

**FOR INFORMATION****SEVENTEENTH ITEM ON THE AGENDA****Human Resources Strategy:
Annual report****Introduction**

1. In presenting the revised Human Resources (HR) Strategy 2006–09 (the Strategy) in November 2005, the Office committed to providing an annual report on the progress of its implementation beginning in November 2006.¹
2. This, the second report, presents a synopsis of actions taken in implementing the Strategy and the main results achieved to date, against the initial targets approved by the Governing Body. It also identifies the major milestones to be reached in the further course of implementation.

Structure of the report

3. Section I details the progress achieved in each of the Strategy's developmental priorities, namely: 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 some of the developments and activities within the Office which have supported the implementation of the Strategy.
5. Finally, Section III outlines some of the main developments related to United Nations (UN) reform and their possible implications for human resources management (HRM) in the ILO.

Implementation of the Strategy: Overview

6. The Strategy remains a critical driver in the ongoing internal reform process aimed at strengthening the capacity of the Office to deliver high-quality services to its constituents.

¹ GB.294/PFA/16, para. 40.

It will be recalled that it is aligned to the 2006–09 Strategic Policy Framework, geared towards “making decent work a global goal”. It is built on results-based management (RBM) principles, to ensure that staff resources are strategically managed to meet this objective. It is also a major tool for promoting and fostering a results-based culture through: the introduction of a new staff performance management system which explicitly links objectives to expected results as well as to managerial competencies including effectiveness, efficiency and accountability; and the adoption of a staff learning and development strategy which gives managers and staff the opportunity to update and further develop their skills in relation to organizational needs and to increase their capacity to manage for results. As such, the targets of the Strategy are important components of the RBM road map with linkages to the IT Strategy² and the proposed knowledge-sharing strategy.³

7. In keeping with the RBM approach, attention continued to be focused on strengthening management capacity in both headquarters and the field through a number of formal and informal initiatives. Constructive engagement with the Staff Union Committee (SUC) remained an integral feature of the operating environment both formally within the framework of the Joint Negotiating Committee (JNC), joint working groups and other joint bodies, and informally through dialogue and consultation.
8. As part of the UN common system, the ILO continued to participate in the preliminary 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”. HR policies, as an important driver for better performance and results, are at the centre of follow-up initiatives, and their outcomes will necessarily impact on the management of human resources in the Office within the context of the ILO’s own Staff Regulations.
9. As reported in 2006, the cost of implementing the Strategy is being largely absorbed within the Human Resources Development Department’s (HRD) programme and budget allocations for the 2006–07, with additional resources allocated from the 2000–01 surplus for the start-up of the new Resourcing, Assignment and Placement System (RAPS) and from savings elsewhere in the Management and Administration Sector (MAS) to meet some of the costs associated with the development of the new performance management system.
10. Overall, solid progress has been made in the implementation of the Strategy, perhaps most notable being the success in achieving the target set for “gender balance”. Despite the fact that some of the targets for major priority areas, such as performance management and staff learning and development have not yet been met, considerable progress has been made in these areas, with a strong foundation laid for the future. Other areas of progress include the work on security and the reduction in grievances. The rapidly evolving external environment, dominated by the UN reform agenda, presents both challenges and opportunities for HRM in the ILO, and must be accommodated in the further implementation of the Strategy.

² GB.300/PFA/ICTS/2.

³ GB.300/PFA/9/2.

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.

- 11. The negotiations between the administration and the SUC on a revised agreement on the procedures for recruitment and selection continued in 2007 and led to the signing of a framework agreement in October 2007. The agreement covers general principles, the means of selection and the recruitment process, roles and responsibilities, career development, counselling and training, information and feedback to candidates, and grievances. Time-bound negotiations are continuing on the annexes which are designed to set out the detailed recruitment and selection procedures. It is anticipated that these negotiations will be concluded in time for the proposed amendments to the Staff Regulations and associated administrative circulars to be presented to the Committee in November 2008. 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.

- 12. The average time taken to complete the competition process in the period up to August 2007 increased to 141 days (compared to 130 days in August 2006). During this period, a total of 50 positions (32 in the Professional (P) or higher category and 18 in the General Service (GS) category) were advertised for internal and/or external competition, for which approximately 3,118 applications were received. This represented an increase of 54 per cent over the previous year, which in turn had been 43 per cent higher than the earlier year.
- 13. With the rising trend in the number of competitions, and because of a variety of external operational factors, it is not surprising that the average time for completing the competition process for all positions has increased and, in fact, it is unlikely that this will be further reduced on a sustained basis. However, two points are worth noting. The first is that this target will be rendered largely moot with respect to the P category of staff with the introduction of the RAPS.⁴ It will be recalled that in this system the recruitment process for P staff, together with routine reassignments and non-urgent placements, will be 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 will shift from the time taken to complete competitions to ensuring that better staffing decisions can be made, taking account of the long-term needs of the Organization from a global perspective. As a consequence, it will be necessary to develop a separate target for P staff based on the initial experience of operating RAPS. The second is that given that the majority of the

⁴ GB.297/PFA/14, para. 16.

recruitment for GS staff is done internally, it is likely that the initial target of 90 days could be met for this category of staff.

