



## FOR INFORMATION

### THIRTEENTH ITEM ON THE AGENDA

## Human Resources Strategy: Annual report

### Introduction

1. When presenting the revised Human Resources Strategy 2006–09 in November 2005, the Office committed to providing an annual progress report on implementation beginning in November 2006.
2. This third report summarizes the actions taken to implement the Strategy and the main results achieved to date, compared to the initial targets approved by the Governing Body. It also identifies the major milestones in the further course of implementation and highlights some of the implications of the follow-up to the ILO Declaration on Social Justice for a Fair Globalization for updating the Strategy in 2009.

### Structure of the report

3. Section I details the progress achieved in each of the Strategy's developmental priorities: sound and effective policies and procedures for recruitment, placement and career progression; integrated, motivating and rigorous staff performance management and development systems; and essential staff welfare and security arrangements.
4. Section II summarizes the key developments and activities within the Office that have supported the implementation of the Strategy.
5. Section III outlines the main developments related to United Nations (UN) reform and their possible implications for human resources management (HRM) in the ILO.
6. Section IV highlights some of the implications of the follow-up to the ILO Declaration on Social Justice for a Fair Globalization for the preparation of a new strategy covering the period 2010–15.

## Implementation of the Strategy: Overview

7. The Strategy aims at optimizing the fit between the strategic focus of the ILO in delivering decent work results and the management of human resources in the Office. It seeks to strengthen the capacity of the Office to deliver high-quality services to constituents. It is built on results-based management (RBM) principles, promoting and fostering a results-based culture among managers and staff. As such, it is a major driver of the internal reform process. Its targets are important components of the RBM road map, with linkages to the information technology and the knowledge-sharing strategies.
8. The Office has stepped up preparations for the launch of the revised staff performance management system, which emphasizes RBM management, planning, accountability, motivation and recognition. It also solidified its efforts to create a learning culture to build appropriate competencies and refresh its knowledge base. Both objectives are at the heart of the reform process.
9. Also fundamental to the reform process were sustained efforts to reinforce management capacity across the Office through targeted learning activities aimed at supporting good governance and strengthening operational efficiency. Staff “buy-in” and inputs are indispensable to this process. The administration therefore continued to engage with the Staff Union Committee. This was done both formally, within the framework of the Joint Negotiating Committee (JNC) Joint Training Council, joint working groups and other joint bodies, and informally, through ongoing dialogue and consultation.
10. Recruitment efforts received a significant boost with the successful launch of the new recruitment, assignment and placement system (RAPS). This system allows the Office to take a more comprehensive view of recruitment and placement decisions, in light of its human resources policy objectives. It also reinforces workforce and succession planning, provides greater transparency and predictability for both managers and staff, forms the basis for an improved mobility policy and reduces transaction costs. Further changes will aim at better positioning the Office to attract highly qualified staff, including young people, particularly from under-represented regions. In this context, the Office will benefit from the results of a recent Global Staff Survey on Recruitment and Retention<sup>1</sup> throughout the UN system conducted by the International Civil Service Commission (ICSC), which provides useful insights into what motivates staff to join and remain in service.
11. Safety and security concerns received heightened attention in the aftermath of the bombing of the UN Office in Algiers in December 2007, which claimed the lives of 17 UN officials, including one ILO staff member. ILO officials were also among the injured. Among the various measures taken by the Office were the investment of an additional US\$1.5 million from the Special Programme Fund to support enhanced security of ILO staff and premises; and the adoption of an updated security management accountability framework which is being closely monitored to ensure compliance by staff at all levels. Within the framework of the UN Chief Executives Board for Coordination (CEB) and the High-Level Committee on Management (HLCM) and its functional networks, the Office has been engaged in determining the appropriate follow-up to the report of the UN Secretary-General’s Independent Panel on Safety and Security of UN Personnel and Premises Worldwide (IPSS).
12. As part of the UN common system, the ILO was actively engaged in the initial follow-up of the recommendations of the UN Secretary-General’s High-level Panel on System-wide Coherence, contained in its report entitled “Delivering as One”. These recommendations

<sup>1</sup> See: <http://icsc.un.org/resources/hrpd/gssr/>.

highlight, inter alia, the necessity for greater coherence and harmonization of UN operational activities for development, including of its human resources practices as a means of increasing the efficiency and effectiveness of the UN.<sup>2</sup> To this end, the Office continued to work within the framework of the Human Resources Network and at the country-level to identify areas in which greater harmonization can be achieved, while paying due regard to the Staff Regulations and decisions of the ILO Governing Body and the ILO Administrative Tribunal.

13. Overall, targets were met with respect to gender balance, mobility, occupational safety and health, and conflict prevention and resolution, and significant progress recorded in other areas, such as staff performance management, staff development, recruitment and selection and the rebalancing of the grade structure. Nevertheless, the Office recognizes that there are still significant challenges which it must continue to address, not least of which are those which flow from the Declaration on Social Justice for a Fair Globalization and its follow-up.

## I. Main components of the Strategy

### 1. Sound and effective policies and procedures for recruitment, placement and career progression

#### (a) *Improving recruitment and selection*

*Target: Recruitment and selection are organized on the basis of revised procedures that emphasize competence, efficiency and integrity. These procedures, proposed amendments to the Staff Regulations and associated administrative circulars will be presented to the Committee for endorsement in March 2006.*

14. A framework agreement on the procedures for recruitment and selection was signed in October 2007. Subsequently, negotiations commenced on the annexes to the agreement covering the detailed recruitment and selection procedures. However, in May 2008, the Staff Union Committee informed the Human Resources Development Department that it was unable to continue negotiations pending the outcome of a review panel consideration of certain changes made to the Assessment Centre.<sup>3</sup> The panel had not yet considered the Staff Union's submission at the time of writing. In the interim, the present collective agreement remains in force.

*Target: The average time for completion of the competition process will be reduced to 90 days by the end of 2007.*

15. With the introduction of RAPS in late 2007, the recruitment of regular budget Professional (P) staff has been organized around two fixed periods of the year, with more emphasis placed on better staff planning, including succession planning. With this new emphasis, the focus has shifted from the time taken to complete competitions to ensuring that better and more timely staffing decisions are made, taking account of the medium- and long-term

<sup>2</sup> GB.300/PFA/17, para. 8.

