



SIXTEENTH ITEM ON THE AGENDA

Human Resources Strategy: 2006-09**Introduction**

1. Further to the discussion in March 2005,¹ where a consensus was reached on the main elements of a revised ILO Human Resources (HR) Strategy and its implementation, this paper presents the Human Resources Strategy for the period 2006-09 (“the revised Strategy”).²
2. The revised Strategy reflects the experience gained and lessons learned in implementing the HR Strategy during the period 1999-2004 and takes into account the major challenges facing the Office foreshadowed in the ILO Strategic Policy Framework for 2006-09.³ It recognizes that the successful implementation of the Decent Work Agenda requires the commitment of all staff members to deliver high-quality services to ILO constituents. This in turn depends on the Office’s ability to attract, recruit and retain staff of the highest calibre who are committed to the values of the Organization and to provide a learning and development culture within which they can maximize their potential. The Office also recognizes that it must provide a workplace environment that supports all staff in carrying out their functions. The revised Strategy therefore encompasses both regular budget and extra-budgetary staff at all grade levels and at all locations. Against this background, the overall objective of the revised Strategy is *to ensure a highly competent, motivated, diverse and mobile ILO staff to improve the Organization’s effectiveness in implementing the Decent Work Agenda*.
3. The revised Strategy is designed to be focused, achievable and affordable (cognizant of continuing resource constraints). While the maintenance of fair, transparent, efficient and effective HR administrative systems will remain the foundation of the Strategy, it sets three developmental priorities, namely, sound and effective policies and procedures for

¹ GB.292/PFA/17, “ILO Human Resources Strategy”.

² Adopted in November 1999 (GB.276/PFA/16, “ILO Human Resources Strategy”) and modified in March 2000 (GB.277/PFA/11, “Work and well-being: Work and family responsibilities in the ILO”) and November 2001 (GB.282/PFA/11, “Review of contracts policy” and GB.282/PFA/12 “Domestic partnerships”).

³ See GB.292/PFA/17, paras. 28-35, and GB.286/PFA/14, “A review of the implementation of the ILO’s Human Resources Strategy: Report of the External Auditor”.

recruitment, placement and career progression; integrated, motivating and rigorous performance management and staff development systems; and essential staff welfare and security arrangements. Details on the objectives of each of these priority areas, identified targets and implementation modalities, are set out in the paper, as are plans to establish an effective monitoring, reporting and evaluation system, to facilitate changes in line with evolving circumstances and needs. The paper places emphasis on implementation modalities in recognition of the critical importance of linking the Strategy with the delivery of results. The appendix outlines the various components of the revised Strategy and how they relate to the achievement of higher-level Office objectives.

4. In presenting the Strategy, it should also be recalled that the HR policies of the Office are situated within the context of the UN common system and are influenced by the International Civil Service Commission (ICSC) and UN General Assembly decisions and recommendations; they are also governed by the ILO Staff Regulations, take into account the provisions of collective agreements entered into with the Staff Union and are consistent with decisions of the ILO Administrative Tribunal.

I. Main components of the revised Strategy

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

Objective: To develop a more diverse and mobile workforce that is familiar with work both at headquarters and in the regions and to help maximize individual staff contributions in line with organizational performance and development objectives. The achievement of this objective will enable the required technical knowledge and competencies to be available when needed to support programme implementation across the Office through enhanced recruitment practices and procedures, improved regional and gender diversity, the rebalancing of the grade structure and increased staff mobility. The objective will be pursued through an integrated HR planning framework established at headquarters and regional department levels, which will rely on an annual staffing review mechanism, supported by ongoing contact between line managers and the Human Resources Development Department (HRD). Outcomes will be reflected in HR management plans at departmental level that establish realistic targets and action plans.

5. In filling any vacancy, paramount consideration will continue to be given to recruiting staff of the highest standards of competence, efficiency and integrity in keeping with the provisions of the ILO Staff Regulations. The Office must have the understanding of and support and commitment from constituents to ensure that recruitment respects these criteria and that no pressures are exerted upon the Office under any other circumstance (financial contribution, nationality or other) to bypass such criteria in the selection and promotion of staff. This approach is critical with respect to our credibility as an international organization. Within this framework, the Office is committed to pursuing a diversity strategy aimed at achieving a balanced distribution of staff across a range of characteristics including but not limited to gender, nationality, age, culture, language, race, and disability status. The immediate targets are geared towards the achievement of gender and geographical diversity (see paragraphs 8 and 9 below). The Office will however begin to develop the type of framework that it must adopt to promote and implement a broader approach to diversity management. In this respect, it has already made commitments to conduct reviews every five years of the effectiveness of the positive measures undertaken pursuant to its policy to promote employment opportunities for persons with disabilities and to take steps to improve the effectiveness of such measures. It will gradually extend such analyses to other dimensions of diversity including more balanced regional

representation in order to identify and eliminate potential cultural and other biases in recruitment, placement and career progression.

