WIPO

WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

Internal Oversight Division

Reference: IA 2015-04

Audit Report

Audit of Staff Performance Management

March 3, 2016

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LIST OF ACRONYMS

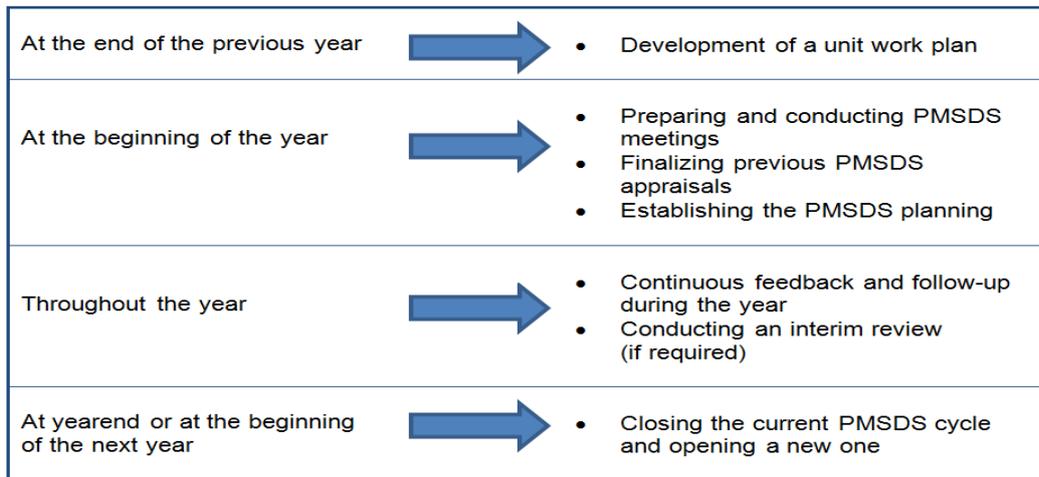| DG	Director General
ERP	Enterprise Resource Planning
EPMO	(ERP) - Project Management Office
HRMD	Human Resources Management Department
IIA	Institute of Internal Auditors
ICSC	International Civil Service Commission
IOD	Internal Oversight Division
IP	Intellectual Property
IT	Information Technology
OLC	Office of the Legal Counsel
OLF	Organizational Learning Framework
PMSDS	Performance Management and Staff Development System
RRP	Rewards and Recognition Program
SRR	Staff Regulations and rules
SRP	Strategic Realignment Program
UN	United Nations
UNOPS	United Nations Office for Project Services
TDB	Training Database
WIPO	World Intellectual Property Organization

EXECUTIVE SUMMARY

1.   The Human Resource Management Department (HRMD) has taken considerable measures to improve WIPO's Performance Management and Staff Development System (PMSDS) since its implementation in 2009. The system has been enhanced and refined over the years to include a planning phase that links individual objectives to organizational performance, a four level rating scale, performance improvement plans, and training and development. Likewise, PMSDS guidelines and handbooks have been updated to reflect the current processes. Furthermore, the PMSDS has been linked to the WIPO rewards and recognition program, the learning and development policy, the performance rebuttal procedures, as well as to administrative consequences as established in WIPO's Staff Regulations and Rules, and related office instructions.

2.   While acknowledging what has been achieved so far, more can be done to further enhance the existing system and practices. For instance better aligning recruitment, performance management, staff development and training activities would help ensure that, staff members have the appropriate skillsets and competencies for their posts, and HRMD efficiently manages changes in roles and competencies to address evolving business needs. A better alignment can be achieved through the planned integration of PMSDS, and the Training Database (TDB) into the Organization's Enterprise Resource Planning (ERP) solution.

3.   The current link between Individual staff objectives and the Organization's expected results in the PMSDS is not achieving its intended effect because staff members cannot relate their efforts directly to WIPO's expected results. This is because these high levels expected results are not translated into Program level activities that could be better linked to staff objectives. Therefore, aligning individual staff objectives with Program/work plan activities in the PMSDS would help provide more clarity on how staff efforts support organizational expected results.

4.   Developing performance standards for generic roles that are common across the organization, such as administrative assistants and secretaries, would enhance efficiency and consistency of the performance management process. Likewise, introducing additional performance evaluation methods, such as self-assessments and two way assessments and 360 degrees evaluations would improve the overall fairness and credibility of the performance evaluation process. Also, making mid-term performance reviews mandatory for cases of underperformance would serve to better monitor and track performance expectation, provide early warning signals for potential challenges, and improve the effectiveness of the system.

5.   Finally, there has been no dedicated organizational-wide survey for the performance management system since its implementation in 2009. Implementing feedback and review mechanisms that would ensure that the staff performance management system is functioning in an efficient and effective manner would help enhance the credibility and effectiveness of the system.

BACKGROUND

6.   The Performance Management and Staff Development System (PMSDS) was launched in 2009 as part of the Strategic Realignment Program (SRP), with a view to promoting a performance based culture, linked to Results Based Management and supported by a robust staff development program.

7.   The system should ultimately improve performance to the benefit of the Organization and the people working in it. The PMSDS is expected to facilitate:

(a) Alignment of individual objectives with expected results of the Organization;

(b) Systematic and proactive staff development; and

(c) Continuous dialog between supervisors and staff members to generate common understanding and engagement.

8.   The system aims to promote continuous learning and development, acknowledge good performance, and address underperformance. The development of a performance management system is in line with the prescriptions of the World Intellectual Property Organization (WIPO) Staff Regulations and Rules[1].

9.   The PMSDS applies to staff members on fixed-term, continuing, and permanent appointments, with the exception of staff members on an initial fixed-term appointment of one year or more who are subject to a period of probation. PMSDS also applies to temporary staff members who were granted temporary appointments before January 1, 2013. Temporary staff members who were granted temporary appointments on or after January 1, 2013 are subject to another performance appraisal method, outlined in Office Instruction 71/2014.

10.   **e-PMSDS** - PMSDS is supported by the Information Technology (IT) tool e-PMSDS that captures the main stages of the PMSDS process: planning, interim review and evaluation for each PMSDS cycle.

11.   **Cycles** - Performance management and staff development is an ongoing process throughout the year, aligned annually to the calendar year, and primarily shared by the direct supervisor and the staff member. The PMSDS cycle consists of a planning, an interim review (not mandatory), an evaluation and, once signed by all, a final stage.

12.   The evaluation cycle starts on January 1 of each year and ends on December 31 of the same year. However, the performance evaluation period may be shorter or longer than 12 months (minimum three months and one day, maximum 15 months) in special circumstances as outlined under the section "Special Cases of Planning and Evaluation" of Office Instruction No. 70/2014 Rev.1 on the PMSDS.

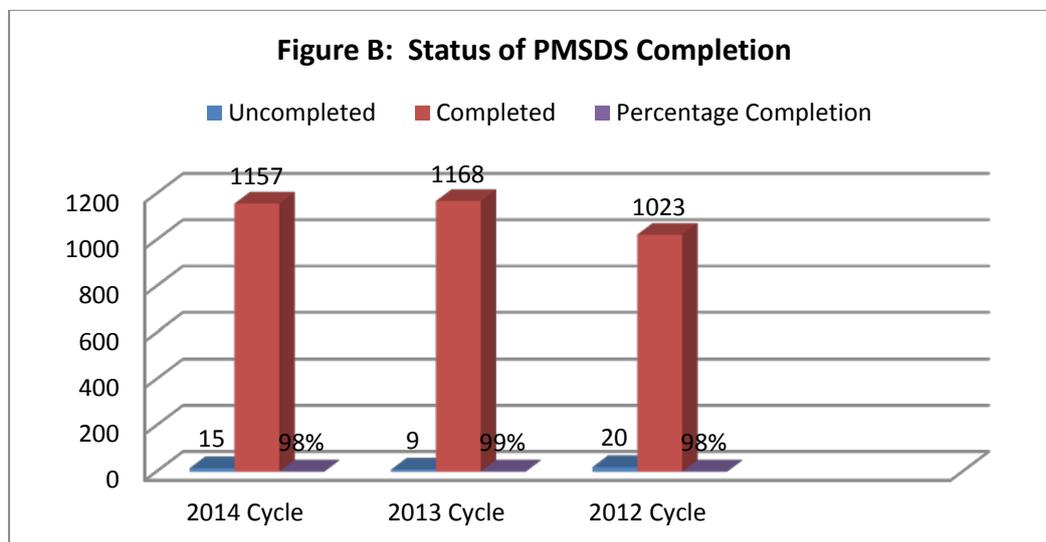13.   The diagram below illustrates the cycle.

