
HELSINKI – Cross-Community: Operational Planning Session
Tuesday, June 28, 2016 – 17:00 to 18:30 EEST
ICANN56 | Helsinki, Finland

XAVIER CALVEZ:

We're going to start this session in two minutes.

Hello, everyone. It's three minutes past the hour so we are going to start this session. This new session, Cross-Community Operational Planning, is a new session that we're going to try today with this group is to offer an interaction between the ICANN organization and the community on the ICANN operating plan.

The purpose is twofold, is to increase the understanding of the community on ICANN's operations and to allow the community to provide input to ICANN executives on their area of responsibilities in the ICANN operations.

This will enhance the capability of the community to provide input during the operating/planning process and it also will help the ICANN executives to plan more effectively on an annual basis.

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The approach is that we will have a short presentation from each ICANN executive on their area of responsibility and we will follow this short presentation with a Q&A session.

The idea of this interaction resulted from conversation with the ccNSO SOP Working Group – the SOP Working Group is the Strategic and Operating Plan Working Group. It’s a permanent Working Group from the ccNSO whose focus is to look at the planning activities of ICANN, and through interaction between this working group and the staff we have had the idea of creating this session to interact on the operations. And because we believe that the interest was on this type of interaction could be much more than simply for the ccNSO Working Group, we thought it would be best to have this session be cross-community and open to anyone interested.

For this first session, the ccNSO SOP Working Group has offered three topics of interaction: an overview of engagement and hubs operations, which Sally Costerton as VP of Engagement will provide; and an overview of HR operations, which Susanna Bennett, COO of ICANN, will provide. Giovanni Seppia is the Chair of the ccNSO SOP Working Group and has offered to moderate this session. Giovanni, a few words? Thank you.

GIOVANNI SEPPIA:

Thank you, Xavier, and thank you, Susanna, Sally, Diane, and Patrick, for being with us today. It's great to see you here. As Xavier pointed out, over the past years the ccNSO SOP has provided ICANN with a series of comments regarding certain areas of the work as they were presented in the operating plan and budget every year. And during the Marrakech meeting a few months ago, we thought it was a good idea to ask possible questions directly to those who are at the top of the departments that are in charge of these different areas and to ensure that there is an interaction, not only with Xavier's department that has been providing us with a lot of information, clarification, background, notes about what's behind the process of producing the operating plan and budget, but also to have an interaction again with those in charge of the different areas.

And among the different areas, let's say the most wanted areas for more information and clarification were certainly HR, the hub, and office engagement strategy of ICANN. So we thought it was a good idea to start with those, but yesterday during the ccNSO SOP meeting, we also highlighted other areas where in the future we would like ask ICANN to meet and interact with those in charge of the other areas. So it's with great pleasure that I welcome ICANN staff today in the room to provide this overview. And again, I invite not only the ccNSO SOP members

who are attending this meeting today but all the ccNSO community and other stakeholders in the room, to ask questions at the end of each presentation so that again we can interact and see how we can further clarify all the matters that we may have left pending over the past year.

So thank you again for the opportunity.

XAVIER CALVEZ: Susanna, do you want to start on the...or Sally, you will start over the engagement presentation?

SALLY COSTERTON: Good afternoon everybody. For those of you who don't know me – which I don't know, probably quite a few, looking around the room I recognize quite a lot of faces but not everybody – my name is Sally Costerton and I lead what we call stakeholder engagement at ICANN, which is quite a general term. My day-to-day responsibilities encompass quite a number of areas of ICANN's outward-facing activities, including overall responsibility for the meetings team, who put on this fantastic event that we're all at at the moment. All our engagement team around the world. I have a lot of involvement with our communications function, and very recently I've also taken over oversight of our development and public responsibility team.

So in that process, I've been at ICANN for just under four years, and many things have changed and developed in that time frame. What I'm going to try and do, and just very briefly, is in two parts. So I'll start by giving you an overview of our engagement strategy, and I will explain our hub strategy, and I will try to articulate the difference between the two. Sometimes they're closely related, but our hubs are not just there for our engagements, just to be very clear. It's a very common misunderstanding and maybe we have to really work on our communications about that.

And then I'm going to hand over to Patrick Jones, my colleague, who I'm sure many of you already know, who works very closely with me in this program, and also Jeannie Ellers, who is sitting here in the front row. Do you want to put your hand up, Jeannie? If there's anybody at ICANN who doesn't know Jeannie I'd be surprised, but anyway. And the three of us have been very closely involved in the second part of the presentation which I know that Giovanni was keen we should discuss, which is about goal setting and metrics and measurement.

So hopefully at the end of that it will be a bit clearer, but I'm sure there'll be questions and I look forward to a lively discussion.

Next slide please.

So what you see at the bottom of this slide is the way we think about engagement. And it's really a very simple idea. Three concentric circles. So in the very middle of that circle is the existing ICANN community – so people who are at ICANN meetings, who are part of our SO/AC structures, who are part of the Board, who are part of the staff – this is what we mean loosely in this inner circle. And as you can see, the strategy that we deploy in terms of our engagement and communications resources for our community in that sense is mainly support based. So we're here to help you do your work. Wherever you're based, whatever your specialist interest is, whatever stakeholder group you are involved with. And in doing that, we work extremely closely with the policy support team that is run by my colleague, David Olive.

And as time has passed, that closeness has deepened to the level that David and I now co-chair a larger coordination group inside ICANN staff which has representatives on it from every department that is touching the community. That would include our IT and product development team, our meetings team, our languages team, also our communications team, our engagement team, our policy team. So we try to make sure at a staff level that in that support role for our community members, that we're thinking in a joined-up way.

