



TWELFTH ITEM ON THE AGENDA

**Results-based strategies 2010–15:
Human Resources Strategy –
Refocusing human resources****Introduction**

1. The Governing Body adopted the Human Resources Strategy for the period 2006–09 in November 2005.¹ It focused on: sound and effective policies and procedures for recruitment, placement and career progression; integrated, motivating and rigorous staff performance management and development systems; and staff welfare and security. Detailed indicators and targets were set under each of these objectives.
2. The progress report presented to the Committee in November 2008² indicated that the targets set down under the Strategy in respect of gender balance, mobility, occupational safety and health, and conflict prevention and resolution were met and that there had been significant progress in areas such as staff performance management, staff development, recruitment and selection, and rebalancing of the grading structure. Nevertheless, the Office recognized that serious challenges remained, including those flowing from the implementation of the 2008 ILO Declaration on Social Justice for a Fair Globalization and its associated resolution.
3. During 2009, work continued under the 2006–09 strategy on:
 - improving the efficiency of the competency-based recruitment framework under the Recruitment, Assignment and Placement System (RAPS), aiming for higher visibility to attract outside qualified candidates and promote internal mobility, as well as ensuring timely succession;
 - the phased introduction of a new performance management framework (beginning in July 2009) aligning the appraisal cycle of each staff member to that of the programme and budget cycle and linking individual staff performance to the objectives of the Organization;

¹ GB.294/PV, para. 213; GB.294/PFA/16.

² GB.303/PFA/13.

- funding for staff development (2 per cent of staff costs) with a focus on the promotion of operational skills and the development of leadership and management skills of officials in senior positions;
 - improving security training to increase the awareness of staff;
 - a skills mapping exercise in June 2009 to assess the skills gaps of the Office to enable better planning of its human resource and staff development needs for the next planning period under the Strategic Policy Framework for 2010–15.
4. The Human Resources Strategy for 2010–15 aims to build on what has been achieved; to anticipate and address emerging needs (such as response to the evolving economic and social environment, humanitarian crises or the “Delivering as One” agenda) as well as update human resources (HR) practices, rules and procedures to respond to the challenges as identified in the ILO Declaration on Social Justice for a Fair Globalization and the Global Jobs Pact.
 5. The overall aim of the Strategy is to refocus the HR function to align it more closely to the strategic objectives of the ILO and the ILO Declaration on Social Justice for a Fair Globalization. Specifically, this calls for establishing, or modifying, fundamental HR systems which are essential to the delivery of the four outcomes defined below. The goal is to have in place appropriate and efficient processes that support talent and leadership development, enhance knowledge and cutting-edge expertise, and promote accountability, teamwork and collaboration as well as a conducive working environment.
 6. The Strategy is intended to reaffirm the role of the HR function as a partner with management in building the organizational capabilities necessary to deliver the goals and outcomes of the Organization. These capabilities are mainly determined by the combination of skills, technical competencies, abilities and expertise of the staff. To be effective and forward looking, the Strategy will support the delivery of the 19 outcomes in the Strategic Policy Framework for 2010–15, linked to the other key management strategies on information technology (IT), knowledge and technical cooperation.³ IT is fundamental to the implementation of HR tools and to the collection and monitoring of accurate and timely HR data, while IT training is critical to the more effective use of IT in the Office. HR development is directly linked to technical cooperation since competent staff needs to be attracted and retained to deliver high-quality advisory and technical services. Implementation of the knowledge strategy is strongly dependent on the development of staff and leadership. The Strategy also aims at addressing the needs of both managers and staff with a more responsive, efficient and service-oriented approach to HR management in the ILO. Therefore, continuing communication with the staff and constructive dialogue with staff representatives, both at headquarters and the regions, will be essential in the implementation of the Strategy.
 7. To deliver the Strategy, the Office will rely on a combination of resources. The regular budget resources available include the budget allocated to the Human Resources Development Department (HRD) for its functional units; resources for Office-wide conflict prevention and resolution mechanisms, as well as centralized resources for training, mainly in the areas of language and IT. In addition, three HR officers are currently based in, and financed by, three regions (Africa, Asia–Pacific and the Americas). HRD also coordinates the use of staff development funds (approximately 2 per cent of staff costs). Around half of these funds are decentralized to the regions and sectors at headquarters, while the balance is managed by HRD to respond to Office-wide training needs. The Office-wide security and health service budgets are also under HRD’s