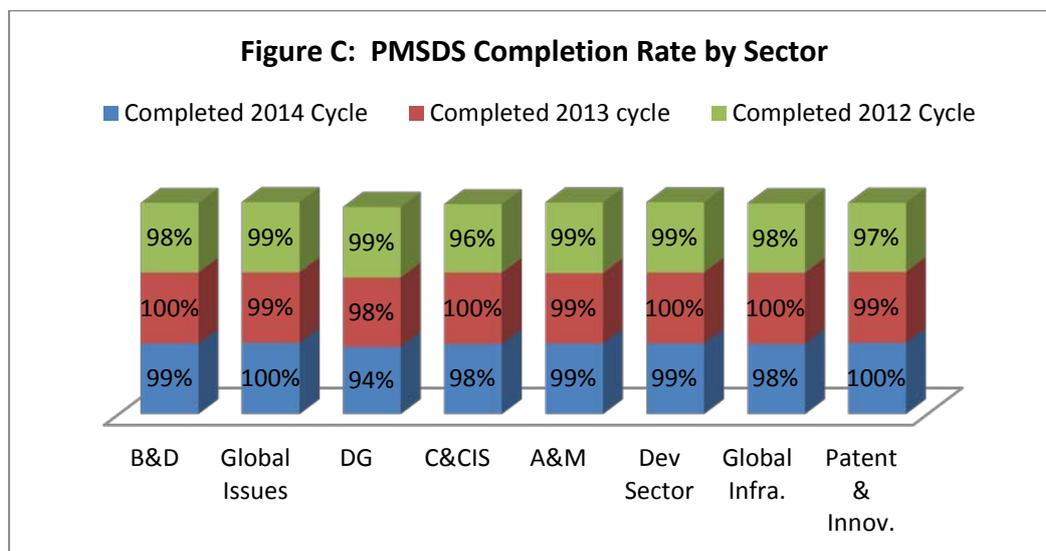[1] Regulation 4.20 of WIPO's Staff Regulation and Rules

Figure A: PMSDS Cycle

At the end of the previous year	➡	• Development of a unit work plan
At the beginning of the year	➡	• Preparing and conducting PMSDS meetings • Finalizing previous PMSDS appraisals • Establishing the PMSDS planning
Throughout the year	➡	• Continuous feedback and follow-up during the year • Conducting an interim review (if required)
At yearend or at the beginning of the next year	➡	• Closing the current PMSDS cycle and opening a new one

Source: HRMD

14.   The Figure below captures the completion rate of PMSDS for the last three cycles:

Figure B: Status of PMSDS Completion

■ Uncompleted   ■ Completed   ■ Percentage Completion

	2014 Cycle	2013 Cycle	2012 Cycle
Uncompleted	15	9	20
Completed	1157	1168	1023
Percentage Completion	98%	99%	98%

Source: HRMD

15.   The completion rate is as follows over the last three cycles and per Sector:

Figure C: PMSDS Completion Rate by Sector

■ Completed 2014 Cycle   ■ Completed 2013 cycle   ■ Completed 2012 Cycle

| Sector	Completed 2014 Cycle	Completed 2013 cycle	Completed 2012 Cycle
B&D	99%	100%	98%
Global Issues	100%	99%	99%
DG	94%	98%	99%
C&CIS	98%	100%	96%
A&M	99%	99%	99%
Dev Sector	99%	100%	99%
Global Infra.	98%	100%	98%
Patent & Innov.	100%	99%	97%

Source: HRMD

16.   Evaluation Stage - The evaluation stage occurs at the end of the cycle and involves assessing whether the objectives set at the planning phase have been duly met. This stage involves rating the performance of the staff member as follows:

(a) Outstanding performance;

(b) Effective performance;

(c) Improvement in performance required; and

(d) Unsatisfactory performance.

17.   The final stage follows the evaluation stage and occurs when all parties have signed-off the evaluation, hence closing the cycle. The evaluation of the previous year should be finalized and signed at the latest by March 31 of the current year. This is also the deadline for initiating and agreeing on the performance plan for the current year.

18.   The following figure depicts the overall evaluation ratings for the last three cycles:

Figure D: PMSDS Evaluation Rating (%)
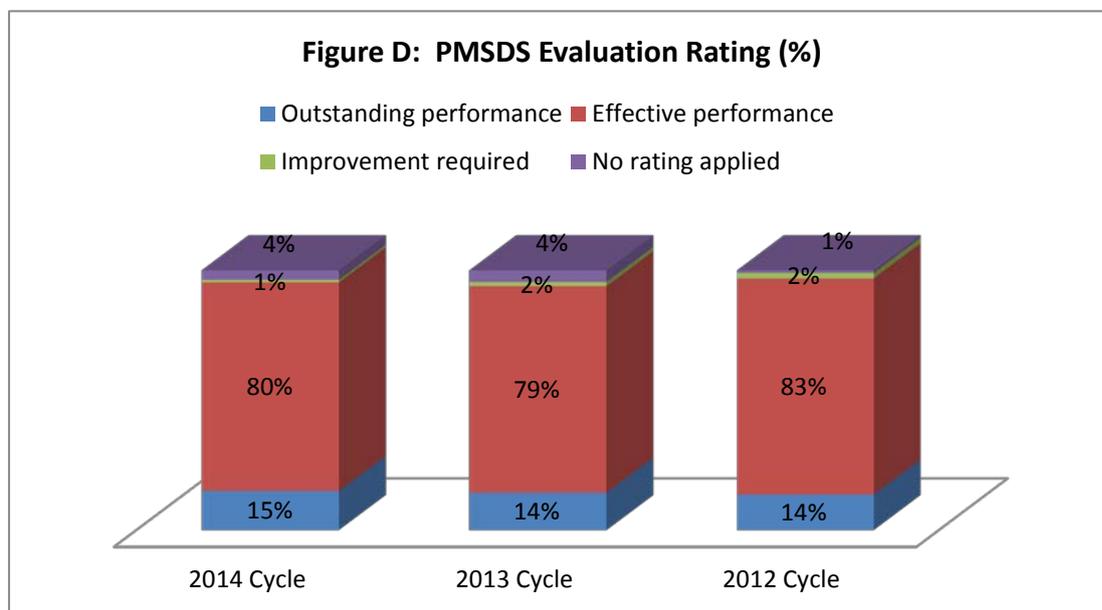
Source: HRMD

19.   Finally, the Performance Management and Staff Development System at WIPO is also linked to:

(a) The WIPO Rewards and Recognition Program (RRP) that rewards outstanding performance and recognizes how the performance of staff may contribute in a significant manner to the achievement of WIPO's expected results;

(b) The learning and Development Policy, in order to facilitate relevant learning and development for staff and to ensure that skills gaps are closed, in line with the Human Resource Strategy;

(c) Administrative Consequences, as established WIPO's Staff Regulations and Rules (SRR) and related Office Instructions. These include: salary increments, continuing and permanent appointments, promotions following reclassifications, contract extensions, long-service steps, and termination; and

(d) Rebuttals, as regulated by WIPO Staff Rule 11.4.2 whereby, staff members can rebut their performance evaluation (appraisal) by submitting their rebuttal to the Director of HRMD in writing within thirty (30) calendar days from the date of the decision of the reviewing officer. Office Instruction, No. 48/2015 provides details on the rebuttal procedures.

AUDIT OBJECTIVES

20.   The objectives of this audit were to assess whether:

(a) The management framework, tools and controls in place to manage staff performance are adequate and operating in an efficient and effective manner;

(b) Performance related rules, policies and procedures are adequately communicated and complied with, consistently across the Organization; and

(c) Appropriate management oversight including risk and quality assurance is in place to constantly improve performance management process and align it with the evolving organizational needs.

