



## **Inspection and Evaluation Division (IED)**

### **Inspection on Results-based management (RBM) practices at the United Nations Office of the High Commissioner for Refugees (UNHCR)**

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**Inspection on Results-based management (RBM) practices at the United Nations  
Office of the High Commissioner for Refugees (UNHCR)**

**EXECUTIVE SUMMARY**

From June to September 2007, the Office of Internal Oversight Services (OIOS) conducted a review of results-based management (RBM) at the United Nations Office of the High Commissioner for Refugees (UNHCR).

OIOS found that UNHCR's operating environment poses considerable obstacles to effective RBM implementation. These include challenges in defining and measuring success in the area at the crux of its mandate – that is, the provision of international protection – as well as challenges in accounting for the numerous factors outside its control that can hinder the achievement of planned objectives. Despite these obstacles, OIOS found UNHCR to show a demonstrated commitment to strengthening implementation of RBM, culminating in a range of recent initiatives aimed at addressing specific gaps it has systematically identified.

OIOS nonetheless found a number of potential risks to the success of UNHCR's RBM efforts as it moves forward. Low staff awareness and ownership of RBM stand to impede these efforts if not countered by greater communications, supports and guidance. In addition, aspects of the current RBM framework itself hinder its intended use as a tool for increased accountability and better-informed decision making. Staff spend considerable time on RBM-related activities, but lack time and forums for reflecting on and applying the information these activities generate to their programming decisions or to donors' and management's resource decisions. Despite UNHCR's efforts to cascade its objectives throughout the agency, OIOS found that these objectives have not fully trickled down to all levels of the agency's planning and reporting processes, and are not consistently enshrined in individual, operational or partner performance appraisal systems. And with regard to how UNHCR measures its performance in the field, OIOS saw a need for further refinement of indicators, a clearer delineation between external and internal factors affecting performance, and a clearer differentiation of UNHCR's contribution to results from that of its partners.

In addition to assessing the formal mechanics of RBM at UNHCR, OIOS also addresses UNHCR's success in realizing the underlying practical purpose of RBM, namely to learn from performance so as to improve over time. In this vein, OIOS found that UNHCR staff lack adequate mechanisms for horizontal knowledge- and information-sharing. Likewise, UNHCR's partners indicate the agency has not adequately consulted them or relied on their expertise as a means of learning and improving. Finally, although UNHCR has a qualified internal evaluation section in place, it is currently serving in a policy advisory capacity.

OIOS urges that this section's programme evaluation and methodological assistance functions be fully restored, as these highly RBM-relevant activities are not currently being performed on a scale commensurate with UNHCR's size, the scope of its work, and the manifold challenges it faces.

Based on these findings, OIOS makes 17 recommendations aimed at strengthening UNHCR's RBM system as a tool to aid the agency in defining its objectives, managing and measuring progress toward them, and using this information to reinforce accountability and inform decision-making. Among the recommendations OIOS considers to be of highest priority are the following:

- UNHCR should install a centralized function for vetting the cascading of its objectives throughout the agency, and it should vest RBM focal points not only with compliance but also with advancing RBM throughout the agency.
- UNHCR should lengthen the period between prior-year data reporting and subsequent-year planning activities, in order to allow organizational learning to be brought to bear on planning and managing toward objectives.
- UNHCR should ensure that all work plans, performance reports and sub-agreements clearly spell out the results for which individuals, operational units, and partners are responsible, as well as external and internal factors affecting the successful achievement of objectives in order to strengthen accountability.
- UNHCR should further refine its indicators of achievement to include a clearer differentiation between outputs and their associated outcomes and impacts; a more consistent focus on proportion of need abated rather than raw numbers served; inclusion of indicators related to the enabling environment; and inclusion of indicators related to target populations' attitudes toward UNHCR's work.
- UNHCR should articulate a medium- to long-term strategic plan for bringing resource and results data to bear on budgetary decision-making, in order to forge a stronger results-based budgeting (RBB) component within RBM.
- UNHCR should strengthen the evaluation role of its evaluation section, and should more systematically track follow-up to the recommendations emanating from evaluations.
- UNHCR should revisit its trainings and materials, with a view to clearly conveying the basic purpose and core concepts of RBM, as well as embedding an RBM approach within all trainings and materials.