<sup>3</sup> Article 7 of the Recognition and Procedural Agreement between the Office and the Staff Union provides for the establishment of a review panel to examine submissions by either party in the event of a failure to reach agreement at the JNC or in the event of a difference of opinion in the interpretation or application of existing agreements.

needs of the Office. The conclusion was that more effective planning and greater predictability in the timing of the process have rendered this target largely moot. With the new system, it is more apt to focus on the length of time that a position remains vacant. A new target will be proposed in the updated Strategy, taking account of the experience in implementing RAPS.

16. Some data from the first RAPS exercise in the first semester of 2008 are worth noting in the context of the current target:
- the average time for completing the competition process which involved some 37 P positions was 132 days; and
  - a total of 3,038 applications were received, compared to the 3,118 applications received for the entire previous year for both P and General Service (GS) competitions.

With more experience in implementing the new system, and some additional fine-tuning, it may be possible to reduce further the time necessary to complete the recruitment process, but given the current procedures and level of resources, the reduction is not likely to be significant. This will have to be taken into account in future planning. More significant is the potential which the new system has demonstrated in attracting additional candidates. Time will tell whether this also has a qualitative dividend, but it shows that, with more careful targeting, the Office may achieve the breakthrough it requires, especially in its outreach to under-represented regions.

17. The administrative workload of simultaneously processing RAPS and non-RAPS competitions (ongoing P competitions and new and ongoing GS competitions) took its toll on the completion of the latter and, despite contingency measures, there was a delay in the time taken for non-RAPS competitions. As a result, the average time taken to complete these competitions rose to 158 days for P positions and 181 days for GS positions. It should be noted, however, that the operation of a dual system for the recruitment of regular budget P staff is a transitional measure and the Office is taking steps to ensure that the burden on the system is reduced by minimizing the number of routine P competitions which are launched outside of RAPS. The experience in implementing the first RAPS will be analysed and used to identify and address areas of concern and facilitate improvements. The end result must be a more efficient and effective recruitment machinery responsive to the needs of the Office and of staff. Already, measures have been introduced to cope with the enormous expansion in the number of applications. These include the upgrading of JobShop, the ILO's electronic recruitment system (see paragraph 71).

18. Major upcoming milestones for RAPS include:

| Month/year    | Key milestones   |
|---------------|--|
| December 2008 | Appointments made under RAPS 2008 (Phase 2)                        |
| December 2008 | Completion of Office-wide staffing reviews for RAPS 2009 (Phase 1) |
| February 2009 | Compendium of vacant positions issued                              |
| June 2009     | Appointments made under RAPS 2009 (Phase 1)                        |

## Internships

19. Since January 2008, approximately 260 young persons have been granted internships, 174 in headquarters and 86 in the regions. At headquarters, the Office has succeeded in opening internships to a growing number of young persons from outside Europe and North America, who now represent more than one half, up from approximately one third in 2007.

**(b) Strengthening diversity**

## Regional diversity

*Target: A more balanced regional representation in the staff of the Office will be achieved by the end of 2007, with a particular focus within each region on non- and under-represented nationalities.*

20. The procedure for establishing a rough gauge of the interregional balance of the geographical distribution of the number of regular budget staff in the Professional and higher categories has been outlined in previous reports.<sup>4</sup> It involves calculating a desirable range for the number for each region, determining its midpoint and then comparing this to the number of staff with nationalities drawn from that region.<sup>5</sup> The regions are defined as those used for ILO administrative purposes, i.e. five regions as indicated in table 1 below.

**Table 1. Regional representation of staff (regular staff – Professional and higher categories), December 2005 and September 2008**

| Administrative region (No. of member States) | Desirable range |           | Mid-point of desirable range (a) |           | Number of staff (b) |            | Deviation from mid-point (b)–(a) |           |
|--|-----------------|-----------|----------------------------------|-----------|---------------------|------------|----------------------------------|-----------|
|  | Dec. 2005       | Sep. 2008 | Dec. 2005                        | Sep. 2008 | Dec. 2005           | Sep. 2008  | Dec. 2005                        | Sep. 2008 |
| Africa (53)                                  | 60–101          | 60–101    | 81                               | 81        | 96                  | 96         | +15                              | +15       |
| Americas (35)                                | 126–209         | 124–207   | 167                              | 166       | 171                 | 168        | +4                               | +2        |
| Arab States (11)                             | 15–25           | 16–26     | 20                               | 21        | 8                   | 11         | -12                              | -10       |
| Asia and the Pacific * (29) to (32)          | 111–185         | 108–181   | 148                              | 145       | 115                 | 115        | -33                              | -29       |
| Europe and Central Asia * (50) to (51)       | 172–286         | 184–306   | 229                              | 245       | 255                 | 266        | +26                              | +25       |
| <b>Total *</b><br>(178) to (182)             |                 |           |                                  |           | <b>645</b>          | <b>656</b> |                                  |           |

\* The number of member States in the Europe and Central Asia region increased from 50 to 51 when Montenegro became the 179th member State and the Asia and Pacific region increased from 29 to 32 when Brunei Darussalam, the Marshall Islands and Tuvalu became the 180th, 181st and 182nd member States, respectively.

21. As shown in table 1, the situation remained positive and stable, with the number of staff in four of the five regions falling within the desirable range. In the case of the Arab States, despite an increase in the number of staff, it remained below the desirable range. An indication of progress was also reflected in the comparison of the number of staff and the mid-point of the desirable range in respective regions. There was convergence towards the mid-point in four of the five regions. In the Americas and Europe and Central Asia, although the number of staff remained above their mid-points, the gap was reduced. The gap was also reduced in Asia and the Pacific and the Arab States, except that, in those cases, the number remained below the mid-point. In Africa, the gap remained unchanged.

<sup>4</sup> GB.297/PFA/14, para. 17, and GB.300/PFA/17, para. 16.

<sup>5</sup> The desirable range for each region is the total of the desirable ranges of all member States in that region. The Office calculates a desirable range for each member State contributing 0.2 per cent or less to the regular budget and a desirable range in proportion to their contribution to the regular budget of the other member States.