AUDIT SCOPE AND METHODOLOGY

21.   The audit scope covered performance management data between January 2013 and October 2015. The methodology included: analytical reviews, walkthroughs, sample testing, document reviews, surveys and interviews as appropriate. Specifically, IOD:

(a) Interviewed key staff members to gain an understanding of the governance, risk management and controls practices in place to manage staff performance;

(b) Reviewed the current procedures and practices to assess design efficiency and operational effectiveness of PMSDS implementation;

(c) Conducted a survey on staff performance management with the United Nations and other International Organizations (hereinafter referred to as the Survey). A total of 26 Organizations participated in the survey (Annex 2); and

(d) Invited the WIPO Staff Council to provide comments on the evolution of performance management at WIPO since the introduction of the PMSDS. For this purpose, the Staff Council conducted a survey of WIPO staff members (summarized in Section G).

22.   IOD further assessed:

(a) Whether staff objectives are effectively linked to the strategic goals and expected results of the organization;

(b) The adequacy of the current framework in providing quality, fair, transparent, and consistent performance assessment and management;

(c) The effectiveness of the training and development program associated to the PMSDS;

(d) The appropriateness of: (1) the budget; (2) human resources; (3) staff skillsets and competencies, to support the staff performance management system; and

(e) Whether the information systems and tools provided adequate support, and timely and accurate information to management.

23.   The audit was performed in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

AUDIT RESULTS - ACHIEVEMENTS

24.   The Human Resources Management Department has taken commendable steps to improve staff performance and development by implementing the following actions:

(a) Established a PMSDS linked to organizational expected results;

(b) Enhanced the existing ePMSDS, with new features with a view to making the system more user friendly;

(c) Developed and disseminated comprehensive guidelines for the use of the ePMSDS;

(d) Organized extensive PMSDS training for WIPO staff members;

(e) Introduced a Learning and Development Policy to support the training program;

(f) Developed a training catalogue and implemented a method to capture training needs of staff members;

(g) Strengthened management information and better decision making through dissemination of dashboards and monitoring tables to provide timely and relevant information to WIPO Managers on the status of performance management;

(h) Established a Rewards and Recognition Program which has been recently revised following an evaluation conducted by IOD;

(i) Development of a recruitment application to replace the existing e-Recruitment Platform; and

(j) Established a rebuttal process in January 2014, which has been updated in 2015[2].

AUDIT OBSERVATIONS AND RECOMMENDATIONS

25.   While acknowledging the significant progress made since 2009, in establishing a performance management system, the following observations and recommendations are made with a view to further improving the overall staff performance management at WIPO.

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[2] Office Instruction 48/2015

A. PERFORMANCE MANAGEMENT FRAMEWORK

(i)   Enhancing WIPO's Competency Model

26.   A competency model is a framework for defining the skills, knowledge and competencies required to successfully perform a role. It links recruitment and placement, staff development and performance management activities, and sets the basis for training programs.

27.   Currently, all the components of WIPO's competency model are not fully linked and additional efforts can be made to further enhance existing, and introduce additional efficient processes and tools to:

(a) Analyze skillsets against the requirements of a post;

(b) Capture data to compare existing and required skillsets and competencies; and

(c) Develop integrated training and development plans, to fill skills and competency gaps.

28.   This would help ensure that, staff members have the appropriate skillsets and competencies for their posts and changes in roles due to evolving business needs can be efficiently and timely addressed.

29.   Also, discussions with the Human Resources Management Department (HRMD) indicate that around 14 percent of staff job descriptions are yet to be updated. Up-to-date job descriptions would help align job objectives and staff duties, which could otherwise impact the achievement of both staff and organizational objectives. Consequently, HRMD should work with relevant Program Managers, to ensure all pending job descriptions are finalized, and regularly monitor the status to follow up accordingly with managers.

30.   Finally, aligning performance, post requirements, and recruitment management, and developing a tool to analyse and report to management, would improve WIPO's performance and responsiveness to evolving global Intellectual Property (IP) needs and priorities.

31.   To improve on the existing system, HRMD is currently taking actions to: (1) integrate the PMSDS into the Enterprise Resource Planning (ERP) during the 2016/17 biennium; (2) install a new recruitment system known as Taleo^{TM}; and (3) implement a repository of skills and competencies.

(ii)   Reviewing the Performance of the PMSDS

32.   There has been no dedicated organizational-wide survey for the performance management system since the implementation of PMSDS. Implementing procedures and practices that would ensure that the staff performance management system is functioning in an efficient and effective manner would help enhance the credibility and effectiveness of the system.

33.   A series of actions were taken in the context of the 2011 revision of the system, which included: surveying PMSDS focal points, conducting a round table with PMSDS focal points, and establishing a consultative working group to discuss PMSDS. Also some questions in relation to the objectives of the PMSDS have been included in the WIPO core value surveys administered in 2010, 2011, and 2012.

34.   While the results of these initiatives show progress of the system over the years, WIPO would further benefit from establishing dedicated practices such as:

(a) spontaneous online feedback requests following planning and evaluation stages of the PMSDS;

(b) Annual surveys to collect and assess user perception of the PMSDS and address any underlying issues raised; and

(c) A Panel review that would analyse a selection of PMSDS, to ensure equity and consistency in performance appraisals, and compliance with related policies and guidelines.

35.   Furthermore, IOD's survey of the United Nations (UN) and other International Organizations, show that 50 percent of respondents have established some form of feedback and review mechanism including staff surveys and/or panel reviews, against 31 percent who have not established any mechanism.

36.   Also, the report of the International Civil Service Commission[3] (ICSC) for 2015, which provides guidelines and principles for a performance management system, recommends the establishment of performance review bodies.

(iii)   Risk Management

37.   Although HRMD has captured some risks related to performance management in the risk registers, identifying other key risks would allow HRMD to assess and develop effective mitigating measures to address and better monitor these potential risks. These could include: Lack of staff buy-in to the PMSDS system, ineffective linkage of staff objectives to organizational expected results, and disconnection between staff development, training, and staff performance.

Recommendations

The Human Resource Management Department should:

1.   Work with EPMO to ensure that the planned integration of ePMSDS and the Training Database (TDB) into WIPO's ERP solution would improve: (1) alignment of performance management, learning and workforce-planning; and (2) reporting reliable and timely management information. (Priority: High)

2.   Identify and implement feedback and review mechanisms that would help assess whether the performance management system is functioning in an effective and consistent manner. (Priority: High)

3.   Update the risk register with additional key risks related to staff performance management. (Priority: Medium)

B. PLANNING AND SETTING OBJECTIVES

(i)   Linking Staff Objectives to the Organization's Expected Results

38.   The current PMSDS links individual work related objectives to the organizational expected results. However, discussions with HRMD, and supervisors indicate that this link is abstract and does not achieve its intended effect, which was to allow each staff member to be aware of how their work supports the achievement of organizational objectives.

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[3] A/70/30 Report of the International Civil Service Commission for the year 2015, Annex III.

39.   This is because the current process does not translate high level goals and expected results into Program level activities that could in turn be effectively cascaded into more refined objectives at individual level.

40.   The absence of such a link at program level, limits staff members' ability to clearly link their efforts and achievements to the Organization's performance, which could impact WIPO's performance and subsequently affect its results.

(ii)   Integrating Work Plans

41.   To further strengthen the linkage between organizational planning and individual performance objectives, managers are required to discuss the annual work plan with staff members during the PMSDS planning process. This is to ensure that staff's individual role and expected contribution is aligned with the unit's work plan.

42.   While this is a positive step towards improving the link between individual objectives and organizational expected results, it is a stand-alone action, and not efficient because it is not integrated in the PMSDS system.

43.   Developing an integrated approach by referencing work plan activities to PMSDS objectives in the system would provide a clearer link between individual objectives, work plan activities, and organizational expected results.

