



ICAO | **TRANSFORMATION** **SECRETARIAT STRATEGY**

Approved by the Secretary General - 19 December 2022

Contents

1.Foreword.....	3
2.Executive Summary.....	4
3.Urgency of Transformation.....	8
4.Transformational Objective Vision Statement.....	9
5.Organizational Culture	10
6.Scope.....	11
7.Strategic Organizational Model	15
8.Structure & Approach	16
9.Governance & Reporting	17
10.Programme Management.....	19
11.Change Management.....	20
12.Communications & Engagement	23
13.Leadership.....	25
14.Financial Management	27
15.Risk Management	29
16.Implementation Plan	30
17.2026 and beyond	31

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1.Foreword

This strategy is presented to enable the successful delivery of the Transformational Objective during the triennium 2023-2025. It provides structure and governance to the strategic approach whilst providing guidance and reference for stakeholders and Transformation Output leads.

It is designed to be transparent and simple to understand with organizational culture transformation at the centre.

It is presented in a way which creates accountable freedom; stakeholders and Transformation Output leads have flexibility in application to meet the needs of ICAO whilst holding true to the core principles and practices documented in the strategy.

It is designed to be operationalized in synergy with other ICAO initiatives and depends significantly on the support of the Office of the Secretary General, the Bureaus, and Regional Offices. It is not presented as stand-alone document, but rather as the 'north star' of the Transformational Objective working in harmony with complementary initiatives, stakeholders, and colleagues across ICAO.

Methodologies, models and best practices are included to support the operationalization of this strategy and specifically, to support leaders in making and leading the case for change to ensure successful delivery of the Transformational Objective.

This is a planned 3 year strategy, however the ICAO vision for transformation goes beyond the triennium. This strategy will enable ICAO to continue to transform and grow in response to changing business needs over time and acts as a key enabler for the effective strategic planning of the 2026-2028 Business Plan.

As a minimum, a formal review of this strategy will take place at the end of each calendar year during the triennium and an Annual Report published. It is however considered a live and evolving document and so updates will also be published periodically to maintain accuracy and relevance.

2.Executive Summary

The Secretary General laid out his vision for ICAO at the beginning of his term, with a mandate and guidance from the ICAO Council in its Charter to him, and for this triennium, we have a clear 3 year business plan with ambitious Strategic Objectives.

ICAOs vision is to ‘achieve the sustainable growth of the global aviation system’¹ with a strategic focus to best support its Members States recover from the COVID 19 pandemic. This Business Plan revolves around transformation, people, innovation, efficiency, and effectiveness in delivery.

The ICAO results framework articulates this work clearly and introduces the Transformational Objective to the 2023-2025 Business Plan.

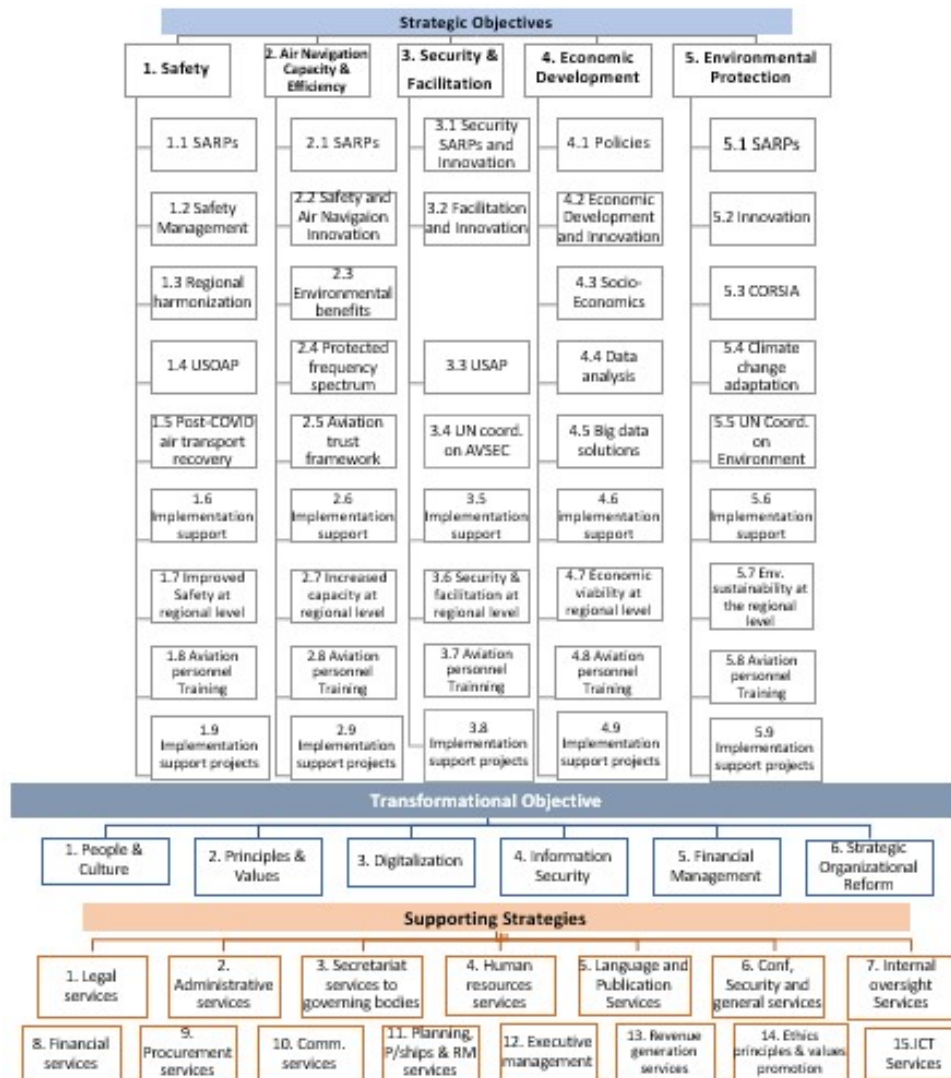


Figure 1.

¹ ICAO Business Plan 2023-2025, section 2.2

The Secretary General committed to ‘enhancing effective collaboration and coordination between ICAO, its Member States, other international partners and the industry to restore confidence in civil aviation.’²

To enable this, a new cross cutting Transformational Objective has been introduced to orient ICAO’s work towards bringing much needed changes to address several corporate management and innovative initiatives within the organization. This work complements the Strategic Objectives contained in the Business Plan and creates economies of scale through cross cutting and integrated initiatives.

The initial driver for this is to provide an enhanced service to meet our Member States’ needs resulting in an agile ICAO capable of adapting to the evolving demands of the industry. However, the vision for the Transformational Objective is bold and ambitious, focussed on modernization resulting in an innovative ICAO which is greater than the sum of its parts.

Due to the complexity and scale of the Transformational Objective, the change will be felt across the ICAO Secretariat and will, in turn, effect positive changes in engagement with Member States. The significance of this change should not be underestimated, transformation goes beyond change and continuous improvement. The ambition for the Transformational Objective is to reform ICAO.

Change focusses on improving and fixing the current state, whereas transformation creates a new vision and creates the necessary work to achieve that vision. This is represented in Figure 2. The articulation of this and understanding of the scale of transformation across ICAO is crucial to its success.