- 14.** RAPS was officially launched in October 2007 with a series of in-depth staffing reviews. Major upcoming milestones include the following:

Month/year	Key milestones
December 2007	Completion of Office-wide staffing reviews
December 2007	Training sessions for managers and staff
January 2008	Compendium of vacant positions issued
August 2008	Vacancies filled under RAPS phase 1

- 15.** Since January 2007, approximately 230 young persons have been granted internships, 173 in headquarters and 57 in the regions. At headquarters, almost one third of interns now come from outside Europe and North America which represents a significant improvement on 2006 and stems from the Office's efforts to increase the geographical spread of interns.

(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.

- 16.** As outlined in November 2006,⁵ the desirable range for each region is defined as the total of the desirable ranges of all member States in that region. (It will be recalled that the Office calculates a standard desirable range for the regular staff in the P and higher category 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.) The regions are defined as those used for ILO's administrative purposes, i.e. five regions as indicated in table 1 below.

Table 1. Regional representation of staff (regular staff – Professional and higher category)
December 2005 and August 2007

Administrative region (number of member States)	Desirable range		Mid-point of desirable range (a)		Number of staff (b)		Deviation from mid-point (b)-(a)	
	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007
Africa (53)	60–101	60–101	81	81	96	94	+15	+13
Americas (35)	126–209	124–206	167	165	171	162	+4	-3
Arab States (11)	15–25	15–25	20	20	8	8	-12	-12

⁵ GB.297/PFA/14, para. 17.

Administrative region (number of member States)	Desirable range		Mid-point of desirable range (a)		Number of staff (b)		Deviation from mid-point (b)-(a)	
	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007	Dec. 2005	Aug. 2007
Asia and the Pacific * (29) to (31)	111–185	111–184	148	147	115	117	-33	-30
Europe and Central Asia * (50) to (51)	172–286	172–286	229	229	255	261	+26	+32
Total * (178) to (181)					645	642		

* 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 31 when Brunei Darussalam and the Republic of the Marshall Islands became the 180th and 181st member States, respectively.

- 17.** As can be seen from table 1, the situation remained largely positive and stable, with the geographic representation of P and higher category staff of four of the five regions falling within their respective desirable ranges. Only the Arab States region did not meet this criterion. However, when the mid-point of the desirable range is used as a gauge of interregional balance, the results are more varied with the Africa and Europe and Central Asia regions above their mid-points, whereas the Americas, Asia and the Pacific and the Arab States regions are below. Even so, the results reflect an improvement in the situation of the Asia and Pacific region. However, the opposite is true for the Americas.
- 18.** The Office continued its efforts to reduce the significant imbalances which exist within regions, by focusing attention on non- and under-represented nationalities. Since January 2005, a total of six persons with non-represented nationalities have been recruited by the Office. However, the impact of this achievement in reducing the overall number of non-represented nationalities was offset by the number of new member States joining the ILO, and the departure of staff with particular nationalities from the Office. Overall, in 2005, 38 per cent of external candidates recruited to P or higher category positions had non- or under-represented nationalities; and in 2006, this percentage increased to 56 per cent.
- 19.** The Office will continue its efforts to impact the overall geographical profile of its staff by attempting to more successfully target qualified candidates from non- and under-represented nationalities. It should be noted that during 2006, among 3,634 applications received from external candidates, less than 20 per cent were from non- or under-represented nationalities. The trend in applications to date in 2007 is similar.
- 20.** Measures taken to address this situation have included:
- (a) The creation of a prospection database of government departments, employers' and workers' organizations and educational institutions in non- and under-represented countries with the assistance of constituents. Organizations in the database (the number currently stands at 110) are now routinely forwarded electronic copies of all professional vacancy notices for onward transmission to potential candidates and other interested parties. In addition, the Office is continuing its programme of prospection missions to non- and under-represented countries and its discussions with representatives of these countries on strategies for attracting and retaining their qualified nationals.
 - (b) Giving consideration in the competition process to external candidates from non- and under-represented countries once the mandatory requirement to give prior

consideration to internal candidates has been met. In all cases, nevertheless, recruitment standards regarding competence and integrity are maintained in keeping with the provisions of the Staff Regulations.