Could we go back to the slide with the three circles on it? We seem to have gone to the end. I must be being very boring.

In the middle circle – keep going, that’s it, thank you – in our minds we think of this as particularly through a very regional lens. We have eight regional vice presidents who are positioned around the world to support you in a slightly more localized way. All engagement in the end is really local, of course. But we try to do that in a reasonably harmonized way that reflects common global interests as well as specific bespoke local requirements.

And many of you will know – and we’ll talk about how we’re measuring it later – we are mainly operating that strategy through what we call regional engagement strategies. And Patrick’s going to talk about those a bit more in a minute. And they are largely community-based groups working with staff to address the local and regional needs for your different stakeholders in the different parts of the world.

And then finally, in that outer ring, are people who are affected by our work but don’t necessarily know that yet. Really important group, and as it says in the text on this slide, that group has been particularly activated towards ICANN through this process of the IANA oversight transition. For many people in the world, suddenly they know about ICANN and they are

thinking about ICANN and they are wondering whether they understand enough about what happens at ICANN and what implications in effect that might have on them in their role as a registrant or other participant in the Internet as a user.

And predominantly our strategy – not exclusively, but predominantly – our strategy there is through our communications channels and through the content that we produce, that it comes now in many, many, forms – everything from video to infographics, from newsletters to local speaking points for meetings, and almost everything in between. And a key element in that group is the languages capability. If we are to make ourselves understood, if we are to help that group of people who do not spend time with us – and maybe never wish to spend time with us like we are today – understand what we do and why what we do affects them and how they can engage with us if they want to, they have got to be able to understand us.

And it sounds so easy, but a lot of time and resource goes into making that work. And we're not there yet. And this group touches our website very strongly and our web assets, as you might imagine.

So let's move to the next slide. I've covered the next slide. My presentation skills are better than I thought.

Okay, so hold that thought in your mind as we go in, and we're going to delve into a bit more detail now about how we look at some of the programs and projects that are in those layers and then how we measure them. Patrick.

PATRICK JONES:

So we've provided the slides. It will be posted on the session node for this event so that you will have them for your own reading. What I'll provide an overview now is of our regional strategies and plans.

Five of our regions are currently, they have community-driven bottom-up strategies. This is the Latin America and the Caribbean region, Africa, Middle East, Asia-Pacific, and the Oceania regions. Oceania launched their regional strategy in Fiscal Year '15, and the others were launched in Fiscal Year '13. Asia and Africa have realigned their strategies to match up with the ICANN goals and objectives from the ICANN strategic plan, and Africa and the Latin American/Caribbean Region have redrafted their regional strategies completely as of Fiscal Year '15 and they are now following along with the ICANN five-year strategy.

North America, Europe, Eastern Europe, and Central Asia do not have bottom-up community-driven strategies but our regional vice presidents have their own regional work plans, and those

do take into account input from the stakeholders in the regions. And these plans are, they are matched with our ICANN strategic plan. So these are all built around, it begins with the ICANN strategic plan as the base and then the plans then take into consideration the regional community needs. And I think this does fit well with the comment that was received from the ccNSO and SOP, is that you wanted to see better alignment of our work with the input that's coming in from the regions.

The next few slides show you how the regional strategies are, the timing and the number of projects that are underway with each of these. It's also useful to see the number of objectives for each of the strategies. So for example, the graph represents the regional objectives goals and how they fit with the ICANN strategic goals. So for example, Africa shows nine regional goals under the objective "Evolve and further globalize ICANN." And it's difficult to read it in the chart, but if you take a look at the detail, this should provide a better understanding of how the regional plans match up with the ICANN objectives.

The regional plans are now at the phase – and this gets into the discussion around KPIs and metrics – there is work underway to gather the metrics that have collected across the regions and synchronize these efforts, identify gaps, and where there are similarities across the regions, to help set measurable goals. And right now there's regional work plans in place. We're in the

process of setting targets. And this also – this relates to where we’ve identified some challenges with our previous KPIs. We’ve now been trying to come up with solutions to address those through better collection of data and also better data that we are displaying for the community through our dashboards.

Maybe I’ll take a pause there and see if Giovanni or anyone has questions about the way we’ve structured this. All of this is around taking what we’re measuring now and building from it, taking in the feedback from the community and being able to, as we go forward into FY17 and beyond, how can we better show outcomes and impact of the work that we’re doing in engagement.

And that is the end of the slide deck, but you’ll have it for your future further use.

GIOVANNI SEPPIA:

Thank you, Patrick. Thank you, Sally. Is there any question from the attendees of this session? [Roloff], there is a mic in the middle of the room and as we have done this morning, please get close to the mic. It will function soon.

[ROLOFF MEYER]:

Okay, soon.

GIOVANNI SEPPIA: Soon.

[ROLOFF MEYER]: [Inaudible].

GIOVANNI SEPPIA: No. Can you please activate the mic in the middle of the room?

[ROLOFF MEYER]: [Inaudible]. I think then the question then it's with regard to one of your slides, Sally. I can't literally quote the slide but it says something like, "The objective is to make sure that everyone who is affected by the work of ICANN knows about ICANN." Something like that, right?

I think it's a very honorable goal, but I think you could well argue that everybody who uses the Internet is affected by the work that ICANN does because one of the things that you do has to do with IANA and as soon as we use the web...well, resolving etc...root zone. So I think you're going to perform very poorly on any KPI affected with regard to that objective for a very, very, long time. And I don't completely understand why you think that would be necessary. Everyone.

