

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
Spec(74)22
4 July 1974

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Personnel Promotion Policy and Practice of GATT

Note by the Director-General

1. When reviewing the secretariat's budget estimates for 1974, the Committee on Budget, Finance and Administration expressed the wish to examine during the 1975 budget hearings the post reclassification and personnel promotion policy and practice of GATT. This note has been prepared in response to that request.
2. The point at issue is one that has throughout preoccupied organizations in the common system of the United Nations, and through co-ordinating bodies such as the Consultative Committee on Administrative Questions (CCAQ) and the Administrative Committee on Co-ordination (ACC), and advisory bodies such as the International Civil Service Advisory Board (ICSAB) endeavours have been made to reach a common approach to policy and procedures in respect of career prospects and to the promotional problems relating thereto. The number of organizations involved (12), the difference in their respective mandates, the variety of their historical and functional circumstances, the dissimilarity of their administrative structures and of the composition of their staff and posts have been so many stumbling blocks in these co-ordinating efforts. It should perhaps be mentioned in this context that ICSAB submitted ten years ago a proposal for a career advancement plan for certain groups of staff involving progression on a time scale. This did not receive the necessary support from CCAQ which amongst other things considered that the groups of staff covered by the plan were not sufficiently homogenous to be treated on a par for career purposes, and that it might therefore lead to too rapid and high or too slow and inadequate progression as the case may be.
3. A negotiating organization like GATT, for instance, distinguishes itself amongst other things by (a) year-round conference activities for which it controls and administers but a fraction of the facilities involved (meeting rooms, huissiers, sound operators), and (b) a small and versatile staff who are deployed to meet problems as they arise. These circumstances and a traditionally conservative outlook to manpower expansion have contributed to limiting the secretariat's personnel growth,

and as a small organization has enabled it to apply managerial methods and to operate a somewhat personified administration which it is believed have been beneficial to working efficiency and economic management.

4. In varying degrees a staff member's eligibility for promotion is determined by (a) the ranking of the functional duties and responsibilities of the post he fills or will be transferred to; (b) his professional or technical qualifications; (c) his seniority of service and (d) his personal qualities. These criteria are weighted differently depending upon whether organizations operate according to a rank-in-post promotional system in which case criteria (a) i.e. the job evaluation and grading is the determining factor, or whether it applies the rank-in-man system where qualifications and other personal considerations are taken into account together with the responsibilities of the post. The larger organizations such as the ILO, UNESCO and FAO have job evaluation systems which in principle regulates the career progression of their staff in the sense that promotions are tied to post classifications and must depend on the occurrence of vacancies in the higher grades. In view of the large personnel establishment of these organizations and the correspondingly high turnover in staff such a system provides reasonable career progression for deserving staff. It calls for continuous review of job classifications, although presumably none of these organizations would claim that post reclassifications are not occasionally affected by promotion considerations. It is understood that in FAO the Director-General is responsible for reclassifying posts, and that he reports to his governing body the regradings he has authorized. In the ILO a similar provision exists in respect of general service and professional posts.

5. Organizations of comparable size to GATT such as WMO, UPU and IICO follow promotion practices which in varying degrees correspond to the rank-in-man approach. Considering the modest turnover of staff in small organizations opportunities for advancements would be insignificant and the recruitment and retention of staff would be seriously impaired unless such an approach were applied. It is significant to note in this context that the United Nations, whose staff rules and administrative practices are largely followed by GATT, have a system of "promotion register" which also corresponds to the rank-in-man approach and in which the four qualifying factors referred to in the preceding paragraph are taken into account. A similar system is operating in the GATT secretariat under the overall control of the Appointments and Promotions Board, and due regard is given to the same qualifying factors including the ranking of the functional responsibilities discharged by staff members considered for promotion.

6. None of the organizations in the common system, including GATT, enjoy the experience of most national services of a smooth flow of recruitment of young staff to the lower levels followed by promotions as vacancies arise through the retirement of staff having reached the age limit. The irregularity of the inflow and outflow of staff would prevent the secretariat from giving new entrants any

idea of the career they can reasonably expect in the organization if such were dependent on the staff turnover rate, and if the good official does not in practice have the expectation of advancements then the organization is not offering a satisfactory career. This in turn engenders staleness, frustration and lowering of qualitative and quantitative output. In GATT the problem of promotion has throughout been linked with the problem of recruitment in a career service, and it has all along advocated and practiced a policy whereby competence and efficiency, which is the paramount consideration in the employment of staff, must equally take first place in promotions. As will be noted from Annexes 1(a) and (b) and Annexes 2(a) and (b), GATT's method of promoting its deserving staff has not over the years notably disrupted the grade distribution of posts either in the professional or in the general service categories.

7. The secretariat is for the most part filled by career staff, that is staff with permanent appointments who can hope to progress upwards to the extent their capabilities permit. As regards the junior full professional official who joins the organization at P.1/P.2 expecting to spend his whole working life in it, we do not see how good quality staff could be attracted unless the average official could be reasonably sure of reaching about the top of P.4 by retirement, the above average could go to P.5 and in the case of the exceptionally competent could feel that he had a reasonable prospect of reaching the Director category.

