

TRANSCRIPT

SOP Working Group Singapore

23 March 2014

Attendees:

Lesley Cowley, .uk
Byron Holland, .ca
Roelof Meijer, .nl (Chair)
Debbie Monahan, .nz
Giovanni Seppia, .eu
Leonid Todorov, .ru
Peter Van Roste, CENTR
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Observers:

Allan McGillivrey

ICANN Staff:

Susanna Bennett
Bart Boswinkel
Xavier Calves
Denise Michel
Kristina Nordstrom
Gabriella Schitteck

- Roelof Meijer: Okay, everyone. I'm very sorry, but we'll have to carry on straight away, since our guests are here and Susan has to leave. You were only going to make for 15, minutes, 10 of those have already gone.
- Susanna Bennett: How's that?
- Roelof Meijer: Okay. So I'll talk about the agenda later, but I'll straight away give the floor to Susan.
- Susanna Bennett: Hello, everyone. Good to see you again. How are you? Thanks for the opportunity to speak with you for a few minutes, and what's in front of you here is what we call the management system, and also showing the linkage between the various systems. There has been something which the team had been focusing on, if you know that we are working on a strategic plan, that's going to be out to the community for comments. The operating plan, of course, Xavier and his team have been working on it diligently, and that will also be posted for public comments.

And then that will turn into the budget for the year, and the costing and cost management has been very important to us. And as you know we have the project, portfolio management system that's a task. And for people management we all use the system called Halogen, in addition to that we have several programs on HR Development and staff development. And in fact dashboard, it's something that we started just recently to provide disability to the staff and management, and we also intend to have that rolled out to the community in FY '15.

So, this is quite a big step for us to get to this thinking of how we link all this together, and help us to minimize the silos, and also how to plan step-by-step on the system side. And also these areas are very manual, even though some of these areas we do have the system for sampling -- finance. We have Great Plains and the Web Logic (ph) and what not, and the task, and the project management. All those are very new, as the team started to implement a couple of years ago, and it's quite bit to make sure that we have efficiency out of these systems.

And some of these systems are not sufficient for what we need. For example, let's look at Great Plains, although it's a project management-based system but we used that as a general ledger and not -- we don't have the project management module purchased and implemented yet.

So as you know I started out seven months ago, so it meant when I joined the organization, although the organization is about 15 years old, when we look at the foundation side of the operation, much of this is almost like a startup, and that's when our Chief Innovation and Information system, and that means our Chief Innovation And Information Officer who joined us, just a week or two ago, and he actually talked about that quite a bit in the last few days. This skewed a lot on the system side, and needs to be mature, and we feel the same way on the operation side. So, there's much to be evolved over time, and the team is working very hard to get things set up, and learn from each year as we implement (inaudible).

So in summary, I wanted to point out to you that we are evolving, we are learning as we progressed, but there's still quite a bit we need to work on to get to a sustainable state so that we can have very good data and will have the best practice. I just want to leave it at that. Any questions I can help answer in the meantime?

Roelof Meijer: Nobody? Okay. That's it then. We had -- I don't know how you were going to share the cost among you, because we wanted it to be a target on those strategic plan process, and the operational plan and the budget process. I don't know if you're going to say anything about it, or if it's (inaudible).

Susanna Bennett: Let me add. Yes, definitely, Xavier will go through more of the details with you on those plans or process of the plans, but it's important that -- I'd like to share this with you, this just has been very crucial for the organization routine to work together on this management system has a visibility that these systems are being implement and being improved within the organization, and how we see it -- it's all linked together and how we can leverage each of these areas and minimize the resource needs to continue to each one of these, and make sure that as we progress and evolve these areas, that we are linked and they are not going to be in silos.

So we are very proud of this actually, that we identified this, and how we can help with the (inaudible) resources on it, and how to plan to continue to improve and evolve, so I think I should probably share this with you and the team, and he has been working very diligently on this. So I welcome your input if you have any. I'll really appreciate that.

Roelof Meijer: Susanna, I have a question from Byron, and from myself, I think that -- what do you call it -- the Chair's prerogative to put mine on first. Can I seduce you into giving us a date or a year when you think this whole system will be running smoothly?

Susanna Bennett: Okay. Actually in -- depending on the different perspectives what will move smoothly and what's not, all right.

Roelof Meijer: Well let's say, sticking to the planning and delivering the promised outputs.

Susanna Bennett: Yeah. So let's pick on Xavier's areas, okay, because you're very familiar with him. Since he came on board two years ago, he completed the implementation of the Great Plains system, that's the general ledger system. However, the last year, or six months or so, he and his team focused a lot on how to improve the FPNA function, which is the budgeting area. And it's been a lot of the work now, the team is generating quarterly financial reporting of the finance on a quarterly basis. Monthly the team is meeting with the budget owners, to look at variances, and how to plan better, and how to make sure we account for them properly.

And the team started doing forecasts, and we finished the first forecast as of December, we had not just finished the numbers but we also finished the forecast through the end of the year, but extremely part of the team.

Are we good? No. We have long ways to go yet. Right? Xavier and I are looking at the FY '15 budget, to present to the community. Do we feel we'll be able to get an A from the community? No. We are not there. No way we are there. And we've got issues with where are we lacking, what do we need to do between now and FY '15, sometime, FY '15 to improve, so we can have a better FY '16 budget presenting to the Committee.

One of -- of course when I joined the team that we formed, I mean, various formed diligently over the last year actually, and I think there are 10 persons on the team besides him is only 10, 11 months with the organization, very, very new team. Now, the other -- besides maturing the team, that part that's very important is the systems. As you know that we have a task, so all these -- the budget is to the project level, the portfolio level. However, a great pay system is just -- we only implemented Great Plains General Ledger, we've didn't purchased the project tracking system, let alone implementing it.

So, whatever we can do to report cost by project and portfolio is all very manual, and we only have two people in accounting. So the right way to do it, is to have the project tracking and reporting system, which we haven't even assessed, have not purchased, have not implemented. So that's one of the first things Xavier had discussed with our new CIO, is the focus on finance system, so we can report, so we can understand ourselves with the cost for each of the project, and then reporting to the Board and the community. We are not there. So if we just look at that one alone, where we improve a lot, we got that discipline on the reporting to management, and at the common level, but we are definitely not there yet, on costing by project.

And when can we get there? Well, first we have to get the system purchased and implemented, and then get the discipline off the reporting side cleaned up and the various explanations, all those, need to all be round up. So how long does it take to implement a system, and to get all the processes set up for reporting and on a consistent basis? I would say about a couple of years. What do you think.

Unidentified Participant: Mm-hmm.

Susanna Bennett: So, just looking at (1) we can drill down, and we can look at the dates, what resources we need, and how we can get there. And it's one of the -- HR is another huge area, so

Halogen system is now what we use for performance evaluation, but when you look at it, when looked at it -- from my HR background, I said, "Wow. This is basically a bonus measurement towards -- and the compensation tool is not (a) an HR development tool. It's more fashion, like a little box section of behavior. An evaluation, there's no comment, there's no coaching opportunity, nothing. So that's a huge step we are moving towards to have a true performance evaluation, and measurement on, not just tied to compensation.