(iii)   Performance Standards

44.   Performance standards are an effective method to make staff members aware of actions and competencies expected of them in performing their tasks[4]. Although HRMD has issued: (1) guidelines for setting performance standards; and (2) examples of key performance indicators for the overall rating scale, more effort is needed so that standards are set for all roles and/ or groups of roles.

45.   Some Programs have developed standards for generic roles such as examiners and translators which have strong quantitative components. However, standards can also be envisaged for other generic roles that are common across the organization, such as Administrative Assistants and Secretaries, when applicable. This would help maintain consistency and clarify objectives.

46.   For reference, IOD's survey of UN and other International Organizations indicate that 65 percent of respondents have either fully or partly established performance standards for staff members.

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[4] Performance standards are management approved expressions of the performance threshold(s), requirement(s), or expectation(s) that employees must meet to be appraised at particular levels of performance – US Office Of Personnel Management

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Recommendations

The Human Resource Management Department should:

4.   Develop a better linkage between individual staff objectives and organizational expected results, by linking Program/work plan activities to individual staff objectives in the PMSDS. (Priority: High)

5.   Work with WIPO Programs to further develop performance standards for generic roles that are common across the Organization, such as Administrative Assistants and Secretaries. (Priority: Medium)

C.   EVALUATING STAFF PERFORMANCE

(i)   Staff Evaluation Methodology

47.   WIPO could benefit from the introduction of additional performance evaluation methods. Currently, the traditional one way evaluation method in use may not be sufficient to maintain staff commitment, buy-in and active participation in the performance evaluation process. Further, issues concerning the objectivity and fairness of the evaluation system can be addressed by enhancing the current methodology and proposing alternative assessment methods.

48.   For example, introducing additional methods such as self-assessments[5], two way (180 degrees[6]) evaluations, and 360 degrees[7] evaluations would improve the overall efficiency, fairness and credibility of performance evaluation process.

49.   For reference, IOD's survey of UN and other International Organizations indicate that 58 percent of respondents have adopted a self-assessment for evaluating staff performance, and 42 percent have adopted either a 360 or 180 degrees (or both) evaluation method[8].

(ii)   Interim Staff Performance Review

50.   Interim reviews serve to ensure that performance expectations are on track, and to provide any early warning signals for potential challenges. The mid-term review is not mandatory in the current staff performance management process at WIPO, but rather recommended when:

(a) There are marked changes in the objectives and key competencies;

(b) Concerns regarding staff performances arise; and

(c) A staff member's last overall rating was "Improvement in performance required" or "Unsatisfactory Performance"

51.   The figure below depicts the number of instances where mid-term reviews were performed between 2012 and 2015.

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[5] Self-assessment – This method allows staff to review and rate their performance towards the achievement of their objectives and the development of their competencies.
[6] Two-way evaluation (180 degrees) – This method allows for feedback from the supervisor to the supervisee and vice versa during the one-to-one evaluation meeting.
[7] 360 degrees evaluations – This method captures feedback from a range of persons including supervisors, supervisees, and co-workers.
[8] See question 11 in Annex 2 – Consolidated Survey Results.

Figure E: Interim Reviews Per Year

Source: HRMD
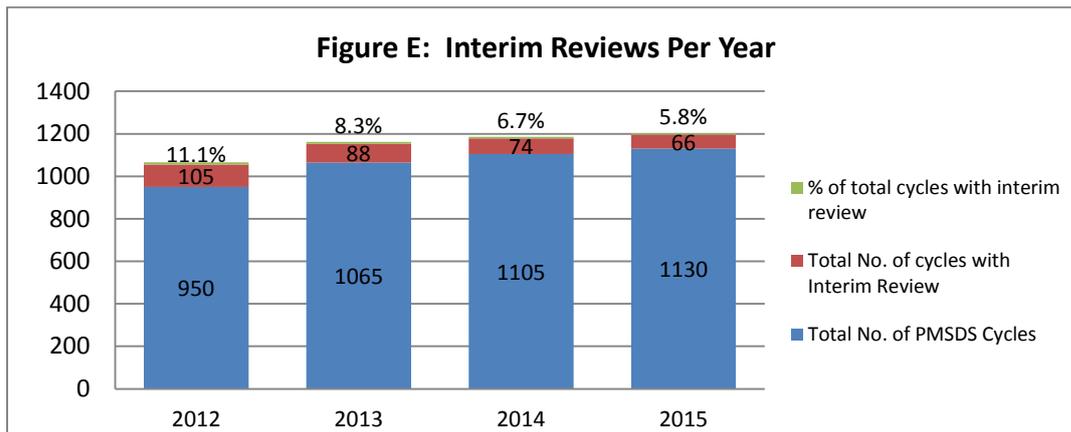
52.   Also, IOD's survey of UN and other International Organizations indicate that 36 percent of respondents have mandatory mid-term reviews, against 36 percent with non-mandatory mid-term reviews. Acknowledging that mid-term reviews may not be required for all PMSDS cases, it is however good practice that a mid-term reviews becomes mandatory for cases of underperformance.

53.   Furthermore, annual review considers past performance, while a mid-term review serves to look at past performance but with a view to assisting staff in developing future actions required to meet or exceed current objectives.

54.   Finally, these reviews are also beneficial to staff who are performing well as it provides an opportunity to receive timely recognition for specific accomplishments of the first part of the year; thus boosting morale and productivity.

Recommendations

The Human Resource Management Department should:

6.   Enhance WIPO's staff performance evaluation methods in line with the organizational culture to foster objectivity and fairness of the evaluation process, to strengthen dialogue, and to further increase commitment to performance and development. (Priority: Medium)

7.   Make mid-term reviews mandatory, for staff evaluations where improvement in performance is required. (Priority: Medium)

D. TRAINING AND STAFF DEVELOPMENT

(i)   Training and Developing Competencies

55.   Training and development is an important component of the staff performance management framework because an effective training and development mechanism would contribute towards addressing the human resource strategic objective of improving responsiveness to, and aligning organizational structure and skillset to evolving business needs and priorities. In that regard, WIPO updated its Learning and Development Policy[9] with a view to aligning training and development with human resources and the Organization's strategic objectives.

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[9] Office Instruction 46/2013

**Figure F: Training Budget vs Total Payroll
(in thousands of Swiss francs)**

■ 2012   ■ 2013   ■ 2014

Year	Training Budget	Total Payroll	%/Payroll
2014	1.68	212	0.79%
2013	1.56	201	0.78%
2012	1.44	196	0.73%
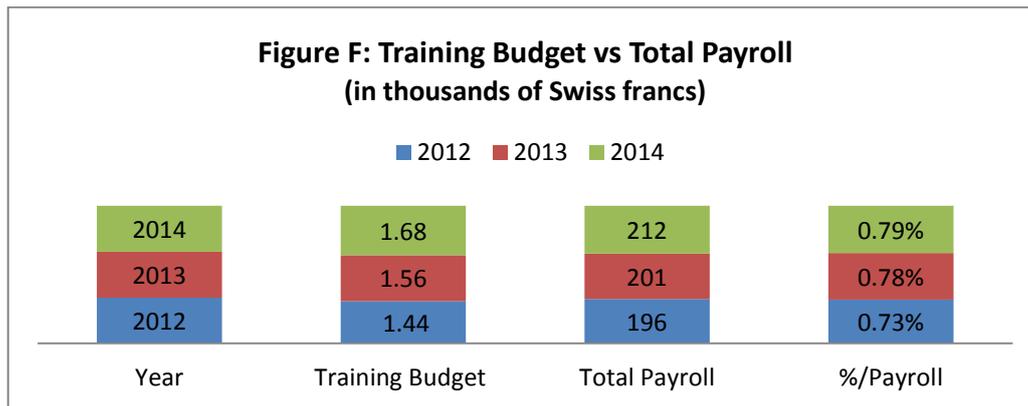
Source: HRMD data

56.   The figure above shows the marginal progress made in allocating funds for training and development over the last three PMSDS cycles. For reference, IOD's survey of UN and other International Organizations show that seven (7) respondents spend greater than 1 percent of their total salary expenditure on training against five (5) respondents, including WIPO, who spend between 0.5 percent and 1 percent of mass salary on training. In IOD's opinion, HRMD would benefit from developing an internal target for the training budget. This could for instance be based on practices from other UN and International Organizations or other existing benchmarks[10].