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.

21. Over the period December 2005 to August 2007, the share of women in senior positions at the P5 level and above rose from 29 per cent to 33.4 per cent, thereby attaining the target. The progress was notable at the D1 and D2 levels where their share rose from 31 per cent to 46 per cent and from 26 per cent to 35 per cent, respectively. Over the same period, the share of women at the P5 level increased from 28 per cent to 29.4 per cent.
22. Despite the improved gender balance at senior levels, the Office will continue to consolidate and build on these achievements. Prospects remain promising, particularly for appointments (mainly at the D1 level and above) which the Director-General will make by direct selection. The challenge remains greater at the P5 level. Admittedly, women will have opportunities to make further inroads at this level since over two-thirds of staff retiring in the coming biennium are men. The Office is therefore preparing them to capitalize on such opportunities through their participation in the Management and Leadership Development Programme (MLDP). In the latest cycle, 48 per cent of the participants are women. However, the aggregate number of openings at the P5 level has been declining as a result of the rebalancing of the grade structure (with the emphasis on this level).

Persons with disabilities

23. In light of the challenges associated with attracting and recruiting candidates with disabilities, the Office commissioned an independent review of its HR policies and procedures and their potential impact on the recruitment of people with disabilities in mid-2007. This review was conducted by an external consultant with experience in advising both the private and public sectors on disability issues. A number of its recommendations are currently being implemented, including the systematic check of the wording of job specifications and advertisements to ensure that the terminology used does not lead to self-elimination by candidates with disabilities; the development of links with specialist government agencies and other institutions with a view to improve targeted prospection; the review of application and assessment procedures; and the expansion of the role and visibility of the disability focal point in HRD. A guide to managers on identifying their roles and discharging their responsibilities in the management of staff with disabilities is being prepared. Other recommendations will be considered with a view to their phased implementation, where feasible within the framework of the Office's policy on the employment of people with disabilities.

(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 category in headquarters and the field.*
- 24.** From January 2006 to date, a total of 15 P5 positions have been regraded downwards, including those becoming vacant through retirements and other types of separation, including transfers. During the same period, three (3) GS positions were also regraded to the lower grades. This outcome reflects the Office's commitment to review the grades of all positions becoming vacant, regardless of the reason.
- 25.** As reported to the Committee in November 2006, the Office undertook a review of its grade structure, its evolution over time, and its comparison with those of other specialized agencies.⁶ The recommendations from the review will be fully assessed in light of the results of the field structure review and the latter's implications for the overall needs of the Office. The revised targets arising from this comprehensive exercise will be presented to the Committee in November 2008. In the meantime, the Office has been exploring ways of handling structural and associated grade changes in a consistent and controlled manner.
- 26.** It is useful to recall that the rebalancing of the grade structure, while an important objective in itself, is necessarily a slow process since it depends on the departure of staff. Added to which, it must take account of other HRM management imperatives including the need to preserve the Office's ability to provide high-level services to constituents; to attract and retain highly qualified staff; to provide opportunities for development and advancement of both women and men, and to facilitate the mobility of staff.

(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.*
- 27.** During 2007, 11 officials (including two women) were transferred from headquarters to the field; seven (including one woman) from the field to headquarters; and ten (including seven women) from field to field duty stations. While this led to a marginal increase in the proportion of eligible P and higher category staff with both headquarters and field experience, up from 34 per cent to 35 per cent in the period up to September 2007, the result was still short of the target of 40 per cent.
- 28.** Table 2 below indicates a substantial increase in the proportion of P and higher category staff serving in a particular region that come from another region of origin. Since September 2006, the overall percentage has risen from 24.3 per cent to 30.3 per cent. Although the "cross-fertilization" has increased in all regions, only in Asia and the Pacific and the Arab States (with its admittedly small base) is the target being met.
- 29.** Further progress on achieving both these targets can be expected with the introduction of RAPS, which will provide a more solid mechanism for increased and more targeted geographical mobility in the Office.

⁶ GB.297/PFA/14, para. 26.

Table 2. Staff distribution by region of assignment, September 2007
 (regular staff, Professional and higher category)

Region	Total number of staff September 2007	Number from outside region September 2007	Percentage from outside region September 2006	Percentage from outside region September 2007
Africa	63	15	20.6	23.8
Latin America and the Caribbean	48	12	15.2	25.0
Arab States	10	5	28.6	50.0
Asia and the Pacific	64	26	39.7	40.6
Europe	22	4	11.1	18.2
Total	207	62	24.3	30.0

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.