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## LIST OF ABBREVIATIONS AND ACRONYMS

ABOD	Administrative Budget and Obligation Documents
ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACR	Annual Country Report
AGDM	Age, Gender and Diversity Mainstreaming
AHC	Assistant High Commissioner
APR	Annual Protection Report
CAP	Consolidated Appeals Process
CDGECS	Community Development, Gender Equality and Children Section
CERF	Central Emergency Response Fund
CMS	Career Management System
COP	Country Operations Plan
CPC	Committee for Programme and Coordination
DHC	Deputy High Commissioner
DIPS	Division of International Protection Services
DOS	Division of Operational Services
DPKO	Department of Peacekeeping Operations
EA	Expected accomplishment
ECOSOC	Economic and Social Council
EPAU	Evaluation and Policy Analysis Unit
ERC	Emergency Response Coordinator
ESCAP	Economic and Social Commission for Asia and the Pacific
ExCom	Executive Committee
FICSS	Field Information & Coordinate Support Section
GA	General Assembly
GSO	Global Strategic Objective
HC	High Commissioner
HQ	Headquarters
IASC	Inter-Agency Standing Committee
IDP	Internally displaced person

IED	Inspections and Evaluation Division
IGO	Inspector General's Office/Intergovernmental organization
IMDIS	Integrated monitoring and documentation information system
IOA	Indicator of achievement
IPSAS	International Public Sector Accounting Standards
JIU	Joint Inspection Unit
LOI	Letters of Instruction
MSRP	Managing for Systems, Resources and People
NAF	Needs Analysis Framework
NAM	New or additional activities - Mandate-related
NGO	Non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
ODMS	Organizational Development & Management Service
OHC	Office of the High Commissioner
OIOS	Office of Internal Oversight Services
OMLP	Operations Management Learning Programme
OMSS	Operations Management System Section
PAR	Performance Appraisal Report
PBS	Programme Budget Service
PCOS	Programme Coordination and Operational Support
PDES	Policy Development & Evaluation Service
PM	Performance Measure
POC	Person of concern
PPBME	Rules and Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods for Evaluation
PPR	Programme Performance Report
RB	Regular budget
RBB	Results-based budgeting
RBM	Results-based management
ROP	Regional Operations Plan

RSD	Refugee status determination
S&Is	Standards and indicators
SGBV	Sexual and gender-based violence
SMC	Senior Management Committee
SOP	Standard operating procedures
UN	United Nations
UNEG	United Nations Evaluation Group
UNHCR	United Nations Office of the High Commissioner for Refugees
UNICEF	United Nations Children's Fund
XB	Extra-budgetary



## **I. BACKGROUND**

### **A. Introduction**

1. During the period from June to September 2007, the Office of Internal Oversight Services (OIOS) conducted a review of results-based management (RBM) at the United Nations Office of the High Commissioner for Refugees (UNHCR).<sup>1</sup> This review is part of a series of inspections to inform a wider-scale assessment of RBM in the United Nations (UN) Secretariat.<sup>2</sup>

2. This final report reflects adjustments undertaken in response to comments received by UNHCR in reference to the draft inspection report of 16 November 2007. UNHCR has subsequently submitted its comments which have been duly reflected in this final report and its highlights. OIOS greatly appreciates the courtesies and cooperation UNHCR has extended to the Inspection team throughout this exercise.<sup>3</sup>

### **B. Results-based management at the United Nations Secretariat**

3. The concept of RBM has been referred to frequently within the UN<sup>4</sup>, but there is no single authoritative or commonly understood definition of the term. As noted by the Joint Inspection Unit (JIU)<sup>5</sup>, RBM is sometimes used interchangeably with the more explicitly defined process of results-based budgeting (RBB).<sup>6</sup> OIOS's analysis is guided by the understanding that RBB has been introduced to the Organization as a first step toward full-scale deployment of RBM<sup>7</sup>, which is viewed as more comprehensive. Both processes start from the premise that in order to be effective at what they do, organizations must articulate the precise objectives they are attempting to achieve, then operationalize these into clearly defined indicators against which to monitor performance.<sup>8</sup> But whereas RBB is tied specifically to the resource allocation stage of decision-making, RBM addresses the full cycle of programme implementation and all activities that go with the managerial role.