(a) Improving recruitment and prospecting

Targets:

- (i) *Recruitment and selection are organized on the basis of revised procedures which 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.*
- (ii) *The average time for completion of the competition process will be reduced to 90 days by the end of 2007.*

Revised procedures for recruitment and selection

6. In the context of the review of the collective agreement on the procedure for recruitment and selection, the Office is discussing with the Staff Union Committee a range of issues that will support the implementation of the revised Strategy. The parties recognize the need to streamline procedures and to improve transparency and efficiency in relation to the recruitment and selection process. Areas under discussion include, inter alia, the establishment of transfer at the existing grade level as a major mechanism for staff placement; the accelerated appointment of specific categories of staff members, in particular young people from under-represented regions to fill junior level positions; the introduction of more rigorous interview and assessment methodologies which seek to identify candidates with the requisite levels of competence, efficiency and integrity, combined with clearer roles for and accountability of those involved in the selection process; and common and consistently applied procedures for appointments of local staff in field offices. Guidelines on the employment of persons with disabilities have already been agreed and will be integrated into the revised procedures. The Office and the Staff Union in consultation with their counterparts in the Turin Centre have also reached agreement on adjustments to current recruitment procedures necessary to facilitate the exchange of staff between the ILO and the Turin Centre. The parties are currently negotiating the text of a revised collective agreement, together with proposed amendments to the Staff Regulations and associated administrative circulars. These will be presented to the Committee in March 2006.

Competition process

7. In recent years, a concerted effort has been made by HRD towards reducing the duration of the competition process. Considerable progress has been made, the average time falling from 379 days in 2001 to 149 in 2004, and advanced planning with line managers is continuing to reduce time taken. A workflow analysis has identified further time-saving opportunities at each step of the process. In the light of these efforts, a target of 90 days is established by the end of 2007 as the average time required to conclude all selection processes, i.e. from the date of a vacancy announcement until the recruitment recommendation has been made. Reduction beyond this target is unlikely given the need to maintain a fair, transparent and rigorous recruitment and selection process. In addition, the organization and timing of recruitment will be reviewed so that the pool of applicants is widened, account is taken of family responsibilities (particularly of school-year requirements) and the Office is able to have an overall view of recruitment needs.

(b) Strengthening diversity**Targets:**

- (i) *A more balanced regional representation in the staff of the Office will be achieved by end 2007, with a particular focus within each region on non- and under-represented nationalities.*
- (ii) *The share of women in senior positions (i.e. P5 and above) will be no less than 33 per cent by 2007.*

Regional diversity

- 8.** Progress has been made on improving the geographical diversity of ILO staff. Priority will be given to the achievement of a balanced representation, first between regions and, second, between countries within each region. Prospection will therefore continue to be strengthened in particular in under-represented regions especially in relation to non- or under-represented nationalities. In this respect, GB/292/PFA/17⁴ identified a number of measures being explored and/or taken by HRD, including: the running of periodic examinations to establish a pool of potential candidates from under- and non-represented countries; accessing the network developed by technical departments to tap potential candidates; making more extensive use of the Internet, establishing links to job search engines, and exploiting the capabilities of the Office's e-recruitment tracking system ("Job shop") in an effort to identify suitable candidates; implementing the recently revised Office interns programme; drawing on qualified candidates from technical cooperation projects; and extending the associate experts programme.