22. The Office remains fully committed to reducing significant imbalances within regions and continued to take steps to attract and recruit staff with non- and under-represented nationalities. The progress noted in paragraph 21 is a reflection of these efforts. Since 2005, the Office has recruited some eight persons with unrepresented nationalities. However, the impact of this on reducing the overall number of unrepresented nationalities continues to be offset by the departure from the Office of staff with particular nationalities, and the continued increase in the number of new member States. Since 2005, four new member States have joined the ILO.
23. The introduction of RAPS provides a mechanism for the Office to more specifically target qualified candidates with non- and under-represented nationalities in a cost-effective manner. Already, during the first RAPS exercise, some 20 per cent of the 3,083 applications received from external candidates were from those with non- and under-represented nationalities; and they represented a third of external candidates recruited. As part of the special measures taken, the Office has used highly reputable internationally and regional print media more extensively, the latter focusing on Asia and the Arab States, with translation into various languages, including Japanese and Arabic. Additionally, the Office began discussions with specialized recruitment agencies to canvass potential candidates from specific regions.
24. Other measures taken by the Office include:
- with the assistance of constituents the creation and use of a prospection database of government departments, employers' and workers' organizations and educational institutions in non- and under-represented countries;
  - holding discussions with representatives of these countries on strategies for attracting and retaining their nationals and making contributions to, or participating in, career fairs; and
  - giving consideration in the competition process to external candidates with non- and under-represented nationalities, once the mandatory requirement to give prior consideration to internal candidates has been met. In all cases, recruitment standards regarding competency and integrity are respected in keeping with the provisions of the Staff Regulations.
25. The Office will also draw on the results of the Global Staff Survey on Recruitment and Selection, specifically those related to ILO staff, to better understand what motivates staff to join and remain in service. Although the ILO-specific results are not yet available, the overall results suggest that staff are motivated by a strong belief in the goals and objectives of the Organization, the opportunity for individuals to use their skills, the opportunity to serve a good cause and the challenging and generally satisfying nature of the work and the opportunity to serve in a multi-cultural environment.<sup>6</sup>

#### Gender balance

*Target: The share of women in senior positions (i.e. P5 and above) will be no less than 33 per cent by 2007.*

26. The share of women in senior positions at the P5 level and above has continued to rise and stood at 35 per cent in September 2008, surpassing the target. This was up from 29 per cent in December 2005, the baseline period. The greatest inroad has been made at the D1 level,

<sup>6</sup> "Results of the 2008 Staff Survey on Recruitment and Retention", draft note by the ICSC Secretariat.

where just under 50 per cent are women, up from 31 per cent. The increase at the P5 level, 32.1 per cent, up from 28 per cent in the earlier period, was also significant given the larger numbers involved.

27. The Office will continue to build on these achievements, with the ultimate aim of achieving parity between women and men. To this end, it continued to prepare women for leadership positions through their participation in the Management and Leadership Development Programme (MLDP). Since its inception in 2003, 41 per cent of the participants on the Programme have been women. This effort is already beginning to yield dividends. During the first phase of RAPS, women were successful in six of 12 P5 competitions. The goal is also to achieve greater equality of opportunity and treatment for all ILO staff and ensure the gender responsiveness of the Office's internal and institutional systems and HR policies as set out in the ILO Action Plan for Gender Equality.<sup>7</sup> In this context, one challenge may be to provide mechanisms which better support women in management positions.

### *Persons with disabilities*

28. Within the framework of the ILO policy on the employment of persons with disabilities, the Office continued to review and implement, where practicable, the recommendations arising from the independent review carried out in 2007. Measures include: the inclusion of an explicit statement in all vacancy announcements issued by the Office that it welcomes applications from qualified persons with disabilities; and, beginning with the second RAPS exercise, a request to all applicants invited for interview to inform the Office should they require reasonable accommodation to enable them to participate in the interview.
29. The Office has continued with the adaptation of its headquarters building to increase accessibility for persons with disabilities. While the proposal to construct a lift for persons with disabilities at the north side of the building has been adopted by the Committee, its implementation has been put on hold, pending the outcome of a technical assessment.<sup>8</sup> In addition, improving accessibility will be a fundamental consideration in the larger headquarters renovation project.
30. Within the framework of the Programme and Budget proposals for 2010–11, the Office is considering the establishment of a centralized “reasonable accommodation fund” to finance the adaptation of work stations to facilitate the continued employment of staff who acquire disabilities during their working life and/or the recruitment of staff with disabilities. The fund could be drawn upon by managers both at headquarters and in the field and would help lower some of the barriers that individual managers face in recruiting persons with disabilities. This type of centralized fund would mirror those that exist in many private and public sector organizations.
31. The Office policy on the employment of persons with disabilities (2005) recently served as a model for the Human Resources Network working group that is formulating a draft policy on the rights of persons with disabilities, to be presented to the CEB for discussion. The draft policy was a response to the adoption of the UN Convention on the Rights of Persons with Disabilities, adopted by the UN General Assembly in resolution 61/106 on 24 January 2007.

<sup>7</sup> ILO Action Plan for Gender Equality 2008–09, International Labour Office, Geneva.

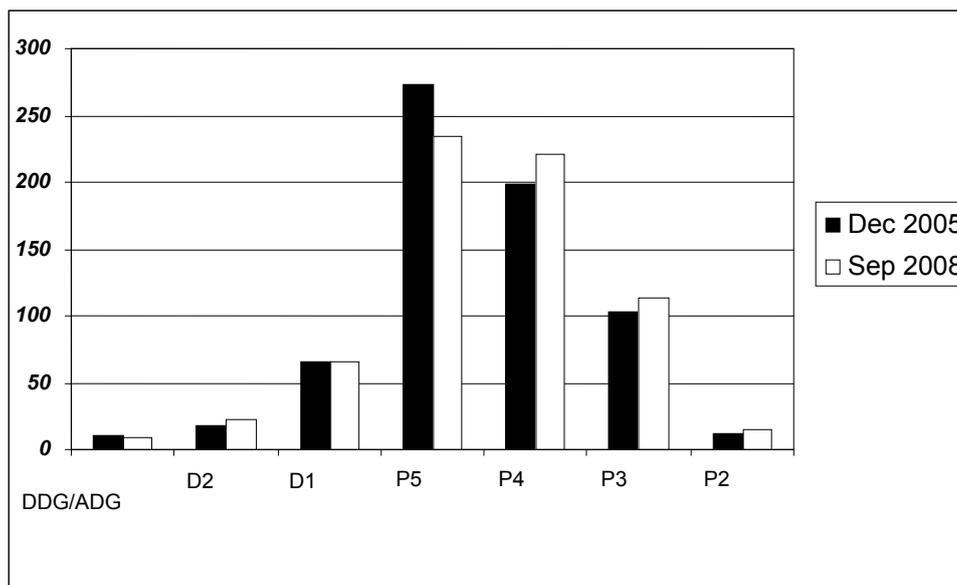
<sup>8</sup> GB.303/PFA/BS/1, para. 6.