SALLY COSTERTON: [Roloff], thank you. It's a really good comment. You're right, of course.

[ROLOFF MEYER]: [Well, that's not always the case].

SALLY COSTERTON: No. Okay, fair enough. You said that, fine. On the record. You're right. You're definitely right about this point, let me put it that way. It reflects – hello, McKailey. Are you coming to address me in person? Okay, thank you.

This reflects where we started. And what I showed you was very transparent. I mean, this is where our engagement strategy came from, if you will; its kind of genesis. What you will not find is a KPI for that goal. So in that sense it isn't accurate actually to call it a goal. I would call it – I'm not sure what I would call it. But I think it's a...pardon...a dream. Yes.

One of the things that I'm incredibly happy about is that we're here having this discussion, because we actually don't spend a lot of time at ICANN meetings talking about engagement. And I'm really happy that this has been put on the agenda because now we've been doing this and we've done a lot of things in the last three/four years. And ICANN has changed a lot and the world

has changed a lot. And we have new Bylaws, we have a big change in our community.

And I would welcome an opportunity for us to gather informally, for people who are interested, to have more ongoing discussions about how...this particularly this question about measurement, as we move forward and we say, we look at ICANN's scope and ICANN's Bylaws, and we say, "How do we make sure that our engagement is in scope and that we are very tightly aligned, not just to our strategic plan but to our scope and to the expectations that come from that?" That is an evolution of where we started from. And that will give you a subset, actually, of that group, if that's helpful. But thank you. You're raising a really important point.

GIOVANNI SEPPIA: Thank you, Sally. McKailey.

MCKAILEY NALEM: Thanks. A couple of things. First off, where do you define a stakeholder?

SALLY COSTERTON: What, you mean in the slide deck?

MCKAILEY NALEM: No, anywhere.

SALLY COSTERTON: Anywhere.

MCKAILEY NALEM: Yes, no. Because the thing is this, you're talking about stakeholder engagement.

SALLY COSTERTON: Yes.

MCKAILEY NALEM: Yet I don't see a definition of who constitutes a stakeholder.

SALLY COSTERTON: Right.

MCKAILEY NALEM: Which then leads me on to...which is the bit missing. Because what I'm seeing several people here from the ICANN side presenting, and I'm also noting people who are missing. So for example, Chris Mondini and his team have been doing a lot of stuff around business engagement, yet you seem to have the business engagement as something which is separate to the

overall global stakeholder engagement, which seems to be – unless the two are some way pulled together which I’m not...I don’t see that. I mean, maybe I missed the slide. Great, Patrick. You’re going to help me out here?

PATRICK JONES:

So the way we’ve structured this is that there’s the regional engagement that happens, but we also have functional engagement, too. So global business engagement, technical community engagement, the civil society engagement, all of that, and also we work closely with our government engagement colleagues. So where maybe we segment stakeholders into the traditional four stakeholder group areas, but those are all part of our team.

And Chris Mondini for global business has his own global business work plan that he works from.

MCKAILEY NALEM:

So is he part of your team or not?

PATRICK JONES:

Yes.

MCKAILEY NALEM: Okay. It's just because then the other thing is that the last couple of slides that you have some of these KPIs that you've decided on. Where are those published? Where are you actually sharing the information?

PATRIC JONES: Yes, so we do have some of these on the ICANN organizational Dashboard. We will admit that we internally have more data that hasn't made it to the ICANN-wide Dashboard and we're going through this process now of improving our KPIs and we'll be publishing those as FY17 goes on.

SALLY COSTERTON: But you make an excellent point, McKailey. And it's an absence in the slide deck. It is very easy for us to attach to this a structure chart that shows exactly who is in this group and which stakeholders they address. And it is a matrix. So just to add to what Patrick said, at a regional level each regional vice president is asked to balance, as equally as possible, resources across the four stakeholder groups in their region. So both global coordination and regional focus on the WSIS stakeholder groups. So we'll add that structure chart to this so that everyone can see it.

MCKAILEY NALEM: Okay, thanks. Could you go to the last slide where you have the KPIs, please?

PATRICK JONES: Also this is a representative. It's not into the detail and if you want the detail we can provide this. I'm trying to get to – this is a sampling of the regional metrics that we are collecting, and we're turning these into KPIs.

MCKAILEY NALEM: Right. It's the...

PATRICK JONES: This one?

MCKAILEY NALEM: No.

SALLY COSTERTON: Which one do you want?

MCKAILEY NALEM: It's the one where you have what you're doing currently, what you're planning to do on the KPIs.

PATRICK JONES: This one.

MCKAILEY NALEM: Yes. Because the one that concerns me the most is it's the stakeholder journey aspect here. Because what concerns me is that you don't seem to have been tracking that, yet that to me would appear to be the most obvious one. Because...I'm speaking as a registrar, we have registrars from all the regions where we have certain positions which are elected positions for our representatives and we are meant to have geographic diversity.

Now if you've looked at the AFRINIC report on diversity within ICANN you realize fairly quickly that there are much deeper diversity issues. But as Chair of the Registrars I have to throw that out, because I can't turn to you and actually with a straight face say that I can actually give you that diversity within our representatives because at the moment I can't even get the geographic.

So if you guys are investing the ICANN budget in stakeholder engagement, then the stakeholder journey as in those who are actually engaged and what's happening to them in turning those into active, useful participants, is key. And that it isn't a KPI at the moment, it's only a future KPI, is quite worrying.

SALLY COSTERTON: Right. That is the central challenge now, right now. So I just want to explain this because what you've said is the most important thing we can say about the metrics and the KPIs.

