

Rationale for PTI Staffing Recommendations

In making a proposal for how to staff PTI, ICANN recognizes that the recommendation must:

- Fulfill the community' proposal, while taking into account potential separation.
- Provide for the stability and security of the IANA functions. Consider and care for our employees – their preferences, morale, retention, and career growth and development.
- Ensure the long-term viability of the PTI staffing model.

Although the staffing of PTI could follow different models, ICANN proposes a secondment approach because it best allows ICANN to ensure continuity and quality in the performance of the IANA functions. At the same time, secondment satisfies the requirements of the CWG Proposal that: “The existing IANA functions department, administrative staff, and related resources, processes, data, and know-how will be legally transferred to PTI.”¹

Staffing Proposal

ICANN proposes that:

- Current IANA department staff be seconded from ICANN to PTI, via contract, to perform the IANA functions.
- The PTI President be a seconded ICANN employee, and the role of the PTI President be filled by ICANN's Vice President of IANA.
- The PTI Treasurer and Secretary be ICANN direct shared resources.
- All future PTI staff be seconded from ICANN to PTI.

Separation

There are multiple ways that separation could occur. The ICANN-PTI contract(s) will allow for any separation scenario that the community decides to take. The contract(s) will require ICANN to facilitate a smooth transition and cooperate with the community's choice of separation.

Employment Details

Employment

The seconded employees will be employed by ICANN with job descriptions that specify their responsibilities to perform a role exclusive to the IANA functions. Any employee in these roles will be employed by ICANN and seconded contractually to PTI.

The seconded employees will follow ICANN's policies and procedures, including any specific policies and procedures required to perform the IANA functions.

Comment [GSS1]: I do not think that a “secondment” is a “transfer.” A secondment is comparable to a loan. A transfer typically refers to a movement from one place to another that is complete and leaves no ongoing connection to the transferor. This can be seen in the list of transfers to PTI – “related resources, processes, data, and know-how.” Clearly, these will be assignment and transferred to PTI so that ownership (title) moves to PTI; this is inconsistent with the concept of a loan. Consider also the “transfer window” in professional soccer – the transfers referred to there are complete assignments to the new club. As such I believe that “secondment” does not satisfy the requirements of the CWG Proposal.

Comment [GSS2]: This raises questions about loyalty to ICANN vs. PTI.

Comment [GSS3]: I am unclear on the concept of people as “direct shared resources.” How does this differ from secondment? If the PTI Treasurer and Secretary are ICANN employees, then all of PTI's Officers will be ICANN employees. That raises significant concerns.

Comment [GSS4]: If secondment remains, it needs to be clear that this includes best efforts by ICANN to ensure that all PTI secondees become PTI employees (in a separation where PTI will continue to provide IANA services, but not under the ICANN umbrella). [NOTE: We need to consider what happens in the event of partial separation.]

Comment [GSS5]: “Specific policies and procedures required to perform the IANA functions” should be PTI policies and procedures, not ICANN policies and procedures.

¹ Paragraph 1109 of the CWG-Stewardship Proposal.

Benefits

The seconded employees will be offered the same benefits as other ICANN employees.

Comment [GSS6]: This almost certainly could be done through a Shared Services Agreement, without the need for secondment. Was this explored?

Payroll

The seconded employees will be part of the same payroll system as other ICANN employees.

Comment [GSS7]: This certainly could be done through a Shared Services Agreement, without the need for secondment. Was this explored?

Performance Management

The seconded employees will be subject to the same performance management program as other ICANN employees. Under this performance management program, employees will be assigned objectives pertaining exclusively to performing the IANA functions. For the role of PTI President, the PTI Board will set goals and review performance.

Comment [GSS8]: Will non-PTI ICANN employees be involved in performance management and review of PTI secondees?

Advantages of Secondment

Employee Considerations

- The staff members who currently perform the IANA functions have indicated that they prefer to remain ICANN employees rather than become employees of a new, unfamiliar entity. Secondment reduces the risk that these employees will seek other employment because they do not want to become employees of PTI.
- With secondment, ICANN can maintain the employee-employer relationship without disruption, and PTI will not have to enter into new employment relationships with the affected staff to enable them to perform their same jobs. Stability of the current IANA team is critical to the secure and stable performance of the IANA functions. The secondment approach is the optimal staffing approach because it is designed to maximize the possibility of continuity within the current IANA team.
- Secondment also helps ensure that there will not be two different classes of employees – ICANN and PTI. ICANN proposes that secondment be used for current as well as future PTI staff to eliminate potential disparities. A non-secondment path at any time will invariably create two classes of employees. As employees of ICANN, individuals performing the IANA functions will have the same options as other ICANN employees. This arrangement will make it easier to recruit and retain high performers – ultimately a benefit for the customers of PTI.
- During this transition period, for the stability and security of the performance of the IANA functions, continuity in the leadership of the IANA functions is also important. ICANN proposes that the role of President of PTI be held by the existing Vice President of IANA. The Vice President of IANA has expressed a preference for secondment rather than enter into an employment relationship directly with PTI. The IANA employees will benefit from a leader whom they know and trust to carry them through this transition period. For this reason and because of the importance of historical and direct knowledge of the IANA functions operations, secondment for the PTI President role is also optimal.