These are just couple of simple examples. When will we get there? We are working hard on -- actually the team is working very hard to have that achieved in the first half of FY '15, by middle of FY '15 we'll achieve that one. So for each one we have certain dates and goals set up. I hope that helps.

Roelof Meijer: Thank you. Byron?

Byron Holland: Thanks, Roelof. So everything you are saying is very exciting and very positive and I'm happy to hear, but you have to respect that I, certainly, and probably members around this table are going to be extremely skeptical. I can't help but think back to the start of the SOP, four or more years ago, at last a Chair ago, a couple of CFOs ago, when I, as the Former Chair, heard almost exactly the same thing. And that was all, all about to be in place, and the system was going to be bought, and the financial were going to get regular, and the reporting was not going to be manual anymore, it was going to be automated.

I literally heard what you just told me four-plus years ago. And I heard it on at least this is the third iteration that we are starting, and it's happening, it's all going to be good.

So, you have to excuse us if -- or me, I won't speak for my colleagues here -- I'm incredibly skeptical, and disappointed that we are now talking about putting programs and systems in place that are years out. I mean, you're talking to a bunch of operators, I put in Halogen, I put in a project management systems in my own organization, I'm sure colleagues around have done things like that too. Processes, people, systems, are years in the making before there's any maturity level, and we get out what we've been asking for, for years. And I think not only is this about the systems, that you're putting in place, it's about the accountability of ICANN that is suffering here.

And this is one of the major places where it suffers in our community and others, because we've been told this over and over and over and over again, and there's been a complete failure -- not complete -- largely a failure to deliver on the promise that's been over and over and over again, and that deeply damages your -- and I don't mean you as a person, but your, as ICANN's Management Team's credibility.

Susanna Bennett: Thank you for sharing that with us, those thoughts. I really appreciate that. And when I came into the organization a few months ago, I have to say I was surprised that this is a 15-year organization, and very much like a startup in many ways in the fundamental -- the system -- I mean the fundamental operational practice. And when I get to understand the team more and more, Xavier came in couple of years ago, and he handed -- he was handed, basically a system purchased without implementation, and he took the first Chair to implement it, and then he rebuilt the team.

So when I look back on each of those areas, and the time it took to get to here today, I'm very proud of the team what they have achieved, and what we have achieved together over the last few months. Are we there? No. I think that was the question you had. Are we there, and are we going to be there? From my standard, no we are not there. But are we on the right path? Yes, we are on the right path, and we can say that we should have been there yesterday. I wish, yes, we should have been there yesterday. But certain

standards need to be achieved, and so we can look on -- and don't what's -- over the last few years the CFOs what they promised. and whatever it was, or the COO.

But at this point if we are given the task to achieve Operating Excellence, we have a task to achieve Operational Excellence. Were we there two years ago? I think depending on the standard. It was to Operational Excellence achieved over the years, but when we look at it today, especially what happened recently, and we have become more and more transparent and accountable for. But much more to do from my personal point of view. And do we have a path to get there? Yes, there is, but there's a lot of hard work in our commitment, and it's one of the reasons that -- and so we made a decision to hire the CIO because there was quite a bit lacking there on the system now that we need to improve. Xavier?

Xavier Calves: The only additional that I would make, in addition not the comment that Byron made is, the past promises undelivered is -- there's nothing we can do about it now. The only thing that we can do about now is starting delivering and demonstrating that we do what we say--

Roelof Meijer: Okay. Sorry. Sorry to -- that's clear. I mean for those who are right now, there's nothing they can do, than conclude things are not in order and start getting them in order. But like Byron said, we've been here for some years, and this is third that we arrive in that situation. And we see very little progress, because after this discussion we don't have to discuss again, the lack adherence to the planning both for the strategic plan, and your operational plan and budget. We've been talking about that or years.

So for those who join ICANN with a task to improve it, I mean there's no looking back, there's just going forward, but what we see is a lack of progress, and that means that the first time we hear it, we can, "Hmm. This is not where we are you going (inaudible). Are we going to be optimistic? Are we going to collaborate and forget about the past and just help them? Or it is never going to work?" And in the meantime ICANN has grown from about USD 60 million in budget of over \$300-plus million in budget, I think.

Unidentified Participant: No. Ninety.

Roelof Meijer: What.

Unidentified Participant: Budget versus revenue.

Roelof Meijer: Okay. Well, I mean your overall revenue is something like 1,500 times \$185,000.

Susanna Bennett: No. No. No. This is different, yeah. You're talking about (inaudible). We have a \$90 million budget.

Roelof Meijer: For that part of the organization, everything is in order. So it's just operations where it doesn't work?

Susanna Bennett: No. No. No. We are not saying everything is not in order, please I --

Roelof Meijer: No. No. Everything is in order. I'm not suggesting that nothing is in order, but you're overall revenues -- let me phrase this question different. Do you think that there are many organizations with a total overall revenue that ICANN -- has the financial system in the shape that ICANN has?

Unidentified Participant: I didn't keep scores of statistics but I'm sure there's plenty. I don't think that's really point, honestly

Roelof Meijer: That cannot follow the financial performance of projects, and because that's what you said. You don't have the system whereby you can track and report.

Susanna Bennett: On projects we cannot yet, but we certainly have departmental budget, and departmental costing, and departmental reporting So let me explain here clear. I think maybe it's my mistake, my communication. The organization is at a point that it's properly tracking and reporting the cost. However, if we want to know how much each of the project is costing, it's challenging, because we don't have the project tracking system. However, we know exactly how much each department is costing with our (inaudible) numbers by department. And so whatever expenses that we -- so if we look at the departmental costing side we are there, because the general ledger system has been implemented properly, and we are accounting it properly and we are reporting properly, but on a project-by-project basis we are not there.

So if we look at all events we have achieved over the last couple years under the CFO, Xavier's control, yes. The system is implemented, the Great Plains, and we are tracking cost correctly and accounting them correctly, and then we are comparing to budget clearly, and we are reporting to management on a monthly basis. Going through variance analysis in detail with them, and then we are publishing the financial each quarter, as you have seen, and in the reported project.

So those achievements have not been minor, it's not easy because the team is brand new on various new, and the team is only less than a year old. That's huge achievement within a short period of time from the team. At the same time, the team also achieve a quarterly financial forecast. So that's the first time, as of December last year, the team can do a quarterly forecast now, which it was unheard of before.

So absolutely, tons (ph) of achievement. Let's look at the HR side we said -- I said that Halogen is system we implement, yes, yes, it is, but it's not a performance evaluation system, it is a bonus -- a system based on goal achievement. Is it good? Yes. It measures the goals, how we achieve the goals, and the bonus attached to that. Is it good enough from and HR development point of view? No. It's not, because it does not give enough opportunity for managers to give comments back to coach the staff. Basically as five areas of behavior judgment using little dots, but no examples given.

So if I'm looking for my critical HR person point of view, it is good that you mentioned goals of each quarter, each term that they achieved or not, greatly achieved. The team achieved that, wonderful. What's next? We need to develop our staff, we need to train our managers, so we came out with six management competencies that needs to be trained, that's needed to be implemented and to measure, that's coming in first half of FY '15.

So, I think maybe I start out saying too many critical areas, because I see there's a lot to improve yet, but by looking back there a lot of good things have happened. And I think you've seen them. You've seen the quarterly financial, and you've seen many areas. So, definitely a lot achieved, a lot to go yet. (Inaudible)--

Roelof Meijer: Giovanni?