Gender balance

- 9.** Since 1999, there has been significant progress towards gender balance among Professional and higher category staff. At the end of September 2005, 38 per cent of all such staff were women (up from 32 per cent in 1999). The percentage of women is now 27.7 per cent of staff at P5 level, up from 20.3 per cent in 1999. Over the same period, there has been an increase from 17.4 per cent to 31.8 per cent and 16.0 per cent to 26.3 per cent at the D1 and D2 level, respectively. Senior appointments that the Director-General has made by direct selection have contributed significantly to the improvements in the percentage of women in these senior positions. This process has involved sustained focus on the promotion of suitably qualified internal candidates and targeted prospection and recruitment of competent external candidates. The prospects for maintaining progress in future years are promising, as over two-thirds of staff retiring between 2006 and 2009 are male. Equal filling of these vacancies by men and women would increase significantly the participation of women at senior levels. To reinforce this prospect, a concerted effort has been made in recent years to provide accelerated development opportunities to the many women who are qualified to take up more senior positions. In this regard, the pilot Management and Leadership Development Programme (MLDP), described in paragraph 25, places special emphasis on the participation of women.

⁴ Para. 38.

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

- (i) *At least one third of P5 jobs becoming vacant by end 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 Professional staff grading structure.*
- (ii) *The grade review exercise will establish a separate target in relation to the General Service staff category.*

10. The Office is committed to managing a process to achieve a more balanced and appropriate grade structure in relation to all categories of staff within the next few years as a core objective of the revised Strategy.
11. A rebalanced grade structure will allow more jobs to be created at junior grades to facilitate recruitment of younger staff thereby ensuring rejuvenation. It will also allow for the establishment of the more diversified human resource base mentioned above that takes account of age, gender, and nationality considerations. At the same time, account has to be taken of other HR policy objectives. Of particular concern is the need to maintain incentives that encourage the retention of high calibre and experienced staff, as promotion remains an important reward system for staff motivation and commitment. There is also the concern to build and maintain institutional memory that is indispensable in a knowledge-based institution.
12. In light of these considerations, the Office will proceed on two tracks. In the first place, it will continue to apply a series of measures to reduce the overall grade average, as it has been doing since early 2004. The immediate focus will be on the P5 level, which is the particular area of difficulty in relation to over-grading. Therefore as reported to the Committee in March 2005,⁵ the Office will take advantage of a number of retirements during the next four years to make further progress on rebalancing the grade structure.

Table 1. Expected P5 retirements, 2006-09

	2006		2007		2008		2009	
	M	F	M	F	M	F	M	F
Number of retirements	16	1	14	7	14	5	11	4
Annual total	17		21		19		15	
One-third regraded	6		7		6		5	

13. The above table shows that 72 (55 male, 17 female) staff at the P5 grade are expected to retire between 2006 and 2009. In this regard, it is proposed to regrade one-third of P5 jobs falling vacant until the end of 2009 as and where appropriate. This approach would result in approximately 24 P5 positions being downgraded during the period 2006-09. In the Office's view, there is scope of this order to redefine and redistribute responsibilities and functions in certain work units in a manner that reduces the number of P5-level jobs. At the same time, the Office will continue to review the grading of all other P-level vacancies arising during the same period, with a view to creating a more appropriate overall professional grade structure.

⁵ See GB.292/PFA/17, table 1.

14. Decisions to regrade any jobs would be the outcome of a joint review between HRD and line managers of functional needs, work priorities, work organization and grade structure as a basis for determining a target grade structure and staff complement to support the achievement of the Organization's strategic objectives. This process must be based on sound organizational design and work organization principles, focus on developing staff competencies,⁶ as and when they are needed, and encourage optimal allocation of staff resources to maximize performance and cost effectiveness.
15. It should be noted that the Programme and Budget for 2006-07 already contains a decrease of US\$2 million in staff costs from a net reduction in average grades and steps. Any further savings will be offset by expanded recruitment and development of staff at the junior level, especially of non- and under-represented nationalities, and costs incidental to greater mobility of staff (arising, in particular, from an increase in activities at field level).⁷
16. While discussions on grading to date within the Office have focused largely on the Professional and Director categories, there is also need to examine the situation with respect to General Service staff, as the latter account for approximately 60 per cent of the ILO's regular budget staff. This will be done in the context of the review mentioned above.

(d) Increasing mobility

Targets:

- (i) *By end 2007, 40 per cent of eligible Professional 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 end 2007, at least 33 per cent of Professional and higher category staff serving in a particular region will come from another region of origin.*
17. An effective mobility policy is essential so that staff can broaden their collective knowledge and understanding of the work of the Office as a whole, and for the Office to be able to deploy staff when and where their competencies are most needed to better serve the needs of its member States. A new mobility policy has been finalized after consultations with the Senior Management Team (SMT) and extensive discussions with staff, line managers and the Staff Union Committee, both at headquarters and in the field. The new policy, which covers movement between headquarters and the field and between different field locations, requires line managers to work closely with HRD in preparing staffing plans to ensure that over time most Professional and higher category staff will have both field and headquarters experience. Staff members are expected to adopt a proactive role in their career development, including planning for reassignments. The policy emphasizes that refusal to accept geographical mobility will make staff members unsuitable for continuing service with the Office. As noted earlier in the paper, in-grade transfer of staff will be relied on as the primary mechanism to promote mobility, using an accelerated selection process that includes advanced announcement of forthcoming vacancies so that staff may express interest.