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<sup>1</sup> An on-site visit to UNHCR Headquarters in Geneva was undertaken from 18-29 June 2007, followed by a visit to the UNHCR Malaysia Office in Kuala Lumpur from 23-27 July 2007 and interviews at UNHCR's New York Office on 10 August 2007. Teleconferences with 34 staff representing seven additional UNHCR Country Offices were conducted on 8 August, 22 August and September 4 2007.

<sup>2</sup> The first inspection in this series, conducted from March to June, 2007, focused on RBM at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). (See OIOS Report No. INS-07-003.)

<sup>3</sup> OIOS would, in particular, like to acknowledge the full support and cooperation of the designated Inspection focal point, Mr. Alan Vernon, Head, Organisational Development & Management Service (ODMS); Ms. Zainab Sheikh-Ali, Senior Organization and Management Officer, ODMS; Mr. Moses Okello, Deputy Director, Office of the UNHCR in New York; Dr. Volker Türk, Malaysia Country Representative and his Deputy, Mr. Henrik Nordentoft,

<sup>4</sup> See, e.g., JIU/REP/2006/6, JIU/REP/2004/5, GA/RES/61/245; A/60/346, para 57.

<sup>5</sup> See, e.g., JIU/REP/2006/6, paras 6-12.

<sup>6</sup> Building on GA/RES/55/231, the parameters of RBB, e.g., in A/RES/53/205, A/53/500 and Add.1, A/53/655, A/54/456, A/55/543, A/57/478.

<sup>7</sup> For example, this is in line with OIOS's recommendations on "taking RBB to the next level," as per A/57/474, para 46, "Implementation of all provisions of General Assembly resolution 55/231 on results-based budgeting"

<sup>8</sup> One set of such indicators includes the SMART criteria – that is, "specific," "measurable," "attainable," "relevant," and "time-bound."

4. RBM can essentially be seen as a paradigm of organizational governance that brings centrality to the *results* associated with public service delivery and to the alignment of resources and management instruments behind the achievement of these results. In enabling planning to be driven by intended future effects rather than by rote bureaucratic precedent, its ultimate purpose is to strengthen the relevance, efficiency and effectiveness of organizational performance. In addition to this forward-looking focus on targeted results, at its core RBM is also focused on retrospective organizational learning – that is, the organization’s ability to learn from performance data and incorporate this learning into subsequent decision-making about resources and other aspects of management.

5. The importance of RBM has been embedded in a series of United Nations reforms undertaken over the past decade. These began with the aim, expressed by then-Secretary-General Kofi Annan in his 1997 reform programme<sup>9</sup> of “shifting the focus of planning, budgeting, reporting and oversight from how things are done to what is accomplished.”<sup>10</sup> This aim is also reflected, most recently, in the current priority attached to “improving governance, strengthening management effectiveness and accountability.”<sup>11</sup>

6. The operative elements of the United Nations Secretariat RBM or RBB system are reflected in the “Rules and Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods for Evaluation” (PPBME)<sup>12</sup>, and in the instructions that are periodically issued in support of planning, budgeting<sup>13</sup> and performance reporting.<sup>14</sup> The concepts and requirements projected by these guide the practices adhered to by all individual Secretariat programmes.

7. At the front end, the RBM process starts with Secretariat programmes articulating a results framework (typically referred to as a “log frame”)<sup>15</sup>, based on assumed cause-and-effect relationships. The log frame comprises a set of overarching objectives representing the given programme’s longer-term rationale, then articulates a set of expected accomplishments (EAs) that reflect more specific outcomes to which the programme intends to contribute within a given biennium. Finally, the log frame specifies for each of the EAs a set of measurable indicators of achievement (IOAs) and their associated performance measures (PMs) intended to capture the anticipated degree of change (i.e., from baseline to target) within the given biennium.

8. The log frames developed as part of strategic planning also serve as reference points for resource allocation by the General Assembly (GA). The “programme of work” approved with the budget also comprises a planned schedule of outputs: those concrete activities, products and deliverables intended to be the vehicles for achieving the

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<sup>9</sup> A/51/950, “Renewing the UN: A programme for reform”.

<sup>10</sup> Ibid, para 240.