Giovanni Seppia: Hi, Susanna.

Susanna Bennett: Hi.

Giovanni Seppia: Giovanni of EU. I think we met on a -- the first time we met was on that bus back from the dinner and gala in Buenos Aires, so the first meeting was--

Susanna Bennett: Oh, my, goodness.

Giovanni Seppia: That's the (inaudible). But in the (inaudible) because of us, because there was an issue with the driver, we got lost -- we don't know where.

Susanna Bennett: Yeah. We got lost. We got to the hotel and--

Giovanni Seppia: We rescued the people on the bus. No, I just wanted to catch up on what Roelof said about sort of frustration of the people in this team, because (inaudible) as such you have to kindly explained today, as Roelof said, you explained to us several times, and at some point, you know, there comes a moment when those elements they have to translate into concrete action, and in this case, you know, concrete plans. I think it's also important to learn from history, so probably you are saying and we have said many times that new things, new people onboard that are looking after these matters of ICANN, and it's good.

Organizations they change, and hopefully for the better, so it's good to have changes, but at the same time I always say that sometimes it's also good to think, and not see what has been done, and learn from the lessons from the past, because then that strategy and operating plan exercise started back in ICANN in 2005. And so it's a process that is celebrating almost 10 years, a decade, and during this decade there have been a lot of feedback provided by the community. So I think, you know, when doing and going through this exercise again, like Roelof underlined, it's good to learn from what has been done and what can be improved. Even in this sort of skeleton level. So that's my only input. Thank you.

Susanna Bennett: Absolutely. Thank you so much. And I have to say you have very, very good point. When I first joined the organization I feel very fortunate to have a few of the members (inaudible) of the reports, have been with the organization for a long time, and Xavier is fairly new. However, you know Dianne, who has been with the organization since day one, she's employee number two, and she's in a (inaudible), and once I talked with her at the last -- she has such passion for the employees, for the staff. So we divided HR into two, one is HR Operations, Steve continues to oversee that, and HR Development, we need a lot more focus in this organization, so we moved to her, and she has -- she's just wonderful. Even that she has started many programs already to roll out to the staff.

Several have rolled out already, one is very, very good, and I just wanted to let you know I'm very proud of program, is the management competency. We defined together with the leaders and management, what are the areas managers need to have, and once we defined them or communicate that, and we developed programs on training, and it's so many that are going to be rolled out, and have been received very well by our staff so far. So, absolutely, we have some very long-term executives like Dianne, and like Steve, and Carol as well. You know Carol who has been with the organization a long time, she oversees the dashboard and also the Portfolio area, she has a lot of good experience and I learn from her every day.

So absolutely very important to leverage the team who have been here for many years to help us, to make sure we don't make the same mistakes again, and help us to leaf off some of the issues as soon as possible. Thank you.

Roelof Meijer: I'm sorry. Sorry, Lesley, Leonid was there first. So, Leonid, and then we'll have Lesley, and then we probably have to change to the next -- right.

Leonid Todorov: Hi. (Inaudible) are you. From what I've heard -- Well, thank you very much, it was very -- kind of very interesting, but I just want to echo Giovanni -- First of all, what ICANN lacks at the moment is that sense of legacy. So no legacy in place. This is important phase,

this is philosophical. The second thing is that, very important, to me it all sounds very technocratic if not bureaucratic.

What I mean is that I can see this bureaucracy growing. Like you were talking a lot about CIO, even that an illustrative chase. Like you head-hunted a CIO from Wal-Mart, and I would imagine he came not for peanuts. How come it was he? Why he was chosen? Was this position for -- I mean, how come he arrived out of the blue. I mean we saw that announcement on the ICANN's Web page just like that. I mean, this is important to understand that the organization is growing too fast. You're catching up but with no obvious success. I mean, all the time the organization is just running ahead of you. How many people do you have now, 350?

Susanna Bennett: We have 257 staff.

Leonid Todorov: Two hundred and fifty--seven, from what -- from which number from 65, 75? (Inaudible).

Susanna Bennett: No. A year ago was to -- do you mean the beginning of the fiscal year?

Leonid Todorov: Yes.

Susanna Bennett: Two hundred and four.

Leonid Todorov: Okay, 204. I mean so it's like (inaudible) percent year. So what I mean is that, you're trying to catch up only with bureaucratic procedures. Building very nice graphs and charts, you know, trying to figure it out, how it will work, but we can't see and feel some real output in terms of efficiency. You were talking about measurement, and you were benchmarking and stuff like that, but we can't feel that because we can -- what we see now is just a bureaucratic exercise, more or less. Like, how to build this or that chart, rather than how to sort of streamline operations. Thank you.

Susanna Bennett: Appreciate your perception. They are in charge like this, really help us to focus our mind how our systems are connected. The benefit of this linkage helps us to actually cut down silos, and align the various groups of efforts and leverage what others -- for example, we have to define the best practice and key performance indicators to measure ourselves, and if we define those for the dashboard we leverage the same efforts for risk management, we leverage the same efforts for defining operating plans and strategic plan.

So we don't do it in silos, we do it together now, and even though it means a lot of extra work different groups have to focus on without being aligned. Now, we got in the CIO, as far as I know, there has been in the past for a long we were looking for a CTO.

Roelof Meijer: Maybe we shouldn't go through that one, it's a bit off-topic.

Susanna Bennett: Yeah. I just want to address to you, when you say bureaucratic, I hope we will never get to the bureaucracy, we are only 257 people, and quite a few of them actually relating to the new gTLD Group, to build out what we -- because we are rolling out a huge program, that means a lot of people, and part of it is relating to globalization, and that's one of the reasons for the hire of the CIO. So I'll just stop here, I know you have a lot to go yet.

Roelof Meijer: Lesley, and then Byron.

Lesley Cowley: Thanks for the presentation. I share colleagues' wariness, that although progress has been made, there's still an awful lot more to be done, and I think you neatly sidestepped the question as to when do you expect all the systems to be in place. What would be really helpful would be for the just a one-pager, not on the high-level system, kind of,

what I'm actually doing, but the date by which you would expect to have the systems implemented. So at least you can, perhaps, better manage our expectations which are fairly low at the moment, because we have heard many years, "We are waiting this system, we are waiting for that system," but I think it's key for us now, really, to have better a understanding as to the timelines. So we don't give you grief next time you come back, we know that some of the elements are maybe going to take a bit longer to put in place.

Susanna Bennett: Very good, Leslie. Definitely. And we have defined a date for (inaudible), and we are working with the IT Team, CIO, and the other ones. So we would definitely report that. Thanks.

Byron Holland: Well I was actually agreeing with much of what Lesley just said in terms of, I know good has been done, I've worked with Xavier extensively, and a bunch of good work has happened in that one component, and we should recognize that, and I think we have over the last little while. But, fundamentally, in a sense, the trust has been breached because we've heard the story so many times. Right? And to me that's the essence. The trust has been breached so our expectations are remarkably low, which is not where you want to be.

However, if you want to rebuild that trust you need to put hard dates in front of us, and live up to them, and build it back one step at a time, and therefore can you provide us, in very short order, give us a date on that, give us a hard date when you can provide the list of hard milestones that you're going to achieve to develop all of the systems, and that you can start, as an organization, building the trust which has been lost within our community.