What you're seeing here is what often happens in organizations. When you start doing KPIs and you start doing metrics, you measure what you can see, you measure what you can count, and any of you who have ever been involved in putting together with KPIs and dashboards will know that this is one of the weaknesses of doing this. What we want to do and what we are straining every sinew to do and what Jeannie here sitting in the front is spending an inordinate amount of her time doing, is precisely what you've just said.

So the brief that we have in my team – which is surprisingly hard to do, but that's not what this session is about unless you want it to be – is exactly that. Because in a way, that is ICANN's mission, is how do we deliver, and demonstrate that we are delivering, a pipeline of qualified volunteers that is representative according to the Bylaws, according to the mission, that is functional, that is helpful, and how do we track that through right from that outer circle right into the center circle?

And in some cases, we don't need everyone in the world to go into the center circle but we need enough of the right people

from the right places with the right expertise. So it's not just measuring people as they come towards us, it's also increasingly in the future going to be about saying, "Where do we need to go to find the people that are not here? Where are the gaps in expertise, in the working groups?"

I was very struck by some comments you made in a meeting we were in together earlier in the week about this. The need for finding the right people and making sure they come to ICANN more quickly so that we don't just represent what we're required to do by our mission and Bylaws, but we also have a good pool of volunteers. Otherwise our existing volunteer community is just going to collapse.

So you have absolute commitment that that is front and center. You really do. And I'm very happy for that to be on the record.

GIOVANNI SEPPIA:

Thank you, Sally. Thank you again, McKailey. Jay, you're the next.

JAY DALEY:

Thank you. Jay Daley from .NZ. On the same slide, website metrics isn't an outcome or an impact. I'm glad that this change is taking place because the left-hand side isn't KPIs, as you've said, and I'm pleased about what you're talking about.

It still seems that there is still much further to go on the right-hand side. Do you have a time scale, not so much for when you deliver it, but when there will be clarity about the right-hand side that those of us who are in this position look at that and go, “Yes, those are real outcomes.”

SALLY COSTERTON: Right now today, I’m not going to say to you a week on Tuesday. But you’re absolutely right and I take that action. I think it’s an important goal for us as an engagement team to be able to have more detailed, clearer communication about this activity and what are the steps in the process. What does done look like? And how far are we from done and what are the milestones that we need to get to?

And, by the way, I don’t want you to hear what I’m saying as meaning ‘slow.’

JAY DALEY: No. I realize that you might like to avoid saying next week on Tuesday, but we really do quite like people saying that because we like to hear commitment and a plan, and that target and knowing that there’s a target set.

SALLY COSTERTON: I take that point and I don't want to be flippant. This is a serious point. I kind of in a way reoffer my offer of earlier. If there are people in this room or in this group or anywhere else in the community that would like to convene in a more informal way as we go through this process, I personally would really welcome that. Not because we don't have ideas. We do. But without taking up the whole session, there are some quite tough constraints – well there are just constraints, constraints are by definition tough – that we have to often make trade-offs against.

And I think we haven't been very public in that discussion and I think that this is what I'm taking from – that's why I said earlier I'm very happy we're having it – but I'm also recognize for many of our community this is perhaps not very interesting or relevant, but for some people it's highly relevant. So I hope we can further that conversation. And I'm not avoiding making commitments on time, but what I know is even with some of my colleagues on this panel, there are interdependencies and I think the more visibility there is of those interdependencies the better.

JAY DALEY: That would be great if there were a slide of those so that we could see those, yes. Thank you.

GIOVANNI SEPPIA:

Thank you, Jay. And thank you again, Sally.

Just one point as Chair of the ccNSO SOP, that this is a comment that we have put forward since many, many years. And since many, many years the feedback of ICANN has been that ICANN is in the process of setting those KPIs and so we have been hearing that for the past four years. And so when Jay say we like to hear time frames, we're not hoping to hear next Tuesday, hopefully you're going to get some rest after this week next Tuesday. But let's say that...and we all agree that for certain areas of your work it is incredibly difficult to find good KPIs and also to find KPIs that go over years.

But what we would like to see is at some point to see these KPIs. And so I try to reformulate the question of Jay. When do you think you and your team would be comfortable to say, "Okay we have a baseline of KPIs in the future"?

SALLY COSTERTON:

Okay, so let me just to be a bit clearer, because now I'm underselling what we've been doing. I've gone the other way. Actually the team has made an awful lot of progress in terms of both defining KPIs and agreeing metric and goals. And without wishing to be sort of pedantic about it, they are different. But even establishing that and a culture inside ICANN and the community that even...that's actually surprisingly difficult.

So we actually have a lot of KPIs and a lot of data now. And frankly, this is not particularly secret or anything. And I, as I say, if there is a smaller group of people that want to sit with us and really understand that and get underneath it, I'm very happy for that to happen. And to McKailey's point, if an ultimate goal or a really important goal is to be able to measure and track the stakeholder journey from end to end – and it absolutely is in my opinion – then it would be really, really helpful to have a wider group of input from community members to say, "Okay, well if you've got all of these here now, Sally, well that's great. Because we didn't know that and now we do and that's much better than not knowing it." And it needs to be no, we haven't had four years in zero, because that's not true. And some of this is public but we have a lot more.

The second thing is that helping us to solve some of those problems about how do we close the gap between what we need for a credible stakeholder journey map, if you will, and measurement of that, and what we have. So I hope that's helpful. But it's very genuine. I really don't want to give the impression that we're hiding away.