(ii)   Professional Development Initiatives

57.   A series of initiatives have been taken to address professional development by introducing opportunities for mobility and transfers, as well as measures to support professional development with concrete actions. One such initiative is the recently introduced Project for the Professional Development of Women, which offers coaching and support to female staff members who have achieved outstanding performance in their PMSDS. This support includes coaching in applying for posts in other Organizations, and identifying opportunities for training and developing competencies.

58.   While this initiative is a positive step forward that addresses both professional development and gender mainstreaming, it nevertheless presents certain challenges to the Organization.

(a) Although WIPO suffers from low staff attrition, encouraging outstanding performers to leave the Organization combined with the lack of tools to effectively monitor the Organization's evolving needs, and skillsets, could adversely affect WIPO's performance and capacity to deliver; and

(b) The absence of a similar initiative for all staff with outstanding performance regardless of gender, could be perceived as unfair, and impact staff morale and trust.

59.   IOD will be conducting an evaluation of the pilot project during the 2016/17 biennium.

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[10] For example, the United Nations Organizational Learning Framework (UN- Organizational Learning Framework (OLF)) has set a recommended rate of 2 percent total payroll as training budget.

E.   CONFLICT RESOLUTION

(iv)   Mediation through the Ombudsperson

60.   A number of mechanisms (informal and formal) are available to resolve conflicts related to performance assessments including, discussions supported by HRMD, mediation through the assistance of the Ombudsperson, and request for rebuttals.

61.   Seeking assistance from the Ombudsperson is one of the informal means available under WIPO Staff Rule 11.3.1, to provide independent conflict resolution assistance to parties in dispute.

62.   The figure below shows the distribution of the frequently reported issues to the Ombudsperson between 2012 and 2014 and their combined proportion to total reported issues for each period.
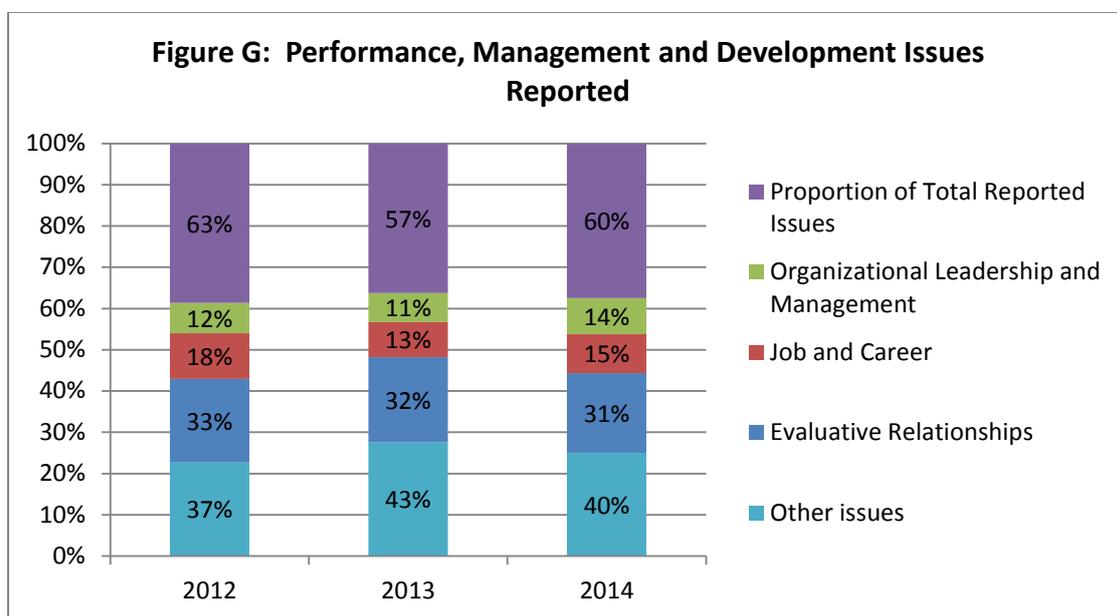
Source: 2015 Report of the Ombudsperson

63.   According to the annual report of the Ombudsperson, workplace issues related to performance management, managing people, and career development, make up the largest group of issues reported to the Ombudsperson.

64.   This indicates that efforts need to be made to identify and address persisting challenges in performance management and staff development, which could otherwise contribute towards deteriorating the work environment, and impacting the Organization's ability to deliver. Enhancing the existing feedback and review mechanism on the effectiveness and efficiency of the PMSDS could help address this issue.

(v)   Rebuttal of Performance Appraisals

65.   WIPO established a Rebuttal process in January 2014, which has been updated with effect from January 1, 2016[11]. This process supports the resolution of disagreements regarding performance appraisals in a fair, objective and transparent manner. However, the review of the rebuttal process identifies potential conflicts of interests as follows:

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[11] Office Instructions 8/2014 and 48/2015

(a) The procedures described in the Office Instruction on Rebuttals designate the Director General as the only competent authority to review and take decision in respect of performance appraisals of staff members under his supervision/review, subject to the possibility of delegation under Staff Regulation 11.4(b); and

(b) The procedures attribute the authority take decisions on all other cases to the Director of HRMD without specifying which authority will address cases for which the Director of HRMD is the direct supervisor or reviewing officer.

66.   Although the possibility of delegation of authority exists, the above conditions however do not contribute towards an independent and objective performance management process because of the potential conflict of interest and its possible impact on the credibility of the rebuttal process.

Recommendation

8.   HRMD should propose measures to resolve the potential conflict of interest that may result from the role attributed to the Director General and to the Director of HRMD in rebuttals of performance appraisals where they are the direct supervisor or the reviewing officer. (Priority: Medium)

F. RESULT OF THE SURVEY ON STAFF PERFORMANCE MANAGEMENT

67.   IOD conducted a survey on staff performance management with the United Nations and other International Organizations (hereinafter referred to as the Survey). A total of 26 Organizations participated in this survey.

68.   The survey results places WIPO in the group of Organizations that have implemented a performance management framework, with components such as: rating scales, linking organizational expected results to staff objectives, managing underperformance, and the existence of a rebuttals process. The figure below summarizes the top five collective survey affirmative responses.


Figure H: Top Five Collective Responses

Staff performance assessments completed within the cycle , 64%

Mechanism for underperformance , 77%

Formal mechanism to challenge assessments, 81%

Performance management system exists; 96%

Use of rating scale; 81%
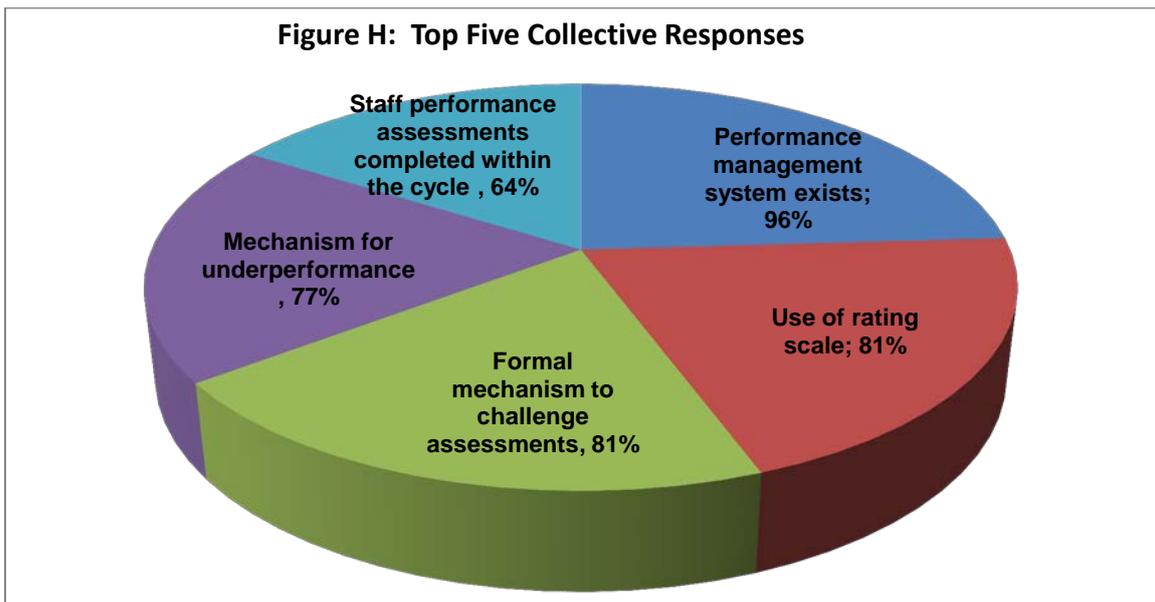
69.   The salient points from the survey results are as follows:

Forty-six percent of respondents are of the view that performance standards are defined, against 23 percent of respondents who do not have defined performance standards. Nineteen percent of respondents including WIPO reported that performance	**4. Are staff performance standards defined?** 6 23% 3 12% 5 19% 12 46% ■ Yes ■ Yes but not 100% ■ No (Planning) ■ No
Fifty-eight percent of respondents including WIPO said that both staff development and training components exist in their performance management systems and 31 percent of respondents only had a training component.	**5. Is there a: (1) staff development (career and development), and (2) training component to the staff performance management system?** 2 7% 8 31% 1 4% 15 58% ■ Yes (1) & (2) ■ Yes (1) ■ Yes (2) ■ No
Thirty-one percent of respondents have no review mechanism for their performance management systems, against 27 percent of respondents who have a staff performance review panel, and 15 percent using both staff surveys and a staff performance review panel.	**8. Is there a review mechanism: (1) annual staff surveys on performance management or (2) staff performance review panel?** 5 19% 4 15% 2 8% 8 31% 7 27% ■ Yes (1) & (2) ■ Yes (1) ■ Yes (2) ■ None ■ Other
Fifty-eight percent of respondents have a self-assessment evaluation method for evaluating staff performance, with 8 percent planning to implement the method. WIPO is part of the 34 percent that have not implemented a self-assessment method.	**12. Has your Organization adopted a self-assessment method for evaluating staff performance** 2 8% 9 34% 15 58% ■ Yes ■ No ■ Planning to

Fifty-eight percent of respondents including WIPO have neither 360° nor 180° feedback processes, against 42 percent who have established either one or both processes, with 31 percent having implemented a 360° feedback process.

11.   Has your Organization adopted a:
(1) 360 degrees, and/or
(2)180 degrees feedback method

- Yes (1) & (2)
- Yes (1)
- Yes (2)
- No

2
7%

8
31%

1
4%

15
58%
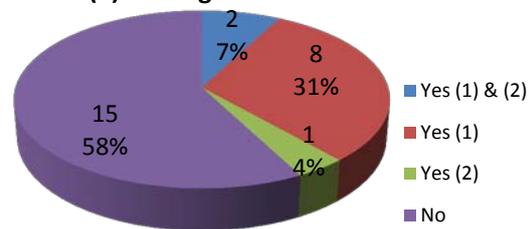
70.   Main differences between WIPO and other International Organizations include: the implementation of tools such as self-assessments, quality review mechanisms, 360/180 degrees evaluations, and compulsory mid-term reviews, which WIPO has yet to implement. The existing system continues to be enhanced by introducing more efficient processes and new tools to better support users. The result of the survey and the recommendations made in this report will further support that process.

G. COMMENTS FROM THE WIPO STAFF COUNCIL

71.   As part of the audit, IOD invited the Staff Council to provide comments on the staff performance management. In order to address IOD's request, the staff council administered a survey to WIPO staff members. There were 422 participants (hereinafter referred to as "Respondents") to the survey, of which 279 completed all the questions of the online survey[12].

72.   Salient points of the Staff Survey can be summarized as follows; Positive opinions expressed:

(a) A majority of respondents (79 percent) feel that individual objectives are, linked to the Program objectives and expected results, and built on SMART performance standards (85 percent);

(b) Seventy percent of respondents feel that performance evaluations are fair and transparent, and 85 percent of respondents consider that there is a good dialogue with their supervisor when formulating performance objectives. A majority (70 percent) also feel that they have been provided with sufficient training to perform their tasks; and

(c) Sixty-three percent of respondents feel that supervisors provided staff guidance and necessary measures to help improve performance in cases where improvement in performance was required.

73.   Opportunities for improvements identified in the survey results are summarized as follows:

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[12] While there were 422 recorded participants, the number of respondents varied for each question, and 279 participants responded to all the questions.

(a) Sixty-nine percent of respondents do not believe that PMSDS has contributed to facilitate career development; and comments made indicate that the system is viewed more as an appraisal tool;

(b) Training opportunities divided opinions with 35 percent of respondents who feel that training opportunities are not distributed in a balanced manner, against 31 percent who believe otherwise, and 34 percent undecided. Also, only 25 percent consider receiving coaching from their supervisors;

(c) Fifty-four percent of respondents are in favor of self-assessments against 22 percent who are opposed, and a majority (76 percent) is in favor of a 360 degree assessment. However, staff members are of the opinion the implementation of 360 degrees assessment approach would require effective communication to assure staff that it will not result in retaliations; and

(d) Fifty-six percent of respondents feel that reviewers do not effectively conduct mediation sessions.

TABLE OF RECOMMENDATIONS

No	Recommendations	Priority	Person(s) Responsible	Management Comments and Action Plan	Deadline
1.	HRMD should work with EPMO to ensure that the planned integration of ePMSDS and the TDB into WIPO's ERP solution would improve: (1) alignment of performance management, learning and workforce-planning; and (2) reporting reliable and timely management information .	High	Jean-Marc Guiramand	1. Implementation of an integrated talent management solution within the ERP solution covering training, a skill inventory and performance management. 2. Implementation of an integrated ERP reporting solution.	31.12.2017
2.	HRMD should identify and implement feedback and review mechanisms that would help assess whether the performance management system is functioning in an effective and consistent manner.	High	Jean-Marc Guiramand Cornelia Moussa	1. Reactivation of PMSDS focal points 2. Conduct a self-evaluation with the new Performance Management model developed by the United Nations Office for Project Services (UNOPS) (in consultation with other UN Organizations) to assess the maturity of WIPO's performance management policies and practices, once available. 3. Provision of "Staff Satisfaction" surveys as and when needed in which several questions are dedicated to PMSDS.	31.12.2018

No	Recommendations	Priority	Person(s) Responsible	Management Comments and Action Plan	Deadline
3.	HRMD should update the risk register with additional key risks related to staff performance management.	Medium	Jean-Marc Guiramand	Update of the risk register	31.12.2016
4.	HRMD should develop a better linkage between individual staff objectives and organizational expected results, by linking Program/work plan activities to individual staff objectives in the PMSDS.	High	Jean-Marc Guiramand	Linkage of program/annual work plan activities (from EPM) with individual objectives in PMSDS is proposed as of 2017 (depending on the ERP project).	31.12.2017
5.	HRMD should work with WIPO Programs to further develop performance standards for generic roles that are common across the Organization, such as Administrative Assistants and Secretaries.	Medium	Jean-Marc Guiramand	Creation of a repository for SMART objectives, in particular where generic job descriptions or generic elements of job descriptions exist.	31.12.2017
6.	HRMD should enhance WIPO's staff performance evaluation methods in line with the organizational culture to foster objectivity and fairness of the evaluation process, to strengthen dialogue, and to further increase commitment to performance and development.	Medium	Jean-Marc Guiramand	1. Start of the evaluation process with a self-evaluation by the staff member (depending on the ERP project). 2. Exploration of 360 degree evaluations in the context of Training Programs for Management Skills.	31.12.2017

No	Recommendations	Priority	Person(s) Responsible	Management Comments and Action Plan	Deadline
7.	HRMD should make mid-term reviews mandatory, for staff evaluations where improvement in performance is required.	Medium	Jean-Marc Guiramand	Update of the OI on PMSDS, applicable to PMSDS 2017 cycles and thereafter.	31.12.2016
8.	HRMD should propose measures to resolve the potential conflict of interest that may result from the role attributed to the Director General (DG) and to the Director of HRMD, in rebuttals of performance appraisals where they are the direct supervisor or the reviewing officer.	Medium	Anne Coutin	1. In all cases where the DG was the supervisor or reviewing officer, HRMD and the Office of the Legal Counsel (OLC) will advise the DG to recuse himself/herself and designate a different competent authority to take a decision on the rebuttal. 2. In all cases where the Director of HRMD was the supervisor or reviewing officer, the Director of HRMD will recuse himself/herself and a different competent authority will be designated.	31.12.2016

LIST OF ANNEXES

Annex 1	Risk Rating and Priority of Audit Recommendations
Annex 2	Consolidated Result of the Survey on Staff Performance Management

ANNEX 1: RISK RATING AND PRIORITY OF AUDIT RECOMMENDATIONS

The risk ratings in the tables below are driven by the combination of likelihood of occurrence of events and the financial impact or harm to the Organization's reputation, which may result if the risks materialize. The ratings for audit recommendations are based on the control environment assessed during the audit.