Susanna Bennett: Very good. So when is the next time you'll be together again, is it London?

Unidentified Participant: Yes.

Susanna Bennett: Okay. So is that a good time?

Unidentified Participant: We have (inaudible) and monthly conferences in between. We could pick it up before June I'm sure.

Susanna Bennett: Okay. We can provide -- actually we can provide a certain dates that we, Xavier and myself and several others have already developed. I mean there are a couple of things we need to validate with IT, that we need to finalize, so we can give you a part of it with commitments. Xavier, anything?

Xavier Calves: I just want to say whether you agree with the process of hiring of the CIO or not, he started a week ago. So developing a roadmap on all the systems for the erudition (ph), including those, but of course there's many more other systems that are not on this picture. Like Salesforce.Com on the frontend, and so on. And actually it's going to need a bit more than a week to be able to put a plan together, and that's just the systems part.

So to your point, process people, system, go together in that model. So I think the reason why Susanna was pointing out to London, is because putting in place a roadmap that is sufficiently clear that it has milestones with dates and that we can have an understanding, can be delivered, it's going to take more than a week or two, to be realistic. So I think London is, in my view, is nearly already a relative aggressive target to be able to translate a plan like that. And it's reasonable to try.

Roelof Meijer: It is going to be very challenging if there are no plans at all at the moment in this particular area.

Xavier Calves: In which area?

Roelof Meijer: We are talking about delivering systems, and we when are things ready with the group. If you say that he's been here a week, we can't expect him to come up with the schedule, a planned scheduling with deliverables and dates, because he has -- he's got to learn the organization first, da-da-da, that means that there's nothing up. He has to start to from--

Susanna Bennett: No. No. No. Hold on. I did say earlier -- like I said earlier on the finance system, so we--

Roelof Meijer: So we will warmly welcome -- anything that you can deliver to us in this particular area between now and London. And if we can have a presentation of it, in London, because I hope -- I don't know but--

Susanna Bennett: That's in mind --

Roelof Meijer: Already find a slot in your agenda on Sunday. I don't know the date, the first Sunday in the ICANN Meeting in the afternoon, probably this time, or sometime.

Unidentified Participant: We do have Board meetings on Sunday, yeah -- Sorry. If I understand, say, you have Board meetings on Sunday afternoon, so we may need to shift if say -- but getting closer to London. We can shift this meeting and do it in the morning as well, so would it ever -- what would work. Because today was very difficult because we started with the Council workshop, and normally we start, say, in the Sunday afternoon, because people are flying in on Sunday and Saturday.

Susanna Bennett: We can coordinate that, yeah. We can coordinate that.

Unidentified Participant: But we can change it around to make that work on Sunday.

Susanna Bennett: In summary I wanted just to clarify, is that there are many things implemented already, and working. For example, Great Plains, general ledger has been implemented, and we are doing the quarterly financial reporting, and we are doing the forecasting now, and we are meeting with the management on the various analysis. So those are huge achievements accomplished. So what were you talking about, so what else are we working on to continue improvement? So the next step is looking at project costing, so we can report our cost by project, tied to the past projects. So that piece has not been determined when we would have the system that we are working with the CIIO on.

So is that what you mean, when certain things are there --? You know, as the organization is evolving, more and more will be implemented, right. So that's the next step of evolution is for finance to have the project cost in system. So when you say everything is broken. No. It's not.

Unidentified Participant: No. I didn't say everything is broken, I --

Susanna Bennett: Yeah. Please, please, don't see it that way, because we are reporting financial and with -- those numbers are accurate, they've been audited. So it's really the next phase of evolution what we need to do. We need to have project costing, so that's the next thing we shall have. In HR, are we broken? No. No, because we have many good things in place, and the next thing is to have a better management system -- management performance evaluation. So we can give you the areas we target to achieve, and those system supports to achieve them. But in the 18 months or 24 months from now, are we going to come out with new things to improve? Of course we will and at that we will have other system we need t look at to support the growth of the organization.

So this is the time -- really in space of time what we are looking at improving. We have improved this already, what else we need to improve and what system support we need. It's not that we don't have system at all, we do have several systems in place, I hope you understand--

Unidentified Participant: Yes. We understand that, we know. And I think -- I'll just go back on Lesley, and I think she perfectly phrased what we are looking for, our expectations to be managed, to be able to improve our trust in the improvements, in fact--

Susanna Bennett: So perhaps in the last few minutes we talked about what's improved and what needs to be improved, so what we can provide is really the summary of what's being improved already, and where we are at, and from now on we look at the several areas improvement, and some of them just have to be supported by systems, some don't. Some are just a training, our (inaudible), we need to align the training and the schedules of training done. That's all. So we can give you high-level summary of the various things achieved. Done, checked off, accomplishments. The various things need to, that's where we already have goals set out to be achieved for the trimester, and for FY '15, in the Operations area, and what are the supporting system not in place, that we need to get the system for. So is that good with you, Lesley.

Lesley Cowley: I'm looking for the roadmap, where it is we are going, and when we are going to get there, as opposed to driving in the rearview mirror. So the roadmap will be good.

Susanna Bennett: Yes. And we have that already for building the FY '15, we have to have that, so very reasonable request. Thank you.

Unidentified Participant: Just to add, maybe as say, based on this discussion, is say when we started off, when this discussion started, there was a bit a sense, say, we've heard the story again, without thinking through or without discussing what has been -- what has changed, so you see, the first time or the second time we've heard that story as an SOP. And maybe that's -- what has been achieved is from that perspective, is relevant.

Susanna Bennett: Yeah. But we spent four years waiting for (inaudible) and Great Plains and so on, so it's great to acknowledge that's now there and ongoing, but it took an awful lot longer than ideally would have been the case. I'm sure we'd all agree on that.

Roelof Meijer: Okay. You wanted to react?

Susanna Bennett: I just want to say thank you, for our input, and I know it took quite a bit of your time. So as a deliverable we talked about is that over the -- between now and London, we'll have a list of accomplishments, both in from the implementation and the system area, and then the list of things that we just shoot for a target to achieve within the FY '15 that -- which you're looking at. Right?

Unidentified Participant: Yes.

Susanna Bennett: Correct. Okay. Thank you.

Roelof Meijer: Thank you, for your time, Susanna, and at least we made you really look forward to your next meeting. Right?

Susanna Bennett: You know, I think part of it is really dependent on communication, and this is very useful to me what Byron talked about, and (inaudible) CFO, and some other stuff, it's good to hear because I came in with some understanding that I go from here, you know, and not knowing there's so much baggage and luggage -- I mean, the legacy before, and actually -- there's actually been a lot of achievements over the years as I have seen. However,

there's lot to go yet, and especially at this time, we are now -- we need to be much more transparent and much more ready. From one perspective are we ready? Yes. We are doing many things, but when we get -- when we wanted to achieve more, yes, there's so much more to go yet, and I think it's important to show you where we are at, to make sure that you feel that we are not broken. I don't think we are broken.

So that's important, and I think if you get the impression we are broken, I hope you will get over that pretty quickly, because we are achieving a lot with the (inaudible) organization. And then you can take a look at the past what else we should achieve over the next year. Okay.