Comment [GSS9]: There's very little that's unfamiliar about it. It will have all the same people and responsibilities as the IANA group currently has. This seems overblown.

Comment [GSS10]: This is antithetical to the idea of a transition from ICANN control to self-sufficiency. PTI will forever be a "colony" of ICANN under this relationship. That is not what was intended.

Comment [GSS11]: What effects if any would come from having "two classes of employees"? What consideration was given to minimizing these effects?

Comment [GSS12]: What are these "options"? Do they include transferring out of PTI? That does not seem optimal.

Comment [GSS13]: What options were explored to incentivize the VP of IANA to join as an employee?

Operational Considerations

- Secondment allows the positions and employees performing the IANA functions to be exclusively dedicated to IANA operations, based on the explicit and detailed conditions of the contract between ICANN and PTI.
- Secondment allows for ICANN to leverage the existing payroll system instead of setting up a new payroll system for PTI, which is costly and time consuming to establish and manage.
- Secondment also allows employees to continue to have access to the same benefits, the same performance compensation programs, the same legal protections and the same career development opportunities. Although PTI could possibly provide similar benefits, compensation programs and legal protections if it directly employs staff members, as a small organization, PTI could not give employees the same career growth and development options.
- The roles of the PTI Treasurer and Secretary are not expected to require full-time employees. As such, cost-effectiveness and operational efficiency can be gained by ICANN providing qualified shared resources to PTI to serve as Secretary and Treasurer.
- ICANN will also provide shared resources and support services to support PTI operations. This will allow PTI access to ICANN's resources and expertise to maintain the same customer support service levels. This is the most cost effective approach as opposed to PTI having to create new functions for HR, finance, procurement, IT, office management, etc.

Comment [GSS14]: This would be the same under an employment scenario, which would be easier because they would not need to be the subject of a contract with "explicit and detailed conditions."

Comment [GSS15]: As noted above, I'm confident ICANN can provide payroll services to ICANN under a Shared Services Agreement. Was this explored?

Comment [GSS16]: I'm glad to see some grudging acknowledgement that PTI could offer essentially the same "package" as ICANN.

Comment [GSS17]: Career growth and development options that take secondees out of IANA would seem to be detrimental to PTI – not a selling point.

Comment [GSS18]: See concerns expressed above.

Comment [GSS19]: Shared services and resources are unrelated to secondment and was always considered the most likely option.

Separation Considerations

There are multiple ways separation could occur. Secondment and shared services allow for flexibility in accommodating the various possible separation scenarios, while ensuring the stability and security of the IANA functions at the time of separation.

Scenario 1 – PTI becomes independent from ICANN. In this scenario, PTI will offer all seconded employees employment with the independent PTI. ICANN will continue to provide shared resources and support services to PTI until PTI is capable of sustaining operations on its own.

Comment [GSS20]: Secondment creates much greater uncertainty under this scenario, as opposed to having PTI employees. If the latter is done, the employees don't need to do anything and neither does PTI; the employees are already "on board."

Scenario 2 – A successor is created or selected, and all seconded employees transfer. In this scenario, the new successor would offer employment to all seconded employees. If the successor requires, ICANN will provide shared resources and support services to the successor to ensure continued performance of the IANA functions until the successor is capable of sustaining operations on its own.

Comment [GSS21]: Unrelated to secondment.

Comment [GSS22]: This is equally true if the employees are PTI employees.

Scenario 3 – A successor is created or selected, and some seconded employees are selected to transfer. In this scenario, the new successor would offer employment to selected seconded employees, while the remaining employees would be made available to the successor until the successor puts a team in place. ICANN will provide every opportunity for employees not selected by the successor to explore other employment opportunities within ICANN. If the successor requires, ICANN will provide shared resources and support services to

Comment [GSS23]: Unrelated to secondment.

Comment [GSS24]: This could be accomplished equally well without secondment.

the successor to ensure continued performance of the IANA functions until the successor is capable of sustaining operations on its own.

Scenario 4 – A successor is created or selected, and no seconded employees transfer. In this scenario, ICANN continues to operate the IANA functions until the new successor puts a new team in place, and ICANN will cooperate in the training of the team as needed. ICANN will provide every opportunity for employees to explore other employment opportunities within ICANN. If the successor requires, ICANN will provide shared resources and support services to the successor to ensure continued performance of the IANA functions until the successor is capable of sustaining operations on its own.

Conclusion

If IANA staff were required to enter into a direct employment relationship with PTI in order to continue performing the same jobs performed today, retention problems could result. This lack of continuity could jeopardize the immediate as well as long-term stable performance of the IANA functions. Therefore, for the reasons stated above, ICANN recommends that all IANA staff be employed by ICANN and seconded to PTI for the performance of the IANA functions. The secondment arrangement should be structured in a way that meets the community's separability goals without jeopardizing the performance of the IANA functions.

Comment [GSS25]: Unrelated to secondment.

Comment [GSS26]: This implies that some or all of the know-how and skill involved in the IANA functions will remain the property and knowledge of ICANN and not PTI; this is troublesome.

Comment [GSS27]: This could be done equally well without secondment.

Comment [GSS28]: This seems like an issue to be overcome, rather than letting it dictate the terms of the transition, at variance with the CWG's plan.

Comment [GSS29]: This will require a series of complex safeguards that could be avoided if IANA staff were PTI employees.