⁶ "Competencies" are particular combinations of skills (technical and linguistic), attributes and behaviours that ILO staff must demonstrate in their work. They serve as a guide for recruitment, promotion, grading and learning and development programmes.

⁷ Table 2 indicates that the budgeted staff costs for 2006-07 include provision for a 10 per cent increase in the number of staff transfers (i.e. headquarters to field, field to headquarters, and within field).

18. At the end of August 2005, the percentage share of Professional and Director-level staff having both headquarters and field experience was about 38 per cent. Achieving the targets proposed above could present some challenges as a number of Professional staff, especially in the Office's linguistic and administrative services, may not be able to move to the field due to a lack of corresponding positions in the regions or the required competencies to undertake particular field-based roles.
19. It should be noted also that for all regional departments the average share of Professional staff who are not working in their region of origin was 30 per cent in August 2005. In view of the need to improve cross-fertilization of experience and diversity of ILO staff in the regions, this share will be increased to 33 per cent by the end of 2007 with mobility as the major vehicle.

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

Objective: The revised Strategy will deliver an integrated system to manage staff performance and development that recognizes and rewards achievements, manages underperformance and reflects good practice at international level. From the perspective of staff members, this component of the Strategy will highlight their responsibility in helping the Organization deliver on its goals. It will also hold them accountable for adhering to ethical conduct that embodies the values, principles and standards as set out in the Standards of Conduct for the International Civil Service and the ILO Staff Regulations. From an organizational perspective, it will play a key role in developing better arrangements between supervisors and staff members to address performance-related issues, in providing incentives so that personal contributions and merit are better recognized, and in developing more effective tools to manage underperformance. In this respect, the quality of the performance management process will be improved through management training related to defining objectives, setting performance standards, communicating feedback, profiling staff strengths and development needs, and coaching for improved performance. A revised appraisal system will support these changes. Staff development and continuous learning initiatives will focus initially on strengthening management and leadership capacities, building on the results of the pilot MLDP (see below). This will orient managers and staff around the delivery of organizational objectives. A revised approach to staff development and learning in the Office will also guide the management of the increased training budget in 2006-07 to ensure fair and effective use of funds around priority training needs for all staff.

20. GB/292/PFA/17⁸ identified the main areas of work required to implement this component of the Strategy. The following paragraphs establish targets and outline progress to date.

(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.

⁸ Para. 43.

21. HRD has completed a review of the ILO's present performance appraisal system that sets out a possible future direction to improve the performance culture of the Office. Consultations with the Senior Management Team (SMT), line managers, the staff and the Staff Union will be under way shortly. The outcome of the consultations will help to define a new performance management system to be implemented in relation to all categories of staff during the 2006-07 biennium. Particular attention will be given to management-level appraisals. Managers will be held accountable for their decisions, their management of staff, and their overall performance in delivering unit work programmes.
22. A new appraisal form and the associated IRIS module are being designed to improve monitoring capability and enhance administrative efficiency. In the latter regard, the new appraisal system should provide a better tool for the identification and tracking of achievements, competencies, training needs and other career development related requests. The system will link the information arising from the performance appraisal review and related career discussions to other HR processes, particularly mobility, succession planning and staff development, thereby fulfilling many of the functions included in the pilot on Personal Development Plans (PDPs). The new performance management and measurement system will also be supported by an appropriate recognition and rewards strategy.