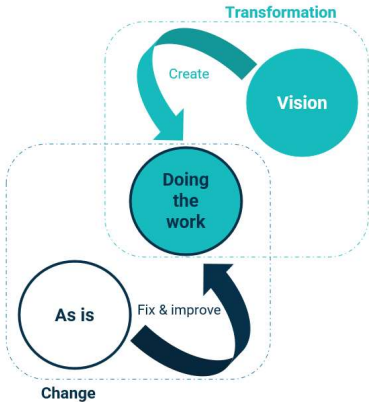


Figure 2.

The 2023-2025 Business Plan articulates the key outcomes of the Transformational Objective with a recognition of a transformational shift in organizational culture required to achieve success. This will be marked by enhancing the efficiencies and effectiveness of our internal operations, leveraging technology, simplification of systems, processes and procedures, and collaboration

² Response from the Secretary General to the Charter Letter, 4 October 2021
5

with partners and stakeholders. A culture of continuous organizational improvement will be a legacy of the Transformational Objective, with ongoing assessment of ICAO's ways of working an ongoing element of its evolution.

This strategy sets the approach for the Transformational Objective to ensure the success against the Business Plan deliverables during the triennium 2023-2025 and to prepare the Organization to the upcoming developments of the aviation system and the needs of its stakeholders. The Transformational Objective goes beyond efficiency, and also focusses on strengthened accountability, ethics principles and values, increased transparency and trust, and enhanced communications.

The key principles of this strategy, underpinned by strong compliance with ethics and values, and effective engagement and communication, are as follows:

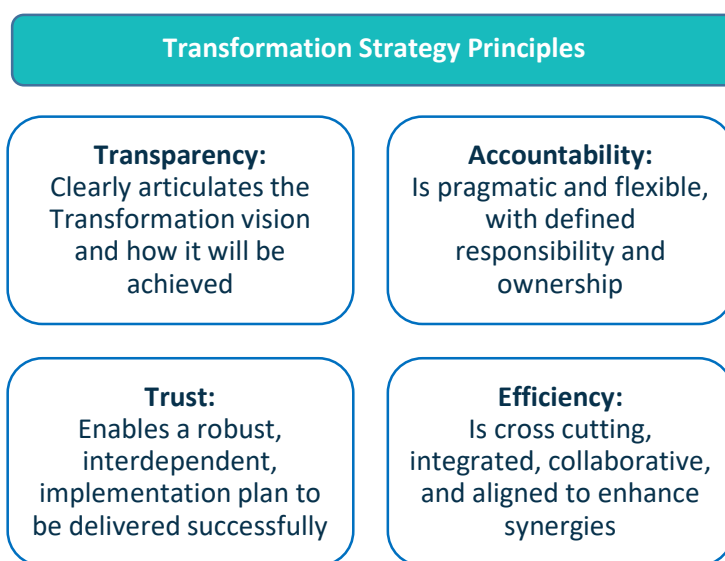


Figure 3.

The key objectives of this strategy are to define, deliver, enable and include as follows:

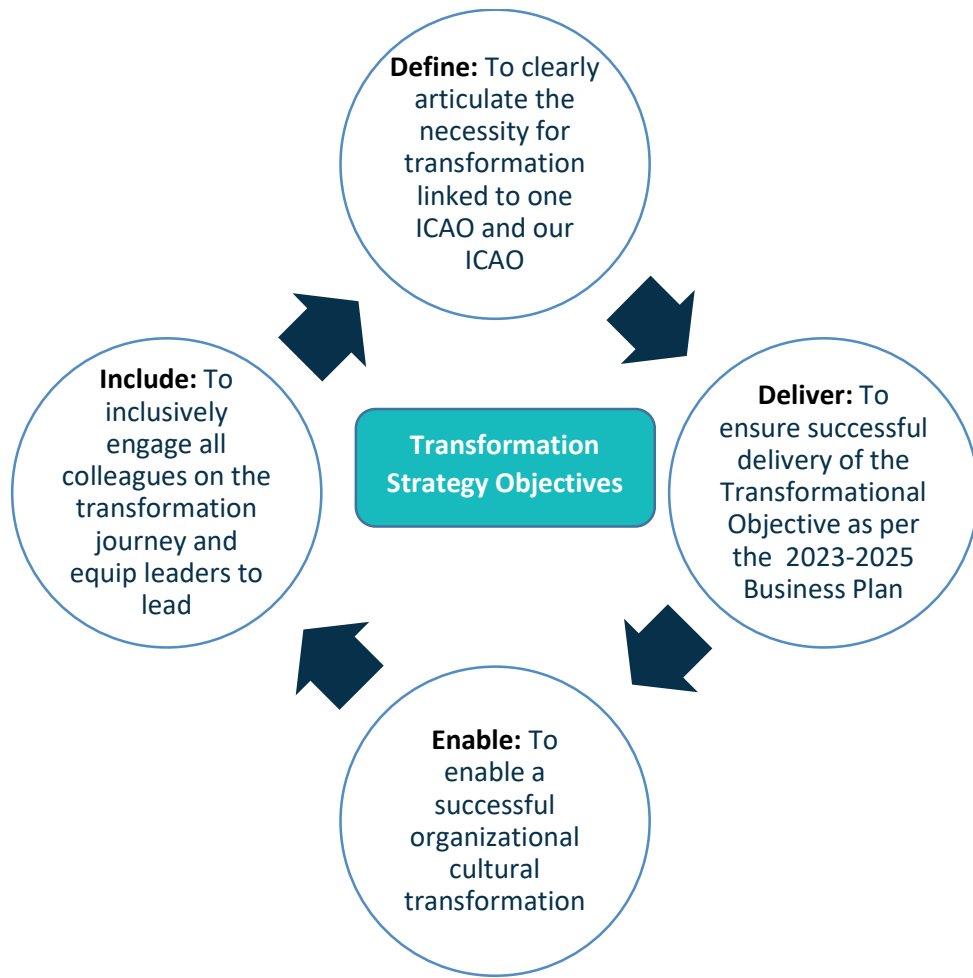


Figure 4.

3.Urgency of Transformation

The Transformational Objective is fundamentally about transforming the Secretariat to enable ICAO to deliver an enhanced service to its Member States.

Before embarking on this transformational journey, ICAO was considered to be overloaded, stressed, and inefficient with a growing mandate but limited resources; this position was unsustainable. ICAO has been lagging behind in technology with legacy systems, processes and procedures negatively impacting the effectiveness and efficiency of the organization.

Member States and stakeholders expect and deserve enhanced, relevant, faster and more agile support from ICAO; ICAO must transform to be able to meet future industry needs effectively.

ICAO has minimal standardized and automated processes, insufficient coordination and governance, and whilst colleagues continue to deliver good outcomes and ICAO continues to meet its vision, mission and values despite this, now is the time to invest for the future.

Whilst ICAO's Strategic Objectives continue to embody the main outcomes that address the priorities of the civil aviation system, to continue to deliver this mandate, there is a preeminent necessity for ICAO to drive several corporate change management and innovation initiatives to obtain efficiency gains in the Organization to manage its processes and resources.