³ See GB.306/PFA/12/1, appendix.

administrative responsibility. Resources supplementing the regular budget allocation include programme support income from technical cooperation programmes, income generated from the language training services, and the contribution by the other member organization (ITU) of the Staff Health Insurance Fund. A detailed breakdown from the Programme and Budget for 2010–11 and estimates from other sources is shown in table 1 below (all figures in US dollars).

Table 1

	Staff	Non-staff	Total
A. Regular budget			
(1) Human Resources Development Department			
– HRD functional units	18 042 476	1 300 489	19 342 965
– Conflict prevention and resolution	941 292	231 362	1 172 654
– Centralized Staff Development Fund		2 575 024	2 575 024
(2) Regional human resources officers	1 345 608		1 345 608
(3) Staff Development Funds		8 480 967	8 480 967
(4) Security	448 536	2 849 946	3 298 482
(5) Other budgetary provisions			
– Health Services Unit	1 679 634	179 707	1 859 341
– Childcare facility		447 663	447 663
– Staff representation	1 299 804	984	1 300 788
B. Other sources	4 587 473		4 587 473
Total	28 344 823	16 066 142	44 410 965

8. The Strategy is defined under the following four outcomes within the overall results-based framework of the Strategic Policy Framework 2010–15⁴ and the Programme and Budget for 2010–11. It is designed to fully support delivery of outcome 1 under governance, support and management – effective and efficient utilization of all ILO resources – through the achievement of indicator 1.1: improved effectiveness in the management of HR. The Strategy proposes the following specific outcomes within this context: enhanced talent and leadership; improved work quality and responsiveness; improved workforce effectiveness and efficiency; and increased staff satisfaction and performance.

9. This Strategy is one of four integrated management strategies prepared by the Office for this session of the Governing Body. This is intended to respond to a key component of the “Implementation Plan: ILO Declaration on Social Justice for a Fair Globalization” adopted by the Governing Body in March 2009.⁵ The paper entitled “Results-based strategies 2010–15: Overview” provides a summary of the purpose and structure of the common results-based framework applied to these four strategies as well as a table showing the interlinkages.⁶

⁴ GB.304/PFA/2(Rev.)

⁵ GB.304/SG/DECL/1(Rev.).

⁶ GB.306/PFA/12/1.

Strategy outcomes

**Outcome 1: Enhanced talent ⁷ and leadership –
By attracting, motivating, developing and retaining
competent and committed staff and leaders at
all levels, the ILO will increase organizational
capability and performance to achieve its goals**

Strategy

10. The effectiveness of the Organization strongly depends on its organizational capabilities, that is, the combination of skills, technical competencies and expertise, as well as the working relationships of the staff. To achieve its goals, the ILO must continue to provide robust developmental opportunities and experiences for staff as well as to attract and retain competent, qualified and experienced staff. Without clear direction, effective management and positive engagement, staff will not deliver the quality of performance required.
11. The Organization will develop the management skills to ensure that staff are working in the right direction, with the proper guidance, coaching and feedback. In turn, a rigorous process of identifying and assessing management capacity, ensuring readiness and interest to lead, will be put in place. Appropriate management development and succession plans, and the training and mentoring necessary to execute these plans, will also be developed and implemented.
12. Therefore, the Strategy will focus on addressing the development needs of staff; encouraging staff mobility and career development; attracting and retaining competent, qualified and experienced staff; encouraging staff to be productive and focused; and strengthening systems for more effective management of underperformance.
13. Staff competencies will be assessed through the skills mapping tool launched in 2009. By identifying the skills currently in place and the skills needs forecasted over the planning period, the Organization will have a clearer picture of its current capabilities and the skills gaps. This will establish a baseline for future skills needs to inform recruitment priorities and guide staff development objectives. In view of the demographic composition of current staff, the Office will also make a special effort to recruit highly qualified young technical specialists in order to compensate for the expected retirements of senior specialized technical staff.
14. The Office will continue to promote mobility and diversity. This will remain a key element of recruitment and staffing plans and measures will be taken to reinforce mobility and diversity at all levels.
15. To build the core and technical competencies and other work-related skills of staff, the Office will implement a more consistent approach to the exercise of management and supervisory functions. Through the new performance management framework, managers must ensure that each staff member has a development plan in line with organizational objectives.