8. A rigid application of the concept of grading posts is not conducive to the development of the career potential of staff in a small and highly specialized organization such as GATT, and makes no room for recognition of the value of the staff member's services as distinct from the theoretical grading of his functions. In view of the low turnover of its staff, be it through death, retirement or separation, promotions in GATT must be supplemented by upgrading of posts to attract and retain the highest quality of staff. The risk of a general relaxation in classification standards by following a rank-in-man promotional policy is almost non-existent in an organization such as GATT.

9. An important feature in GATT has been that, in dealing with this small organization, members of the Budget Committee have readily been able to see the secretariat's problems. The secretariat believes that a large degree of mutual trust has been established: on the one hand, the Director-General respects the judgement of the Committee and submits only those proposals for regradings which he feels to be essential for the good working of the secretariat; on the other, the Budget Committee has, without prejudice to its rôle as the watchdog of the Contracting Parties in regard to administrative and financial matters, considered sympathetically the proposals put forward. This situation is mentioned because the morale of staff is undoubtedly higher when they recognize that their employers, the Contracting Parties, are not approaching their problems in a standardized doctrinaire way but are prepared to entertain policies related to particular problems.

10. In the course of the secretariat's study of the question of regradings, it became apparent that in other organizations the executive heads had authority to set the level of the general service category grades. This principle has also been accepted by the Budget Committee with regard to the budget of the International Trade Centre UNCTAD/GATT. It is believed that the application of such an arrangement to GATT would be beneficial, since it would avoid the time-consuming examination by the Budget Committee of detailed justifications for proposals concerning junior posts involving negligible financial implications.

11. In the light of the foregoing, and in accordance with the practice which has been widely adopted by United Nations specialized organizations, detailed justifications for upgrading of general service category posts are no longer given in the 1975 budget.

Annex 1(a)/Annexe 1 a)

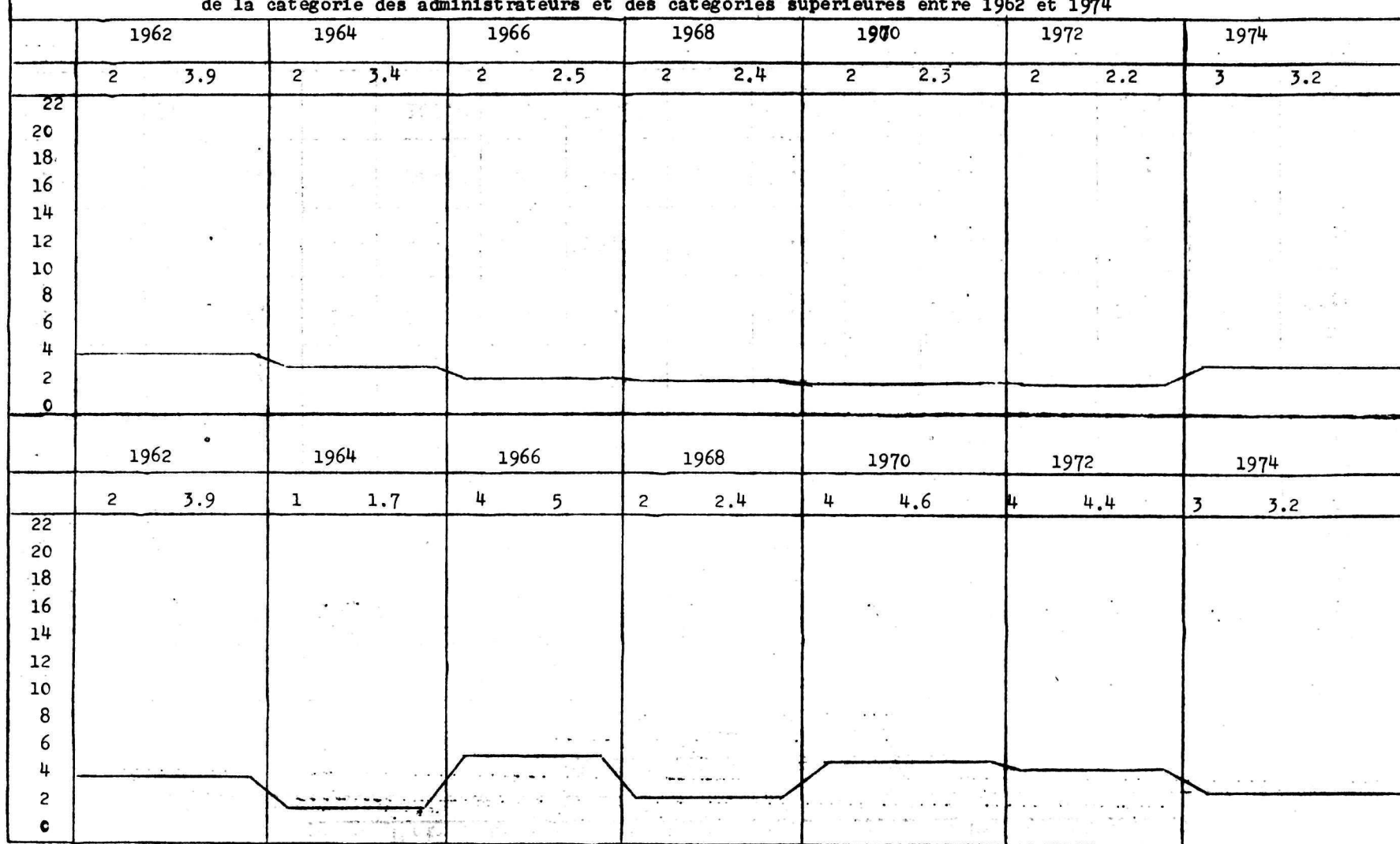
Grade distribution of Posts in the Professional and Higher Categories/
Répartition par classes des postes de la catégorie des administrateurs et des catégories supérieures