30. Work on the design of the new performance management system has continued apace this year. Consultations with staff at headquarters and in the field have taken place, and HRD has been working with an informal advisory group comprising a cross-section of managers and staff in developing an appropriate system. A stocktaking survey of performance management practices within the UN system was carried out jointly by the ILO and the United Nations High Commissioner for Refugees (UNHCR) so that best practices could be taken into account in an effort to align the ILO's performance management system to commonly accepted guiding principles. This is particularly significant within the context of the "Delivering as One" initiatives.

31. The main features of the proposed new performance management system are as follows:

- **Planning for performance** through the introduction of objective setting for all officials (linked to the job role but focusing on results), enabling a common understanding of performance targets. This will make expectations clear, linking performance to RBM through an alignment of individual, unit and organizational results, with greater visibility and accountability for senior managers who will define and articulate what needs to be delivered in order to meet the targets of their units, and who will be assessed as to how they manage their staff and their performance in the unit or department.
- **Assessing competencies** (i.e. *how* results are achieved), and identifying the official's areas of strength and weakness will lead to addressing any gaps through development activities, and later to the matching of individual and job profiles of skills and competencies, resulting also in an accurate view of staff capabilities and organizational needs. Teamwork will also be an important competency to be assessed.

- **Enhancing a performance culture** within the Office, by fostering dialogue and teamwork and introducing mid-term reviews to monitor progress and allow for a redirection of efforts, should circumstances so require.
- **Enhancing a learning culture** by introducing a developmental objective in every appraisal. Knowledge sharing and learning will be included as key competencies to be addressed.
- **Introducing a strengthened appraisal system for managers** by including in appraisals questions related to competencies such as managing performance, action with regard to staff development, interpersonal communication and other key managerial competencies. Staff will also have the opportunity to provide upward feedback to managers on their performance. This component is closely aligned to RBM objectives which emphasize increased responsibility and accountability of managers.

- 32.** In order to test the new system, pilot exercises in a number of headquarters units and field duty stations started in October 2007. The pilots kicked off with workshops aimed at enhancing communication skills and ensuring a common understanding of definitions and measures applied. The pilots will be carried out over a three-month period. At the end of the pilot exercise, participants will be asked to evaluate the impact of the new system on the performance of their unit and to provide detailed assessments regarding the tools and instruments. This input will serve as a basis for finalizing the framework and the instruments, prior to implementing the new system globally in a phased approach. Complementary activities including the linking of the system to IRIS as well as training workshops for managers and staff are to take place in the first half of 2008.
- 33.** While the Office recognizes the urgency of implementing the new performance management system given its important role in strengthening RBM, it is also mindful that the introduction of a new performance management system is a complex and necessarily progressive process. In light of this, the Office has adopted a considered (and cautious) approach to implementing the new system. Its view is that the additional time being spent on internal and external consultations will prove to be a worthwhile investment in ensuring that it has a relevant and effective system which is at the same time manageable.

- 34.** Significant milestones include the following:

Month/year	Key milestones
October–December 2007	Testing of new system in pilots
April 2008	Finalization, translation and packaging of new guidelines
April–June 2008	Training workshops for staff
July 2008	Go live of new system

(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.

- 35.** The MLDP, which remains the main mechanism for training ILO managers, has been redesigned based on recommendations arising from the independent evaluation of the programme and in consultation with external experts on management and leadership development in the UN system.⁷ Additional cycles of the redesigned programme were launched in September 2007, with 39 per cent of participants coming from field duty stations. An increased number of managers have also participated in training activities at the United Nations System Staff College (UNSSC). As a result, the percentage of staff at the P4 to D1 levels participating in management learning has risen to approximately 35 per cent. Altogether, the total number of P staff participating in the structured MLDP and its “spin-off” activities has risen to approximately 45 per cent. While the initial target has not been reached, the Office considers that the results are encouraging.
- 36.** As mentioned in paragraph 35 above, there has been increased participation of ILO managers in system-wide training activities within the context of UN reform and “Delivering as One” initiatives. This will be boosted further by participation in the Senior Management Network for the UN system and its associated Senior Management Network Leadership Development Programme (see paragraph 69) which will be launched in November 2007. This programme is being coordinated by the UNSSC.
- 37.** An important element of the Office’s support to managers has been the establishment of a “new managers” group led by HRD which meets on an occasional basis to discuss issues of common concern. This is particularly important for newly appointed managers who have joined the ILO from other agencies and may not be familiar with the way the Organization functions. It is hoped that the establishment of this group will strengthen networking among managers in the Office over and above any benefit gained from the structured meetings themselves. A more formalized “peer group mentoring programme” is also being developed for introduction in 2008 (see paragraph 65). In addition, a number of managers have undertaken individualized coaching sessions designed to improve their performance based on the identification of development needs established either through the performance appraisal system or by managers themselves. The Office intends to expand this facility within the limits of available resources.