GIOVANNI SEPPIA:

No, that was not at all the message I was trying to deliver at all. The message is that, indeed, like the ccNSO SOP has on

numerous occasions said that we are all available – the ccNSO SOP – to sit with you, your team, any time to help you to improve KPIs and to make the KPI’s journey a nice journey for you and your team. And again, with our experience, different ccTLD registry managers will be so happy to do that.

Patrick, and then I have Xavier, and then Eduardo, and McKailey again.

PATRICK JONES:

So quickly. In the lead-up to this meeting we did a number of preparation calls, and there’s nothing that would prevent us from turning that preparation before coming here into, how can we show you more of what we have already been collecting and work with you on what we could improve with an eye towards as we are going to start the FY18 budget process and I think we could make progress in between the meeting just by doing a call or a series of discussions.

XAVIER CALVEZ:

Just a very quick comment. Without necessarily committing as Sally has indicated on a timeline for all these outcomes metrics, putting it differently, the next opportunity to share information and the one that’s available by then is the FY18 operating plan and budget. And by then the team will have made further

progress and will be at least able to have an overview as to what's available by then. So that's the next point that I think is useful to work towards because then that's also a basis for the community then to provide comments as to what's there, what's not there, and the progress that have been made.

I think that will establish a good rhythm which also can be complemented by what Patrick just offered, to do on a more substantial meeting interaction in between meetings.

GIOVANNI SEPPIA: And again, we are ready to help. Eduardo, and then McKailey.

EDUARDO SANTOYO: Thank you, Giovanni. Okay, my name is Eduardo Santoyo. I am from Colombia. And I'm going to talk as my capacity as Chairman of LACTLD. We have been working with ICANN in this region on engagement since 2013 and we can provide our testimony that this is very useful for the region and I guess for ICANN purposes, too. Because we have been doing many joint activities, not just with our community but all the communities in Latin America and I guess what we are having on these joint activities a very useful result for both parties.

But at the same time, I'm also going to raise the attention on how could [be affected]. [inaudible] we're doing together

cancelling the meetings in the region. Because it will also have a lot of impact in many engagement activities because one of the most important activities to engage people from ICANN issues is how many meetings on the regions. And cancelling two meetings this year will have a very serious impact on the region. That's what I wanted to mention.

SALLY COSTERTON:

Thank you very much. Thank you for your help with the regional engagement strategies. They wouldn't work without you, any of you. They're really for you and with you. But I really appreciate the feedback and I know the team will.

You raise a really important question. It's two questions actually in a way. What is the role of the ICANN meeting in our engagement goals and strategies? There was a, as you know, a big meeting strategy working team, a cross-community effort for I think nearly two years to produce the new strategy. And that group spent a lot of time trying to answer that question. And so we know two things, or we did at the end of that.

One is that it is less effective than we would like, actually, at outreach in our local communities when we take the meeting around the world. So even when we do take the meeting around

the world, we have a lot of work to do – this was the view of the community group – to ensure that there is much higher frequency, more depth, more breadth, of engaging local and regional Internet community members when we are actually in their city. So we should not assume that even wherever we do go that we are yet mature enough in that effort. And there are many community working groups paying attention to this, but we have a way to go with that.

The other side of it is – okay, so, having said all of that, there is no question in my opinion, and I am not a professional meeting organizer but I’ve done many of these now – going to a city with an ICANN meeting makes a difference. I absolutely agree with you. It makes more of a difference probably in Marrakech than it does in Los Angeles. I don’t know, maybe that’s not true. There is an element of importance – and we had the Policy Forum partly because they would be smaller meetings and it would allow us to go to smaller cities – where there would be more impact. This was one of the considerations of the working group.

What happens when we can’t go? That was your question. The reason I made my preamble is because I recognize that there is an impact and therefore if you don’t have a meeting you lose that impact. Very occasionally – and it is extraordinarily unfortunate that it has happened in this way; you have had a double whammy, a double impact – things come along which

are totally outside ICANN's control, where we have to make a collective decision that we cannot go ahead and we have to change, we have to postpone. In this case we have postponed, not canceled.

But nonetheless, there will be a gap. You will lose that platform in your region to do with whatever you might want to do. What we have done for the benefit of everyone else is we have put together a very senior group of staff to spend time with you and with your regional stakeholder group to make sure that we're doing everything we can to put new and extra engagement activities in with more people coming to you than we would normally do. Normally the regional activities are inside the region, but we recognize that there are things that we can do in this specific circumstance. Even if we don't bring an ICANN meeting, we want to do everything we can and we will allocate some additional resources. And I think you already know this, but we've agreed to allocate some additional resources to make that happen.

So sometimes, as in many other areas of ICANN, we have to make pragmatic decisions because we face no alternative. And in those cases we will always seek to try to do everything we can to mitigate, which is very much done in engagement with the local regional stakeholders. And we will do everything we can – we will postpone, not cancel.

But I don't wish to imply that this is not bad for the region because that would be wrong and it would be inappropriate. But all I would say is nobody is more disappointed that we had to do it than I am. We never want to do it. When we picked a location we pick it for all the right reasons. A great deal of work goes into selecting, and it is incredibly difficult and hard work and disappointing if we have to change.

GIOVANNI SEPPIA: Thank you, Sally. McKailey. The very last and short question.

MCKAILEY NALEM: Thanks, Giovanni. Just being a bit pointed about this. The total budget involved in all of this is not insignificant. So I think the thing really, and I've asked you all this before so it's nothing new, it's that it's not just a matter of KPIs, it's also a matter of return on investment. So I mean just something that you need to bear in mind when you're looking at this, because the amount of money is significant. And if you are spending money and you cannot show some kind of return on that and you cannot quantify it in some way, then realistically you might as well put the money in a pile on the floor and set light to it. Which in a cold winter in the darks of certain parts of the world that might be a good use of the money, but I don't think that's really what you should be doing.