**(c) Rebalancing the grade structure****Targets:**

- (i) *At least one third of P5 jobs becoming vacant by the end of 2009 through retirement will be regraded. The grades of other vacancies arising during the same period will also be reviewed, with a view to establishing a more appropriate P staff grading structure.*
- (ii) *The grade review exercise will establish a separate target in relation to the GS staff at headquarters and in the field.*

32. Since January 2006, 27 P5 positions, which became vacant through retirement, transfer and other types of separation, have been regraded downwards. Two D1 positions have been regraded at the P5 level. As a result, the share of P5 positions in the Professional category declined from 46.6 per cent to 40 per cent. The consequent change in the distribution of grades is shown in figure 1. No separate target has yet been established for GS staff, as the outcome of the field structure review is still pending. Three GS positions at headquarters have nevertheless been regraded to lower levels.

**Figure 1. Distribution of staff by grade, (regular staff-Professional and higher categories), December 2005 and September 2008**



Source: IRIS

33. These results have been achieved through a continual review of the grades of all positions as they become vacant. This process has been facilitated by the six-monthly staffing reviews conducted both for headquarters and the field in the context of the implementation of RAPS. The implementation of such a system necessitates more rigorous workforce planning by the Office, requiring managers to identify the totality of their anticipated human resources needs for at least the coming year. Through the staffing reviews, decisions are taken on the grades of vacant positions and of positions to become vacant in the near future through retirement.

34. Delivering high-quality services in a cost-effective manner remains a complex challenge. ILO constituents demand the best possible technical support from highly experienced officials – many of whom will be found at the higher grades, supported by officials at

lower grades. Indeed, the Declaration on Social Justice for a Fair Globalization calls for action to ensure “adequate competencies and knowledge base”. The Office’s grade policy must therefore produce an ILO workforce which has the right balance between officials of different grades, while ensuring that constituents’ demands are met. At the same time, the grade policy must take into account the career development aspirations of serving officials, and facilitate the mobility of staff. These considerations must guide any update of the grade policy.

**(d) Increasing mobility**

*Targets:*

- (i) *By the end of 2007, 40 per cent of eligible P and higher category staff will have had both headquarters and field experience, with an increase to 45 per cent foreseen by the end of 2009.*
- (ii) *By the end of 2007, at least 33 per cent of P and higher category staff serving in a particular region will come from another region of origin.*

- 35.** Between September 2007 and September 2008, 16 officials (including five women) were transferred from headquarters to the field; 21 (including nine women) from the field to headquarters; and 19 (including six women) from field to field duty stations. This led to an increase to 40 per cent of eligible P and higher category staff with both headquarters and field experience, thereby attaining the first target.
- 36.** Table 2 shows that the second target was also met, with just over 33 per cent of staff serving in a region other than their region of origin. There continued to be wide variation between the regions, however, with Asia and the Pacific and the Arab States significantly surpassing the target, while Africa, Europe and Latin America and the Caribbean had yet to achieve it, in spite of the substantial progress made.
- 37.** The Office will persist with a more rigorous implementation of the mobility policy since it is essential for staff to broaden their collective knowledge and understanding of the work of the Organization as a whole and for the Office to be able to deploy staff when and where their competencies are needed. RAPS will be used as a vehicle for identifying and preparing officials who could be targeted for mobility in the framework of the policy. To that end, the Office began issuing letters to officials who had been at headquarters for more than ten years and in field duty stations for more than six years, inviting them to apply for positions advertised in the second RAPS exercise outside their current duty stations.
- 38.** The Office recognizes that staff often face challenges in adjusting to new duty stations as well as managing the career needs and aspirations of their accompanying spouses or partners. It has therefore become a contributor to the UN Dual Career and Staff Mobility programme which assists spouses and partners in finding employment, obtaining work permits and settling their families into new locations. The Office has also begun to pilot a more structured briefing programme for managers appointed to the field to ensure that they are adequately prepared for the challenges of managing ILO offices (see also paragraph 47).

**Table 2. Staff distribution by region of assignment, (regular staff, Professional and higher categories), September 2008**

| Region                          | Total No. of staff | No. from outside region | Percentage from outside region (September 2007) | Percentage from outside region (September 2008) |
|---------------------------------|--------------------|-------------------------|---|---|
| Africa                          | 67                 | 15                      | 23.8  | 22.4  |
| Latin America and the Caribbean | 49                 | 15                      | 25.0  | 30.6  |
| Arab States                     | 13                 | 7                       | 50.0  | 53.9  |
| Asia and the Pacific            | 65                 | 29                      | 40.6  | 44.6  |
| Europe                          | 29                 | 8                       | 18.2  | 27.6  |
| <b>Total</b>                    | <b>223</b>         | <b>74</b>               | <b>30.0</b>                                     | <b>33.2</b>                                     |

Source: IRIS.