Roelof Meijer: Once again, thank you very much. Well, we are a small group, so let's not make this too formal. I had put three items on the agenda. Strategic planning, process and some discussion about it. Operational plan and budget, same thing. And then we have the One Wheel Trust Reports that we were asked to look into and the (inaudible) -- look a bit forward and see how we do our work between now and London. So am I correct in assuming, Denise, that you will take that first bit, strategy plan? Is this correct?

Denise Michel: Yes. I'd be happy to.

Roelof Meijer: Please go ahead.

Denise Michel: That's Kristina is (inaudible).

Roelof Meijer: And by the way, I put some times in my draft agenda, and it was in the previous slides. Is that the proper excuse?

Denise Michel: How much time would you like me to take?

Roelof Meijer: What was that?

Denise Michel: How much time would you like me to take?

Roelof Meijer: It's now almost 3:30, and we have until 4:00, so 10, 15 minutes max.

Denise Michel: Yes. Thank you. I'll soon get started. So the next step in ICANN's Multistakeholder Collaborative Strategic Planning process, is that a comprehensive draft five-year strategic plan will be posted right after Singapore for two months of public comment. This builds on a very bottom-up collaborative process we started back in April, of brainstorming and gathering widespread information and input on the direction that ICANN should go. So that, you'll recall that October through January we posted an initial draft, Mission Vision, and general focus area goals, and received some really useful input and that from -- the SOP did not (inaudible) -- Roelof, you provided some very useful guidance which have been incorporated in the draft.

Can we go the next slide please. So the Draft Strategic Plan, we incorporated an updated vision, the mission which is drawn directly from our bylaws, and then strategies contained in five focus areas.

Next slide. So as you, I think, are now aware that the -- as I mentioned that the schedule has been updated, it has been extended -- previously we had anticipated posting the comprehensive draft strategic plan prior to Singapore, it now will be posted after Singapore. The Board is reviewing it this week, and doing the final review, and then we will post it. The extension of the schedule in part was necessitated by the delay and the Strategy Panel is posting their recommendations (inaudible) were posted, and will be factored in. And also the staff has done a significant amount of work in developing key

success factors and key performance indicators for their ongoing work. That has been very valuable in informing the more strategic details in this draft strategic plan, and the specific details that actually this group has been asking for a few years now.

And so the -- we'll be posting the draft plan for public comments in April and May. The Strategy Panel report draft for public comment, and that will stay open through April. We are anticipating the June timeframe for considering all of the public input we've received, updating the plan as appropriate and providing it to the Board for final action, around June.

Next slide. As I noted, we've updated the vision based on public comments, we've added a significant amount of details to those focus areas and strategies incorporating the community feedback we've received. We've also incorporated the broad high-level themes that have already been highlighted by the strategy panels, and included a significant amount of detail that the ccNSO will join us for and the Board has echoed that request.

So we have your call five focus areas with specific goals under each focus area. And for each goal, now we've proposed in the draft plan outcomes, or key success factors, potential risk goal -- measurement for each goal, are key performance indicators, and high-level phasing of the work related to that goal over the course of five years, and five years probably by the strategic plan, or fiscal year six -- or fiscal year 2016 through FY '20.

Next slide. It says, this is again, the strategic details that we've worked into this draft strategic plan which I think you'll recognize the tracking with -- paid by citizens given by this group over the years.

Next slide. So I notice the timeframe that this strategic plan will be a foundation for FY '16 to FY '20, and it will anchor a steady state -- a planning process that ICANN will use starting in FY '16, where their strategic plans informs the operating plan, and budget planning process which Xavier will speak to, incorporating community input and comments. The operating plan and budget will be established, will be tracking the achievements and providing us progress reporting and then towards the end of the cycle we will validate that we are on track with the strategic priorities which the strategic plan is still relevant and the updates are needed, before proceeding with the next fiscal year.

And as you note, that some of the -- that we will -- the research requirements connected to this five-year strategic plan will be addressed in the operating plan and budget, with mitigation also will be a fiscal impact -- will be addressed in the operating plan and budget.

Please, next slide. So as we noted, we'll be posting the draft plan for two months of public comments, there will be additional opportunities for input we'll be offering, you know, webinars and other ways of providing comments in addition to the normal public comment process. Also we are in the flag another element that was recommended by -- Roelof mentioned this before in Buenos Aires, and at least this group has mentioned before, to prioritize the goals within each of the focus areas, and so we are proposing to do that -- to get additional comments from the public on that over the next couple months and then kind of a prioritization in the final plans.

So that's just a quick overview of the process and the approach that we are taking and you can expect to have the Draft Strategic Plan for comments right after Singapore.

Roelof Meijer:

Denise, can it be maybe after this meeting, so that's end of the month, or beginning of next month?

Denise Michel: Yes. The project is by -- is in the first week of April, and they are also doing a big revamp of the launch of the ICANN website, so we are working at the specific logistics, but you'll see the plan out in the first week of April. Happy to take any questions.

Roelof Meijer: Questions? Okay. I have one -- no I have several, in fact. So, Denise, if I understand correctly there will be one draft strategic plan, because in the original planning there were two, and if I understood you correctly, you now consider the document with the focus areas in the mission and vision as the first draft, and what you will get now will be in the second draft?

Denise Michel: Yes.

Roelof Meijer: Okay. How will you ensure that there will be enough time between the comments period and the ICANN Board's approval of the strategic plan, for your ICANN Board to take into consideration the comments that have been forwarded by the community?

Denise Michel: So we currently envision that there will be a month for -- as soon as the comment period closes in May we'll be providing those comments to the Board, holding a Board -- printing a discussion on them, and we'll have approximately Thursday to consider those comments and decide additional action. And of course they could choose to take more time, and just depending on the comments that they've received. Right now we are anticipating the end of June action. That's the second edition and (inaudible), depending on the substance of the comments they receive and considerations for updating the final draft.

Roelof Meijer: And probably so close, but I just want to make sure, this group has been repeating itself in comments periods quite often, and instead of delivering comments, I think it was the FY '15 draft strategic plan we came up with, and kind of an overview the most important comments that we made of the last couple of years, and that were still valid. Valid in the sense that they didn't lead to any change for the better. So may we ask you to, already take those comments into consideration when you're working on the plans now, because otherwise we will, again, have to make them.

Denise Michel: Sure.

Roelof Meijer: Thank you.

Denise Michel: I have a -- and we'll also be coming back to you with specific responses for all comments we've received.

Roelof Meijer: Excellent. Lesley?

Lesley Cowley: Hi. Just to labor Roelof's point. I move to favor comment, one which we've made for many years, is the lack of measurable goals. So specifically targets that are smart, as in measureable and specifically, and hopefully achievable, and so on. And it would be wonderful just not to have to make this comment this time around, because it would just be for something else to pick you up on.

Denise Michel: Yes. Thank you, and I think that ongoing comment in particular, has been very useful, and we've taken that guidance to heart, I've incorporated, so we have the five focus areas -- approximately five specifics of goals or objectives in each area, to check that framework. And then for every single one of those goals or objectives we have outcomes, to key success factors, what success looks like, the potential risk and measurements, so it's a key -- for every single one, key performance indicators, both quantitative and qualitative that we should consider measuring for progress, as well as outcomes, where

we do want to be at the end of fiscal year 2020, and then some high-level phasing of how we might phase each of these efforts over the next five years, and so you don't -- you don't need to tell us to include measurements, but what I think would be useful if you have the time is to take a look at the measurements we are proposing and let us know if you find them to be adequate. And if you could suggest any changes in that area.