SALLY COSTERTON:

McKailey, I don't think it's pointed, or at least not in a negative way. I don't take it that way. I completely agree with you. I couldn't agree with you more. And what we have at the moment is, as you know as you can see, we're being very open. We are counting and measuring lots and lots of things, but it's actually really difficult to answer that question right now. Not because we don't want to, but because it's not joined...now, if we can measure a stakeholder journey properly, we can also measure, in a way, the cost of that stakeholder journey, and then you can start to make a judgement about what you – and I'm not putting off answering your question, I've got no problem in having a value for money conversation through whatever frame people want to have it. I genuinely really haven't. I mean, at the end of the day this is all in the public domain. We go through it when we publish the budget. We're not hiding anything.

But I want to be able to answer that question, because I want to know the answer to that question quite apart from anything else. I have to make decisions about how we do allocate resources, and we have to show that we're doing that in the public interest and we have to show that we're fulfilling our scope and our mission. And I'm highly aware of that. And I really, really am very committed to being able to do that as part of that process. I wish it was easier than it is, but it is possible.

GIOVANNI SEPPIA: Thank you. Thank you, Sally. Thanks again to all those who asked question for this first part. We have some sort of time constraints, so if Sally and Patrick are available for a session in Hyderabad, a similar session like we had today, I would like to invite you to participate in this session about and have the hub strategy presented in Hyderabad.

SALLY COSTERTON: Absolutely no problem. I am feeling – is this a reward or a punishment, Giovanni? I don't know. I can't decide.

GIOVANNI SEPPIA: We'll discuss it later.

SALLY COSTERTON: But no, seriously, I think we should absolutely do that. And can I make the suggestion that we in a way we have a kind of more of a dialogue between now and then, and we do have a bit of a workback plan so that when we meet in Hyderabad we're not having the same conversation' we've really moved the needle and we can focus specifically more on the hubs then and we can prepare for that. Because it is really rather different. But thank you for the invitation.

GIOVANNI SEPPIA: A pleasure and again, between now and Hyderabad we'll be ready to help you as I said for the KPI journey.

SALLY COSTERTON: Good. Definitely.

GIOVANNI SEPPIA: Then I'd like to pass the floor to Susanna for the second part, which is about the HR strategy of ICANN. Thank you, Susanna.

SUSANNA BENNETT: Thank you, Giovanni. Thank you to all of you for having us here. There's a great opportunity and really good that we have this arranged and hopefully that we will continue this [inaudible] adding value and transparency.

First I wanted to just give you a little background about myself and the team. First actually I wanted to introduce the team. Many of you, probably all of you, know Diane Schroeder, VP of global HR and also administration. She's our second employee of the organization, has been with the organization for about 16 – 17 years. And I have to say I'm very, very, fortunate to have her on the team. I turn to her all the time for advice and very sound advice and judgement.

And to my right is Xavier. Many of you or probably all of you already know him. Extremely talented in finance and many other areas, and working very closely with all of you and the Board, especially recently with the CCWG and CWG on the PTI [side]. So I'm very fortunate to have both of them and the rest of the team in Operations.

A little bit about myself. I joined ICANN three years ago. As of July 1st will be exactly three years. And it has been an amazing journey. And I have to say I've never joined an organization with such talent and dedicated people. And when I joined I felt that there is such a good match with my background. I've been with tech companies for the 25 years of my career focusing on very much on organization excellence and change management, particularly with companies who start up or turn around or mergers/acquisitions so a lot of change management related areas and I'm very, very, passionate about that.

So when I joined ICANN three years ago it was quite different, like Sally was saying, different from today, and we've grown a lot. And we have come a long way in many areas and really thankful for the team, a lot of dedication from the staff and also from the community. I've never seen such involvement from the whole world in such a journey. So very much I feel very fortunate about that.

So today's focus is on HR strategy. And so how we manage HR is very much a focus on the strategy that's built together with the community. And that drives how we formulate our plans. So you can see on the slide here we have the strategic plan that was done with the community, and then the operating plan for the five years period also done in conjunction with the community. Then that drives the annual Budget and Operating Plan, then work with the community on the achievement of that.

Then within the organization, how we manage our work is also driven by the strategic plan and operating plan. If you can shrink the slide a little bit, that would be great can see [inaudible]. Great.

And in the framework of the organization excellence and elements of, of course, the budget and cost management, project managements, many of you know that we post that on ICANN website for you to see how we progress with each of the projects. And through people management are driven by the strategic plan and operating plan and also looking at risk element and reporting. We have many reportings. We'll go through that later on in this deck.

Okay, am I driving this? Yes.

So the goals specifically relate to the operation team is the objective three that two goes within objective three. The goal 3.1

and 3.3: “Enhance ICANN long-term financial accountability, stability and sustainability.” And then 3.3, “Develop a globally diverse culture of knowledge and expertise available to ICANN’s Board, staff, and stakeholders.” And our team have been focusing on those two areas and building the strategy of operations.

Okay. So HR, what we’ve been focusing on are three key areas. One has been a [trust and] strategic partner. Two are staff and aligning and engaging with our executive and management team and develop a world-class work force start with talent acquisition, acquire the best talent and then develop our people and also try our best to retain the very best staff.

And, of course, building HR excellence, we follow several models including EFQM Model. Many of you are familiar with this one. And we have embarked on the internal assessment each year since FY15. And we’re looking at enhancements in many areas, particularly on the system side to enable us with more analysis to make sure we are doing the right thing and growing the right places.