To remain relevant, ICAO must transform in response to an evolving aviation industry, technological advancements and its growing mandate. By creating a culture of innovation, ICAO will be fit for the future, taking this opportunity to seize the moment with alignment of the Secretary General's visionary leadership, full support of the Council and Assembly and allocated budget and resources.

Concerted effort is required to modernize working methods at ICAO, with the level of service provided to Member States directly correlated to the internal effectiveness and efficiency of the Organization which will be improved via the Transformational Objective.

The Transformational Objective transforms the Secretariat under a One-ICAO approach which enables a stronger ICAO (Member States, Council and Secretariat). An Organizational culture shift at the heart of this is necessary with a specific focus on transitioning from some siloed working to full collaborative engagement.

4. Transformational Objective Vision Statement

The vision of the Transformational Objective was developed by the Full Senior Management Group³ considering input and feedback from colleagues across ICAO gathered since the beginning of the Secretary Generals' term via his Our-ICAO initiative.

The vision statement is designed to be bold and ambitious. It sets an aspirational vision for the future state of ICAO beyond the time period of this strategy and the 2023-2025 Business Plan.

The Transformation Objective Vision is:



The progress to realizing this vision will be aligned with 3 key transition states marking the end of each year of this triennium as detailed in the implementation plan in section 16.

³ FSMG Meeting 22 September 2022

5. Organizational Culture

By far the most enduring and important aspect of the Transformational Objective is the transformation of organizational culture.

To drive a transformational culture shift requires advancements in systems, processes and symbolic messaging. This is brought about by robust engagement, communication and change management of every aspect of the Transformational Objective and the approach is defined clearly in subsequent sections. Fundamentally, people are at the heart of transformation and all change should start with this.

Leadership of the change is paramount, and so provision has been made to develop and enable leaders in the Organization to equip them for the task. Cultural development underpins the signature projects in TO1 – People and Culture; firstly, to define the target culture of the organization, and secondly, to monitor and report against the desired outcome.

Embedding the organizational values of integrity, loyalty, independence, impartiality, tolerance and understanding, non-discrimination, gender equality, accountability, and respect for human rights will be key to the success of the Transformational Objective. This will not happen organically, and so specific actions will be taken as part of TO1 – People and Culture, and TO2 – Principles and Values, to bring the values to life, demonstrate, recognize and reward the appropriate behaviors, and address proactively the impacts of colleagues' alignment and demonstration of the values.

An innovation culture is sought and referenced in the Business Plan, and the Transformational Objective work will lead this by challenging existing ways of working, reducing bureaucracy and pushing the boundaries of what can be done for the benefit of ICAO and its Member States. This lead from the front approach will demonstrate the behaviors which we expect to be emulated throughout ICAO as well as empower colleagues to innovate and continuously improve their own work.

In this regard, the Transformational Objective will deliver change 'whilst fostering a culture of innovation and transparency with the highest level of integrity'⁴

The One-ICAO approach is already embedded in the ICAO implementation support services delivered to its Member States, and the work on organizational culture enhances this further demonstrating this is at the core of ICAO's ways of working. The Transformational Objective will also promote a One-ICAO approach to engage, include and immerse colleagues in the transformation work.

To ensure the successful organizational culture transformation, an investment in the growth of ICAO's people is required and this will be delivered through TO1 – People and Culture.

⁴ Charter letter from the President of the Council, on behalf of the Council, to the appointed Secretary General, 31 March 2021

6.Scope

ICAO's Strategic Objectives continue to embody the main outcomes that address the priorities of the civil aviation system. However, to continue to deliver this mandate, there is a preeminent necessity for ICAO to drive several corporate change management and innovation initiatives to obtain efficiency gains in the Organization. Therefore, the Transformational Objective is a key element of the Business Plan 2023-2025.

The Transformational Objective focusses on the shifts needed to evolve towards improving the work environment and organizational culture, efficient internal working methods, strengthened accountability, and increased transparency. Some Transformation Programmes and Projects were already underway at the start of the Transformational Objective and implementation of some initiatives is already complete. In developing the strategy it was recognised that the Programmes are at varying stages of maturity, and accepted that remedial work will only be required by exception.

The Transformational Objective is an initial 3 year Portfolio of work with the goal to transform ICAO into a modern, digital, adaptive and collaborative organization demonstrating operational excellence. In doing so, ICAO will become a results driven organization focused on its people with a transparent, accountable, efficient and values driven culture that applies an innovative and agile approach, in collaboration with key partners and other stakeholders, to deliver an enhanced service for Member States.

A practical and pragmatic approach is being adopted for all transformation work with due consideration given to the current culture and experience of ICAO in leading and managing change; it is expected that this will evolve as the Transformational Objective does.

The 4 outcomes of the Transformational Objective, to support the One-ICAO way of working, are as follows:

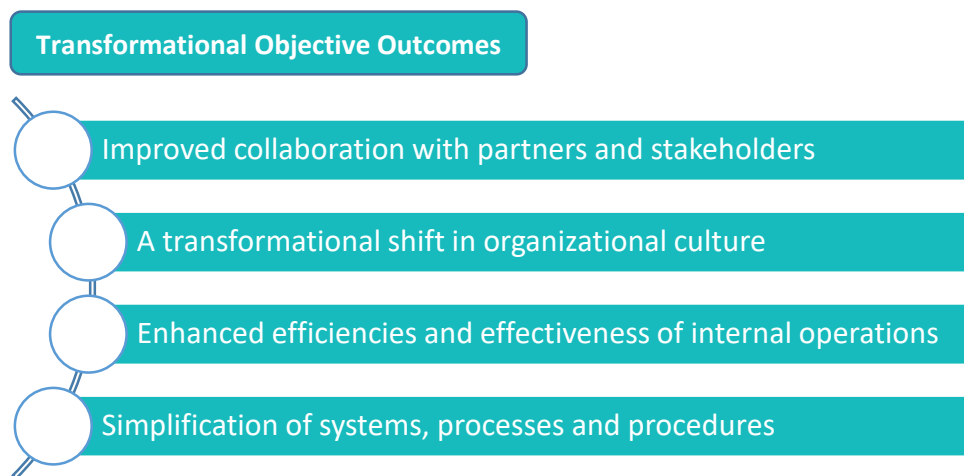


Figure 5.

The Transformational Objective, and the 4 outcomes of this, will be achieved through the delivery of several interdependent Programmes and Projects arranged under 3 core Transformation pillars and 6 Transformation Outputs as seen in Figure 6.