<sup>11</sup> See, e.g., A/60/883, Report of the Secretary-General on “Implementation of decisions contained in the 2005 World Summit Outcome for action by the Secretary-General: Comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialized agencies,” para 6.

<sup>12</sup> ST/SGB/2000/8, Rule 105.4 (a) (iii).

<sup>13</sup> See <http://ppbd.un.org/rbb>.

<sup>14</sup> See <http://iseek.un.org/m210.asp?dept=649>.

<sup>15</sup> This term is short for “logical frameworks.”

IOAs/EAs and for which managers are held directly accountable.<sup>16</sup> The results frameworks also provide the logical structure for reporting requirements through the integrated monitoring and documentation information system (IMDIS), which is ultimately utilized for preparation of the Secretary-General's biennial Programme Performance Report (PPR).

## **C. Inspection objectives and methodology**

### **1. Inspection objectives**

9. The current inspection exercise was conceived as one in a series of RBM inspections undertaken to extract findings and recommendations at the programme<sup>17</sup> level that might help inform the future development of the Organization-wide RBM framework.<sup>18</sup> This series of RBM inspections are independent of Management's response to review of RBM requested by Member States<sup>19</sup> and will incorporate review of responses of the Secretariat to recommendations made by the JIU in its series of reports on RBM<sup>20</sup> and the ensuing GA endorsement of the JIU benchmarking framework.<sup>21</sup> While individual inspection reports in this series emphasize actions taken at the programme level and issues which are within the realm of local decision making, OIOS also seeks findings which have potentially broader applicability. In this respect, OIOS is accumulating "Memorandum Items" warranting further consideration. These items are interspersed throughout the Findings section of this report. Emanating from this objective of informing development of RBM throughout the Secretariat, the overall purpose of the present inspection was to determine whether UNHCR's current systems, practices, and management strategies are conducive to the assumptions and objectives of RBM as a strategy for organizational governance and management. Thus, the overarching areas subject to review included the following<sup>22</sup>:

- a) Translation of mandates into operational objectives throughout the agency;
- b) Measurability of performance indicators;
- c) Practice of continuous results monitoring and evaluation;
- d) Use of results information to guide decision-making; and
- e) Partnerships and capacity development for RBM.

### **2. Methodology**

10. In conducting the current inspection, OIOS used a combination of qualitative and quantitative data collection methods, including the following main data sources:

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<sup>16</sup> Standard output categories are defined by PPBME Rule 105.4.

<sup>17</sup> OIOS refers to UNHCR as a Secretariat programme, rather than a Secretariat entity, for greater parity with other reports in this series.

<sup>18</sup> See Terms of Reference associated with this inspection.

<sup>19</sup> As per GA/RES/61/245. Also of relevance is the "review experiences gained with the changes made in the planning and budget process" as requested by GA/RES/58/269.

<sup>20</sup> Most recently as per JIU/REP/2006/6.

<sup>21</sup> A/RES/60/257.

<sup>22</sup> A more detailed set of questions that have been used to inform the review is attached as Annex 1.

- a) Desk review of UNHCR's programme planning and performance data and other official UNHCR documents, resolutions and decisions of intergovernmental bodies, programme budgets, reports, websites, information on the implementation of recommendations of previous OIOS reports<sup>23</sup>, and more;
- b) A series of systematic content analyses of key documents related to UNHCR's RBM-related processes and systems<sup>24</sup>;
- c) A survey administered to a sample of UNHCR management and staff at UNHCR Headquarters in Geneva, UNHCR's New York Office, and its Country Offices<sup>25</sup>;
- d) A survey administered to a sample of UNHCR's partner organizations, both at the global and local level and both of an operational and implementing nature<sup>26</sup>;
- e) A survey administered to a sample of UNHCR's donors<sup>27</sup>;
- f) Individual interviews and focus group discussions with UNHCR management and staff<sup>28</sup> at UNHCR Headquarters in Geneva, its New York Office and

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<sup>23</sup> These included, among others, the following OIOS reports: A/AC.96/1027, A/AC.96/1012, AR2007/151/01, AR2007/110/01, and AR2007/121/01. It also includes the United Nations Board of Auditors Report on its review of RBM.