Lesley Cowley: Thank you. It's really heartening to hear. I think the trick is getting measurable things, and that would be progress. The trap that you often fall into then is putting unrealistic dates on, given what else will be going on at the same time, and I would encourage caution on those dates, of course, because then when you have goals and measurable goals, people are then looking to hold you to account, to deliver those, and sometimes what maybe very, you know, realistic on one area, absolutely it's fine, but when you combine it with all of other things you're doing, it's just not possible to do. So I would encourage huge realism in those dates because, of course, people like us are going to hold you to the dates.

Denise Michel: Yeah. And if I -- just quickly if I may, and I think Xavier also has a comment. So, you've seen the phasing for each of those 15 goals or objectives is actually very general on a very high-level and, again, if you -- and so aren't specific dates, but there's a -- so it's high-level phasing, and it will be useful to hear whether you think it's useful to show the proposed phasing at the level that we did, or whether you think, you know, more dates and more details might be appropriate, but it's more and more challenging areas for the executives to complete -- Go ahead.

Xavier Calves: This is a very helpful comment, which we -- I'm hoping that what we are working on which is the development of the dashboard, is giving a reality to the metrics of the progress, and when you start from meeting the metric of saying, you know, "I'm at 90% and I need to be at 95%, and what does it take to get from 90% to 95%, and when I'm going to see for 95%? And I need to lay out the resources between the beginning and the end to get from 90% and 95%," then it starts bringing a realism to the exercise from raising the deadline. I'm sure you guys went true -- you know, you were very (inaudible) for those exercises, and the formulation of the dashboard has been -- or the KPIs that enter into the dashboard, has been for a number of department managers, an eye-opening exercise.

Really looking at the deadline from the perspective of: what does it take to achieve it? And of course even by doing that it's still challenging, of course you can precisely define the timeline, but I think it's been a helpful exercise, and I think implementing the dashboard is going to help us be more realistic as well as tracking and monitoring better, which is what it's used for. That's the purpose of it. To track and monitor better the progresses, and also be able to -- go into the tool managers to help communicate on potential changes, versus the plan (ph), because the tool helps tracking, then can help us reassess the plan in the timeline, and be able to communicate it as well. So I'm counting a lot on that too, I think it's going to be extremely helpful. I'm not trying to say it's a resolved issue, I think it's going to be a tool to help mitigate the trap that you're pointing out, which I completely agree with.

Roelof Meijer: Thank you, Denise.

Denise Michel: Thank you.

Roelof Meijer: So I think we will turn to Xavier and you will give us some information about the progress on the FY '15 budget and operational plan.

Xavier Calves: Can we go back to the previous slides, please. So the -- and I don't remember but I think -- I can only remember as having been the ones who participated to the call on March 12. Is that right?

Unidentified Participant: (Inaudible)

Xavier Calves: And I think you can participate, right, Roelof?

Roelof Meijer: Yeah.

Xavier Calves: So we are -- at this stage we have put together a framework for the FY '15 in the operating planning budget which we have communicated a high level view of -- let me try to use this -- not a good idea.

Roelof Meijer: Xavier, maybe I can suggest that you don't go through the whole slide deck, but give us the planning, and the highlights of what you have the moment.

Xavier Calves: So we have provided a high-level view of the framework, which is dedicated in the high-level operating team. You may remember seeing on the management slide, the structure of that task which are the objectives, the goals, the portfolios and the projects. So the operating plan has been formulated at the level of portfolios. There are four objectives, 16 goals, and 60 about, portfolios. The operating team has been formulated at that level. We have only at this stage shared the highlight of the full 60 portfolios. In this presentation I have about 15 slides, which I didn't intend to go through, but that provide for each of the goals, each of the 16 goals, the list of portfolios that are under it, and that level of granularity, be it we are formulating the framework on and to which is associated key success factor, and a set of KPIs.

That's the exercise that Denis has referred to earlier, that's been a tremendously demanding exercise between November and February, basically. But that has helped put in the framework under the format of -- for each of these portfolios and the key success factors in these KPIs, being able to formulate basically the objectives for FY '15, and so that then we can associate, as part of the budget, the resourcing that -- between these objectives each, and the pontification of that resourcing which is specifically the budget.

So it's been an extremely important step in the development of that management system, that's been achieved over the past four months. That now is taking shape into the format under which we are going to provide the entire operating plain, 60 portfolios with their key success factors, and their key performance indicators. And that will be included in the package of information submitted for public comment with a target date of the 24th April. So about month from now. At the end of that public-comment process and I anticipate the same question that you asked Denise earlier; the end of the public comment process is anticipated for June 4th, and so to -- I seem to be doing the same thing all the time.

So June 4th will be the end of the public comment process, where we will consider the comments, review the comments, and the answers to the comments, submit those answers and potential changes to the operating planning budget to the Finance Committee of the Board, and the Finance Committee of the Board will review the comments and the potential changes and then submit it to the Board, the proposed Operating Planning Budget. So there is -- as Denise was indicating, there is about 20 days between the end of the public comment process and the Board Meeting in London to -- I wanted to go earlier in the presentation--

Roelof Meijer: Well that's (inaudible) because you're in that--

Xavier Calves: Okay. Can you go back further up in the presentation, much further. Right up to that, sorry.

Unidentified Participant: This one?

Xavier Calves: This one, thank you. So unless I'm mistaken June 4th is the end of the public comment process, that's the orange section at the bottom, and so we have about 20 days basically to consolidate the comments, review them and submit them to the FC, Finance Committee for their review, and potential changes to the operating planning budget if relevant, and a submission by the FC or recommendation by the FC for Board approval. So honestly, I don't think past history and realism and common sense is telling us it's a very short time frame to really allow a lot of interaction, that's one of the ATRT2 recommendations is to -- is of course to embed into the process more time for iterations after comments. The ATRT2 recommendations were there.

The original formulation, were requiring five months of iterations after the first draft of the budget which I have no clue how we would be able to implement, but we'll have to look at a different solution to the same (inaudible). So this year is also going to be extremely tight to be able to combat those stats, but we have lined up the process, the BFC is extremely -- ensuring, is extremely focused on ensuring that we provide the BFC with the comments and the responses prior to them recommending the budget for approval, which is exactly what we should do. But in the future we will need to design a process that allows more time for that.

I've also noted that, as you had indicated last year, and you just said also to Denise, to take the comments that you guys made in the past, in the FY '14 or '13 planning processes, to take those into account before they can be formulated. What we will need to work on in the future, collectively, is that certain number of the comments that -- this group specifically -- but others as well, had formulated at the end or by the public comment process relative to the operating planning budget, or less comments about the operating planning budget than about the strategic plan. That's a challenge that I think will need to try to find the solution for because obviously strategic comments need to be taken into account at the time where we develop the strategic plan, and that's something that I would like to be able to work with you guys on in the future. Just a side note.

Roelof Meijer: Okay. Thank you, Xavier. Questions, remarks? Xavier -- who? Go ahead.