The 3 pillars are:

- People and Culture Transformation
- Digital Transformation
- Operational Transformation

The 6 Transformation Outputs are:

- TO1 – People and Culture
- TO2 – Principles and Values
- TO3 – Digitalization
- TO4 – Information Security
- TO5 – Financial Management
- TO6 – Strategic Organizational Reform

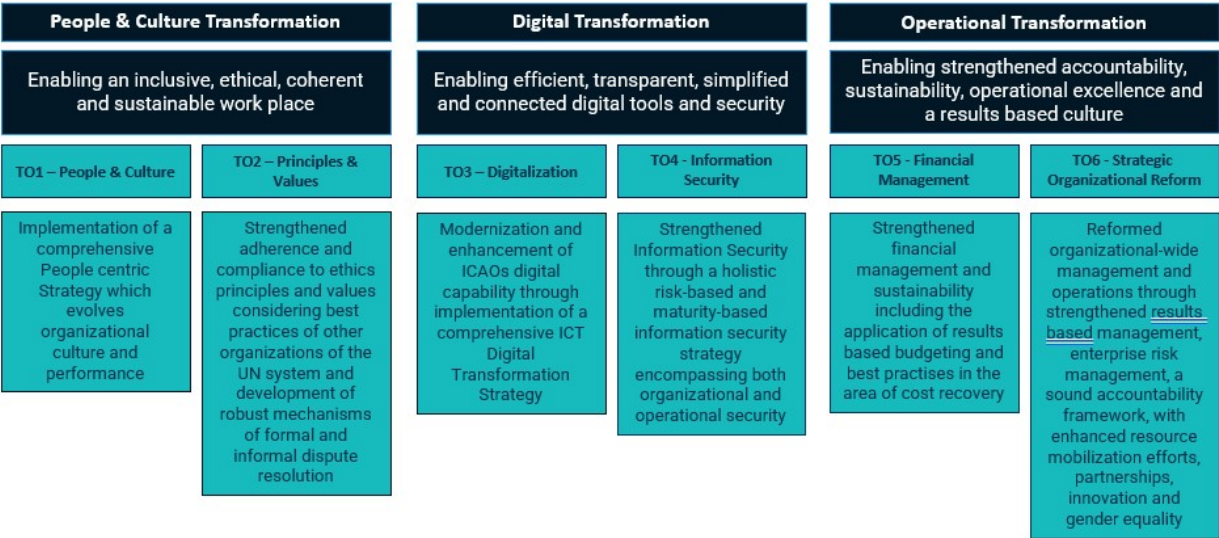


Figure 6.

The Transformational Objective is a 3 year Portfolio of work with specific deliverables in each of the Transformation Outputs. Therefore, the Transformation Outputs are running in parallel, however maturity of individual Programmes and Projects does not align with staggered initiation and implementation prioritized across the Portfolio. They are however being delivered in a coherent and structured order to manage the dependencies and pace of change for ICAO. This includes regular prioritization and assessment of the Transformation Projects to ensure urgent and emerging business needs are met to enable an enhanced service to Member States.

Effective causality analysis is a critical enabler of success in all transformation work, with a results-based management approach being adopted to ensure the work is both necessary and sufficient to achieve the required outcomes and outputs.

An overview of the Programme structure and Projects is as follows, however with ongoing assessment and analysis of the Transformational Objective this will evolve during the 3 year period driven by prioritization.



Figure 7.

There are 2 additional initiatives identified which will be assessed and potentially proposed to stand up during the triennium; these are in the areas of Enterprise Portfolio Management and Organizational Design. The development of an Enterprise Business Process Management Framework will also be undertaken supporting the recognized gap in effective knowledge and

process management. The initiation of any new Project or Programme will be subject to approval as per Transformational Objective governance.

7.Strategic Organizational Model

A Strategic Organizational Model is a key output of the Transformational Objective and will be created and owned by the ICAO Transformation Team. Responsibility for the Strategic Organizational Model will then be moved to business ownership for further evolution upon completion of the Transformational Objective. This model is necessary to articulate the future state for ICAO and is intrinsically linked to good results-based management practices.

The Strategic Organizational Model provides the mechanism to coordinate core processes aligning business and work processes of ICAO for ease of reference; this will ensure end to end functional alignment enabling effective implementation.

Projects and Programmes are required to complete business impact assessments at initiation stage to identify the impacts on people, systems, processes and procedures. A key output of this is to establish which existing processes are impacted with work built into individual Project plans to update or enhance existing processes, document new processes and decommission outdated legacy processes which are no longer required.

The aim is to create a Strategic Organizational Model which aligns people, systems, processes and procedures ensuring core operations and processes work from end to end. It is expected this will take 5-6 years and so goes beyond the Transformational Objective, however, will evolve at pace during the triennium to support the evolving and urgent needs of the Bureaus and Regional Offices specifically.

This Strategic Organizational Model work only identifies impacts from Projects and initiatives in scope of the Transformational Objective, and the core interaction of strategic processes and operational processes at an enterprise level; there is an appreciation that simplification of processes and procedures across ICAO is also required and complementary work on Enterprise Business Process Management has commenced and will create a framework which sits under the Strategic Organizational Model.

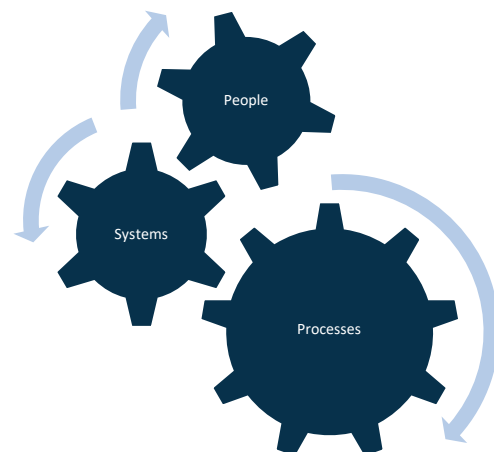


Figure 8.

8. Structure & Approach

The Transformational Objective is being delivered in a structured Programmatic way with the Transformational Objective considered a Portfolio and each Transformation Output a Programme made up of contributory Projects.

The strategic functions of the Transformational Objective are being delivered by the ICAO Transformational Team consisting of internal colleagues, secondees and consultants as required.

A cross functional ICAO Transformation Working Group, with specific teams as required, provides expert business partnering services and support.

This structure is defined in Figure 9.