(b) Promoting and supporting staff learning and development

Targets:

- (i) *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 Management Learning and Development Programme and/or other related management training.*
- (ii) *By end 2007, 80 per cent of 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.*
23. The Office's staff learning and development programmes are being re-examined to address more effectively the growing diversity of needs among staff at all levels both at headquarters and in the field. By end 2005, HRD will complete a review of current programmes, with agreed recommendations to be implemented during 2006-07, within the context of the increased provision for staff development in the programme and budget for the next biennium. The review is designed to respond to the critical need noted by the External Auditor to maintain and build required staff competencies across the Office at a time of peak staff retirements and implementation of results-based management and IRIS. The review will identify organizational needs and competency gaps so as to align future learning and development programmes more closely to achieving the ILO's strategic and operational objectives. The review is also expected to propose initiatives to encourage a continuous learning culture in the Office and improve knowledge sharing and management.
24. The Joint Training Council (JTC), established under the Personal Development Plan (PDP) Collective Agreement with representation from both the Office and the Staff Union will assist in the preparation and implementation of revised staff learning and development programmes. The role of the JTC is to provide advice in relation to the strategic direction of the Office's policies and programmes on staff learning and development and related issues. Training committees have also been established in some regional offices.

25. As part of the Director-General's initiative on "Strengthening management for delivery and results", the pilot MLDP was launched in mid-2004. The MLDP is playing a crucial role in developing the HR capabilities of line and senior managers, whose close collaboration with HRD is critical to successfully implementing the revised Strategy. The programme also provides a common learning framework for all managers to share knowledge, values and practice, thus laying the foundation for strengthening the ILO management culture. The learning programme consists of a number of interrelated activities during 2005 and the first part of 2006. It will then be evaluated and adjustments made with a view to an eventual roll-out of a revised programme to all staff with managerial responsibilities, as part of the Office's ongoing learning and development activities.

3. Essential staff welfare and security arrangements

Objective: To implement a series of essential staff welfare and security arrangements to underpin and reinforce the revised Strategy, thereby contributing to improved staff motivation, commitment and performance. These arrangements will address staff security issues at the level of physical infrastructure and personal safety, health and well-being; integrate the notion of a work-life "balance" into ILO workplace policies and practices; encourage cooperative workplace practices and implement fully a fair and effective process for the resolution of workplace disagreements; and maintain fair and equitable staff contractual arrangements. The current HR Strategy required that work be undertaken in each of the above areas, but resource constraints limited initiatives to those dealing with conflict prevention and resolution and some aspects of staff security and safety.

(a) Staff security and safety

Target:

The ILO will establish and maintain compliance with the UN's minimum operating security standards across the Office.

26. Security arrangements within the ILO follow those established by the United Nations Department of Safety and Security. The Office will continue to participate in inter-agency arrangements to ensure that compliance with the UN's various minimum operating security standards is maintained. The mechanism to monitor minimum operating security standards (MOSS) compliance in all offices is now in place. The Office will pay special attention to evolving security situations and provide essential resources to improve the physical and personal security of staff as required.⁹ Training and information activities for staff will be maintained. The completion of online interactive training in basic security is now compulsory for all staff members and this requirement will be enforced. Information sessions will continue to be organized in collaboration with the UN security management teams to enhance security awareness. The field security web site will be maintained to ensure the timely diffusion of critical security information. Special attention will be given to safeguarding the security of staff working in technical cooperation projects, particularly in countries not covered by regular ILO field offices. Planning for all future projects is now required to include a budget line for the provision of security so that minimum security standards are maintained for project staff.

⁹ See GB.294/PFA/BS/2 ("Follow-up to the accommodation strategy").

(b) Occupational safety and health**Target:**

An Office-wide OSH policy and an associated OSH management system which meet effectiveness criteria are endorsed by the Committee in November 2006.

27. Following the formal dissolution of the Joint Medical Service on 31 December 2005, the Office will have greater flexibility to address the broader occupational safety and health (OSH) issues confronting staff at headquarters and in the field. The Office will establish a system of OSH management, aiming at the prevention of occupational illnesses and reduction of occupational risks. Based on OSH audits in the various ILO duty stations, emphasis will be placed on threat and risk analyses and implementation of associated remedial measures. Information, sensitization and prevention activities will be developed to address a range of health and safety issues, such as HIV/AIDS, alcohol and substance abuse (including tobacco), cardiovascular risks, stress and psychiatric illness, travel-related risks and office ergonomics.

(c) Work-life balance**Target:**

ILO conditions of service related to arrangement of working time and related issues which meet good practice criteria are approved by the Committee by November 2007.

28. In this area, HRD will give priority to four issues. First, the present arrangements governing leave without pay will be revised. Secondly, a review of the existing working-time arrangements will be undertaken. In this regard, the Office will revisit the current flexitime procedures and examine the possible use of more varied and adapted working-time schedules to enable staff to meet better the demands on their time from work (e.g., conference duty) as well as personal commitments (e.g. childcare). Thirdly, the potential to implement more diversified part-time work, job-sharing and telework arrangements will be assessed. Finally, HRD will consider options to allow at least part of the existing maternity and adoption leave provisions to be taken on a part-time basis, along the lines of measures relating to paternity leave.