Lesley Cowley: I heard you talk about ATRA and implementation, what are going to handle the IANA transition, how do you increase the budget for that function, or do you have a separate budget for IANA?

Xavier Calves: Sorry. Increase the budget, or it's a separate budget for what part of the IANA function?

Unidentified Participant: (Inaudible)

Xavier Calves: I don't know yet. The budget has been submitted earlier this week, or at least the draft budget, by department, has been submitted earlier this week along with the operating plan. So we are right now, accommodating the first draft and looking at reviewing them. It is obvious that the recent announcements will be taken into account as much as we can in this timeframe to be able to reflect that. Part of what we would direct specific questions about IANA as (Inaudible) just said, what we did expect is that the FY '15 year would be, to a certain extent, containing activities that are difficult to plan, Internet Governance-related activities, for example. You know, what the Brazil Meeting is going trigger in terms of activities, for example, in the next month or years, is difficult to plan. And we will be publishing the draft budget that day, right, so by definition we will not have taken into account the consequences for example, on the Internet Governance of the Brazil Meeting, if there is any.

Just an illustration of the fact there is a relatively limited visibility over a certain number of subjects for FY '15, so our plan has been more -- the less visibility you have the more

flexibility and you need to try to include in the plan, and we tried to increase basically, the contingency which is unallocated set of resources. So that we can use those unallocated resources to allocated then to actions that would materialize later. And of course that means reducing the allocated resources so that it gives more room for the contingencies. That's what we are trying to do.

Roelof Meijer: Thank you. Byron.

Byron Holland: A very specific question. I can't help but notice on the bottom green bucket there, evolve SO/AC structures, obviously that speaks to us. What exactly do you mean by that?

Xavier Calves: So I'll ask David to -- David Olive to provide color to that. I think this portfolio contains the current support so that -- sorry, the 16 goals contained -- are basically are the buckets as for which all the activities and all the organizations are carried out, and so -- and there is that specific portfolio there is -- from memory, there is the current support by organization that exists over the activities, that Mark, marked Christine and Gabriella conduct and basically be able to look at the evolution of -- basically with a community that will include then the new registries coming out of the new gTLD, what kind of impact the change in the community as a result of new commerce and we'll have, or should have on the SO and AC structures, if it should have any, so there's a whole lot of -- I know you guys know this, there's a lot of talks and so on, the GNSO structure that is very fragmented. But it's not an objective it's a bucket under which the activity is relative to support of SO and AC that David normally conducts, are captured.

Roelof Meijer: (Inaudible)

Xavier Calves: And there's more -- like how we--

Roelof Meijer: It's effective more on the activity than on the objective, yeah?

Xavier Calves: Absolutely. Yes.

Roelof Meijer: Xavier, I had a question. If you look at this slide, and then for instance, this one is an example, would agree with me if I said, this would probably be the level of detail of your strategic plan, and from this you will, in your budget and operational plan, you will derive and your milestones determine the capacity needed, develop a cost calculation, et cetera. So once you have your strategic plan this will not be -- well, I mean, maybe they will be in your version of plan, that's a title of the different chapters, but this is not the level of details that you will expect in an operational plan. I say this because I find it very difficult to comment on this, because they are very broad terms.

I don't know what you're going to do, I don't know how much it's going to cost, what capacity you need. I don't know what you think is more important than the other one, and you cover so much ground, at least if I do my own translation of what you write down, that there's nothing that I can think of that should be here and is not here. Do I make my point?

Xavier Calves: So I think, if I understood correctly, you are suggesting that the level of granularity and I'm not even yet talking with the formulation, but the level of granularity of this suits more a strategic plan in your views, if I understand correctly. So, the 60 portfolio that this is seven of the 60 basically, is a strategic plan level of granularity in the operating plan, would be the next level of granularity?

Roelof Meijer: Exactly. Because I don't think -- there's not over the years or least over the next coming two or three years, not much is going to change. I think ICANN will continue to deliver core Internet functions.

Xavier Calves: Right.

Roelof Meijer: And I think also the root system is going to be there, so these are things for the strategy - for the strategic plan, and in your annual plan, you come up with details of activities that you're going to conduct in that particular year, for the capacity is that you need, how you prioritize them and how much it's going to cost. And there will be quantifiable goals, measurable goals. Lesley?

Lesley Cowley: I disagree. I think that's the index for what you've got, all right, but just doesn't tell us enough, whether it's in strap panel or (inaudible). Yeah, that means it's a good format for an index, but it doesn't tell me what's going to happen under any of those.

Xavier Calves: It's okay. I think you mean you should even have more details in the strategic plan. I agree with that, yeah.

Lesley Cowley: To tell you where you're going, I mean, what you're aiming forward to. I mean, this is in the sense of gathering it altogether in one place, but that's all it did for me.

Xavier Calves: So these are the buckets under which the activities they envision are captured. It's not a strategic plan, it's not an operating plan, per se. So the 4 objectives the 16 goals have not changed over the past 18 months, right. So the left parts are the -- I would say the high-level buckets under which the activity is captured. The portfolio starts to get into the components of the activities without necessarily specifying it in the view that we have here, what is carried out under each of that, so IANA operations doesn't tell you what these operations are. I think that's your point, if I understand it.

Roelof Meijer: Well I think -- I made it for the operational plan, let's invite for the strategic plan, so the message is, this is so -- this is at such a high level, and with so little detail, and so generically phrased, that it just doesn't help us in any way. Apart from it's kind of a rough overview and we have now the buckets, that we don't what you're going to put into the buckets.

Xavier Calves: So the additional information that we are going to provide as part of the information submitted to public comment will include, for each of the portfolios, will include the key success factor for the portfolio, or success factors if there were several per portfolio, as well as the key performance indicator to measure success for that portfolio.

Which gives more color as to whether it's for -- you know, for the guy in operations, or root system management, root server system management, which gives more color as to what is -- what activities are carried out because you showed the KPI, or the key performance indicator that measures the progress of that activity. So the key success factor in the KPI that are associated with each portfolio, provide a better understanding as to what the activity is.

For each of those portfolios that are here, in addition to the key success factor, and the key performance indicator, the budget will be broken down by the five types of costs, that -- the five numbers for the product cost associated with each portfolio as well as the personnel problem, the travel and meeting cost, the professional services cost and the admin cost, in a similar fashion to what we did last year as you'll remember.

Roelof Meijer: Okay. Thank you. Giovanni?

Giovanni Seppia: Thank you, Xavier. I mean, I understand the concept behind this light and there's a goal, and there's a portfolio, a group of areas that are covered by -- that are supposed to be in the goal, part of the goal. And you just said that there's going to be some metrics affixed

to each of what is listed, what Lesley has called an index in the portfolio. But it wouldn't be more -- would it be better affix these metrics to actions that are going to be carried out by ICANN in each of their areas under portfolio? I mean, I assume that if you arrive upon smart domain names, and then you put a key metric there, I have to assume what are going to be the actions so.

Xavier Calves: Sorry. I think the formulation of the key success factor helped understanding what activities is carried out under IDN (ph), for example, and then the KPI adds, again, more color to it, so I think it will be a bit more tangible when we provide these two pieces of information associated with the portfolio. But to the point that I think you're making, the KPI should help monitor the outcome of the actions that are carried out to achieve the objective, if that's clear, and it's about, what do I -- what am I going to read about the activities or ask them for, whatever operationally, you like to call them, yes. Where are they listed, where. So what we are -- The next level of detail after the 60 portfolios is about 500 projects which is -- if you remember last year, this is the level of granularity that was provided along with the -- in the--

Roelof Meijer: Guys, we are running out of time, Xavier.