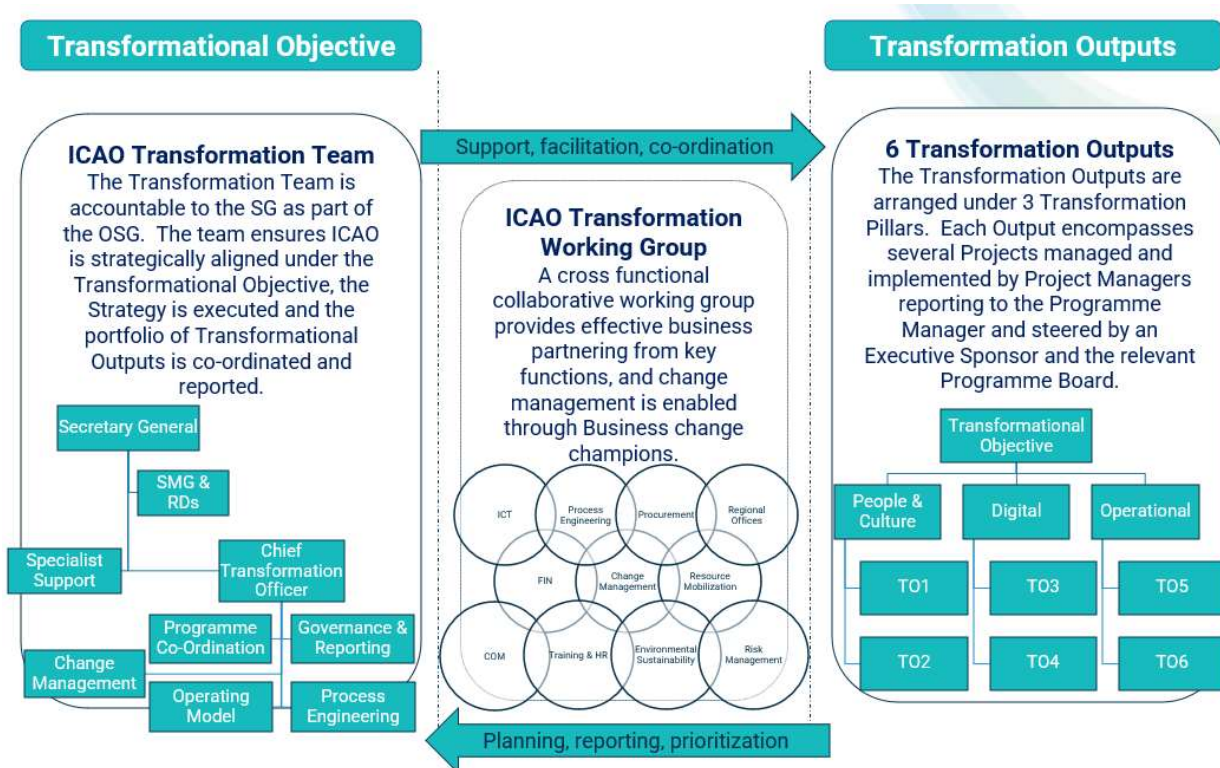


Figure 9.

Aligned with the business plan, the Transformational Objective and associated Outputs adopt a results-based management approach. Frameworks are designed to be flexible to allow practical and pragmatic application with synergies and efficiencies maximised across the Transformational Objective. Duplication is actively avoided with clear outputs, synergies and KPIs defined to ensure achievement of desired results.

9. Governance & Reporting

The governance of the Transformational Objective has been designed to leverage existing mechanisms. The Transformational Objective is set up as a Portfolio, with clear accountability and escalation routes, with the Secretary General holding ultimate accountability for the delivery of the Transformational Objective.

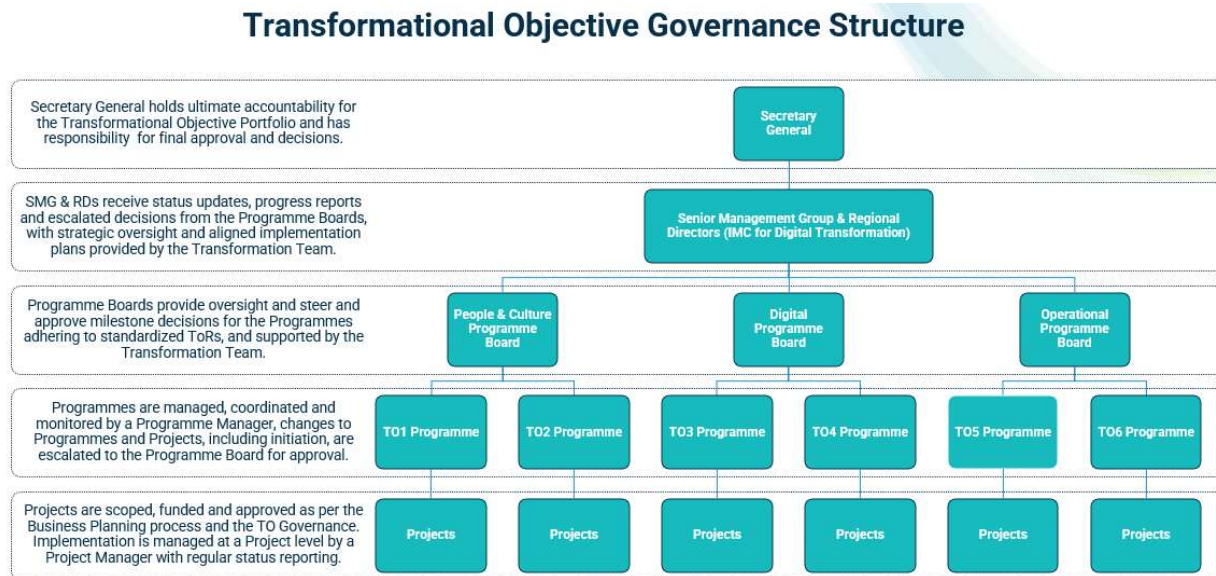


Figure 10.

Each Transformation Output is a Programme with an Executive Sponsor accountable for ensuring effective implementation of the Programme. This role will usually closely align with the Executive Sponsors' individual Director accountability, but is not discreet.

Each Transformation Output is governed through one of 3 Transformation Pillar Programme Boards chaired by the Chief Transformation Officer People and Culture (TO1 and TO2), Digital (TO3 and TO4), and Operational (TO5 and TO6).

Each Transformation Output also has Business Sponsors. The Business Sponsors are independent and un-associated members of the Full Senior Management Group who act as the conscience of the business and the change management lead.

Members of the Programme Board, including the Executive Sponsors and the Business Sponsors, hold equal weight on the Programme Board where it is envisaged the majority of reporting, discussion and decision making can be made. Escalations to the Senior Management Group and Regional Directors should be minimal.

In addition to the Executive Sponsor, Business Sponsors, Programme Managers and Chief Transformation Officer at the Programme Boards, additional steer, advice and oversight may be provided by the Ethics Officer and Office of Internal Oversight to mitigate the risks, conflicts and

need for escalation to the Senior Management Group and Regional Directors, and Secretary General.

The governance model defined for the Transformational Objective is temporary governance applicable to the Transformational Objective Portfolio for the triennium; all core business delivered either as a Strategic Objective or as a supporting strategy or an enabler to this work is considered core business as usual work and, although dependencies are highlighted, existing governance structures for this work are utilized and remain unchanged.

The Transformational Objective is defined in the 2023-2025 Business Plan, and supported by the triennial operating plan and annual work plan to define the specific outputs and activities. These are established working documents and will be updated as appropriate in line with the Transformational Objective governance structure with any changes. These documents will remain the authority for the established outcomes and outputs to achieve the Transformational Objective.

A TO Project Prioritization Methodology has been established, and is applied with recommendations presented to the Programme Board to inform decision making and ensure good governance.

Prioritization methods were previously applied to identify the Projects to be funded before the inception of the Transformational Objective, the results of which are respected:

- Projects funded by the Regular Budget are highest priority and will be implemented this triennium.
- Fully funded Projects are second priority and will be implemented this triennium.

The methodology developed is simple and pragmatic, and accounts for the current constraints. It is co-ordinated and applied by the Transformation Team on a periodic basis ensuring Projects are funded in priority order.

10. Programme Management

A traditional Programme Management approach has been implemented at the Transformation Output level, with each Transformation Output recognized as a Programme consisting of several interdependent Projects.

There is no distinct Programme management methodology imposed on the Programmes, rather, each Programme implements their chosen methodology and approach dependent on the specifics on their individual Programme.

Programme resources and core business resources are managed distinctly with clear roles, responsibilities and time allocation to each Project defined at the scoping stage; whilst core business resources can form part of a Project team this would usually be restricted to functional leads and sponsors to mitigate the risks of scope creep, overlapping of Project with operational work, and poor accountability. This is particularly important for ICAO to ensure successful delivery of the Transformational Objective.