<sup>24</sup> These consisted of: (1) a review of the cascading of UNHCR objectives throughout the organization, including the accountability mechanism associated with the achievement of these objectives, at both the operational level (i.e., from Global Strategic Objectives to Division and Bureau Strategic Objectives to Section/Unit/Service work plans) and Country Operations Plans for the eight Country Offices and the individual level (i.e., the inclusion of objectives, along with an accountability mechanism featuring incentives for performance and disincentives for underperformance, in individuals' Career Management System [CMS] work plans); (2) review of agreements and sub-agreements with its partners in the eight Country Offices specified in points [k] and [n]; (3) a review of internal and external materials related to UNHCR's Age, Gender and Diversity Mainstreaming (AGDM) initiative, in order to determine how deeply and concretely the core elements of this initiative have permeated the organization; and (4) a review of all UNHCR evaluation reports and policy papers from 2006-2007, primarily to ascertain the extent to which they link to RBM itself as a mechanism and to the Global Strategic Objectives specifically.

<sup>25</sup> This survey, referred to in this report as "staff survey," was conducted from 17 June to 17 July 2007. Two samples were employed. First, a purposive sample was drawn of staff members whose titles suggested they might be closely engaged in the RBM process. Of a total of 569 UNHCR staff members sampled, 149 responded, for a 26 per cent response rate. Second, a random sample was drawn of all remaining staff, minus those who would likely have little to say about the process (e.g., interns, short-term consultants, and so on). Of a total of 2912 UNHCR staff members sampled, 331 responded, for an 11 per cent response rate.

<sup>26</sup> The survey, referred to in this report as the "partner survey," was conducted from 8 August to 14 September 2007. Two samples were employed. First, a purposive sample was drawn of partner organizations that partner with UNHCR broadly across a number of settings and initiatives. Of a total of 68 such partners, 5 responded, for a 7 per cent response rate. Second, a purposive sample was drawn of partners that have partnered with UNHCR on a smaller scale. Of a total of 333 UNHCR partners, 35 responded, for an 11 per cent response rate.

<sup>27</sup> The survey was conducted from 2 August to 14 September 2007. A sample of was drawn of UNHCR's governmental and inter-governmental donors who had pledged above the level of \$100,000 in 2007. Of a total of 57 UNHCR donors, 11 responded, for a 19 per cent response rate. Despite this low response rate, these donors jointly represent 58 per cent of UNHCR's total 2006 contributions (i.e., \$629.4 million of \$1.1 billion). This source is referred to in this report as "donor survey."

<sup>28</sup> A total of 20 separate interviews and 9 focus group discussions (encompassing 48 staff members) were conducted with UNHCR staff and management at UNHCR Headquarters in Geneva, for a total of 68 staff members interviewed. In addition, 8 interviews with UNHCR staff were conducted in UNHCR's New York Office, as were 18 staff interviews in UNHCR's Malaysia Office.

- Country Offices (including by teleconference<sup>29</sup>); its donors<sup>30</sup>; and its United Nations and non-UN partners<sup>31</sup>;
- g) Observations of proceedings of the Standing Committee of UNHCR's Executive Committee (ExCom) in Geneva<sup>32</sup>;
- h) Demonstrations of key software tools related to UNHCR's RBM mechanism<sup>33</sup>; and
- i) An official site visit to one Country Office and Regional Protection Hub, in order to instantiate the main findings gleaned from all other data sources.<sup>34</sup>

11. The methodology associated with this analysis is limited by the concurrent timing of this inspection with a number of initiatives underway at UNHCR to improve RBM, the impact of which is as yet unknown. The methodology is also limited by low response rates related to the general staff, partner and donor surveys, and the lack of representation of institutional donors<sup>35</sup> in the donor sample.<sup>36</sup> It is also limited by the relatively small number of UNHCR Country Offices with which OIOS was able to conduct focus group discussions, and from which to compile operational data, within the time of the review.

