



Examination of the financial position and efficiency of SRG SSR idée suisse
Report for the attention of the Federal Department of the Environment, Transport, Energy and
Communications (DETEC)

Basic facts

In April 2005, the Federal Department of the Environment, Transport, Energy and Communications (DETEC) mandated the Swiss Federal Audit Office (SFAO) to draw up an overview of the financial position and efficiency of SRG SSR idée suisse by March 2006. The SFAO based its analysis on two sources in particular. Firstly it examined data and documents on the financial position as well as on SRG SSR Group procedures. Secondly it conducted interviews with those in charge at the SRG SSR Group and other experts. In addition three external mandates were granted.

In keeping with the mandate, the SFAO's findings concentrate on the potential to make improvements in efficiency:

- **A result of the decentralised structure of the SRG SSR Group there is an efficiency deficit.** The SRG SSR Group decision-making process is geared to decisions being taken, as far as is possible, on a decentralised basis. Inevitably this is linked to synergies being neglected.
- **The complex structures within the SRG SSR Group do not altogether meet the requirements of corporate governance.** There are partial overlaps of implementation and supervisory functions in the interplay of parent organisations, the entire company, company units and subsidiaries.
- **In individual areas in personnel and management policies, there are questions relating to market requirements.** Overall wages and terms of employment in the SRG SSR Group, viewed from the perspective of efficiency, are adequate. In individual areas, need for adjustment has to be clarified in greater detail.
- **Financial supervision through the Confederation has little effect and the charging mechanism is unsatisfactory.** With the procedures presently applied, financial supervision cannot adequately scrutinise the efficiency of the charging mechanism. Rate-setting does not sufficiently take into account past and future SRG SSR Group productivity.

Furthermore, the SFAO notes that the SRG SSR Group uses its resources, in due consideration of the structures involved, carefully and purposefully. With a few exceptions (in particular cost accounting), the management tools and processes are on a par with the private sector.

The SFAO has formulated diverse recommendations for the attention of the SRG SSR Group and DETEC. In doing so, the following prevailing thrusts emerge:

- **Centralising decision-making in the technical-administrative area.** Depending on the issues, here direct, centralised directives, centralised predetermined basic conditions or centralised management are to be envisaged. The project on harmonised cost accounting is a priority.
- **Modifications to meet the requirements of corporate governance.** An assessment of possible conflicts of interest in dual functions should be carried out. Individual dual functions need to be disentangled.
- **Making adjustments and clarifying issues to do with personnel and management policies.** In the case of management, the variable wage portion should be increased to the level of the fixed wage portion in line with business concerns linked to the Confederation. In other areas of management and personnel policies, unresolved issues to do with the market requirements of the conditions at the SRG SSR Group should be examined in greater detail.
- **Periodic assessment report linked to an evaluation of the financial requirements.** The SRG SSR Group should, every four years, give a detailed account of past and future developments in its performance. The procedure for rate-setting is to be established in accordance with the assessment report. DETEC should increasingly utilise performance audits within the scope of financial supervision.
- **Various other recommendations.** The lion's share of these recommendations concerns measures on improving transparency.