## 2. Integrated, motivating and rigorous staff performance management and development systems

### (a) Managing staff performance

*Target: During 2006–07, an effective, fair and equitable performance management and measurement system that meets modern international standards of good practice will be implemented.*

39. The Office has further advanced the process of developing and implementing the new staff performance management system, including a strengthened appraisal system for managers. Pilot exercises were completed in three field offices and two headquarters units, with generally favourable feedback on various elements of the new system. These include the incorporation of work planning at the unit and individual levels, clarification of expectations for staff members and the establishment of work priorities. Participants provided valuable inputs on the draft appraisal forms and guidelines. They also identified adequate training for managers and staff as a key component of the preparatory process.
40. Against this backdrop, the Office has developed a training and communication strategy to prepare all staff, both at headquarters and in the field, for the full implementation of the new system. Managers are being trained in the principles of effective performance management, including in giving and receiving feedback, coaching, delegating and motivating staff. The Office is reviewing its approach to rewards and recognition for exceptional performers. At the same time, it is preparing detailed guidelines for managers on the handling of underperformance.
41. Efforts continued during the year to align the staff performance management system with other human resources systems as well as with other Office-wide initiatives that are part of the RBM road map. For example, the new system will support the principles and implementation of RBM within the Office. The core competency and values framework, which has been revised for use in the new system, is also being utilized by RAPS. This framework supports the concepts of teamwork and knowledge sharing, which are at the heart of the knowledge-sharing strategy. Furthermore, the system will link to staff development activities, not only in relation to the preparatory training mentioned, but also because of the systematic inclusion of a developmental objective in the report of every staff member.

42. The Reports Board, which is an integral part of the performance management architecture, has continued to review and streamline its working methods in anticipation of the implementation of the new system. It is giving particular emphasis to developmental issues, conveying to managers the need to provide more detailed evaluation of performance, including in the context of the merit increment exercise, and closely monitoring the work of staff in the event of underperformance.
43. The introduction of the new performance management system requires amendments to the Staff Regulations. These are submitted for approval to the current session of the Committee (see GB.303/PFA/1). With the emphasis on work planning within a results-based environment, appraisals will be aligned to the programme and budget biennial cycle. Phased implementation will begin in mid-2009, with full implementation by the start of 2010. In the meantime, transitional measures will be adopted in 2009 to meet obligations for the management of staff performance under the existing Staff Regulations.
44. Key milestones for the implementation of the new system include the following:

| Month/year              | Key milestones  |
|-------------------------|---|
| September–December 2008 | Information campaign launched.<br>Training initiated both at headquarters and in field offices. |
| November 2008           | Submission of proposed amendments to Staff Regulations to Governing Body for approval.          |
| January–December 2009   | Transitional arrangements in place.   |
| July 2009               | Phased introduction of new system to officials on probation and Technical Cooperation staff.    |
| 1 January 2010          | Full implementation of the new performance management system.                                   |

45. The process of developing and implementing the new staff performance management system has involved a series of complex steps which have required a significant investment of time and resources, especially staff resources. In that context, the resulting new system is the product of collaborative work by several departments within the Management and Administration Sector, the Staff Union Committee, the Office of the Legal Adviser, the Senior Management Team, the Reports Board, an informal advisory group on performance management, and managers and staff in several units at headquarters and in the field. This participatory approach has resulted in a longer preparatory phase than anticipated in the Strategy but should yield dividends in terms of acceptance and relevance when the system becomes fully operational.

**(b) Promoting and supporting staff learning and development**

*Target: By the end of 2007, 50 per cent, and by the end of 2009, 75 per cent, of all managers/supervisors at P4 level and above will have successfully participated in the MLDP and/or other related management learning.*

46. The MLDP continues to serve as the main mechanism for training ILO managers. Other workshops, such as those on conflict prevention and resolution and staff performance management are being offered to managers to foster good governance and strengthen operational skills in specific areas. To date, the percentage of staff at the P4 to D1 levels participating in management learning has risen to approximately 42 per cent, up from 35 per cent a year earlier. Altogether, the total number of P staff participating in the structured MLDP and its spin-off activities has risen to approximately 65 per cent up from 45 per cent in 2007.

47. To enhance the effectiveness of newly appointed managers, the Office has launched a peer mentoring programme. It targets managers joining the ILO and ILO staff recently promoted to managerial positions. The mentoring provided encompasses not only operational dimensions but also the culture, history, norms and values of the Organization. In a parallel initiative, the Office is piloting a more structured and robust “briefing programme” for newly appointed Office directors to provide guidance and develop a network of support on topics related to diversity management, protocol, finance, human resources management, security and other governance-related issues. The objective of the programme is to accelerate and enhance their effectiveness. Additionally, the Office continued to sponsor individualized coaching sessions for managers on specific competencies, based on identified needs.
48. In support of the goal of “Delivering as One”, ILO field office directors are participating in United Nations Country Team Coordination and Leadership Skills workshops organized by the United Nations System Staff College (UNSSC). The objective is to strengthen leadership and management of UN Country Teams. The Office also participated in the first pilot leadership training course for senior staff in the UN system. Based on feedback received, the programme is being redesigned and will eventually serve as an important tool for all senior managers, including those in the ILO, to foster a UN-wide esprit de corps built around a willingness and ability to collaborate across the UN system.

*Target: By the end of 2007, 80 per cent of the staff will spend an average of ten working days per annum in work-related learning activities, both formal and informal. These learning activities will meet explicit effectiveness criteria.*

49. The evolution of the ILO into a learning organization continued to gain momentum, boosted by the earmarking of additional resources for staff development beginning in the 2006–07 biennium. The baseline information arising from the organizational learning framework (OLF) assessment indicates however that the Office is still some way from becoming a true learning organization. The latter will require a consolidated effort over several biennia. As a result, it was concluded that the time frame of the current target was probably “over-optimistic and unrealistic”.<sup>9</sup> Based on the informal assessments undertaken by the Office, however, it is clear that, with the infusion of the additional resources, there has been significant progress, marked by a greater sense of empowerment, innovation and accountability regarding training and learning activities.
50. The abovementioned assessments of the experience in implementing the enhanced staff development programme in 2006–07 have formed the basis of adjustments made for 2008–09. Details of findings and recommendations are provided in the summary report, which is available on the HRD web site. Overall, the assessments suggest that the programme has contributed to improved effectiveness in the implementation of strategic and operational objectives, including in support of Decent Work Country Programmes. This has been achieved through upgrading of technical skills in areas such as resource mobilization, social dialogue, employment policy, project cycle management and of functional and behavioural skills in areas such as time and work management, negotiation, leadership development and facilitation. It has also fostered improved coordination, knowledge sharing and teamwork within departments and between headquarters and the regions. Resources have been used to promote equity. For example, 58 per cent of learning participants were women, drawn from both P and GS categories, with the percentage of P staff ranging from a high of 66 per cent at headquarters to a low of 22 per cent in Africa.<sup>10</sup>

<sup>9</sup> GB.300/PFA/17, para. 39.