## **D. UNHCR mandate, structure, governance and funding<sup>37</sup>**

### ***1. Mandate and Structure***

12. UNHCR's work is underpinned by an international legal regime originally enshrined in the 1951 United Nations Convention relating to the Status of Refugees and its 1967 Protocol. In the UNHCR Statute<sup>38</sup>, the agency is mandated with providing international protection to refugees and to seek permanent<sup>39</sup> solutions on their behalf. UNHCR's governing bodies have since directed UNHCR<sup>40</sup> to assist other "persons of concern" (POCs) besides refugees, including asylum-seekers, returnees, stateless persons,

<sup>29</sup> These included 34 staff members in the following 7 Offices: Colombia, Hungary, Iraq, Sri Lanka, Sudan, Sweden, and the United States of America (Washington, DC). These offices were selected based on several criteria, including size of operations, geographic distribution, a mix of Regional Hubs and Country Offices, a mix of persons of concern (POC) profiles, and a mix of protection and assistance profiles.

<sup>30</sup> One focus group discussion (encompassing 3 major donors) was conducted with UNHCR partners at UNHCR Headquarters in Geneva. In addition, 1 individual interview and 1 focus group discussion (encompassing 2 donors) were conducted in UNHCR's Malaysia Office.

<sup>31</sup> One individual interview and 3 focus group discussions (encompassing 3 UN and 5 non-UN partners) were conducted with UNHCR partners at Headquarters in Geneva. In addition, 3 focus group discussions (encompassing 2 UN and 14 non-UN partners) were conducted with UNHCR partners in UNHCR's Malaysia Office.

<sup>32</sup> Six sessions were attended from 25-27 June 2007, Conference Room XIX, Palais des Nations, Geneva.

<sup>33</sup> These include Focus, UNHCR's custom-developed platform in which it plans to house its standard results framework and link this to its resource management system, and ProGRES, UNHCR's registration software.

<sup>34</sup> Site visit was conducted 24-27 July 2007.

<sup>35</sup> OIOS did receive a sample of institutional donors, but only after data collection had been completed.

<sup>36</sup> OIOS did undertake subsequent follow-up attempts and other measures to counter low response rates.

<sup>37</sup> OIOS's understanding of UNHCR's RBM process is detailed in Annex 2.

<sup>38</sup> GA res. 428 (V), 14 December 1950.

<sup>39</sup> OIOS notes that this term has evolved to emphasize "durable" solutions. *The State of the World's Refugees 2006*. Geneva: UNHCR, 2006. p. 29.

<sup>40</sup> Per para 9 of the UNHCR Statute, "The High Commissioner shall engage in such additional activities, including repatriation and resettlement, as the General Assembly may determine, within the resources placed at his disposal."

internally displaced persons (IDPs), and those at imminent risk of forced displacement.<sup>41</sup> In addition to the expanding range of POCs, UNHCR now undertakes a wider range of activities than was the case at its inception, from traditional case-by-case registration, status determination and work toward durable solutions to operating refugee camps, serving non-camp-based urban POCs, coordinating and delivering assistance on basic needs, and work toward a more “POC-friendly” enabling environment in the host country (e.g., advocacy, capacity building, public information).

13. UNHCR has over 8000 staff globally<sup>42</sup>, is headed by a High Commissioner, assisted by a number of executive functions<sup>43</sup> and with Headquarters otherwise organized into functional areas, including divisions of International Protection Services (DIPS)<sup>44</sup>; Operational Services (DOS) and its sections, units and services<sup>45</sup>; five Regional Bureaux<sup>46</sup>; and a number of programmes involved in cross-cutting, agency-wide functions<sup>47</sup>, including the Organizational Development & Management Service (ODMS), headed by the focal point for RBM development and implementation. UNHCR also comprises upwards of 120 Country Offices and Regional Hubs<sup>48</sup> and a small New York Office. (See Annex 3 for UNHCR organigramme.)

## 2. Governance

14. UNHCR’s governing bodies include the GA<sup>49</sup> and the Economic and Social Council (ECOSOC).<sup>50</sup> In addition to receiving policy directives from these bodies, UNHCR also reports on its activities to the GA<sup>51</sup> once a year.<sup>52</sup> UNHCR’s reporting on both its budget and operational activities is submitted to the Executive Committee (“ExCom”), a subsidiary organ of the General Assembly<sup>53</sup> currently made up of 70

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<sup>41</sup> The latter two of these other groups of POCs are not explicitly covered in the UNHCR Statute. However, several senior managers cite subsequent GA decisions have directly endorsed, or tacitly set a precedent for, more limited intervention on these groups’ behalf by UNHCR. See GA res. 2958 XXVII, and GA res. 47/105, para 14. See also *Internally Displaced Persons: The Role of the United Nations High Commissioner for Refugees*, EC/50/SC/INF.2.