Evolution during period 1962/1974/
Evolution de 1962 à 1974

	1962		1964		1966		1968		1970		1972		1974	
	No/nb	%	No/nb	%	No/nb	%	No/nb	%	No/nb	%	No/nb	%	No/nb	%
Ungraded/ Hors- échelle	2	3.9	2	3.4	2	2.5	2	2.4	2	2.3	2	2.2	3	3.2
D.2	2	3.9	1	1.7	4	5.0	2	2.4	4	4.6	4	4.4	3	3.2
D.1	2	3.9	2	3.4	5	6.2	9	10.6	9	10.4	9	10.0	9	9.6
P.5	4	7.9	11	18.6	12	15.0	9	10.6	13	14.9	16	17.8	18	19.1
P.4	13	25.5	14	23.7	14	17.5	16	18.8	14	16.1	14	15.6	14	14.9
P.3	12	23.5	10.	17.0	19	23.8	24	28.2	22	25.3	20	22.2	20	21.3
P.1/P.2	16	31.4	19	32.2	24	30.0	23	27.0	23	26.4	25	27.8	27	28.7
Total	51	100.0	59	100.0	80	100.0	85	100.0	87	100.0	90	100.0	94	100.0

Annex 1(b)/Annexe 1 b)

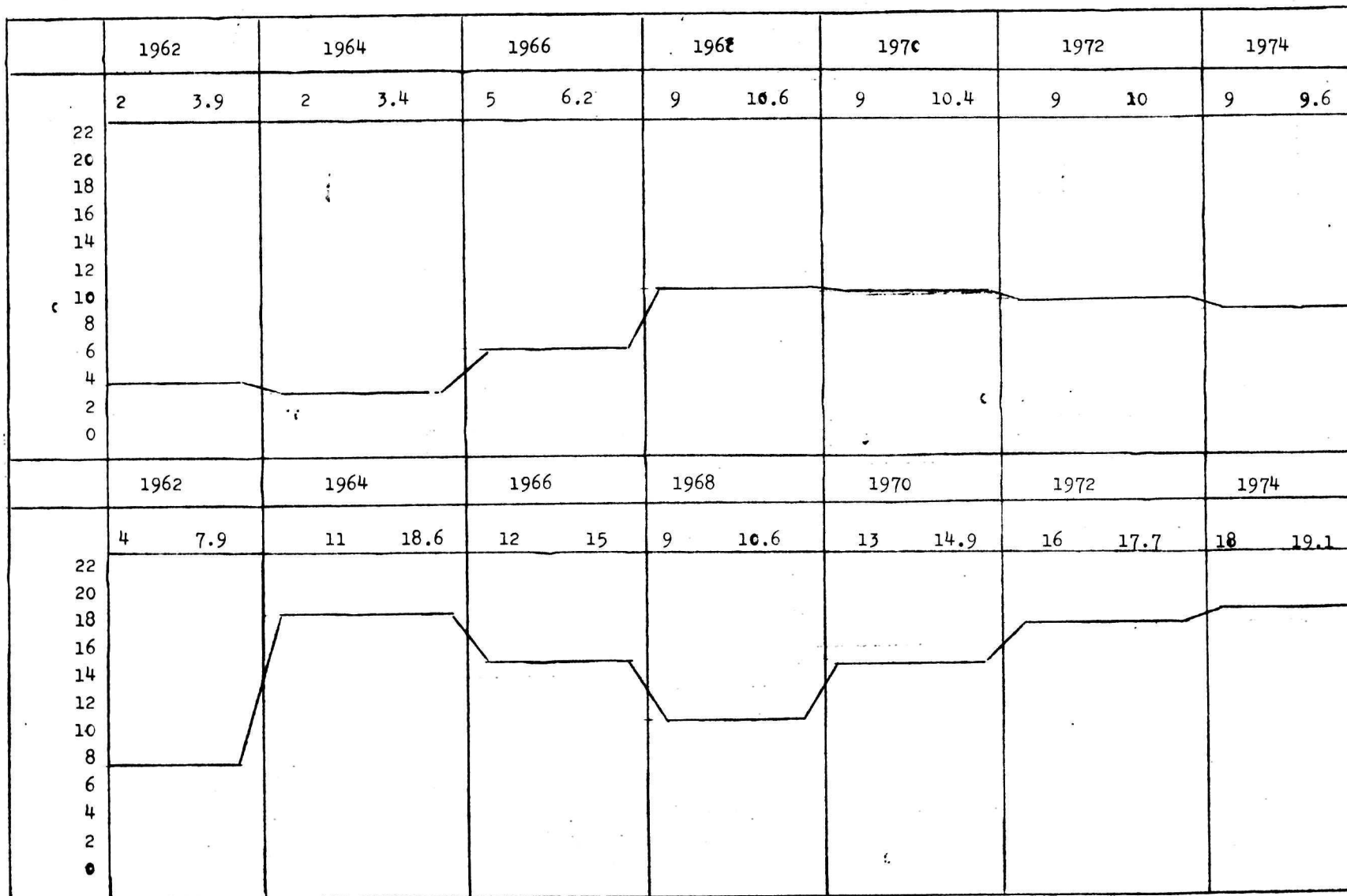
Graphic presentation of percentage distribution and evolution by grade of post
in the Professional and higher categories during period 1962/1974/
Présentation graphique de la répartition en pourcentage et de l'évolution par classes des postes
de la catégorie des administrateurs et des catégories supérieures entre 1962 et 1974