⁷ The term “talent” is used in this document to mean all of the competencies, knowledge, skills, abilities and experience that a staff member possesses.

16. In order for the Office to recruit and retain the competent staff it requires, a comprehensive review of its contracts policy is required, taking into account developments in the wider UN system. Discussions with the Staff Union on this review have already started and should be completed within a reasonable time frame.

Measurement

Outcome 1: Enhanced talent and leadership

Indicator	Baseline	Target for 2010–15
1.1. Percentage of staff who have completed skills profiles.	10 per cent (September 2009).	80 per cent of staff.
1.2. Percentage of women in management positions (P5 and above) and number of nationalities represented in the Office.	33.6 per cent of senior positions are occupied by women. 118 nationalities among positions subject to geographical distribution. 149 nationalities in the Office, including all categories of staff.	Gender parity in senior positions. 10 per cent increase in the number of nationalities represented in the Office.
1.3. Staff Development Funds allocated for talent and leadership.	Approximately 20 per cent of projected 2008–09 central training funds. Management Leadership Development Programme workshop; library of self-directed learning modules; ad-hoc workshops around UN country team leadership, and other various targeted responses to specific needs.	25–35 per cent of Staff Development Funds used for talent and leadership. Comprehensive leadership programme includes training to develop leadership skills in the areas of: engagement, motivation, performance, coaching, leveraging diversity and developing staff. The performance management framework hold managers accountable for developing leadership skills.

Biennial milestones

2010–11	2012–13	2014–15
10 per cent of managers participate in newly designed workshop on motivating and engaging staff.	20 per cent of managers participate in workshop on motivating and engaging staff.	30 per cent of managers participate in workshop on motivating and engaging staff.
Comprehensive leadership programme for managers defined and planned.	Comprehensive leadership programme for managers piloted and resourced for roll-out. 33 per cent of D1 managers voluntarily allocate 1–3 days per year to programme.	Comprehensive programme for managers fully rolled out. All P5–D1 managers held accountable for allocating 1–2 days per year as part of their leadership development objective.
First individual development plans are established through the performance management framework.	Training and development needs systematically addressed through the performance management framework.	Design and plan implementation of an electronic tool for analysis and consolidation of Office-wide training needs.
Review of contracts policy		The ILO e-recruitment system is fully integrated with IRIS.

Biennial cost of the outcome: 24 per cent of the total resources in table 1, representing staff costs in HRD related to resourcing, staff planning, and staff learning, as well as central training credits and staff development funds to support diversity, leadership and talent development.

Outcome 2: Improved work quality and responsiveness through increased accountability – The skills, systems and disciplines are in place to ensure staff commitment to the effective and efficient use of resources, delivery of results and high performance. By establishing and reinforcing standards of internal governance and performance through systems of accountability, the Office will ensure improved work quality and responsiveness