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.

- 38.** The allocation of dedicated resources to staff development in the current biennium has resulted in a major boost to learning activities in the Office, although it is clear from the Organizational Learning Framework (OLF) assessment undertaken in late 2006 that the Office is not yet meeting the abovementioned target. This exercise was undertaken by the UNSSC in order to establish a baseline for the target and to assess the state of learning in the Office. The methodology used is one developed by the UN learning managers to set the standards for individual and organizational learning in the UN. It included an online survey of more than 600 randomly selected staff, and focus groups and individual interviews.
- 39.** The overall finding was that “the ILO has made remarkable progress in building solid foundations for learning and people development in the agency, particularly in the past two years”. The report concludes that “some of the elements that have contributed to this achievement are the allocation of 2 per cent of staff costs to training and development activities; the decentralization of the management and the administration of that budget;

⁷ GB.297/PFA/14, paras 3–39.

and the creation of the ‘learning coordinator’ function and the leadership provided by HRD”. Furthermore, “it is clear that the ILO has achieved the second level (of four) ‘sorting out the basics’ in its development as a learning organization and is currently progressing, although unevenly across the different sectors, departments, regions and countries, towards achieving the third level, ‘focusing on learning’”. These findings confirm that the architecture for future development is being established but that the Office is still some way from becoming a true “learning organization”. The latter will require a consolidated effort over several biennia. Thus, the time frame of the current target was probably over-optimistic and unrealistic.⁸

- 40.** An important component of the Office’s staff development activities is IRIS training both for staff at headquarters and in the field in line with the projected field roll-out of IRIS in 2008. The overall objective of the IRIS training strategy is to leverage the benefits of IRIS through greater knowledge of the system’s capabilities, and to facilitate a transfer of knowledge towards in-house expertise. The curriculum structure, training courses and materials have all been recently redesigned in an integrated fashion to reflect how ILO staff use IRIS in their jobs. This biennium, IRIS training has been funded centrally. A detailed description of the IRIS training programme has been submitted to the Information and Communications Technology Subcommittee (ICTS).
- 41.** A major development has been a considerable strengthening of the partnership between headquarters and the International Training Centre (ITC) at Turin with the development of ITC involvement in ILO staff training on an unprecedented scale. At present, collaboration extends to the following subject areas: results-based management and Decent Work Country Programmes (DWCPs) (ITC/PROGRAM); project cycle management (ITC/PARDEV); UN reform (ITC/PARDEV); monitoring and evaluation (ITC/EVAL); resource mobilization (ITC/PARDEV); tripartism and social dialogue (ITC/DIALOGUE); employment (ITC/Employment Sector). Engagement in these activities is driven by the relevant technical departments at headquarters but is coordinated and supported by HRD.
- 42.** New courses have been designed to provide training on ethics, fraud awareness and risk management. Approximately 20 ethics trainers completed a training-of-trainers course on ethics in September 2007. The training material is being revised by the Ethics Office based on feedback from this course, so that the full programme of staff training can be carried out beginning in December 2007. The fraud awareness training was conducted in September and October 2007 for key staff involved in relevant areas of work of the Office. In addition, the training course on risk management is being held in November for 20 participants including staff from FINANCE, PROCUREMENT, HRD and PROGRAM.
- 43.** The devolution of staff development funds to the regions has generated a high level of interest and activity. Working in collaboration with HRD, the regions have devised their own methods of developing and organizing training to meet their needs. Training activities have been of two main types, those to enhance soft skills such as team building, communication, language proficiency and IT; and those to support the implementation of DWCPs such as resource mobilization, project cycle management, RBM, UN reform, the Decent Work Agenda and media relations. Additionally, more technical training has been undertaken in areas such as corporate social responsibility, migration policy, and crisis and disaster response.
- 44.** Before the end of 2007, HRD will be conducting a full assessment and review of the experience in implementing the staff learning and development strategy in order to draw lessons for the next biennium. Already it is clear that more attention should be given to the

⁸ UNSSC: Report on the OLF assessment of the ILO.

training of learning coordinators and the training and preparation of managers, particularly in headquarters, to effectively plan for and deliver staff development activities. The introduction of the new performance management system will increase the need for both managers and staff to be more proactive in determining staff development needs. The modalities for ensuring that staff development funds are readily available to those staff most in need of training will also need to be examined. Methodologies for better evaluating the quality and impact of decentralized training activities will also have to receive attention. Conclusions and recommendations will also be shared with staff representatives in the context of the Joint Training Council.