<sup>42</sup> *Refugees by Numbers (2006 Edition)*, Geneva: UNHCR, 2006, p. 18.

<sup>43</sup> E.g., the Inspector General’s Office, the Office of the Director for Structural & Change Management, and the Policy Development & Evaluation Office.

<sup>44</sup> DIPS is headed by an Assistant High Commissioner (AHC) for Protection, and encompasses a range of sections, units and services, including Resettlement Service; Community Development, Gender Equality & Children; the Protection Operations & Legal Advice; the Protection Capacity; and Status Determination.

<sup>45</sup> DOS is headed by an Assistant High Commissioner (AHC) for Operations. Its sections, units and services include the Office of the Director, the Operations Management Support Service, the Emergency & Technical Support Service, and the Supply Management Service.

<sup>46</sup> The Regional Bureaux also report to the AHC for Operations. They include the Bureaux for Africa; Europe; the Americas; Asia and the Pacific; and Central Asia, South-West Africa, North Africa and the Middle East.

<sup>47</sup> These divisions report to a Deputy High Commissioner, and comprise the Division of Financial & Administrative Management, the Division of Information Systems & Telecommunications, the Division of External Relations, and the Division of Human Resources Management. Also reporting to the DHC are the Legal Affairs Section and the Mediator.

<sup>48</sup> Country and Regional Offices are further subdivided into a series of Field Offices, Field Units, and Sub-Offices.

<sup>49</sup> UNHCR Statute, paras. 3 and 9.

<sup>50</sup> UNHCR Statute, para. 3.

<sup>51</sup> UNHCR reports to the GA by way of ECOSOC.

<sup>52</sup> UNHCR Statute, para 11; GA res. A/RES/58/153.

<sup>53</sup> ExCom was established by ECOSOC in 1958 pursuant to para 4 of the UNHCR Statute.

Member States that meet annually<sup>54</sup> but with a *Standing Committee* that meets three times per year. ExCom is charged only with advising, rather than rendering decisions on, UNHCR's international protection activities.

### 3. *Funding*

15. UNHCR's budgets are appropriated on a biennial basis, with budget requests for the subsequent biennium occurring in the second, or "off-budget," year of the current biennium.<sup>55</sup> For 2007, UNHCR's requested (pre-revision) Annual Programme Budget amounted to approximately \$1.043 billion, a decrease of 9 per cent from its 2006 budget of \$1.145 billion, this on the heels of increases from 2004 to 2005 (3 per cent) and from 2005 to 2006 (17 per cent).<sup>56</sup> OIOS notes that UNHCR has experienced gaps between budgeted funds and funds available for a number of years. Beginning in 2006, UNHCR introduced a 20 per cent cap on all programme budgets (i.e., both the Annual Programme Budget approved by ExCom and in the RB-funded administrative budget).<sup>57</sup> UNHCR field and headquarters managers were thus requested to plan their operational budgets based on 80 per cent of the approved budget.<sup>58</sup>

16. UNHCR's administrative functions are supported through the UN's regular budget.<sup>59</sup> Roughly 3 per cent of UNHCR's total budget has been RB-funded in recent years, with the balance financed through voluntary contributions or extrabudgetary (XB) sources donated by individual Member States as well as inter-governmental, supranational, institutional and private donors.<sup>60</sup> Since the late 1990s, the proportion of UNHCR's total XB funds earmarked to specific countries or specific sectoral/thematic initiatives (referred to by UNHCR as "tightly earmarked" funds) has gradually risen, while at the same time there has been a concomitant decrease in the proportion of earmarks to specific regions or subregions (referred to by UNHCR as "broadly earmarked" funds).<sup>61</sup> The percentage of unearmarked – or unrestricted – funds has remained steady over this same period at approximately 20 per cent.<sup>62</sup>

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<sup>54</sup> ExCom's annual meeting focuses on the review and approval of UNHCR's programmes and budget. These annual ExCom sessions are public and are attended by a number of non-ExCom Member States, IGOs, NGOs, and others.

<sup>55</sup> OIOS notes that, until 2007, UNHCR's programme budget was approved on an annual basis.