Strategy

17. Even with the most competent staff, the Organization is not guaranteed to meet its goals without clearly established accountabilities. Accountability starts with high standards of performance that translate strategy into measurable indicators and targets. A clear line connecting organizational outcomes and strategies to team and individual workplans and performance standards will be established.
18. The new Performance Management Framework will provide managerial coaching and developmental support to staff linked to talent and leadership as described under outcome 1 above. Managers will also be required to assist their staff in having a clear understanding of their strengths and development needs, and actively encourage and assist them in their professional growth.
19. The Office will strengthen leadership skills in the areas of internal governance and operational procedures (results-based management, financial and administrative procedures, evaluation, procurement, ethics, audit, and fraud prevention). It will build on the experience gained from the Management and Leadership Development Programme to provide more targeted training to staff in key functions, while continuing to offer general training and development opportunities to all staff. Similarly, newly appointed staff in all categories will have access to induction and orientation briefings. Appropriate communications and training will be provided to all staff when introducing important new systems and procedures.
20. The establishment of a solid performance management framework was one of the main priorities of the 2006–09 strategy. As the new framework is phased in (starting in 2009), managers and staff are receiving training on the new system. Staff with marginal performance will have well-defined plans for meeting minimal performance requirements. Managers are required to set clear performance and development objectives and provide feedback and coaching. This is a fundamental component of the accountability of managers.
21. Staff rewards and recognition are clearly linked to the achievement of excellence in performance and increased accountability. Within the constraints of the UN common system, the scope for recognizing individual staff excellence and performance is limited. Nevertheless, the Office will review the current recognition system in consultation with the Staff Union to identify new ways of recognizing excellence in areas such as teamwork, collaboration and knowledge sharing.

Measurement

Outcome 2: Improved work quality and responsiveness through increased accountability

Indicator	Baseline	Target for 2010–15
2.1. Percentage of staff in key positions undergoing management training in internal governance and operational procedures.	Participation in internal governance-related training is voluntary and limited to ad hoc initiatives.	90 per cent of managers and 75 per cent of senior P staff in key positions.
2.2. Percentage of staff whose performance appraisal report is up to date under the new system.	57 per cent of performance appraisal reports submitted within one year after due date.	95 per cent compliance.
2.3. Existence of effective reward and recognition mechanisms.	Merit increments and personal promotion (adopted in the 1980s).	Effective rewards and recognition mechanisms, as well as effective systems to deal with underperformance, linked to the new performance management framework.

Biennial milestones

2010–11	2012–13	2014–15
E-learning on elements of new performance management framework; coaching on establishing objectives linked to planning for results; focus on performance discussions. Define policies for recognition and dealing with underperformance.	Promulgate new policies on rewards and recognition, as well as on underperformance.	Managers able to recognize good performance and tackle underperformance supported by appropriate policies and procedures.
Continue to define, design, develop and pilot content and materials for internal governance related trainings.	Internal governance training available to key existing and newly appointed staff.	Maintain at the same level.
Review of content, design and target audience of orientation courses/activities for new officials.	New orientation courses/activities available to a wider audience.	

Biennial cost of the outcome: 24 per cent of the total resources in table 1, representing staff costs in HRD related to performance management, staff training and learning, as well as staff development resources used to strengthen good governance and operational procedures.

Outcome 3: Improved staff effectiveness and efficiency through teamwork and collaboration – By fostering teamwork and collaboration through effective working within and across teams and departments, between headquarters and the regions, with the ILO constituents, and with external partners, workforce effectiveness and efficiency will be improved

Strategy

22. The recognition in the ILO Declaration on Social Justice for a Fair Globalization that the ILO's four strategic objectives are inseparable, interrelated and mutually supportive, calls for much greater collaboration within the Office. Collaboration requires changes in the existing organizational culture. Senior management are responsible for taking the lead in encouraging teamwork.

23. Staff development activities will focus on improving skills for knowledge sharing, resource sharing and collaboration. These activities will be closely aligned with the knowledge, technical cooperation and IT strategies. Staff selection and training practices will focus on collaboration, teamwork, and diversity with a view to developing more effective working relationships in multicultural teams, and increasing organizational productivity, timeliness, and work quality.
24. Under the new performance management framework, teams must come together to assess opportunities for improved performance through teamwork and collaboration. Establishing collaboration and partnerships with outside partners will also be part of the performance objectives.
25. As an active participant in the UN “Delivering as One” initiative, the Office is firmly committed to the harmonization of business practices in the UN common system. In the HR area, the ILO is contributing to phase I of the review of contractual arrangements of field staff. The Office is also an active contributor to inter-agency bodies such as the Working Group on Resident Coordinator System Issues and the Inter-Agency Advisory Panel for the selection and appointment of Resident Coordinators.