<sup>10</sup> Staff development devolved funds – Learning activity summary report, 2006–07.

51. The assessments, while confirming the value of decentralized initiatives for developing a learning culture and the indispensable role of learning coordinators in this process, also highlighted the need to strengthen centralized programmes addressing Office-wide learning needs, including for the longer term. To this end, the Office continued to develop programmes aimed at promoting good governance, developing leadership and personal effectiveness skills, and improving technical, information technology, language and IRIS proficiency. E-learning options are being assessed as a means to extend learning opportunities globally. Programmes undertaken to date include: 20 orientation sessions on HIV in the workplace, conducted for staff at headquarters under the leadership of ILO/AIDS; a risk management workshop at headquarters; a fraud awareness and prevention workshop in Lima, led by the Office of Internal Audit and Oversight; training on ethics for staff worldwide led by the Ethics Officer; and a series of workshops on teamwork and knowledge-sharing for staff at all levels led by the Policy Integration and Statistics Department.
52. IRIS training remained an important component of the programme both for staff at headquarters and in the regions in anticipation of the roll-out to the field. Significant progress has been made to address training requests from new or existing IRIS users. A pool of 24 experienced, in-house IRIS users have been prepared to provide IRIS training. These trainers have considerable knowledge of the system as well as related business processes and their work as IRIS trainers has provided an opportunity, particularly for GS staff, to develop their leadership and communication skills. Training for the IRIS upgrade was successfully completed for headquarters, and for ILO Jakarta and Bangkok users on the basis of specially developed materials and documentation. A new tool, which provides online interactive learning either directly when using IRIS or remotely via the Internet, will be used to support training during the field roll-out.
53. The partnership between the International Training Centre (Turin Centre) and the Office continued to evolve positively as learning coordinators gained a better understanding of the services provided by the Turin Centre. This process has been assisted by the placement of a Turin Centre representative at ILO headquarters. The latest developments include collaborative efforts to design and organize in Turin orientation workshops for new officials. These workshops are part of a new induction programme designed to guide new officials through a range of operational and administrative subjects based on timely, blended learning activities. The first orientation workshop will be held in November 2008. Other collaboration with the Turin Centre includes the development of learning platforms and e-learning materials on project evaluation, management procurement procedures and ethics.
54. The Office is undertaking a “skills mapping exercise” which will inform the further elaboration of its staff development programme. It also intends to commission the UNSSC to conduct a second OLF in 2010 to evaluate progress made against the baseline information arising from the 2006 OLF survey. In the interim, various assessments will be undertaken to examine the quality and impact of specific staff development activities.

### 3. Essential staff welfare and security arrangements

#### (a) Staff security and safety

*Target: The ILO will establish and maintain compliance with the UN minimum operating security standards across the Office.*

55. Security considerations received heightened attention following the events of December 2007 in Algiers. As part of the initial follow-up, and as reported to the Committee, the

Office introduced a number of measures to enhance the safety and security of its staff and premises worldwide.<sup>11</sup> Since that time, it has continued to take steps to raise levels of compliance with minimum operating security standards (MOSS) in the offices where deficiencies had been identified. It has also revised and implemented its security management accountability framework, which sets out the roles and responsibilities of staff members at all levels in relation to security. It is further revising and developing a number of policy documents on such issues as travel security clearance, warden duty, arrest and detention, and road safety. Emphasis continued to be placed on security-awareness training, with regional workshops for managers and staff, for Africa in October 2008 and the Americas planned for February 2009. Similar sessions for other regions are being planned. Special training for Staff Union representatives has been provided for Asia and the Pacific at the request of the Staff Union Committee.

56. Given the particular issues related to the inadequacy of MOSS compliance in some project offices, the Office has taken specific steps to address the situation. It has established a set of budgetary guidelines to ensure that technical cooperation projects are designed so that adequate resources are earmarked for security. At the inter-agency level, discussion has started concerning the establishment of a unified approach within the UN system to make sure that donors have a realistic understanding of security costs and that due provision is made for all contingencies in keeping with the principle “no programme without security”.
57. The report of the Independent Panel for Safety and Security of UN Personnel and Premises Worldwide established by the UN Secretary-General following the bombing of the UN Office in Algiers is now under careful consideration by the HLCM and CEB. The recommendations have implications for all parts of the UN system. The ILO will continue to be an active participant in these deliberations with the aim of better protecting its staff and premises.

**(b) Occupational safety and health**

*Target: An Office-wide occupational safety and health (OSH) policy and an associated OSH management system that meet effectiveness criteria are endorsed by the Committee in November 2006.*

58. The relevant documents on OSH have recently been issued following extensive consultations with the Staff Union Committee. These include the Director-General’s Announcement on occupational safety and health in the Office and Office Directives on OSH and on the OSH Committee which establish the framework for the management of OSH in the Office. Copies of the documents are available.
59. The Office Directive on OSH defines various aspects of OSH management such as: the roles and responsibilities of managers and staff; functions of the OSH coordinator and OSH representatives; surveillance and control measures; training and information; and reporting. The Office Directive on the OSH Committee provides for the establishment of appropriate consultative mechanisms in all field offices.
60. The Office is developing a mechanism through which staff members can report accidents, incidents, dangers and potential dangers. Other issues involving air quality, the cleaning arrangements in the office and environmentally friendly measures are also being addressed. The Office introduced a complete ban on smoking throughout the ILO, including project offices, in July 2008. Support is available to staff who wish to stop smoking through an employee assistance programme and counselling services as well as

<sup>11</sup> GB.301/PFA/19/1.

through reimbursement for prescribed pharmaceutical supplies under standard SHIF practice.

61. The Office ensures that staff are informed of developments related to the current renovation work at headquarters. It has provided information to the Advisory Committee on Occupational Safety and Health (ACOSH); and has made regular announcements to staff, including about temporary preventive protective measures when materials are being delivered by helicopter. Information sessions have also been held.<sup>12</sup>
62. The first stage of the development of a Business Continuity Plan (BCP) for headquarters has been completed. The second stage, i.e. testing and implementation, is under way. The work has been carried out with the participation of a wide cross-section of units, and in cooperation with other UN organizations such as the United Nations Children's Fund (UNICEF) and United Nations Office at Geneva (UNOG). It incorporates the Office's previous work on influenza pandemic preparedness. The aim is for each field office to also develop a BCP.