(d) Conflict prevention and resolution**Target:**

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

29. The Office is committed to maintaining healthy staff-management relations and in engaging staff and the Staff Union in dialogue, both formal and informal, on policy and other initiatives which impact on staff concerns and interests, including issues having significant change implications, such as those arising in the context of restructuring of work units and re-organization of work.
30. It will also be recalled that, at its 289th Session in March 2004, the Governing Body adopted new mechanisms and procedures for conflict prevention and resolution. The purpose of the new procedures is to encourage the prevention and informal resolution of workplace conflict through facilitation and mediation wherever possible. Under the revised Strategy, the operation of the new mechanisms and procedures will be kept under

continuing review. The aim is to maximize their effectiveness and to reduce the number of cases requiring the use of formal procedures.

(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.

- 31.** In November 2001, the Committee endorsed, in principle, proposals to rationalize and simplify contract categories used in the Office.¹⁰ The Office was requested to undertake this work within the framework of ICSC decisions. At its 60th Session in March 2005, the ICSC finalized its work in this area by adopting a series of guidelines for use by UN-system organizations. The guidelines distinguish between functions of a regular and continuing nature, and those required for a short-term period to meet specific needs. The guidelines provide sufficient flexibility for each organization to apply revised contractual arrangements through the application of its rules and regulations. The ICSC's report and the associated guidelines will be considered by the General Assembly at its 60th Session (autumn 2005). The ICSC decision will enable HRD to review implementation of the 2001 proposals. The Committee's approval of revised proposals and associated amendments to the Staff Regulations will be sought in November 2006 when the necessary work is expected to be completed.

II. Improving implementation of the revised Strategy

- 32.** Experience has shown that the design and implementation of the revised Strategy must be closely linked with the delivery of the ILO's strategic and operational objectives and take into account the Office's resource constraints. All elements of the revised Strategy must therefore be well integrated and implemented in a coherent and mutually reinforcing manner. A key requirement will be that the flow of information and communication and consultation between management and staff about initiatives and developments under the Strategy must be improved. Moreover, maximizing the benefits arising from IRIS implementation needs to be a significant feature of a revised Strategy.

(a) Better integration of the key elements of the HR Strategy

- 33.** GB/292/PFA/17¹¹ concluded that progress in implementation of the HR Strategy since 1999 had been uneven and that this reflected insufficient recognition of the links and interdependency of the key elements of the Strategy. This "jeopardizes the necessary synergies and mutual support between the different components and reduces the potential impact of the overall Strategy".¹² In light of this concern, each of the three priority areas of the revised Strategy draws together a number of issues which are important to the implementation of the priority area identified as well as to the two other priority areas.

¹⁰ GB.282/PFA/11, "Review of contracts policy".

¹¹ Page 8, para. 29(b)-(e).

¹² *ibid*, para. 29(c).

These three priority areas have also been selected because of the link they establish with achieving higher-level organizational objectives (e.g. individual performance management being the most obvious and important example) and the fact that they now consolidate all elements which are critical to the implementation of the revised Strategy.

(b) Enhancing communication and consultation

34. Communication and consultation, both formal and informal, will remain key to improving HRD's collaboration with line managers, staff and the Staff Union. The Senior Management Team will continue to have a critical role in shaping policy, addressing implementation issues and creating "buy-in" across all units in the Office. As elaborated in the next section, a close, formal partnership between HRD and line managers is developing through the staffing review mechanism. The monthly line managers' forum, which provides an informal channel of exchange of information on developments of common interest to all line managers, will be maintained, with the increased involvement of managers in the field. Dialogue with line managers on particular HR issues and initiatives will continue to be pursued through ad hoc meetings to seek comments and feedback. HRD will also explore further opportunities to engage line managers in workshops and other discussion forums to enable them to exchange good practices in HR management, knowledge and product development, and resource mobilization. The work of the JNC and other joint management and Staff Union bodies (e.g. the Joint Training Council, and working groups reviewing collective agreements) and the continuing informal dialogue between the Office, HRD and staff will remain major contributors to shaping practical, realistic approaches to strategic and day-to-day operational issues arising under the revised Strategy. In addition, inputs to these processes from individual and groups of staff members will continue to be sought, along the lines of the meaningful and effective consultations surrounding the development of the mobility policy.