Measurement

Outcome 3: Improved staff effectiveness and efficiency through teamwork and collaboration

Indicator	Baseline	Target for 2010–15
3.1. Number of officials participating in team building and collaboration training.	5–10 per cent of activities based on the 2006–07 staff development activity report.	Teamwork and collaboration cut across all group-based activities and the performance management framework and are an integral part of leadership development objectives.
3.2. Number of ILO detachments within the UN system, with constituents' organizations, and other outside entities.	25 staff movements in 2007–09 (10 to UN, 13 from UN, 2 with private sector).	Increase of 20 per cent of total number of movements.

Biennial milestones

2010–11	2012–13	2014–15
Access to qualified facilitators on team building. Define content design and pilot materials for training on leading and developing effective teams.	Launch training on leading and developing effective teams.	Workshops for all staff.
At least five staff members each year proactively encouraged and enabled to undertake exchange programmes within and outside the UN system.	Maintain at same level.	Maintain at same level.
At least four recruitments per year target staff on secondment from UN system agencies or exchange programmes with constituents' organizations and other outside entities.	Maintain at same level.	Maintain at same level.
The new performance management framework assesses core competencies and values through the choice of three to five competencies, including collaboration and orientation to learning and knowledge sharing.	Assessing collaboration and orientation to learning and knowledge sharing becomes mandatory (in addition to three to five optional competencies).	Rewarding staff and teams on collaboration and knowledge sharing.

Biennial cost of the outcome: 14 per cent of total resources in table 1, representing staff resources in HRD with coordination functions with the sectors and the regions and with outside partners, staff development funds used for team building and collaboration and staff representation resources.

Outcome 4: Increased staff satisfaction and performance through an enabling working environment – A working environment that is characterized by respect, trust, and professional opportunities, is results-driven and conducive to the health, safety, well-being and work–life balance of staff in all locations, will contribute to staff satisfaction and performance

Strategy

26. As indicated earlier, a key factor in organizational performance is an enabling work environment. The work environment should be safe and healthy, conflict free and respect the dignity of each individual. Staff satisfaction has repeatedly been shown to have a strong and enduring impact on performance, engagement and retention.
27. Work–life balance is an important aspect of creating an enabling work environment. In this context, practices and procedures will be adapted, respecting the needs of individuals while taking into account the operational needs of the Office. Close collaboration between management and the Staff Union in the development and review of policies for promoting work–life balance will continue to be a priority. Priority areas have been jointly identified by the Office and the Staff Union following a comprehensive survey conducted in May 2008. A teleworking policy is being implemented on a pilot basis; a comprehensive review of existing working time arrangements and modalities has been agreed. The Office will also continue to play a key role in the working groups of the UN system dealing with work–life balance issues: the standing committee on work–life balance and the Dual Career and Staff Mobility Programme, which aims at facilitating staff mobility within the UN system, including expatriate spouse employment.
28. Staff satisfaction and commitment will be tracked through a regular staff survey which should enable the Organization to respond more effectively to the measures needed to improve the working environment. An enhanced communications strategy with staff will be put in place to promote a better understanding of HR policies and initiatives.
29. With respect to staff security, the Office has met its target to establish and maintain compliance with the UN minimum operating security standards (MOSS). A security management accountability framework has been established which sets out the roles and responsibilities of all staff members in relation to security, as well as the reporting lines between field duty stations, regional offices and headquarters. A security audit of all ILO offices has been commissioned and will be completed in 2009. It will identify areas for further improvement. In external offices, the ILO will continue to closely monitor MOSS compliance, with particular emphasis on project offices and activities, and will maintain its high level of commitment to, and participation in, the UN Security Management System.
30. Importance will continue to be attached to heightening security awareness through systematic briefing and training for incoming staff, upon duty travel and assignment to new duty stations; provision of specialized security training for staff operating in difficult environments, and specific security training for women.
31. Regarding occupational safety and health, the Advisory Committee on Occupational Safety and Health will continue to provide advice on occupational safety and health issues, including safety aspects of the renovation of the building, accessibility of ILO premises to people with disabilities, and incident-reporting systems to reduce occupational hazards and risks. The Office will also continue its active involvement in the UN Cares Programme,

which aims at increasing the capacity of the UN system to respond to HIV and AIDS at the workplace.