Okay, with this I would like to have Diane go through the next section.

DIANE SCHROEDER: Thank you, Susanna. So the slide you see here basically summarizes the department. We are a global HR department. We are based in all of the regions. And we offer four basic services to the internal staff. One, the employment – just the act of acquiring and bringing on staff – rewards, organizational development, and then operations within HR [IS] outlook on it.

The challenges that we have is while we're not necessarily a very large operation, we are a very complex operation. From an HR side, we're spread throughout 30 countries. Just within the United States we're in 18 different states. We have people who engage in many different types of activities from the technical to the engagement people, the policy people, to the operational people. And we try to take all of that different aspect of our staff and provide everything that they need to perform at the highest possible level.

One of our real focuses in the last couple of years has been building an organizational development department function within our HR. And it's had, at its core, five key areas to really focus on. The box that is in front of you represents those five areas: leadership development, organizational change management – as some of you know, we've been going through just a little bit of change in ICANN recently – learning and skill development, organization strategy and talent management, which all leads into team and organizational effectiveness.

So we've really tried to focus on a journey in these areas, putting in what's reasonable for the foundations and then building on them as we have more experience with our staff in these areas.

Performance management is an important and key part of our total strategy for HR. We have a twice a year evaluation system where staff set goals with their managers and are rated on those goals, how they've achieved them, as well as the behaviors that are taken to perform at a high level.

So the performance management system leads into our compensation program. We have an annual average performance score that comes out of the two performance management reviews that we do. This feeds into compensation data that's driven from the market. We use two main benchmarking studies. One is Willis Towers and Watson, and the other is Radford. And this leads into an HR guidance that's given to the managers for compensation adjustments which we do annually.

Our compensation program has been built on guidance from the Board of Directors, and they have given us guidance regarding how to position our compensation within various comparisons of markets within the framework that we have where we have an at-risk compensation program that is guided by the goal setting of the staff and the performance management and by a blending

of the different types of markets that we compare our salaries to when we do the benchmarking.

And with that I'm going to go back to Susanna.

SUSANNA BENNETT:

Some of these dashboards you have seen. We post them on icann.org on a monthly update. I wanted to go through just a few with you to relate to the budget that you have seen.

So look at the head count first and a few other stats I want to share with you. As of May this year, we have 357 staff, and it's below the budget right now. The reason being below the budget is that we have a lot of work going on. It's challenging for the team even to have the time to fill certain positions. Many of the team members just had to absorb the work and they just put in a lot of hours to make sure that they get the work done. So we have not been able to fill some of the positions, but the work has been achieved, as you can see what has been happening with our transition.

So the total staff number is below budget and also the average number of staff this year is below budget. And next year, FY17, we target to grow to 386 staff at the end of the year, and that includes 11 staff in the new gTLD group and then the rest in

ICANN Operations. And that includes the staff also working on the transition.

Then the growth trend as you can see that we had a huge growth in 2013 to 2014 – about 46%. Then after that, the growth had been tempered and slowed, and the team had been working tighter together and the growth in that 2013/2014 was very, very necessary to get the organization ready for the next phase.

Next slide, please. Okay.

Here is a picture to show how our staff are spread all over the world. You can see the various areas. Of course, we still have the highest number in the United States or North America area. However, the growth in the North America region has been very small in the last three years in compared to the other regions. The other regions been growing about over three times. And the highest growth definitely in Singapore and Istanbul hub. When we started over three years ago and also in [inaudible] and [inaudible] regions outside of the Hub offices.

Next slide please. Okay.

Here is to show you a bit about the diversity of the organization. Diane, would you like to cover this one?

DIANE SCHROEDER: So this shows some statistics – and we put them together recently for the first time, surprised a number of people – particularly in the diversity/gender area. We are currently – and this is the end of May – almost 54% female. Which I think is great for the type of organization that we are and the way that we’ve grown in the recent years.

We also, I think, have an interesting age trend which is that we are on the average 41 years old. So we’re sort of right in the middle of a working life is where our average comes. And then the years of service probably won’t surprise those of you who have watched our growth over time. So we’ve effectively had staff in place for just a little over 16-and-a-half years. And so we have 5% of our staff who’s been there more than 10 years, and the biggest percentage of our staff has grown in the last one- to three-year time frame.

SUSANNA BENNETT: I also want to show you the turnover in the organization. We measure ourselves against a target. It’s a [inaudible] survey benchmark and that’s a global benchmark of 13.4% that’s the most current trending 12 months benchmark. And so you can see the other bars in grey, that’s our ICANN staff turnover. Each one of the bars is looking back 12 months at a time. And you can see that it increased to as high as 11.8% late last year. We kind of

analyzed the factor was relate to the announcement of Fadi's departure and the changes affect the people's perception of the next phase of ICANN.

And then as we progress on hiring the new CEO Göran and also the work on the transition, right now looking back 12 months as of May our turnover rate has dropped down to 9.1%. And a lot of it definitely is a credit to the HR team and the management team putting a lot of efforts to development of the staff and efforts on retaining staff.

And I turn over to Xavier to cover this slide.

XAVIER CALVEZ:

Thank you, Susanna. On this slide we want to provide an overview of the various channels of reporting that contain personnel or HR information across everything that ICANN does. So most of you know that we have a strategic operating and annual operating plan and budget process in which information on personnel costs and the head count of the organization appears, notably in the annual operating plan and budget. We have Board oversight through the various committees of the Board who receive information relative to personnel and personnel costs, and we mention here the Board finance committee, the Board risk committee, the audit committee as well, and there is also a Board reporting that occurs on a

recurring basis that contains a lot of the information that you have seen on those previous slides.