(c) Staffing reviews

35. Under the revised Strategy, as noted earlier, an integrated HR planning framework will be operationalized through an enhanced staffing review mechanism. The review process is of vital importance for enhancing organizational performance and developing close partnership and accountability between HRD and department and line managers: line managers become fully aware of overall HR policy priorities and their role in achieving them, and HRD develops a better understanding of the programme objectives and staff competency requirements of each department, and the day-to-day difficulties confronted by line managers in HR-related areas. Reviews will be scheduled once a year with each department at headquarters and in the regions, with the outcomes reflected in the form of a rolling HR management plan. The staffing review process involves a discussion of each department's strategy and work priorities, identifies related competency requirements, and establishes follow-up action to ensure that competency "gaps" are addressed so as not to impede programme delivery. In the latter regard, current and anticipated staff vacancies are discussed and options canvassed to fill particular positions. Staffing and financial data are also reviewed in this context to assess the department's performance against the key HR policy targets. Staff performance and development issues are then discussed. Finally, a specific follow-up action plan and timetable is agreed between the line manager and HRD.

(d) Realizing the potential of IRIS

36. IRIS has many features and functionalities that are relevant to implementing the revised Strategy, particularly in the areas of recruitment, staff planning and staff development, and

performance management. For example, IRIS has reporting, data retrieval and analysis features that will provide managers and HRD with better information on staff generally and the capacity to monitor progress towards the HR policy goals. In addition, the introduction of the concept of “positions” within IRIS and their use as the basis of each employee’s assignment, coupled with the development of competency management, has significant potential to help HRD improve HR management processes. In this regard, the IRIS recruitment module will offer the possibility of matching the competencies of candidates to those required for a particular position, thereby facilitating prospecting and short-listing. Finally, IRIS will also help to define more clearly work priorities and activities directed towards achieving operational outcomes and the competencies needed to ensure effective work performance.

III. Establishing an effective monitoring, reporting and evaluation system

37. The revised Strategy provides for a number of targets to be achieved and operational components to be implemented during the period 2006-09. Where it is feasible, targets have been proposed and implementation costs identified (see further below). This will help ensure accountability and facilitate the monitoring of progress on a continuing basis. Feedback from various sources will be relied on to frame necessary modifications to the Strategy, including its implementation modalities and target settings. HRD will liaise closely with line managers to set targets at departmental level, which will then be reviewed against progress on organizational targets through the staffing review mechanism and ongoing dialogue. At a qualitative level, HRD monitoring of the revised Strategy will also include, for example, accessing relevant analytical data from IRIS; benchmarking of activities against those of other UN common system organizations; reviews of sector/departmental training plans; and periodic client satisfaction surveys. As agreed by the Committee at its 292nd Session, the Office will submit a report on progress in implementing the revised Strategy in November 2006 and annually thereafter.

IV. Resource implications

38. Given HRD’s resource limitations, it is critical that the work priorities selected under the revised Strategy be funded within its programme and budget allocations for 2006-07. Resource issues related to the implementation of the revised Strategy in 2008-09 will be addressed in the programme and budget exercise for that biennium. Much of the current HRD budget is directed towards supporting HR administrative services across the Office (e.g. processing staff contracts, salaries and other entitlements; administration of the ILO/ITU Staff Health Insurance Fund; and pensions secretariat support). A number of expected staff retirements in 2006-07 provide opportunities to begin a reorientation of the department’s operations towards the provision of more broadly based “upstream” policy support and advisory services. This is in line with the directions proposed in the revised HR Strategy, will be strengthened by the full implementation of IRIS, and is directed towards increasing HRD’s effectiveness within existing resources.
39. Table 2 below summarizes the targets proposed and reviews the *additional* resource implications of the revised Strategy in 2006-07. The table identifies the costs of the Strategy which total US\$2.94 million, comprising US\$0.65 million (staff costs) and US\$2.29 million (non-staff costs). HRD considers that the majority of these costs can be absorbed within allocations for the next biennium. In order to meet the remaining costs, HRD will explore the possibility of interested member States providing voluntary support to particular HR initiatives, by making available specialized expertise. (The proposed work towards a revised performance measurement and management system is a particularly

relevant example.) It is recognized that failure to fund all of the costs required risks delay and dislocation in the delivery of the revised Strategy.