**(c) Work–life balance**

*Target: ILO conditions of service dealing with arrangement of working time and related issues which meet good practice criteria are approved by the Committee by November 2007.*

63. The joint working group on work–life balance established by the JNC conducted a comprehensive survey in May 2008 to tap the views of staff on issues such as working-time arrangements, part-time work, job-sharing and teleworking arrangements and various leave arrangements. Over 700 staff members responded to the questionnaire, with the greatest interest expressed in more flexible working-time arrangements and teleworking. The findings will serve as a basis for elaborating or reviewing appropriate policies and guidelines. These will be presented to the Committee on an ongoing basis. In this context, a proposal to revise the current adoption leave policy is before the present session of the Committee for discussion and approval (see GB.303/PFA/11).
64. A draft policy and Office Procedure on teleworking arrangements is being finalized by the working group for submission to the JNC. They will establish a general framework for the approval of occasional or longer-term teleworking arrangements, where these may be deemed appropriate. They will also provide for the regulation of existing ad hoc arrangements which have been approved to accommodate specific exceptional circumstances. The work in this area will benefit from the outputs of the project on the harmonization and coordination of staff mobility and well-being initiatives across the UN system which was undertaken by the Human Resources Network to facilitate the identification, exchange and expansion of good practice and successful approaches.<sup>13</sup>

<sup>12</sup> GB.303/PFA/BS/1.

<sup>13</sup> CEB/2008/HLCM/HR/11-rev. 1: Work/life balance in the organizations of the United Nations system.

**(d) Conflict prevention and resolution**

*Target: The Office will maintain a fair, efficient and effective system of conflict prevention and resolution.*

65. The current system of conflict prevention and resolution in the Office is widely respected and managers and staff continue to show confidence in it. This has been achieved through the active efforts made by HRD and the Mediator to prevent and resolve workplace conflict informally through facilitation and mediation and through timely dialogue between HRD and the Staff Union Committee, where appropriate. The objective has been not only to reduce the number of cases which require the use of formal mechanisms, but also to invest in a healthy, productive workplace environment to the benefit of staff, managers and the Organization as a whole.
66. The Office has made a significant investment in the training of facilitators, with over 76 trained, representing a balance of grades, gender and cultural backgrounds, as well as linguistic diversity. The facilitators listen and jointly explore options with the parties to resolve a problem. The system is widely used, especially in ILO offices in the field and has become a model of good practice within the UN system. Team building and other types of workshops both at headquarters and in the regions have helped foster good relationships within units.
67. Given the leadership role which managers must play in this process, several initiatives have been undertaken to provide them with specific support. One is a series of training workshops on conflict prevention and resolution in the workplace, organized by HRD and the Office of the Mediator for senior managers at headquarters and the field. The workshops provide managers with concrete tools and techniques for preventing and managing conflict in the workplace. A second initiative is the joint publication by the JNC of a booklet on "Resolving problems at work". It is available in all three working languages. Additionally, newly appointed managers at all levels are routinely briefed by the Mediator and HRD on issues related to conflict prevention and resolution.

**(e) Review of contracts policy**

*Target: A revised contracts policy that applies the new ICSC guidelines will be approved by the Committee in November 2006.*

68. The JNC has initiated a series of formal and informal consultations and discussions on the optimal way to implement the revised ICSC framework for contractual arrangements within the organizations of the UN common system. It is expected that the framework will be adapted to accommodate the specificities of the ILO, and in particular the Staff Regulations and Financial Rules and Regulations. The resulting revised policy will reflect a streamlining and simplification of contract types, to provide greater transparency, flexibility and administrative savings while protecting the rights of staff. While progress has been made with respect to a common understanding of principles and modalities, discussions are still ongoing within the framework of the JNC. The Office hopes to submit the revised policy to the Committee for approval in 2009.

## II. Supporting measures

### (a) *Enhanced efficiency and effectiveness of HRD*

69. HRD implemented further aspects of the recommendations of the 2006 report of the review of its structure, procedures and operations. Of particular importance was the restructuring of the contracts and entitlements units with the aim of rationalizing the administrative procedures surrounding contracts and entitlements of both regular budget and technical cooperation staff. The restructuring involved redistribution of work among administrative assistants to ensure a more balanced workload, timely processing of personnel actions in line with the RAPS cycle, as well as an effective backup system during absences.
70. The Department continued with its efforts to improve internal and external communication. Internally, departmental staff seminars provided an opportunity for staff to better understand the interlinkages between their own work and the work of other units and served as a forum for the exchange of views on various policy issues and concerns. The Department further organized a number of information sessions on various policy and operational issues for ILO staff. The regularly updated HRD web site also serves as a major source of information to staff.
71. The introduction of RAPS was supported by the following measures aimed at improving efficiencies and effectiveness:
- the upgrade of the electronic recruitment system (JobShop), allowing for a faster and more effective screening of candidates. This has facilitated a more efficient management of the competition process and better reporting to, and communication with, recruiting managers regarding the status of different aspects of the process;
  - the introduction of additional measures to better assess candidates;
  - the training of managers in competency interviewing and the use of JobShop;
  - an increase in the numbers of internal assessors trained for the Assessment Centre; and
  - the provision of a more welcoming environment for external candidates, including more detailed briefings.
72. The Department continued to enhance its “skilled professional resource” as recommended by the External Auditor, through the ongoing recruitment of staff with HR training and experience and the provision of opportunities for existing staff to update their human resources and other skills. The latter included participation in various professional groupings, including in the Association for Human Resources Management in International Organizations (AHRMIO), which is global forum in which “information is exchanged on research and practices at the cutting edge of human resources management in the international environment, and where human resources practitioners develop their professional expertise to enhance their effectiveness”. Other areas of development were also emphasized to enhance the service orientation and efficiency of the Department. The results of the 2008 Client Satisfaction Survey will provide further guidance to the Department in improving its performance.

