meeting in March 2001	Internal review and reporting by Dept. Heads to the Director each quarter. Document on implementation of 2000 plan provided to RAG in March 2001 as well as separate, more detailed documents reporting on publication activities in 2000, savings made in documentation in 2000 & processing of satellite filings	Review via "annual report of ITU's activities" at Council in 2001. Not reviewed by Sector Members.
Length	28 pp	15 pp	29 pp	16 pp
Performance indicators, targets?	Qualitative indicators only	Output measures, (e.g. numbers of Recommendations), qualitative indicators and targets.	Both qualitative indicators and targets. Output measures too.	Qualitative indicators only
Resource measures	Staff months and CHF	Staff months and other costs in CHF	Staff months and CHF	Staff months for Gender, SPU, PE, and CONF. CHF for FIN. Nothing for SC, IS.
Posting on website	2001 plan on BDT home page. 2000 plan available via TDAG documents and Council website.	2000 plan on ITU-T website as a TSAG document and on Council website.	All operational plans, past and present, available on ITU-R, RAG and Council web pages.	Available via Council website only.
Availability	Public	TIES users only	Public	TIES users only

3.1 In view of the problems highlighted above, it is clear that, even with the enhancements proposed to Council in 2000, the current practice of operational planning falls short of that intended in PP Resolution 72 and that there are differences of approach. A number of improvements have already been proposed, for instance by the RAG (see document RAG 2001 1/40), by the report R-7 of TSAG (Ref. TD/68 of the last TSAG meeting) and by the Working Group on Reform (see document C01/25). Taking up some of the suggestions contained in these contributions, the following suggestions are put forward for discussion and appropriate action:

- **Align the operational planning cycle with other planning cycles.** This could involve, for instance, designing the next operational plan to cover the period 2002-03. Thereafter, in line with the recommendation from the WGR (see C01/25), operational planning could be incorporated into a rolling four-year work plan, aligned with the strategic plan and financial plan for 2004-07. This would imply that the operational planning process would have to begin as early as late 2001 so as to ensure that there is a “bottom up” planning process involving Sector Members. The earlier years would be fleshed out in more detail than the later ones, which would be presented in outline form.
- **Bring forward the planning process and review period.** In this way, the draft operational plan for 2004 onwards could feed into the planning for the biennial budget and could be revised and reviewed *before* the start of the calendar period to which they apply.
- **Formalise the system of reporting on operational plans.** This could be done, for instance, by having the Bureaux prepare a document reporting on the implementation of the operational plans and providing these to the Sector Advisory Groups (as is currently done by the BR). These documents could be provided for information to the Council. The same could be done by the General Secretariat i.e., submission of a document reporting on the implementation of their operational plan to the Council for its review.
- **Establish links to planning documents.** At present, the different elements such as the Strategic Plan, the biennial budget and the Sectoral operational plans are scattered in different part of the website, with different levels of access control. It is proposed that they should also be available via links from central web pages which would also contain links to information on ongoing review and revision processes, statistical reporting and on evaluation. It is proposed that all planning documents, including the biennial budget and financial operating report, be considered as public documents without access restrictions.
- **Move towards quantifiable targets.** While it is understood that each of the Sectors and the General Secretariat have different requirements for resource measurement and identification of priorities, nevertheless there should be an effort to move in the direction of quantifiable targets, with a systematic reporting of actual outcomes and against targets and forecasts (as is currently done in ITU-R).
- **Use consistent resource measurement.** Once operational planning is aligned with the biennial budget, it should be possible to report both staff months and CHF costs, and to note any divergence in terms of resource reallocation in subsequent revisions of the operational plan. This would require, for instance, a standard definition of staff months.

3.2 The above approach is presented for Council to discuss and to take appropriate action.

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