Table 1.1: Effectiveness of Risks/ Controls and Residual Risk Rating

		Compound Risk Rating (Likelihood x Impact)			
		Low	**Medium**	**High**	**Very High**
Control Effectiveness	**Low**	Low	Medium	High	Very High
	Medium	Low	Medium	High	High
	High	Low	Low	Medium	Medium

Table 1.2: Priority of Audit Recommendations

Priority of Audit Recommendations	Residual Risk Rating
Requires Immediate Management Attention	**Very High**
Requires Urgent Management Attention	**High**
Requires Management Attention	**Medium**
Routine in Nature	**Low**

ANNEX 2: CONSOLIDATED RESULT OF THE SURVEY ON STAFF PERFORMANCE MANAGEMENT

Participating Organizations: 26

1. Does your Organization have a staff performance management system?
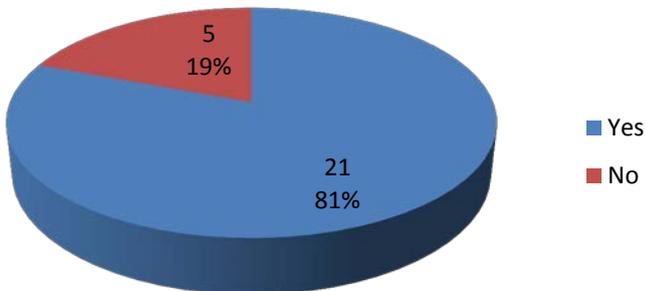
- Yes — 25, 96%
- Other — 1, 4%
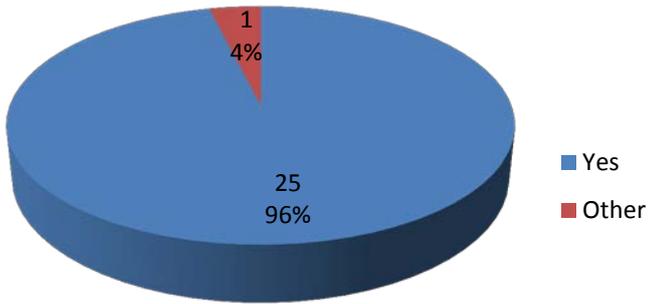
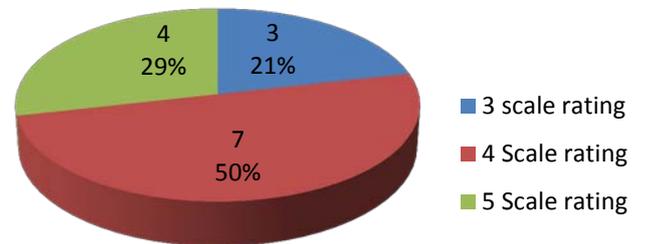**Other:** *Staff appraisal system only*

2.   Are staff performances objectives linked to (1) staff job descriptions, and (2) Organizational objectives/expected results, in the system?
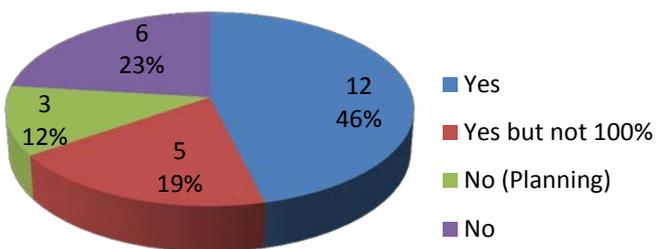
- Yes (1) & (2) — 16, 62%
- Yes (1) — 4, 15%
- Yes (2) — 3, 11%
- No — 3, 12%
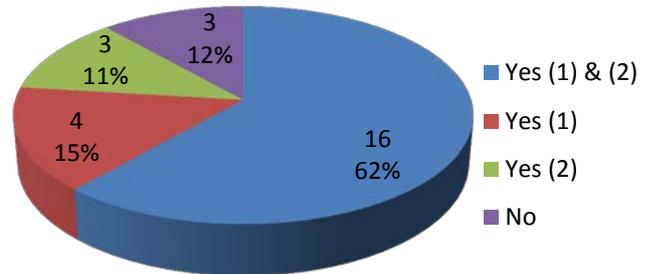
3.   Does your organization utilize a rating scale for providing overall performance feedback

- Yes — 21, 81%
- No — 5, 19%

3a. Type of Rating Scale (14 Respondents)

- 3 scale rating — 3, 21%
- 4 Scale rating — 7, 50%
- 5 Scale rating — 4, 29%

4.   Are staff performance standards defined?

- Yes — 12, 46%
- Yes but not 100% — 5, 19%
- No (Planning) — 3, 12%
- No — 6, 23%

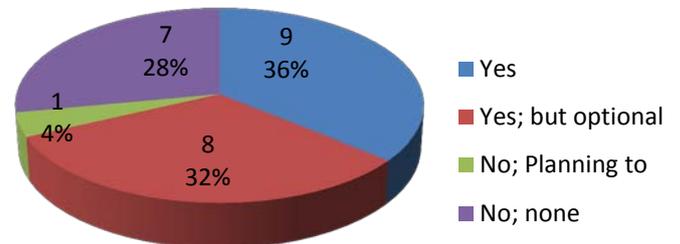**5.   Is there a: (1) staff development (career and development), and (2) training component to the staff performance management system?**

- Yes (1) & (2) — 15, 58%
- Yes (1) — 1, 4%
- Yes (2) — 8, 31%
- No — 2, 7%
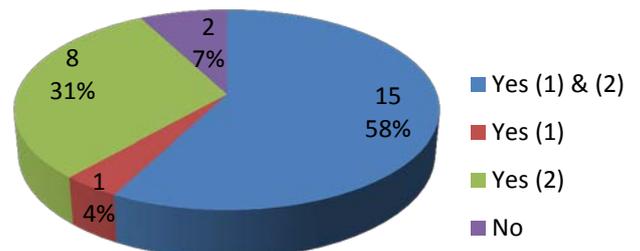
6.   Your Organization's training budget is what percentage of your mass salary?

- 2% and above
- 1.9%<>1.1%
- 1%<>0.5%
- <0.49%
- Don't Know

(2, 8%; 5, 19%; 5, 19%; 8, 31%; 6, 23%)
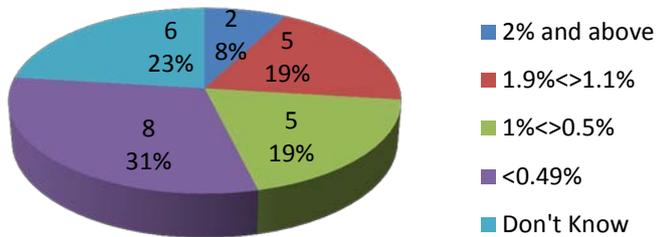
7.   Do you have a compulsory mid-year review of staff performance?