The Transformation Team has established minimal standards of approach, together with documentation and reporting for the Portfolio of Programmes and Projects in the Transformational Objective; ICAO wide methodology can be evolved from this following the Transformational Objective implementation to align ways of work and create further efficiency.

Clear guidance exists in the form of a Project and Programme Manager's Handbook and Governance Terms of Reference, where standardized guidance, frameworks and documentation is provided across the Programme lifecycle in the following areas:

- Defining scope, objectives, activities, deliverables and KPIs
- Project scheduling, activity planning and status reporting
- Benefits realization, resource planning and budgeting
- Change control
- Business impact assessments
- Change management, communications and stakeholder mapping (RACI: Responsible, Accountable, Consulted, Informed)
- Risk register, actions, issues and decisions logs
- Programme Boards and Working Group Terms of Reference

11.Change Management

Change Management is a change term used to describe how change is managed, it focusses on the people side of change and works best when integrated and embedded in good Programme management as seen in Figure 11.

Change management is an important part of successful implementation and crucial if the change is to be embedded and deliver sustained results.

A tried and tested consistent change management approach is being adopted for the Transformational Objective to ensure consistency and maximise efficiency of planning and implementation across the Transformational Outputs.



Figure 11.

The PROSCI method has been chosen and is detailed below. This simple and pragmatic approach to change management is adopted by ICAO for the Transformational Objective focused on colleague engagement, communications, training and adoption of new ways of working with a light and flexible, versus a rigorous or heavy process, encouraged. It was lightly adapted to meet ICAOs requirements.

<p>Prepare Approach</p> <p>To position the change for success by developing a customized and scaled change management strategy with the necessary sponsorship and commitment.</p> <ul style="list-style-type: none"> ✓ DEFINE SUCCESS – What is the successful outcome we are trying to achieve? ✓ DEFINE IMPACT – What is the impact on people, systems and processes? ✓ DEFINE APPROACH – What is the approach required to achieve success? 	<p>Manage Change</p> <p>To achieve adoption and usage of the change by creating, implementing and adapting plans that will support individuals and the organization through the transition.</p> <ul style="list-style-type: none"> ✓ PLAN AND ACT – What activity is required to prepare, equip and support people? ✓ TRACK PERFORMANCE – How will we measure and report progress? ✓ ADAPT ACTIONS – What course corrections are required? 	<p>Sustain Outcomes</p> <p>To realize the value of the change by ensuring the change is adopted and the organization is committed and prepared to sustain the change.</p> <ul style="list-style-type: none"> ✓ REVIEW IMPLEMENTATION – Has the successful outcome been achieved? ✓ ACTIVATE SUSTAINMENT – What is needed to ensure the change sticks? ✓ TRANSFER OWNERSHIP – Who will assume ownership and sustain outcomes?
<p>Change Management Requirements > Master Change Management Plan > Change Management Close</p>		

PROSCI Change Management Methodology

Figure 12.

The standards for change management for the Transformational Objective are set by the ICAO Transformation Team and applied across the Transformational Objective and Output Programmes and Projects by embedding in Programme management. A framework to support consistent application of this methodology is in place to enable a robust approach to be applied and monitored enabling a streamlined colleague journey.

An important element of this is the formation of the sponsorship coalition for each Programme as seen in Figure 13.

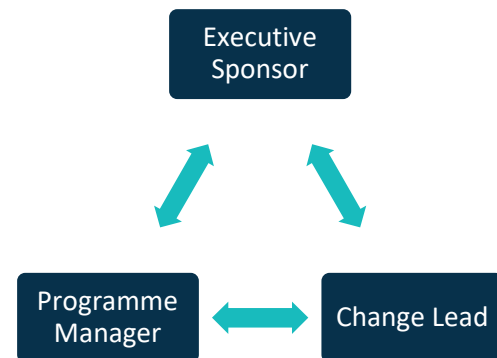


Figure 13.

The key change management principles are:

- **Understand the change** - we change for a reason and should be able to articulate this clearly
- **Plan the change** - the purpose, direction and desired results should be clear at the planning stage
- **Implement the change** - implementation should be at an Organizational and an individual level
- **Communicate the change** - communication and engagement should be open, transparent and authentic

These principles are supported by some best practices which will be utilized throughout the triennium:

- Mobilize active and visible executive sponsorship
- Follow a structured change management plan
- Engage with all levels of the Organization in a bespoke manner
- Create an environment of two way communication and feedback
- Enable leaders to lead the change
- Integrate change management with Programme management

The PROSCI methodology has been embedded into an ICAO change management framework, to be applied by all Project Managers aligned with communications. The Project Manager of each Project holds ultimate accountability for successful change management supported by the Programme Managers, Executive Sponsors, Business Sponsors and the ICAO Transformation Team Change Management Lead to deliver effectively. Change management and Programme management are effectively integrated to deliver the best outcome for ICAO colleagues.

The terminology of 'change management' and 'Programme management' is only used within the ICAO Transformation Team and Programmatic structure to avoid confusion and perceived

complexity; colleagues should feel the positive impact of a good change management model, and do not need to be familiar with the specific methodologies being applied.

The PROSCI methodology is flexible and adaptable and the way in which ICAO applies it will evolve as the Transformational Objective does. Business change champions support the approach and act as a conduit between Programmes, Projects and the business as a key part of the transformation engagement.

The change management methodology is adopted in each Transformation Output, complemented by the ICAO Transformation Team who will also capture Transformational Objective feedback and questions.

12. Communications & Engagement

The Transformational Objective is organization wide, and as such will impact colleagues throughout the implementation and requires sustained results embedded beyond this. It is therefore crucial to the success of the Transformational Objective that there are consistent and robust communications and engagement in place; this is a key element of change management.

To successfully manage the changes, an inclusive approach has been adopted; all colleagues are invited to get involved and shape the direction of ICAO as it transforms. Two way communication is encouraged with a range of feedback mechanisms in place with a bespoke approach as appropriate to ensure all Headquarters and Regional Office colleagues are engaged.

A simple and pragmatic approach is being taken so as not to overwhelm colleagues, and, to recognize the resource challenges ICAO has, practical and realistic steps to achieve the desired results are being taken. Recognition of ICAOs current strengths and what is working well are highlighted and maintained, and success is celebrated with colleagues throughout the journey.

Transformational Objective communication is not a siloed activity and there is a dependency and expectation across the Organization that every opportunity is taken to promote the benefits of transformation, and weave key messages into business as usual communications and engagement activity. Alignment across all elements of ICAOs work is sought to maximize the positive impact of Transformational Objective communications and engagement activity.

The Transformational Objective will ultimately deliver benefits for Member States and so, communications are prepared for all stakeholders at all levels delivering consistent messaging throughout.