Xavier Calves: -- Yeah -- PDF and Excel spreadsheets that provided last year. What we are trying to do is, go down from the most aggregated level which is the objectives and the goals, and the portfolio to associate for each level, the key success factors, and the -- and the KPIs and then continue down in the granularity for each project which becomes then, a portion of the portfolio being addressed by a project with its own milestone and metric for measurement, and then helping rolling up.

So where we are at now is at the level where we have the key success factors in the KPIs for the portfolio. We are asking that the budget owners, the department managers to formulate their budget broken down by project, so that we have at least that data. Part of the challenge is, dependent on how granular you want projects to be, you know them to vary on a single entity. Meaning that the actual projects that will be carried out to achieve the objective for a given portfolio may not always be possible to formulate it right now, and maybe something that you can only formulate when you claim at the detailed level the activities for the portfolio.

So we haven't made that balance, and certainly for certain departments it will be easier to formulate clearly what the projects are for the department is more complicated. So the common denominator that we have right now is the portfolio. Where we need to do, I agree is the level of project, which links us back -- and I'll stop here -- to the conversation about the product accounting system, because where we need to go at the end of the day, is produce actual information by project, budget by project, be able to match the two. And from cycle standpoint, planning at that level, reporting at that level and analyzing at that level.

Roelof Meijer: Xavier, last question. Once the draft of the plan budgets are out, can we have a Q&A conference call with you?

Xavier Calves: Do you mean like the day following, or the day of ?

Roelof Meijer: Yes.

Xavier Calves: As we always do, so yes. Yes.

Roelof Meijer: Okay. It's yes. Thank you. Okay. I want to leave it there. Thank you very much, Xavier for explaining this, and for coming here. Thank you, Denise, this is all.

Denise Michel:

Thanks for everything.

Roelof Meijer:

And we are going to see how we tackle the program, in fact that we don't have two drafts in the period of three months, to comment upon. We had other objection, maybe I can ask, who was able to go to the One Wheel Trust report on accountability and transparency? Although, I think it's a very interesting report, and has some interesting approaches, to quantifying your objectives in there. My impression was with SOP, there's not too much for us to do there, but do we all agree on that? So it's good reading stuff, and I do hope to -- I can take it very seriously.

It was an interesting approach, I think, so I can recommend anybody to briefly scan through it, look at what they did, because ICANN gave -- assigned one group first with assessing their level of accountability and they did it by comparing ICANN's performance with some other NGOs, one of them was ISO, by the way, and it's a general conclusion, I think, is ICANN is doing quite well. Very well compared to certain of the others in certain areas, but there's also still a lot to learn, and they propose accountability framework where you can actually measure the performance of ICANN in terms of accountability and also transparency. I think it has a risk of becoming what we call just paper and tiger, if you don't pay attention, but the approach I think is very interesting. Yeah?

Denise Michel:

I actually have (inaudible) quick information, if you'd like, on this topic?

Roelof Meijer:

Yeah.

Denise Michel:

So Wednesday at 3:00, we'll be talking about the accountability of metrics report and next steps as part of the management systems discussion into the dashboard discussion that Susanna will be leading, this will be a sub-topic. Ultimately our goal is to incorporate these metrics in reporting as part of our ongoing KPIs throughout the whole organization. And we'll be developing a pilot project on the initial metrics, accountability metrics and benchmarks to use, and then getting comments and refining that, and hopefully incorporating this in our Standard Operating Procedures for metrics throughout the organization.

Unidentified Participant:

And you will (inaudible) --

Roelof Meijer:

(Inaudible) Okay-. Carry on, but be brief. Leonid?

Leonid Todorov:

I will. Interestingly the point missing the report, I just check it deliberately, is any of the essence of any reference to bottom-up policy coordination process?

Xavier Calves:

Well, that's something to check. Ultimately policy coordination process. Coordination of a bottom-up policy process.

Unidentified Participant:

(Inaudible)

Xavier Calves:

Yeah. I think it did.

Roelof Meijer:

In whatever context. Bottom-up is just actions.

Unidentified Participant:

Okay. Thank you very much.

Roelof Meijer:

Since we've run out of time, we are very small group, I don't think it will work in dividing tasks here. Shall we commit ourselves to having a chat together and then coming up with a proposal to the group on how we could release two things? Maybe I can just get the sentiment in the group, but there are two things that we could do. We could use the same groups, or roughly the same groups that we have, and give every group an assignment

on both strategic plan and operational plan, and then of course then we will try to get the overlap, same field of operations. Or we could split up and let half of the groups do ops, and the other half in budget, and the other half of the groups do strategy. Do I get my point across?

Unidentified Participant: I think we try both.

Roelof Meijer: We try both!

Unidentified Participant: Only in the sense of we often lack opportunity the reason is that's very much in common in one, as you indicated on the slideshow.

Roelof Meijer: And normally -- No. I wouldn't suggest that we comment on slides because -- we wait for the draft plan.

Unidentified Participant: In a sense the break on the sides and what they expected to -- whoever it will be.

Roelof Meijer: Okay, but then we'll be quite later. Yeah --

Unidentified Participant: But we can do both.

Roelof Meijer: Yeah. We can say goodbye. Okay if it's kind of, you either have no idea or you're happy with both, then my approach would be to see if we can get the overlap between the strategic plan, the part of the operational plan with the same team --

Unidentified Participant: Yeah.

Roelof Meijer: -- it's probably the best way to work . Yeah? Okay. So Bart and I will get back you with the planning and teams and assignments deadlines, et cetera.

Unidentified Participant: Thank you, Roelof.

Roelof Meijer: All right. Thank you very much.

Unidentified Participant: Thank you, Roelof.

Xavier Calves: Roelof, can I just say a point for one second (inaudible)?

Roelof Meijer: Yeah.

Xavier Calves: Just, I want to make a comment on the One Wheel Trust report at the end, I wouldn't dismiss it too quickly, you've heard the by-play (ph) this morning between Mike (Inaudible) on the question of -- on accountability framework for the IANA function, and you can see how anxious ICANN are to have that happen, whereas if you -- you know, if you listen to Keith (ph), I mean, as we should there is need for that, but we haven't made that determination. But ICANN will hold out the One Wheel Trust report as a form of Bible to say, we don't need any improvements in the accountability we have this report. So there is a linkage between that and the overall IANA thing, so I just don't want us to kind of put that aside too quickly.

Roelof Meijer: That was not my suggestion to dismiss it. The question was if there is something for the SOP to work on in the sense of this report. I think it's an important report. I think it will just goes for ICANN, by the way, to do what you said, because there are quite a few recommendations in the report, that we then, we really can wait for them, and say, "Yeah. Yeah. That's probably true." And if you pay so much value to this report, probably you should also do something with the recommendations and the framework. That's a good

point. It was not intended as not important, let's not to pay attention, it's just that I don't think it has worked for this group in that area, at the moment.

Okay. Once again, thank you all. Have a good meeting. See you many times, I think.