32. A system is in place under the relevant collective agreements to promote a conflict-free environment. The system encourages prevention and informal resolution of all types of workplace conflicts through training, dialogue, mediation and facilitation, while offering effective and timely procedures for internal dispute adjudication. The functioning of this system is reviewed by the Joint Negotiating Committee on the basis of the annual reports of the Mediator's Office and that of the Joint Advisory Appeals Board. Both management and the Staff Union consider that the system is functioning well and serving its purpose. While the current system will be maintained, with any adjustments identified through regular consultations, the Office will continue to reinforce conflict prevention and informal resolution through dialogue, as well as training and coaching of managers and staff.

Measurement

Outcome 4: Increased staff satisfaction and performance through enabling working environment

Indicator	Baseline	Target for 2010–15
4.1. MOSS compliance for all locations.	95 per cent compliance in established offices. Project offices being assessed.	Maintain full compliance.
4.2. Proportion of work-related issues solved through informal mechanisms.	20 per cent of reported work-related issues led to formal dispute resolution machinery.	Proportion of conflict leading to formal dispute resolution machinery not to exceed 25 per cent.
4.3. Level of satisfaction of staff .	To be determined through staff survey to be conducted in 2010.	10 per cent increase of staff satisfaction.

Biennial milestones

2010–11	2012–13	2014–15
E-learning on the new performance management framework introduces concepts of active listening and conflict resolution.	Performance skills-building training workshops carried out including through e-learning.	Managers are empowered and accountable to resolve conflicts related to performance. The percentage of disagreements on performance reaching the Reports Board is reduced.
Monitoring of occupational safety and health policy.	Ongoing monitoring.	Ongoing monitoring.
Implementation and assessment of teleworking policy; development of new policies which are family-friendly and conducive to a better work-life balance.	Implementation of revised and new policies on work-life balance.	Assessment and review of new policies introduced.
Increase travel security awareness for headquarters officials and security awareness for field officials.	Basic security training mandatory for all officials.	Maintain at same level.
Staff survey.	5–10 per cent increase in staff satisfaction.	10–20 per cent increase in staff satisfaction.

Biennial cost of the outcome: 39 per cent of total resources in table 1, representing staff resources supporting HRD functions in the area of safety and health, welfare, conflict prevention and resolution, entitlements and social benefits, as well as non-staff resources for childcare facilities, security, conflict prevention and resolution, and the health services unit.

Assumptions and risks

33. The successful implementation of the Strategy is based on the assumption that the same minimum level of resources will be allocated to the HR function and to staff development during the six-year period, as those estimated for the 2010–11 biennium.
34. Since the Strategy is largely dependent on the strengthened role and responsibility of each official with managerial duties, the active engagement of line managers with its day-to-day implementation will be key.
35. Recruitment and staff planning, as well as performance management and staff development tools, will need to be fully integrated into IRIS: some of the efficiencies required for the full implementation of the Strategy are dependent on IT support, in particular for streamlining administrative processes and establishing monitoring tools.
36. A substantial proportion of the resources dedicated to HR in the Office will continue to be absorbed by day-to-day administrative support services. Existing administrative procedures and processes will have to be greatly simplified and opportunities for cost efficiencies identified in order to redirect the HR function towards its role, as defined in the Strategy, as a strategic partner of ILO management in the delivery of the outcomes of the Organization.
37. The commitment of management and the Staff Union to engage in constructive dialogue is required to effectively review and adopt the important policy reforms mentioned in the Strategy and to ensure their timely implementation. Management and the Staff Union will continue to make full use of the joint mechanisms that are in place to ensure a productive working relationship.
38. *The Committee may wish to recommend that the Governing Body endorse the Human Resources Strategy 2010–15.*

Geneva, 19 October 2009.

Point for decision: Paragraph 38.