We have also a regulatory type of reporting that occurs through our tax form. ICANN, being a tax-exempt entity, has a very large tax return to produce every year, as any non-profit organization in the U.S. And that tax return contains a lot of information relative to personnel and compensation. About half of the tax return, which is about 100 page, contains compensation and salary information.

On a quarterly basis, as many of you know, ICANN conducts stakeholder calls during which the activity of the previous three months is disclosed at a fairly high level of detail and of course contain also HR and compensation information. And we also publish on a quarterly basis financial statements that are not audited. We publish them on a quarterly basis providing a statement of operations, a statement of position which is also called a balance sheet, and in which there is also compensation information or personnel cost information in them.

On a monthly basis we have mentioned earlier in the presentation that we publish our management system coming from the system called Workfront. We publish also the monthly dashboard. You can look at it every month. A new version of it is published every month, and we're currently in the version one of

the dashboard, and the versions measure the evolution of the dashboards which represents the progress made on refining KPIs, notably as a result of the comments that we receive through the public comment process of the budget.

At ICANN meetings, this is also an opportunity to provide information and feedback, and we have at most meetings except this one first Meeting B, we have organizational excellence sessions that cover financials, EFQM, also updates, which is in our continuous improvement process, and also risk management updates that are usually provided at ICANN meetings. So that covers most of the information that is shared at different periods of the year on the both the financial area as well as the HR and compensation area.

I think we're through the slides.

SUSANNA BENNETT:

Yes, with that thank you Xavier and Diane. And thank you again for this time, allowing us to share our work with you. Please, any questions we welcome your questions and input. Thank you.

GIOVANNI SEPPIA:

Christopher. Could you please open the mic? It's open.

CHRISTOPHER WILKENSON: Is this it? Anyway, could you tell us a little bit more about the Human Resource aspect of the transition, and particularly about the staffing proposals for post-transition IANA PTI?

XAVIER CALVEZ: Thank you, Christopher, for this question. So many of you may know in relation to Christopher’s question that there’s been a lot of ongoing discussion on how to organize the staff who supports the IANA functions, and the current proposal from the implementation team is to have the IANA dedicated staff being seconded into the PTI legal entity. The secondment can be described in other words like a lease of employees basically. So the employees have a contract with ICANN but are dedicated to the IANA functions operations that are hosted within the PTI entity.

There is also a set of resources who are not dedicated to the IANA functions but still contribute to the IANA functions. As an example, the IANA department of ICANN today utilizes IT resources that are not necessarily dedicated to the IANA functions, but shared across the entire ICANN organization. So there is also a set of resources whose activity contributes to the IANA functions. Those resources will remain in ICANN, but the costs of the services that these resources provide will be nonetheless allocated to the PTI.

There will be also officers for the PTI, and these officers will be including for the general counsel and the treasurer will be...those corresponding positions for the PTI will be held by ICANN staff simply because those positions are not full-time positions within the PTI. And for example, for the treasurer, it seems that I will be offered as a candidate to be the treasurer of the PTI. It doesn't have to be me but that's also a relatively natural thing to do.

So that's a quick overview of the PTI IANA functions staffing approach.

GIOVANNI SEPPIA:

Thank you, Xavier. Any other question? I personally found the presentation – I really like to thank Susanna, Diane and Xavier for the presentation on the HR, which received quite a lot of comments in the past year. And it's been incredibly useful to see how the structure behind what we can see when we read and go through the operating plan and budget, and also the strategy. And both presentations to wrap up this afternoon session has been a long day for everybody. So I like to wrap up a bit earlier to allow everybody to breathe a bit before the social engagement of the evenings.

But I'd like to thank all of you – Patrick, Sally, Diane, Susanna, Xavier, and all the ICANN staff here in this room because at the

ccNSO SOP level we have been looking for this kind of excellent information and details for a long time. And it's incredibly valuable for us. It will also enable us to provide comments in the future round for future strategy plan and operating plan in a different way, because now we know that we can contribute more and we know also that there is a baseline strategy, a clear structure, behind everything that we have been seeing when we went through the past year's strategy plans, operating plan, and budget.

So thanks a lot on behalf of the ccNSO SOP and as Sally said, we hope that this can be a session that is replicated in the next ICANN meetings and as the ccNSO SOP, I reiterate our availability to meet informally any time in the future via phone or in person at an ICANN meeting at a local or international level.

So thank you so much again to all of you. Thank you.

SUSANNA BENNETT:

Thank you very much, Giovanni. I wanted to add that this session is very valuable to us to...we want to really put a good effort to show the accountability and transparency. It's very important to us that you know this is one of our objectives. So thank you for giving us this venue to do so. And definitely look forward to the future opportunities. And the HR area is definitely a journey, and it's been an incredibly rewarding journey and we

wanted to continue this with the community's input to be the very best, and thank you again.

XAVIER CALVEZ:

Thank you, Susanna. I'll wrap up very quickly. I think this was a first instance of that type of engagement, but I think we have already taken note of the next instance. We'll replicate it, we'll improve it, and please continue to participate and to advertise also these type of sessions. And as we go I think we'll continue to improve them to have more participation, maybe more information a lot of input. Thank you very much for taking the time to attend. It was a well-attended session so thank you for that. And thank you very much for the ccNSO SOP Working Group that's been obviously instrumental in making this happen. So thank you, Giovanni.

[END OF TRANSCRIPTION]