- Yes
- Yes; but optional
- No; Planning to
- No; none

(9, 36%; 8, 32%; 1, 4%; 7, 28%)

**8.   Is there a review mechanism such as:
(1) annual staff surveys on performance management or
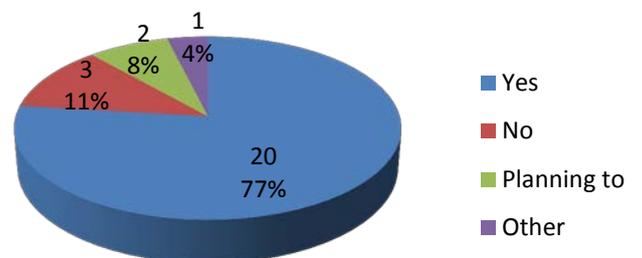(2) staff performance review panel?**

- Yes (1) & (2)
- Yes (1)
- Yes (2)
- None
- Other

(4, 15%; 2, 8%; 7, 27%; 8, 31%; 5, 19%)
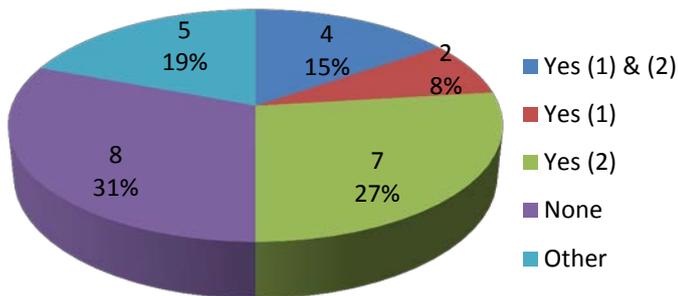
**8a.   If yes, how often do these reviews occur?
(15 Respondents)**

- 1/ year
- 1/ biennium

(10, 67%; 5, 33%)
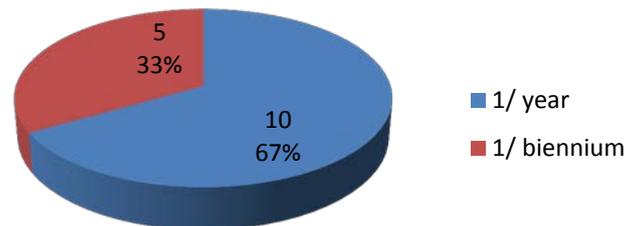
9.   Is there a formal mechanism in place to challenge performance assessment ratings

- Yes
- No
- Planning to
- Other

(21, 81%; 3, 11%; 1, 4%; 1, 4%)
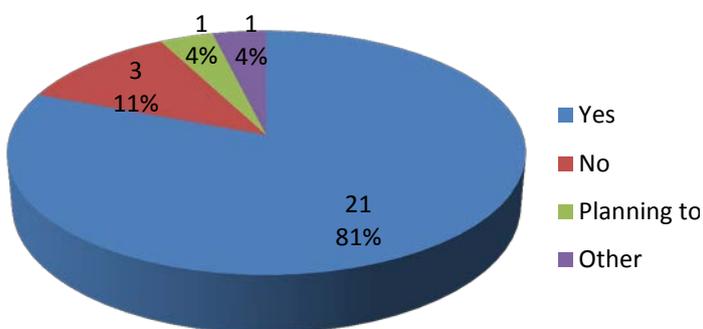
10.   Is there a formal mechanism in place to address underperformance?

- Yes
- No
- Planning to
- Other

(20, 77%; 3, 11%; 2, 8%; 1, 4%)

**11.   Has your Organization adopted a:
(1) 360 degrees, and/or
(2)180 degrees feedback method**

- Yes (1) & (2): 2, 7%
- Yes (1): 8, 31%
- Yes (2): 1, 4%
- No: 15, 58%

12.   Has your Organization adopted a self-assessment method for evaluating staff performance

- Yes: 15, 58%
- No: 9, 34%
- Planning to: 2, 8%
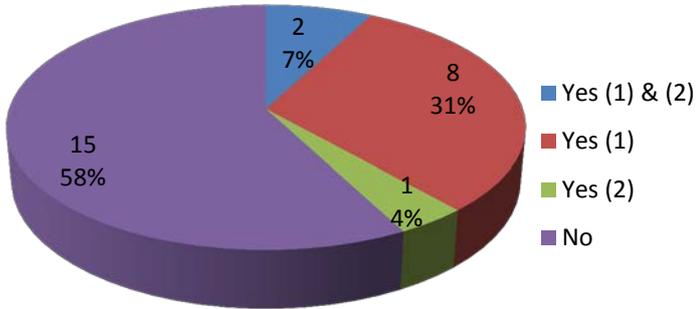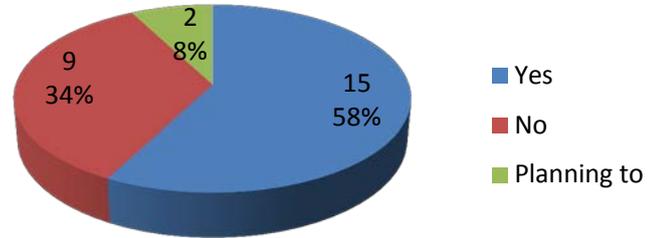
13.   Are there regular reporting requirements on staff performance management?

- Yes annually: 13, 50%
- Yes bi-annually: 1, 4%
- No: 10, 38%
- Not answered: 2, 8%
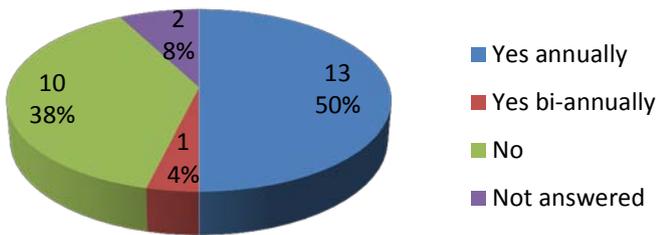
**13a. If yes, to whom is the information reported to?
(10 Respondents)**

- Member States/Exec Board: 2, 16%
- Senior Management: 2, 15%
- DG/SG: 3, 23%
- HR: 3, 23%
- Mgt Committee/Perf. Board: 3, 23%
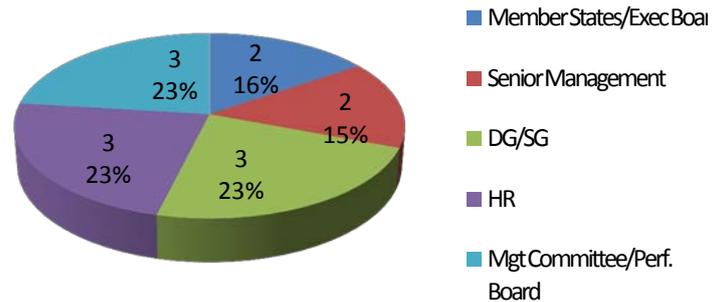
Note: Reports may go to more than one recipient

14.   Are all staff performance assessments completed within the deadline?

- Yes >90% timely completed: 7, 27%
- Yes 90%<>70% timely completed: 7, 27%
- Yes 69%<>50% timely completed: 6, 23%
- <50% timely completed: 3, 11%
- Don't Know: 3, 12%
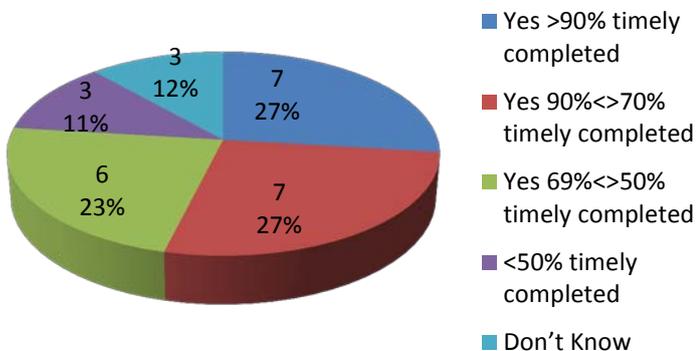
**15.   Are all staff performance assessments completed for a given cycle?
(23 Respondents)**

- Yes >90% timely completed: 16, 64%
- Yes 90%<>70% timely completed: 3, 12%
- Yes 69%<>50% timely completed: 3, 12%
- Don't Know: 3, 12%

[End of document]