Ungraded/
Hors échelle

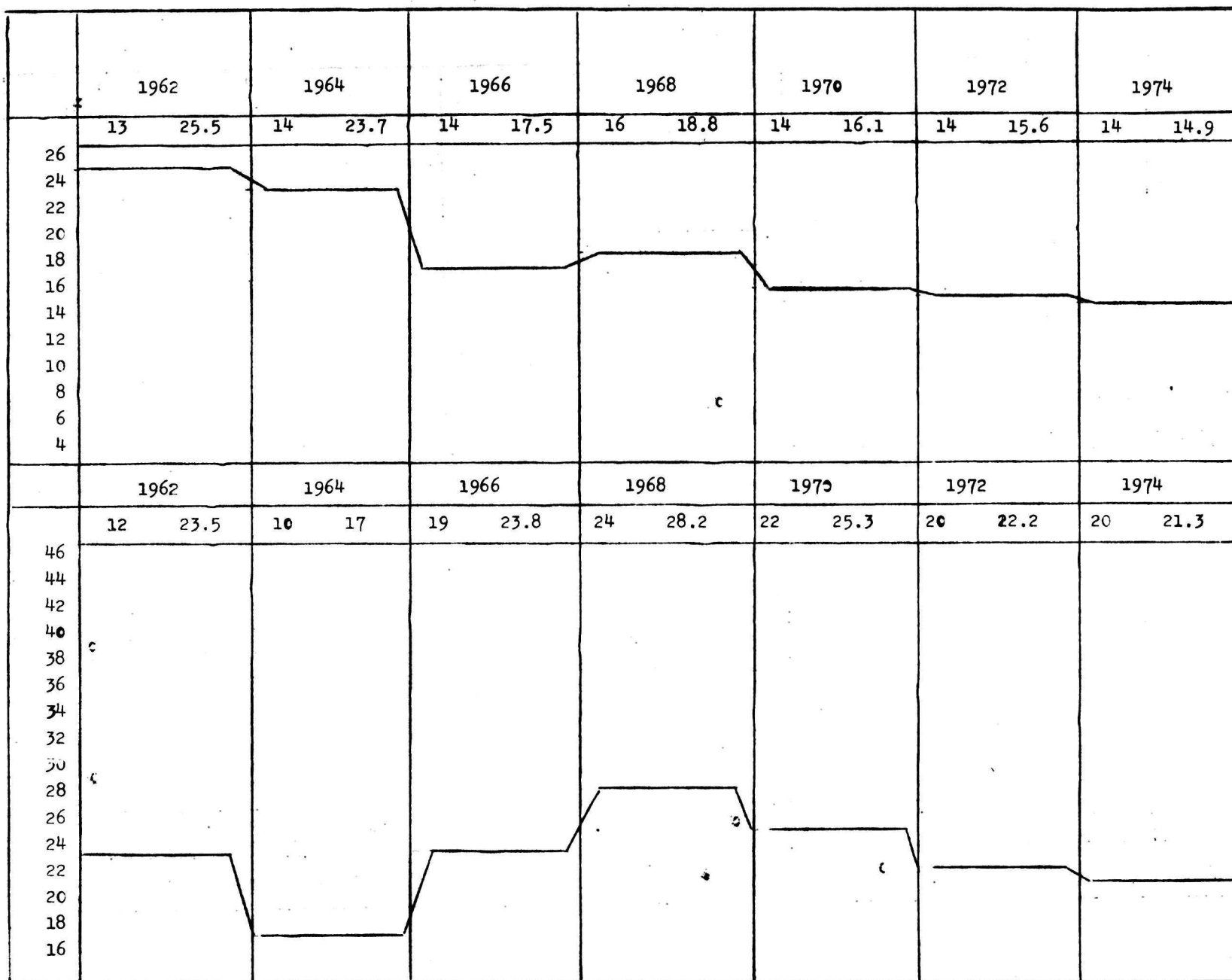
D.2

D.1



B.5

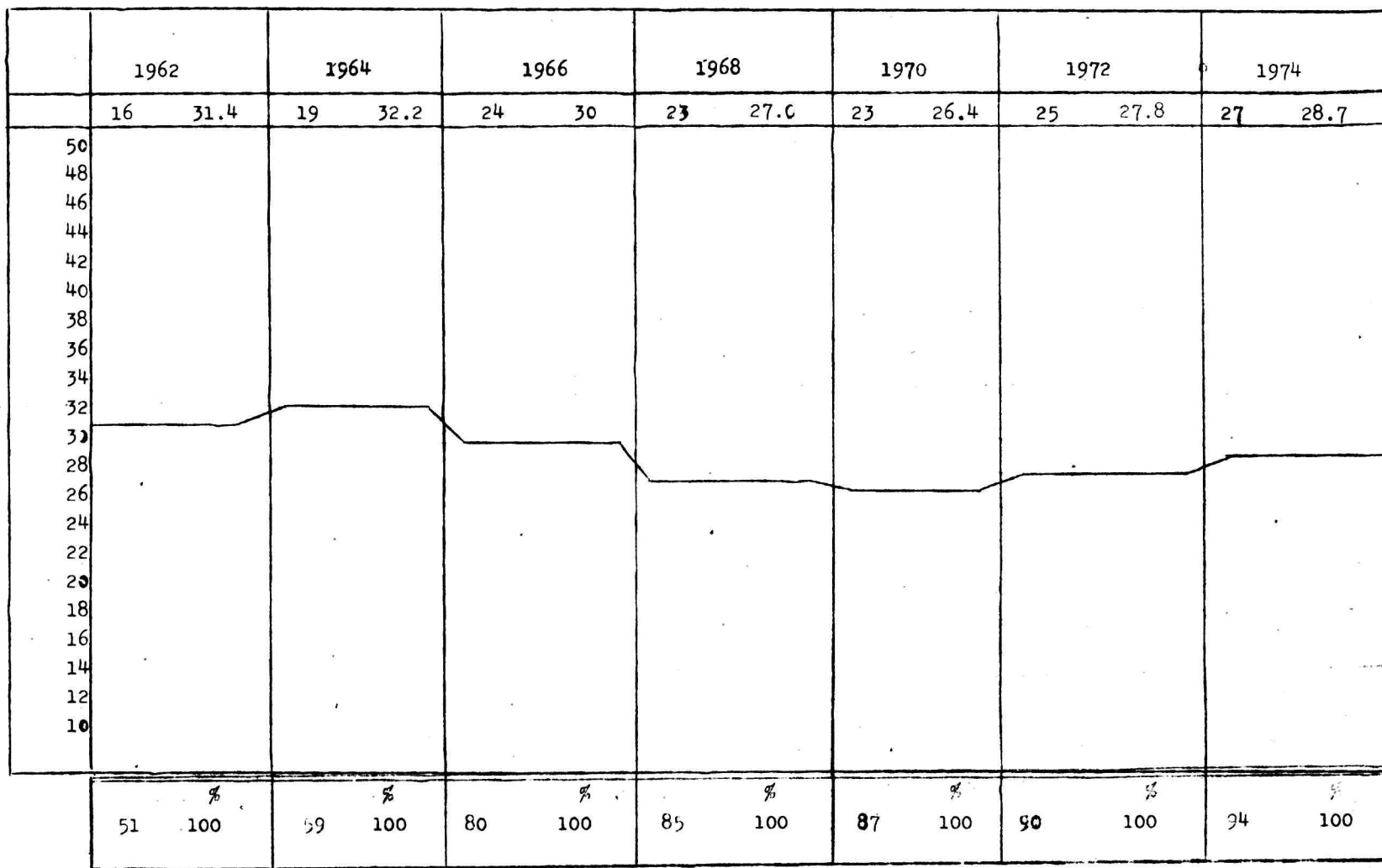
P.4



P.3

P.1/P.2

Total

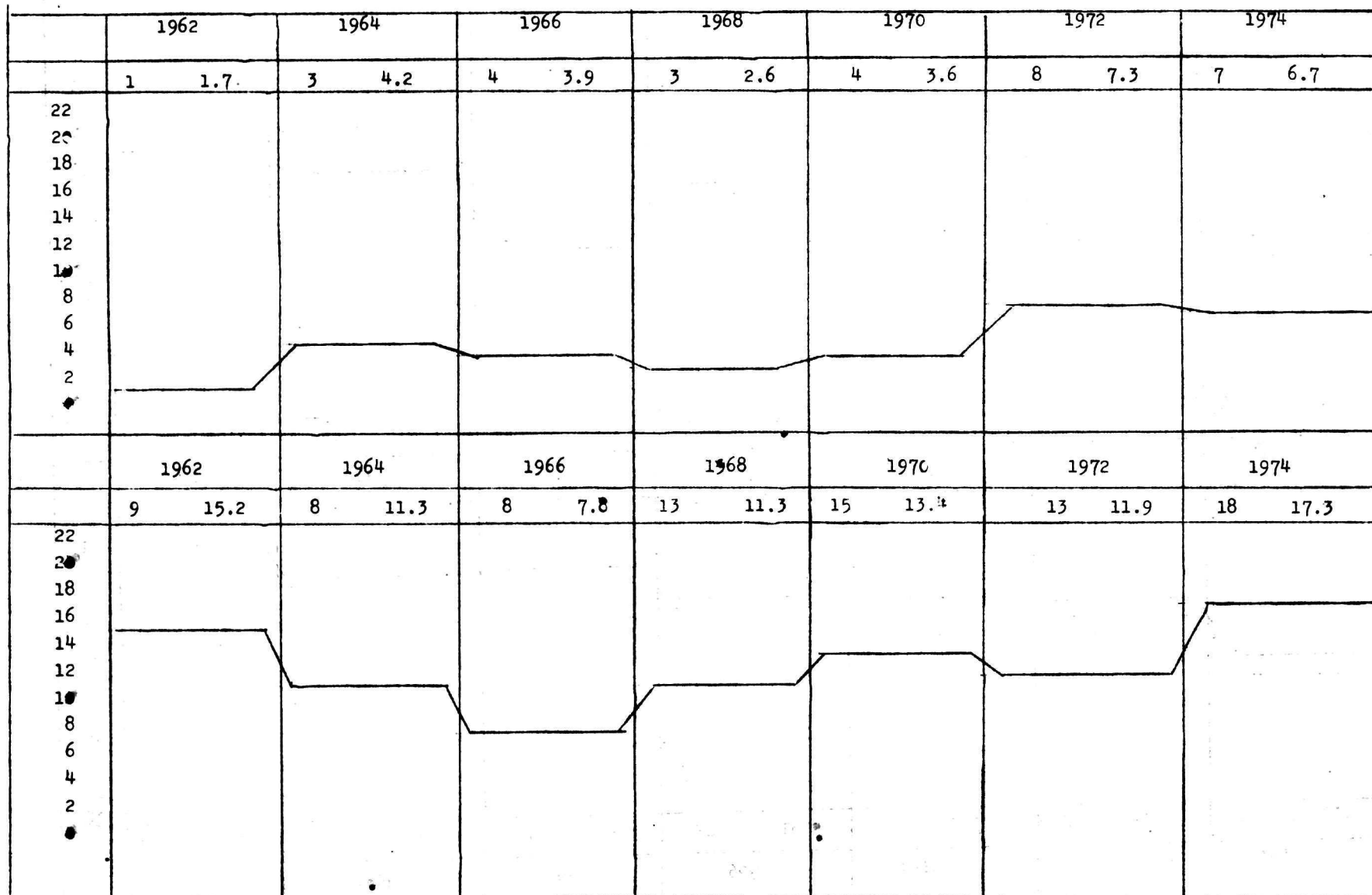


Annex 2(a)/Annexe 2 a)
Grade distribution of posts in the General Service category/
Répartition par classes des postes de la catégorie des services généraux
Evolution during period 1962/1974/Evolution de 1962 à 1974

	1962		1964		1966		1968		1970		1972		1974	
	No./nb	%	No./nb	%	No./nb	%	No./nb	%	No./nb	%	No./nb	%	No./nb	%
G.7	1	1.7	3	4.2	4	3.9	3	2.6	4	3.6	8	7.3	7	6.7
G.6	9	15.2	8	11.3	8	7.8	13	11.3	15	13.4	13	11.9	18	17.3
G.5	6	10.2	9	12.7	13	12.6	17	14.8	17	15.2	17	15.6	21	20.2
G.4	9	15.2	12	16.9	23	22.3	21	18.2	24	21.4	24	22.0	24	23.1
G.3	18	30.5	26	36.6	39	37.9	47	40.9	40	35.7	37	34.	29	27.9
G.2	14	23.8	13	18.3	16	15.5	14	12.2	12	10.7	10	9.2	5	4.8
G.1	2	3.4	-	-	-	-	-	-	-	-	-	-	-	-
Total	59	100.0	71	100.0	103	100.0	115	100.0	112	100.0	109	100.0	104	100.0