## **Better alignment of HR policies and practices with the Decent Work Agenda**

73. The Department continued to implement a number of measures to better align policies and practices with the implementation of the objectives of the Strategic Policy Framework (SPF) as outlined in previous reports.<sup>14</sup> Such an alignment requires human resources staff, line managers and senior managers to work closely together within the context of shared responsibility. The measures taken allowed the Department to better understand and respond to the needs of the technical and regional departments in implementing the Decent Work Agenda, and to promote the concept of “shared responsibility” and accountability in the management of staff between the Department and managers.

74. The measures included:

- staffing reviews with headquarters and regional departments for purposes of workforce planning including succession planning, mobility, recruitment, and performance management and staff development. Reviews also identify the contribution of the respective units to meeting policy objectives and targets, as well as the constraints that they encounter;
- monthly line managers meetings, in which members of the Senior Management Team, including the Director-General, participate on occasion; these meetings serve as an informal channel of information exchange on developments of common concern to managers; and
- special briefings on the Strategy for managers (and staff) at headquarters and in the regions including through presentations to regional meetings of directors; departmental retreats and regional staff union meetings.

75. New measures undertaken during the year include the introduction of the peer mentoring initiative and the development of a skills mapping exercise to determine capacity gaps.

### **(c) *Effective monitoring, reporting and evaluation system***

76. The monitoring and reporting of targets under the Strategy has been facilitated by the generation of both regular and ad hoc reports in IRIS. These have allowed the Office to assess its progress on the delivery of targets on an ongoing basis and make the necessary adjustments to its practices. These reports are also being used to facilitate ongoing decision-making in areas such as new appointments, merit increments, long-service awards. IRIS is also used to monitor the flow of performance appraisal reports for both responsible chiefs and the Reports Board secretariat.

77. With the upgrade of IRIS, a number of enhancements were introduced, including the automation of certain functions related to contract administration.

<sup>14</sup> GB.297/PFA/14, GB.300/PFA/17.

### III. Developments in external environment and implications for HRM in the ILO

78. After considerable deliberations on the recommendations contained in the UN Secretary-General's Report of the High-level Panel on System-wide Coherence, the General Assembly has adopted a resolution based on an emerging consensus that the focus of follow-up should be "Delivering as One" at the country and regional levels, and, inter alia, the related areas of harmonization of business practices, including human resources practices. While awaiting the outcomes of these deliberations, the Office continued to demonstrate its support for greater coherence and harmonization through its engagement in the Chief Executives Board for Coordination (CEB), United Nations Development Group (UNDG), the High-Level Committee on Programmes (HLCP) and the High-Level Committee on Management (HLCM) and its functional networks at the global level, to stimulate reforms that could enable the UN to better deliver as one, and in the operationalization of this approach at the country level, particularly in pilot countries. Within the framework of the UNDG, the Office has contributed to the implementation of the Triennial Comprehensive Policy Review (TCPR) Plan which places emphasis on the need to improve the Resident Coordinator (RC) system, which is a key instrument for the effective and efficient functioning and coordination of UN activities at the country level. It has contributed through its participation in the UNDG Working Group on Resident Coordinators' Issues and through its efforts to prepare and propose candidates for RC positions with a view to increasing the pool of RCs with an ILO background. As a complementary approach, the Office has also provided extensive briefings for newly appointed RCs to create an understanding of the Decent Work Agenda.
79. The ILO has been actively engaged in the process of reform at the country level, particularly in pilot countries. The experience has been "preponderantly positive", with the ILO *Toolkit* playing an important role in helping to mainstream the Decent Work Agenda in joint programmes. There is also a growing recognition that the reform process could offer interesting career development and work opportunities for staff. Nevertheless, several challenges remain, not least of which are the high transactional costs and differences regarding the approach to change management processes, which have contributed to some continued anxiety on the part of ILO managers and staff. To this end, the Office continued with its missions to pilot countries to gain a better understanding of the practical challenges and to explore solutions with managers and staff as well as with RCs. It has also brought these findings to bear on deliberations within the Human Resources Network.

### IV. Follow-up to the ILO Declaration on Social Justice for a Fair Globalization

80. The follow-up to the Declaration will require a fundamental change in the way the Office works and manages its resources, including its human resources. Hence, it will have profound implications for the design of the Human Resources Strategy for 2010–15. At a minimum, the following three main areas of focus suggest themselves.
81. The first is the need to strengthen systems that can encourage, facilitate and reward working methods built on teamwork and knowledge sharing between headquarters and the field. It will also increasingly involve the strategic management of contributions from external knowledge networks. The process will not start from scratch since good practices of effective teamwork across the Office already exist and these can be identified, assessed and replicated throughout the Office. Further, many components of the current Strategy are geared towards reinforcing the supporting environment in which this approach can flourish. Teamwork and knowledge sharing have been identified as a core competency in

the revised competency framework now being used in RAPS. This competency will also be assessed under the new staff performance management system, which will provide incentives that will recognize and reward teamwork and include mechanisms to address underperformance, since the Office must make best use of its resources.

- 82.** The second is the need to build and maintain policy and operational capacity with adequate competencies and knowledge base. The Office will be undertaking a skills-mapping exercise to assess the types of competencies it has available, and what can be done to bridge any gaps through recruitment, skills updating, and more strategic use of technical cooperation capacity and knowledge networks. Through new measures to be introduced in the recruitment system, the Office will be tapping into new talent pools which can add to its technical capacity. Through the new staff performance management system, it will systematically identify staff developmental needs which can be met with staff development resources. An improved mobility scheme with appropriate supporting mechanisms will provide more opportunities for staff rotation so that staff can develop a greater understanding of member States' realities and needs. In this context, the Office will have to explore more flexible deployment arrangements within the framework of the ICSC guidelines. It will also have to make better use of technical cooperation staff, both through inclusive methods of work as well as in more systematically making use of the outputs produced. In some regions, work has already begun in developing knowledge networks which can effectively expand ILO capacity. The Office will have to broaden this outreach in all regions and use it more effectively.
- 83.** The third is the need to pursue an explicit change management process to support the outcomes envisaged. This will require "buy-in" through an effective communication strategy, matched by supporting mechanisms that provide incentives for adaptation. It is equally important to build the management cadre that can effectively manage cross-sectoral teamwork in a results-based environment. Again, some of this work has already begun, but it will need significant investment, reinforcement and expansion.

Geneva, 15 October 2008.

*Submitted for information.*