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 standards across the Office.

- 45.** The Office continued to monitor and support compliance in all field offices, including ILO technical cooperation project offices, with the security standards set by the UN Department of Safety and Security (DSS). These standards cover planning, training and equipment. Recent enhancements to the monitoring procedures include compliance and evaluation missions conducted by the DSS and a system-wide self-evaluation programme.
- 46.** Efforts have been made to raise awareness of threats, mitigation techniques and responsibilities through training activities. Special workshops have been held at headquarters with the emphasis on measures to be observed in relation to travel and in two subregions where risk levels were deemed to have warranted such action. Additionally, individual training has been given to Office directors as members of security management teams and to officials called on to work at high-risk duty stations.
- 47.** The Office continued to monitor the observance of the requirement that all staff complete the course on basic security in the field, and that on advanced security in the field, which is mandatory for all staff travelling to or stationed in a duty station under a DSS security phase 1 or above. Events during the year, involving mortar fire, airport bombings, and improvised explosive devices at several duty stations have served as reminders for the need to promote security awareness as a priority and to ensure compliance with security directives.
- 48.** The Office maintained a high level of collaboration with other organizations within the UN security management system. It participated actively in the Inter-Agency Security Management Network (IASMN), which is the chief policy-making organ on safety and security in the UN system. It also coordinates a body whereby the interests of the specialized agencies are represented within the IASMN. A recommendation piloted by the Office calling for the establishment of a high-level security management group and an operations-level security advisory group, which provide for the efficient exchange of information and coordination of risk-mitigation and crisis-response measures was adopted by all Geneva-based agencies as a basis for managing staff security and safety in Switzerland and neighbouring France.

(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.

49. The Office, in consultation with the SUC, continued its work on the formulation of an OSH policy and associated management system and, at the time of writing, two documents are close to completion, one providing a framework for OSH management and the other on the functioning of an OSH committee. The former defines various aspects of OSH management such as: the roles and responsibilities of managers and staff; functions of an OSH coordinator and OSH representatives; surveillance and control measures; training and information; and reporting. Together with the Director-General's statement on OSH, which has been prepared, these two documents will form a basis for the Office's action on OSH both at headquarters and in the field.
50. The Office continued its preparation for a possible influenza pandemic with the development of a general contingency framework which outlines measures it should take in the event of a pandemic. More detailed plans are being developed at the departmental level to define specific arrangements which would be implemented in such a scenario. An information brochure for staff on the pandemic is being prepared.
51. The Office is also planning to develop a general operational continuity plan for headquarters and field offices on the basis of the work already done on pandemic planning. To this end, it has started consultations with the Business Continuity Unit of the United Nations Children's Fund (UNICEF) for possible cooperation in this regard.

(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.

52. The joint working group established by the JNC on work-life balance continued its work during 2007. Its terms of reference are to consider topics such as the organization of working-time arrangements, part-time work, job sharing and telework arrangements, and maternity and adoption leave on a part-time basis. A survey questionnaire aimed at gaining an understanding of the views of staff on these issues is being finalized. The results of the survey will guide the elaboration of an agenda of issues by the JNC for which appropriate policies and guidelines need to be developed or reviewed. These will be presented to the Committee on an ongoing basis.
53. This process will benefit from the outputs of a project on the harmonization and coordination of staff mobility and well-being initiatives which is being undertaken within the framework of the Plan of action for the harmonization and reform of business practices in the UN system.⁹ The project will help facilitate the identification, exchange and expansion of good practice and successful approaches leading to equitable HRM and efficient use of available resources (see paragraph 69).

⁹ CEB/2007/HLCM/16, "Plan of action for the harmonization and reform of business practices in the UN system", Sep. 2007.

- 54.** A designated “nursing room” at headquarters became functional on 1 October 2007. It provides a space for mothers wishing to nurse their babies or express and store milk during the workday. The room is fully equipped and it is hoped that it will better enable working mothers to take advantage of their breastfeeding breaks in a secure, quiet and comfortable location, without the risk of interruption.