Table 2. Targets and cost estimates for delivery of the revised HR Strategy, 2006-07

Targets/Other cost issues	One-off costs	Additional ongoing costs
<i>Improving recruitment, prospection and geographical diversity</i>		
<ul style="list-style-type: none"> ▪ Reduction of recruitment time to 90 days (2007) ▪ Well-balanced regional representation (end 2007) 		<ul style="list-style-type: none"> ▪ Interview travel, etc. (US\$150,000) ▪ Prospection (e.g. missions, advertising): US\$100,000
<i>Improving gender balance</i>		
<ul style="list-style-type: none"> ▪ Women at P5 grade and above to 33 per cent (2007) 		<ul style="list-style-type: none"> ▪ Prospection and interview travel: included in above
<i>Developing an appropriate grading structure</i>		
<ul style="list-style-type: none"> ▪ At least one-third of P5 vacancies by end 2009 to be regraded. The grades of other P staff vacancies arising during the same period to be reviewed. A separate target established for the GS staff category 	<ul style="list-style-type: none"> ▪ Consultancy support for grade review (US\$80,000) 	<ul style="list-style-type: none"> ▪ Consultancies on individual classification cases (US\$50,000) ▪ Incremental costs covered by savings from net reduction on grades
<i>Increasing mobility</i>		
<ul style="list-style-type: none"> ▪ 40% of eligible P and higher category staff will have both headquarters and field experience (end 2007) ▪ 33% of P and higher category staff serving in a region will come from another region of origin 		<ul style="list-style-type: none"> ▪ The budgeted staff costs for the Office for 2006-07 include provision for a 10% increase in the number of (geographical) transfers
<i>Performance measurement and management</i>		
<ul style="list-style-type: none"> ▪ Implement revised performance management system (2007) 	<ul style="list-style-type: none"> ▪ Staff costs (US\$400,000), plus consultancies, training, coaching and materials preparation (US\$500,000) 	<ul style="list-style-type: none"> ▪ Coaching/training (US\$100,000)
<i>Staff learning and development</i>		
<ul style="list-style-type: none"> ▪ 50% (2007) of all managers/supervisors have completed MLDP and/or other relevant management training ▪ Young Professional staff training ▪ IRIS training for headquarters and field-based staff ▪ Grading, etc. training ▪ AC assessor training ▪ HR staff training 		<ul style="list-style-type: none"> ▪ Consultants, assessments, workshops, on-line materials, missions (US\$400,000)¹ ▪ Workshops and study missions (US\$200,000)¹ ▪ Staff costs (US\$250,000), plus training, missions and document preparation (US\$400,000)¹ ▪ Workshops on organizational design, work organization and job grading (US\$50,000)¹ ▪ Consultant/workshops (US\$30,000)¹ ▪ Workshops, short courses, missions, etc. (US\$80,000)¹
<i>Work-life initiatives</i>		
<ul style="list-style-type: none"> ▪ Staff security and safety ▪ Occupational safety and health 		<ul style="list-style-type: none"> ▪ Provided for in P&B for 2006-07 (see pp. 7-8 of GB.292/PFA/8(Rev.)) ▪ Provided for in P&B for 2006-07 (see para. 57, p. 123 of GB.292/PFA/8(Rev.))

Targets/Other cost issues	One-off costs	Additional ongoing costs
<ul style="list-style-type: none"> ▪ Work-life balance ▪ Conflict prevention and resolution ▪ Contracts policy 		<ul style="list-style-type: none"> ▪ Paternity leave (US\$150,000)² ▪ No additional costs envisaged ▪ No additional costs envisaged
Total: US\$2.94 million	Staff costs: US\$0.40 million	Staff costs: US\$0.25 million
Staff costs: US\$0.65 million	Non-staff costs: US\$0.58 million	Non-staff costs: US\$1.71 million
Non-staff costs: US\$2.29 million		

¹To be covered from resources earmarked for staff learning and development in HRD and other departmental budgets. ²Residual cost of implementing new ICSC paternity leave standard. Assumes that other related (opportunity) costs are absorbed within departmental budgets.

40. *The Committee may wish to:*

- (a) endorse the revised HR Strategy, including the proposed targets and noting the associated cost implications; and***
- (b) note that a report on progress in implementation of the revised Strategy will be provided in November 2006 and annually thereafter.***

Geneva, 19 October 2005.

Point for decision: Paragraph 40.

Appendix

HR Strategy 2006-09