The key principles of the Transformational Objective communications and engagement plan are:

- Transparent – we are open and honest
- Authentic – we are genuine and avoid spin
- Realistic and enthusiastic – we manage expectations and don't oversell
- Simple – we do not use complex language and terminology
- Inclusive – we actively empower all colleagues to shape ICAO
- Consistent – we repeat and build on messages regularly
- Relevant – we deliberately engage with the right audience at the right time
- Celebratory – we highlight successes, reward experimentation and learn from failure

Stakeholders are grouped into the following categories for the purposes of transformation communication and engagement as follows:

- ICAO - all colleagues
- ICAO - FSMG
- ICAO – Council
- ICAO - Assembly
- ICAO - Member States

- External stakeholders - Industry, Partners, Stakeholders and Donors
- External stakeholders – Public

A variety of communication and engagement tools will be utilized, including:

- ICAO Website, Intranet and Secure Portal Council site
- Status dashboards
- Email Postmasters
- Presentations
- Newsletters
- Town hall meetings
- Videos
- Leadership cascade
- Roadshows

Digital tools, including Teams and Viva Engage, are showcased as a key part of the Transformational Objective supporting Digital Transformation with communications designed to be equally informative and enabling for all colleagues. A dedicated email account transformation@icao.int allows all transformation comments, questions and feedback to be directed to a central focal point ensuring alignment and consistency.

The ongoing use and encouragement of feedback on how to improve ICAO via the Secretary General's Our-ICAO initiative is also leveraged as an integrated part of the transformation communication and engagement.

Leaders serve as important change agents with the way in which they communicate and engage with their teams impacting the success of embedding change and inclusion for colleagues; they are encouraged to have an open door policy. Leaders are being equipped to lead in this regard with key interventions ensuring leaders have the tools they need to succeed. Tools include regularly updated questions and answers, key lines to take, elevator pitches and presentations which can be used with all stakeholder groups.

Stakeholder management is maintained through a standard RACI (responsible, accountable, consulted, informed) log which will be updated as the Transformational Objective evolves.

13.Leadership

The Secretary General is ultimately accountable and responsible for the Transformational Objective, however, the transformation of ICAO will only be successful with strong organization-wide leadership. Leadership development forms a key part of the transformation work to enable leaders to effectively lead and embed the changes and new ways of working.

It is expected that leaders will lead by example by demonstrating ethical leadership, and from the front actively showing their commitment to the delivery of the Transformational Objective demonstrating adaptive leadership. Moreover, leaders are encouraged to consider the welfare of their people and understand the colleague journey which transformation work creates.

The Full Senior Management Group have made the following collective commitments to the Transformational Objective:

- To engage collaboratively across ICAO and support the Transformational Objective outcomes.
- To drive a change in culture with their teams aligned with the One-ICAO approach.
- To communicate effectively with their teams, and encourage involvement for all colleagues in the Transformational Objective.
- To embrace change and lead from the front.
- To look to the future, be innovative and inspire local transformation activity.

The Kubler-Ross change curve is a simple tool for leaders to consult when considering the journey colleagues will embark upon, and will be utilized when developing colleague communications and engagement activities to guide colleagues along the curve over the next triennium.

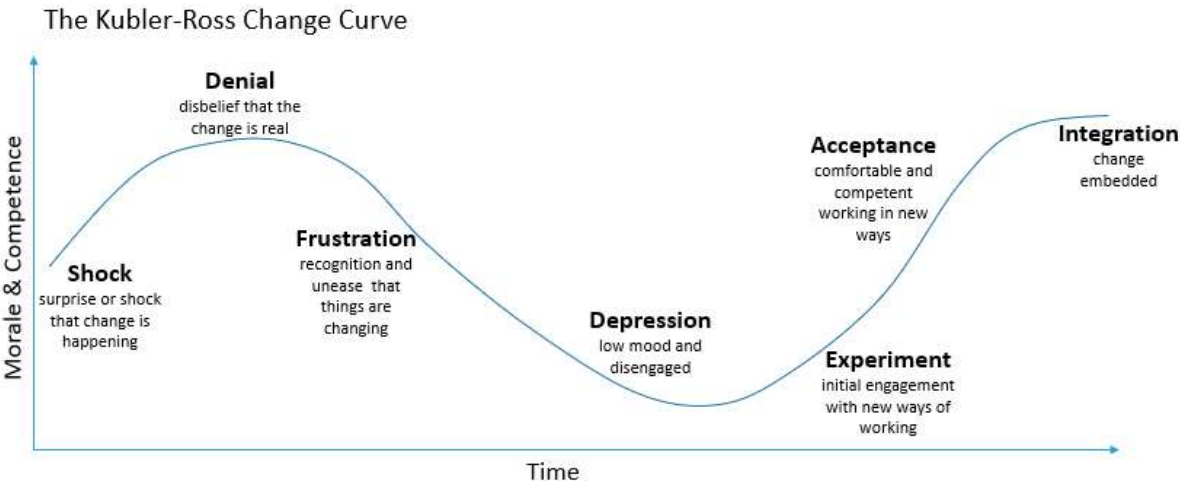


Figure 14.

When managing the emotional journey undertaken as ICAO transforms, there is a need to let go of the past, embrace uncertainty and envision new possibilities; support is being provided to leaders to create this enabling environment.

It is expected that the Full Senior Management Group will also drive efficiencies and process improvements within their own areas by a process of continual process improvement – the Transformational Objective is not designed to achieve an all encompassing transformation but instead strives to deliver a culture of innovation and improvement with all leaders and colleagues having a key part to play where they are empowered to manage local initiatives supporting the overall Transformational Objective vision.

Leaders also support at different stages of the various Programme lifecycles in a more focussed manner, and all ICAO Leadership colleagues have specific performance objectives documented in their PACE for the Transformational Objective.

14.Financial Management

The Transformational Objective funding consists of 2 primary sources: 2023–2025 Regular Budget allocation and voluntary contributions from Member States and organizations. Secondary sources could include unutilized appropriations and surplus generated in other extrabudgetary funds.

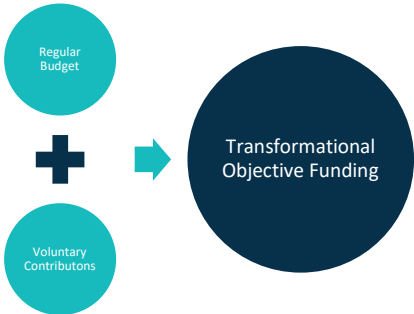


Figure 15.

A Transformational Fund has been created to receive voluntary contributions for the Transformational Objective implementation. The combined budget plan will enable effective financial management of all funds allocated to the Transformational Objective.

Specific funds are allocated from the Regular Budget and Transformational Fund to the Transformation Outputs by Project; this is done using a mixture of prioritization where un-earmarked funds are available and direct funding where contributions are earmarked for a specific purpose; prioritization is also applied in individual Transformation Outputs to allocate funds to specific projects where the earmarked allocation is at Programme rather than Project level.