(d) Conflict prevention and resolution

Target:

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

- 55.** During 2006–07, the number of grievances linked to policies, rules and procedures submitted to the Joint Advisory Appeals Board (JAAB) was reduced by almost 30 per cent. To support the functioning of the JAAB, two new JAAB chairs were appointed in 2006, bringing the number of JAAB chairs to five. In addition, eight new JAAB panel members were appointed in 2006 and 2007, bringing the number of available panel members up to 15. The new chairs and panel members were selected on the basis of their integrity and competence, taking into account criteria of gender, geographical and linguistic diversity.
- 56.** The internal review of the JAAB conducted in late 2006 recognized the sound work undertaken by the JAAB since its inception and produced a number of recommendations of relevance to the JNC, HRD, the SUC and the JAAB itself. These recommendations were discussed in the relevant forums and, where appropriate, decisions were taken to further improve the internal machinery of conflict resolution in the Office.
- 57.** HRD continued to attempt to resolve conflicts through informal dialogue wherever possible, both at the initial stage when a grievance is first submitted to the Department under article 13.2.1 of the Staff Regulations as well as at the second, more formal stage when a grievance is submitted to the JAAB under article 13.2.2. Approximately 30 per cent of all grievances are satisfactorily resolved in this manner. Continuous efforts to reduce conflict in the Office continue, including through timely dialogue between HRD and the SUC, where appropriate. The Department continued to sensitize managers to their roles and responsibilities under the Staff Regulations through the regular line managers meetings and other opportunities.

(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.

- 58.** As reported in March 2007, the General Assembly has taken note of the ICSC framework for contractual arrangements, thereby clearing the way for the Office to move ahead with the revision of its contracts policy.¹⁰ As part of this process, it has been reviewing the steps taken by other organizations in the UN system to implement the guidelines. It is expected that recommendations on the implementation of the new policy in the ILO will be considered by the JNC by early next year.

¹⁰ GB.298/PFA/19.

- 59.** As a result of discussions within the JNC, the practice of issuing special service agreements (SSAs) under technical cooperation projects in the field has been discontinued. These SSAs are being replaced as they expire by other types of contract, as appropriate, taking into account the financial constraints of the respective technical cooperation projects.

II. Supporting measures

(a) *Enhanced effectiveness of HRD*

- 60.** HRD continued to implement the recommendations of the 2006 report of the review of its structure, procedures and operations. As part of this process, the Department was reorganized to distribute managerial responsibilities at the branch level more equitably. This is intended to facilitate a greater focus on the implementation of the major priorities of the Strategy (on the one hand resourcing, including RAPS; and on the other, staff performance management and staff development); and on efforts to continuously improve the service orientation of the Department.
- 61.** In the latter context, work continued on the development of appropriate performance indicators and metrics. The Staff Health Insurance Fund (SHIF) for example has introduced a service standard of “no backlog”. Performance is regularly monitored on the number of claims received versus the number settled, for the week and year to date. Settlement volumes are also compared with the same period of the prior year. Yearly external and internal audits are carried out to monitor settlement accuracy. A helpdesk provides assistance to members and also serves as a monitor of accuracy and service efficiency.
- 62.** As part of its efforts to improve internal communications in the Department, a number of formal and informal measures have been taken, including the introduction of monthly staff seminars to ensure that staff become fully conversant with all areas of the Department’s work and understand the interlinkages.
- 63.** In keeping with the recommendation of the External Auditor, efforts were made to “augment” the availability of the Department’s “skilled professional resource” through the continuing appointment of staff with professional HR training and the provision of opportunities for existing staff to update their HR and other skills. Efforts also continued to effectively harness the talents of all staff of the Department and create a culture of continuous improvement.

(b) *Better alignment of HRM policies with the Decent Work Agenda*

- 64.** HRD continued its efforts to better align HRM policies and targets with the main objective of the strategic policy framework “to make decent work a global goal”. As indicated in the 2006 annual report, “such an alignment requires HR staff, line managers and senior managers to work closely together within the context of shared responsibility”.¹¹ The respective roles are being reflected within the managerial competency framework, which will be an integral part of the new performance management system.

¹¹ GB.297/PFA/14.

65. As part of these efforts, HRD continued with measures which provide opportunities for the Department to better understand and respond to the HR 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 HRD and line managers. These include the following:

- (a) Staffing (HR) reviews, which are held with headquarters departments once a year and with the regions twice a year, coinciding with sessions of the Governing Body; these reviews usually focus on staff planning, recruitment, and staff development and performance management, as well as the contribution of the respective departments to meeting HR policy objectives and targets. They will assume even greater and more strategic significance with the introduction of RAPS, with more attention paid to succession planning and mobility considerations.
- (b) Monthly line managers' meetings, which serve as an informal communication channel with information exchange on developments of common concern to all line managers. Members of the Senior Management Team (SMT), including the Director-General, continued to participate in these meetings.
- (c) Special sessions for new managers, which provide specific briefings on their HR responsibilities within the ILO's results-based management framework and the support services which HRD can make available to them. A proposal arising out of the review mentioned in paragraph 64 above to provide "peer group mentoring" for new managers is being explored with a view to introducing it in 2008.
- (d) Special briefings on the Strategy for managers (and staff) in headquarters and in the field including through presentations to regional directors' meetings, departmental retreats and regional staff union meetings.
- (e) The introduction of specific training programmes in response to requests arising in part from the Decent Work Global Management Team Workshop held last year. These have been identified in paragraph 41 above.