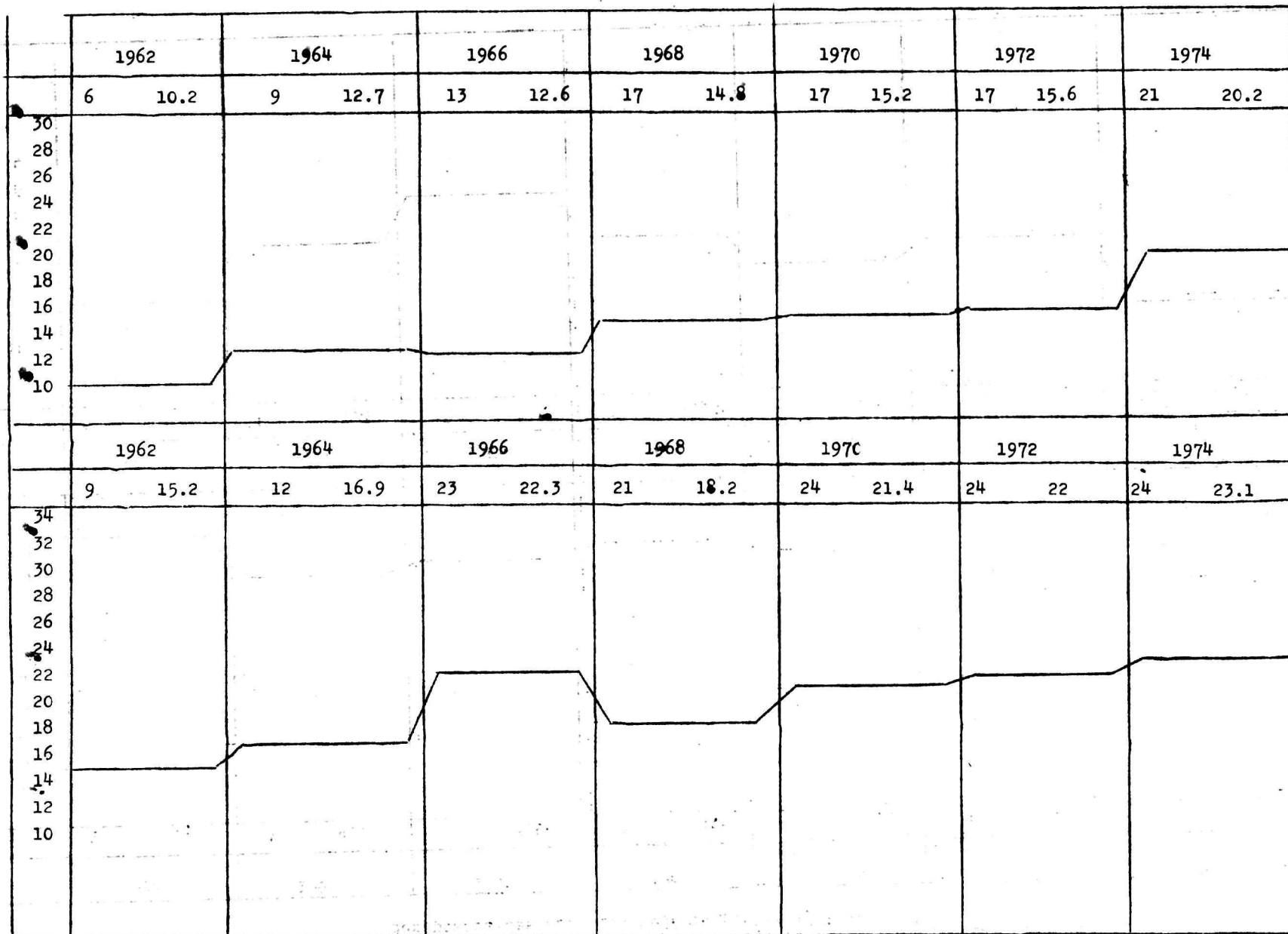
Graphic presentation of percentage distribution and evolution by grade of General
Service posts during period 1962/1974/
Présentation graphique de la répartition en pourcentage et de l'évolution par classes
des postes des Services généraux entre 1962 et 1974