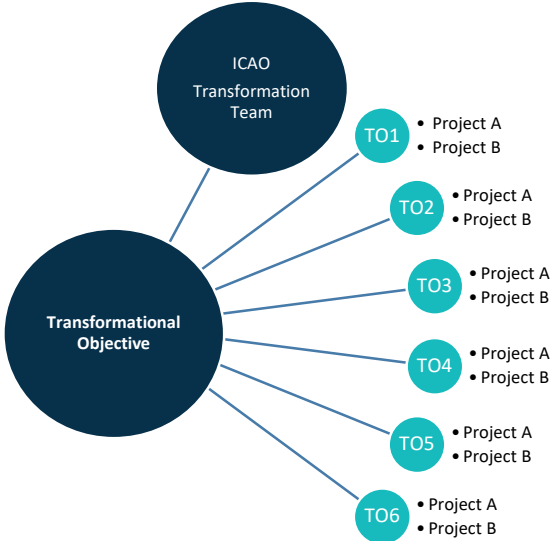


Figure 16.

Each Project Manager has reporting and management responsibility for the budget with budgetary decisions taken to the Programme Board for any changes to approved budget. The Executive Sponsor for the specific Transformation Output has accountability to deliver the Transformation Output within approved budget. The ICAO Transformation Team provide oversight and reporting in collaboration with Finance to ensure robust financial management, and hold their own budget for resources and Transformational Objective wide activity; accountability for this budget sits with the Chief Transformation Officer.

The Transformational Objective funding also supports the cost of the Transformation Team which does not have allocated budget from the Regular Budget. The funding of this team relies on voluntary contributions as its primary funding source.

Transformational Objective finances are presented in a clear and consistent manner and donor contributions are linked to specific Transformation Outputs, Programmes, Projects and deliverables to provide transparency for Member States.

15.Risk Management

The ICAO Transformation Team have assumed responsibility for coordinating and monitoring risk management for the Transformational Objective.

A risk register, aligned with ICAO's Enterprise Risk Management and Internal Control Framework is in place to manage risks at a Portfolio, Programme and Project level with updates on high risks at a Portfolio level provided regularly to the Secretary General and the Senior Management Group and Regional Directors; this is aligned with Transformational Objective Governance.

Every Output Programme and Project is also required to manage and mitigate risks via the risk register with updates provided at the Programme Board.

Standardized actions, issues and decisions logs are also managed to provide effective audit and control across the Portfolio.

16.Implementation Plan

The Transformational Objective implementation plan is managed in a consecutive series of Transition States representing the preparation period as Transition State 0 leading up to the 2023-2025 triennium followed by 3 further Transition States representing the 3 year Business Plan. The implementation plan for the Transformational Objective is aligned to these Transition States ensuring delivery of the Transformational Objective outcomes and outputs.

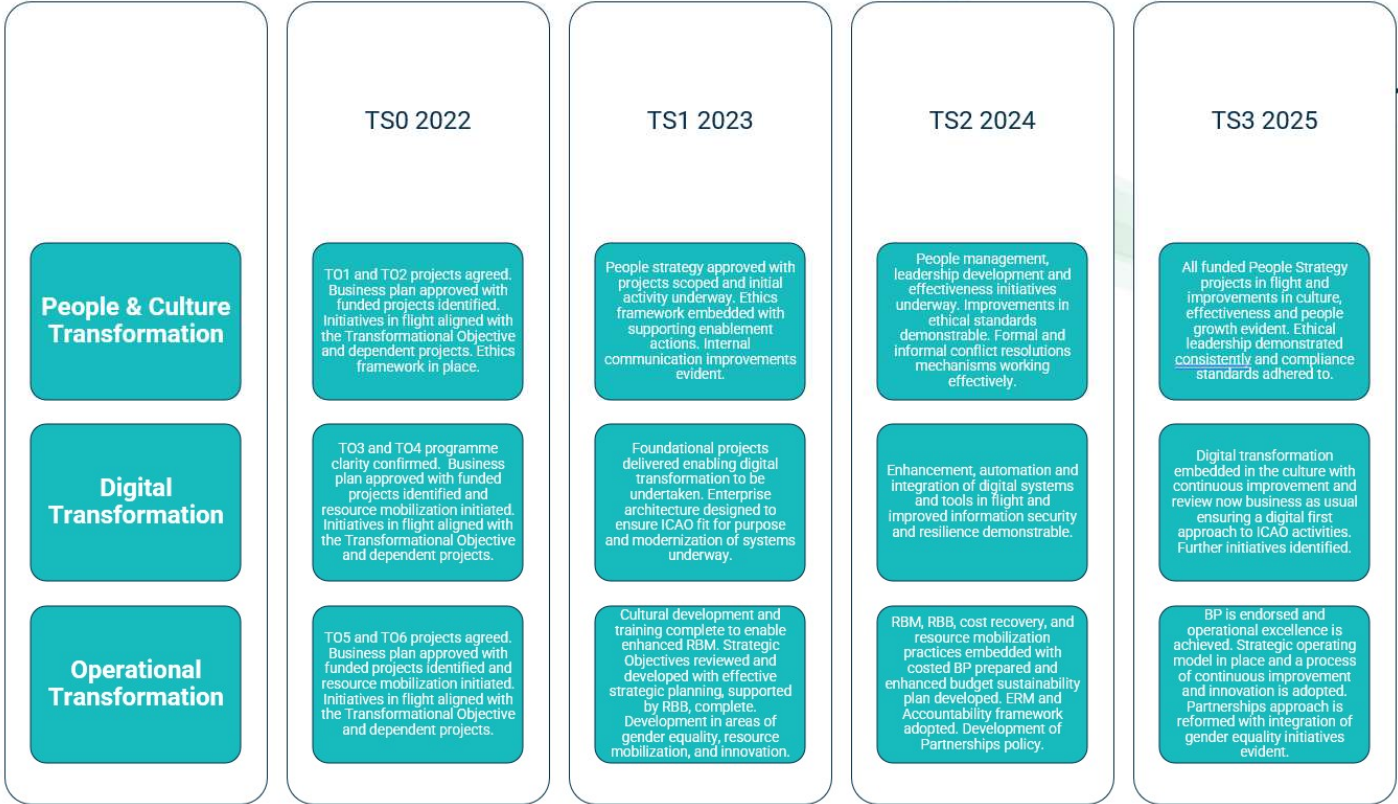


Figure 17.

17.2026 and beyond

By building a culture of innovation and embedding organizational change, the platform and foundation will exist to continue on a transformational journey in the next triennium.

ICAO will adapt to the needs of Member States and the aviation world, and continually monitor progress against the Strategic Objectives whilst remaining true to its purpose. It is expected there will still be transformational activity which will continue from 2026 and beyond; specifically some elements of culture, results-based management and digital transformation which will not be complete until the next triennium.

There are future transformational projects envisaged which are not fully incorporated into the 2023-2025 Business Plan and these may be initiated in this triennium or they may be considered in the next.

It is also expected that leaders will continue to embrace change and transformational activity and will be bold and ambitious in their plans for the next triennium building on the success of the Transformational Objective and the embedding of results-based management.

A high priority enabler of Continuous Organizational Improvement will provide a Programme of Activities and Projects to be prioritized from 2026. This creates an enduring legacy of the Transformational Objective work, and constant evaluation will be made of the progress of the Transformational Objective to ensure it remains true to its purpose and creates a foundation which can be built upon in the next triennium.

Transformation is not a quick or easy process and will require steadfast commitment and determination from ICAO colleagues and leadership first and foremost to maintain momentum, however if this is achieved then into the next triennium a model of high challenge and high support can be embedded to continue to strengthen ICAOs performance, efficiency and culture.