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

66. Through the monitoring and reporting system, the Office has been able to generate regular and ad hoc reports in IRIS to monitor its progress on the implementation of the Strategy and to alert it to any modifications which need to be made to its targets and implementation modalities. Outputs of the system are also being used to facilitate ongoing decision-making on HR issues. Thus, for example, the system has been used to generate the baseline data for the field structure review.

67. Other outputs of the system during the year included the report of the OLF assessment which has been used to measure the ILO's progress towards becoming a "learning organization" (see paragraph 38 above); the study on "good practice" in performance management systems across the UN common system (see paragraph 30 above) which is being used to inform the introduction of the ILO's new performance management system; and the report on the grade structure review, which will be one of the components used in conjunction with the outcome of the field structure review to inform decisions about target-setting regarding the rebalancing of the grade structure (see paragraph 25 above).

68. A proposal for the conduct of a "skills audit", as requested by the Committee, has been developed by an external consultant, and its recommendations are being examined at the time of writing. However, while this is seen as a useful HR tool, it would not be timely to

undertake this assessment at this stage given that work is currently ongoing to review the Office's Organizational Competency Framework against which the audit would have to be undertaken. In the meantime, the Office has been making use of online and web-based tools to determine developmental needs, particularly in the areas of IT, IRIS, and language.

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

69. As yet, there is no consensus in the UN General Assembly in its consideration of the recommendations of the high-level panel as a package.¹² However, regardless of the outcome of the current review of the recommendations taking place in that body, the Office accepts the need for greater coherence and harmonization, including of its HR practices, across the common system as a means of increasing the efficiency and effectiveness of the UN in delivering its mandate at the country level. It is also a means of reducing the transactional costs for constituents in coping with different agencies with differing requirements. In light of this, and as mentioned in paragraph 8 above, it has been engaged in the follow-up process within the Chief Executives Board (CEB) and its various pillars to promote and facilitate coherence and harmonize business practices. In the area of HR, for example, it has been involved in the identification of priority initiatives on which immediate action could be taken. These include:¹³
 - (a) "Progressive harmonization of staff regulations and rules across the United Nations system with particular attention to contractual arrangements" which is intended to bring greater harmony to staff regulations and rules across the UN common system in order to make policies and procedures governing the management of HR more consistent across the UN system;
 - (b) "Framework for the harmonization and coordination of staff well-being and work-life balance initiatives" which is intended to foster cross-fertilization of good practices and stimulate inter-agency mobility;
 - (c) "Senior management network" (SMN) with the objective of improving organizational performance through strengthening managerial and leadership capacity; building a common organizational culture; facilitating the devolution of responsibility, authority and accountability; enhancing inter-agency cohesion and coordination; and promoting increased mobility, learning and commitment to the professionalism of the management function; and
 - (d) "Senior management network leadership development programme" as a component of the SMN above, with the objective of a shared UN-wide "esprit de corps" built around a willingness and ability to collaborate across agencies.
70. However, while supporting the value of harmonization, the Office takes the position that it must be achieved by adopting a balanced solution (not the lowest common standards), it must make good financial sense, and it must respect the diversity of each organization and take account of decisions already taken by the Governing Body. It is clear that the outcome of the various initiatives will present both opportunities and challenges for the Office, and will have implications for the management of human resources across the common system, although it is too early to assess the precise nature of the impact.

¹² GB.300/4.

¹³ CEB/2007/HLCM/16, op. cit., paras 21–26.

71. In light of this, consultations have been held with some field managers to better understand the challenges that they are facing and provide them with guidance and support. Additionally, information sessions have been held with the staff and the SUC to brief them on developments within this context and to respond to their individual concerns about the impact of such developments.
72. Also of interest to the ILO is the call by the High-Level Panel for the International Civil Service Commission (ICSC) to be reformed based on an “authoritative and independent external evaluation” aimed at making the Commission more responsive to the operational priorities of the UN common system.¹⁴ As will be recalled, many of the decisions which influence the system-wide management of human resources derive from the work of the Commission, hence this body must play a crucial role in building a more coherent and attractive UN system, which is capable of “Delivering as One”.

Geneva, 12 October 2007.

Submitted for information.

¹⁴ “Delivering as One. Report of the High-level Panel on United Nations system-wide coherence in the areas of development, humanitarian assistance and the environment”, A/61/583, p. 54.