G.7



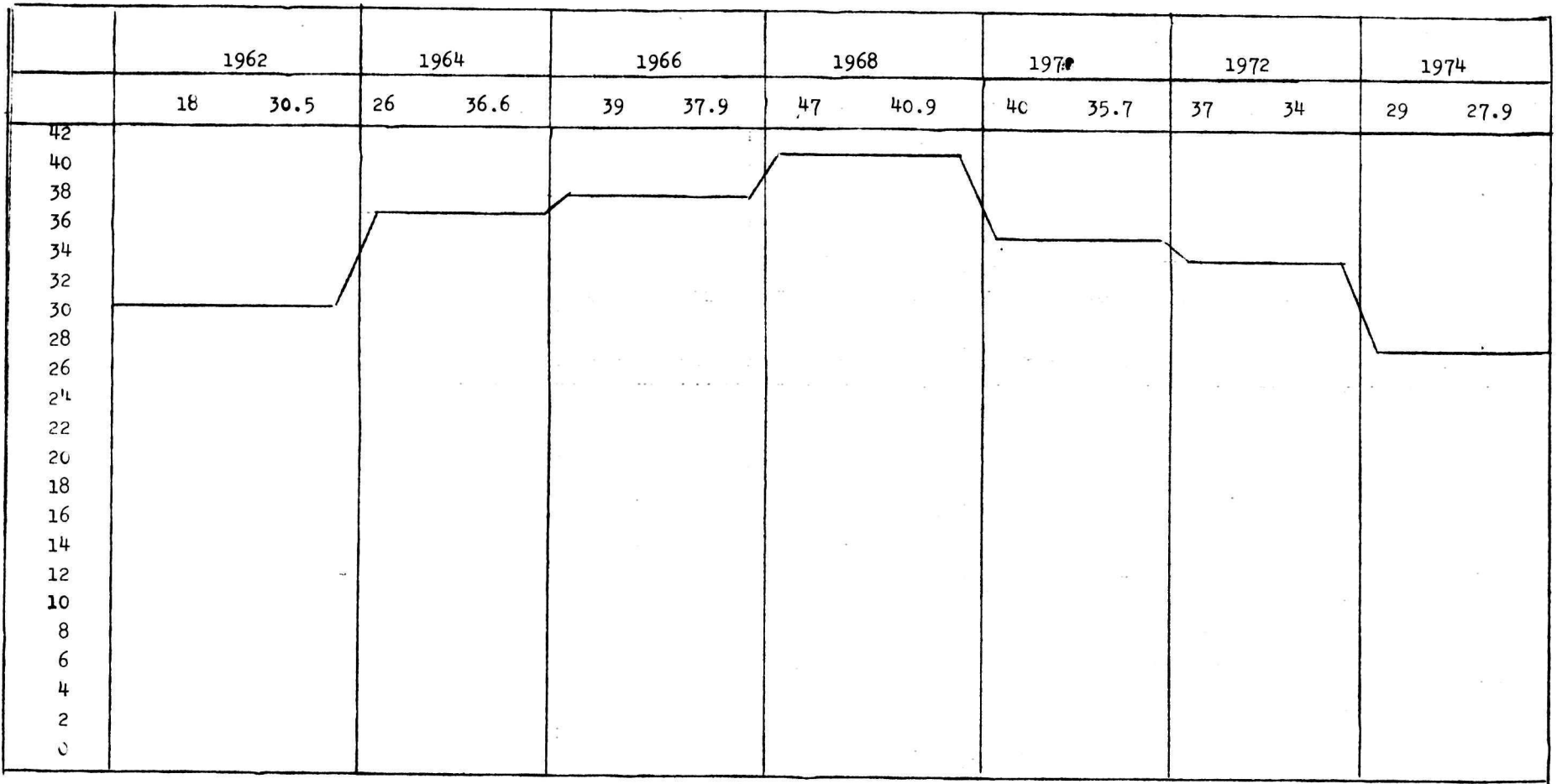
G.8

G.5



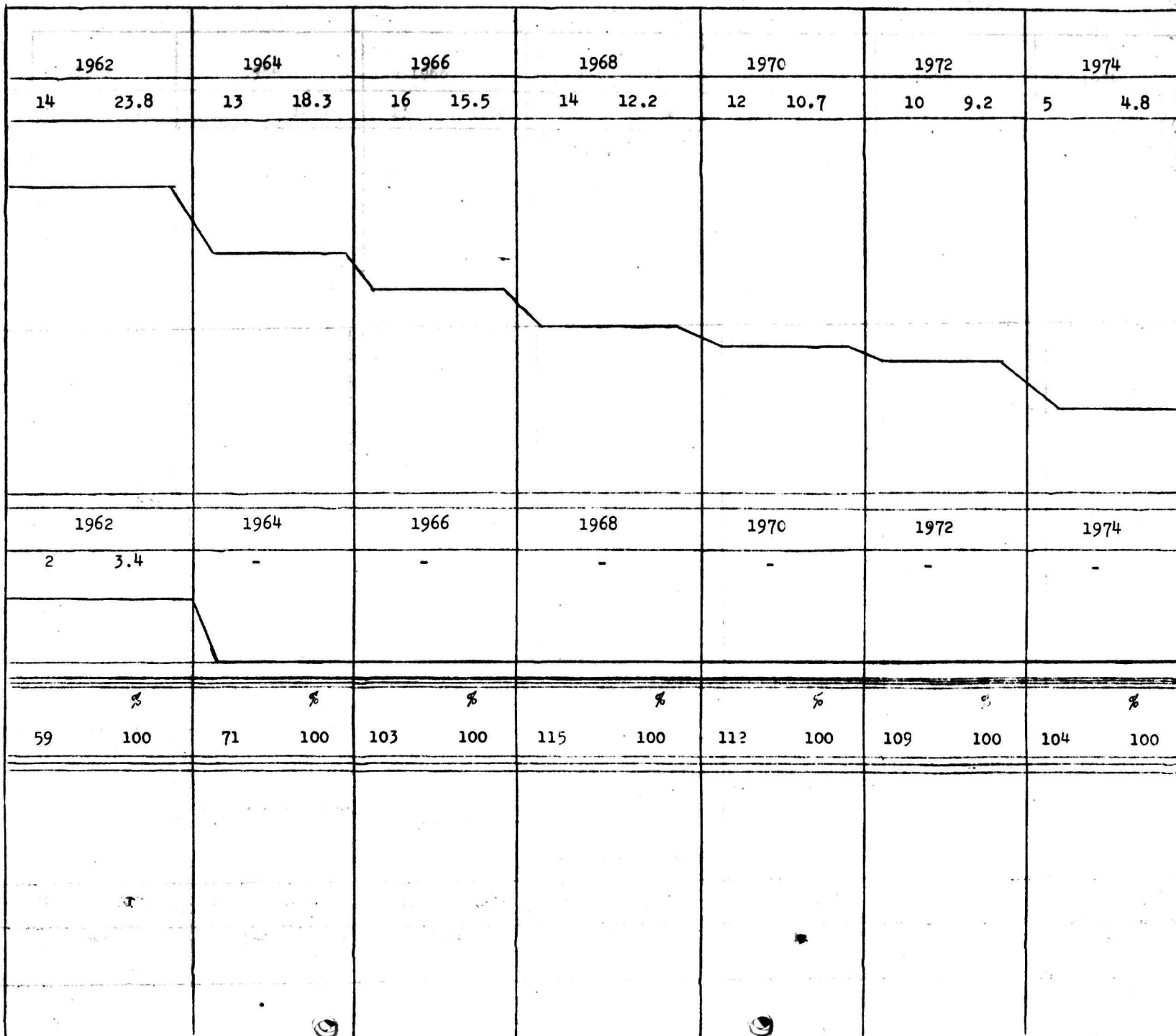
G.4

G.3



28
26
24
22
20
18
16
14
12
10
8
6
4
2
0

G.2



4
2
0

G.1

TOTAL
G.S.