<sup>56</sup> See UNHCR budgets for 2004 (A/AC.96/979), 2005 (A/AC.96/992), 2006 (A/AC.96/1011) and 2007 (A/AC.96/1026).

<sup>57</sup> An additional \$20 million in targeted budgetary reductions was identified in 2Q06, approximately half of which was implemented at Headquarters. See A/AC.96/1026.

<sup>58</sup> A/AC.96/1026. As part of these measures, managers were directed to prioritize immediate, tangible aid to refugees and other POCs, while deferring longer-term strategic goals, as well as travel, consulting budgets, and other less directly beneficiary-oriented line items wherever possible.

<sup>59</sup> UNHCR Statute, para. 20.

<sup>60</sup> A/AC.96/1011, A/AC.96/1026.

<sup>61</sup> In 2006, tightly earmarked funds amounted to 52.5 per cent of the total budget and broadly earmarked funds amounted to 27.5 per cent of the total budget.

<sup>62</sup> UNHCR 2006 Global Report.

## II. FINDINGS

### A. UNHCR has demonstrated commitment to strengthening results orientation, but significant challenges remain

#### 1. *Challenges to effective RBM implementation*

17. OIOS noted some unique features of UNHCR's operating environment that speak to complexity in implementing RBM, including:

- a) inherent unpredictability of population movements and national government policies;
- b) expansion in target populations to IDPs and other POCs in addition to "traditional" cross-border refugees;
- c) advocacy and protection work can entail moving intangible outcomes, e.g. associated with the creation of an enabling environment<sup>63</sup>; and
- d) the proliferation of actors in the field, leading to the need for greater coordination of efforts, clearer division of labour and unambiguous leadership, as reflected in the humanitarian reform agenda.<sup>64</sup>

18. These features of UNHCR's operating environment pose significant challenges related to defining and measuring objectives, which may need to be seen as a moving target and which does not always fit neatly into a single-year planning and reporting cycle. The increasing number and mobility of POCs embedded in urban settings in the host country further complicates UNHCR's ability to measure its own effectiveness compared to the more straightforward catchment area of refugee camps. Finally, there are inherent difficulties in operationalizing coordination within the humanitarian reform agenda, and in parsing out UNHCR's contributions to results from that of its partners.

#### 2. *UNHCR's commitment to strengthening its results orientation*

19. Despite these manifold challenges, OIOS noted a number of positive indications of the agency's commitment to strengthening its RBM mechanism through a series of initiatives aimed at resolving deficits identified in a 2005 gap analysis of RBM.<sup>65</sup> These initiatives include:

- The expansion and refinement of UNHCR's Global Strategic Objectives (GSOs), and of the standards and indicators (S&Is) that operationalize the GSOs;

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<sup>63</sup> OIOS recognizes that the inherent difficulty in operationalizing some of its key outcomes has, in the past, led to a reluctance to operationalize these in a better way. Based on the findings of this exercise, OIOS asserts that it is indeed possible to operationalize UNHCR's protection work, and many UNHCR staff agree with this assessment.

<sup>64</sup> *IASC Guidance Note on Using the Cluster Approach to Strengthen Humanitarian Response*, New York: IASC, November 2006. *Operational Guidance on Designating Sector/Cluster Leads in Ongoing Emergencies*. Geneva: IASC Task Team on the Cluster Approach, 23 May 2007. *Operational Guidance on Designating Sector/Cluster Leads in Major New Emergencies*. Geneva: IASC Task Team on the Cluster Approach, 23 May 2007.

<sup>65</sup> *UNHCR's Results-Based Management Gap Analysis: Current Situation and Future Directions*. Geneva: Organizational Development and Management Service (ODMS), 11 October 2005.



- The creation of Focus, a customized software package that aims to achieve a more standardized, interactive and user-friendly results planning and reporting platform<sup>66</sup>;
- The planned linkage to “Focus” of UNHCR’s unified platform for managing finances and budgeting, human resources and personnel, and procurement and supply chain systems, known as Managing for Systems, Resources and People (MSRP);
- Revision of the agency’s Unified Budget Structure, introduction of multi-year budgets and the revision of internal resource allocation procedures;
- Improvements to planning and performance reporting processes, including simplification, more systematic reporting on pre-determined targets, and a greater emphasis on consultation;
- The introduction of strategic plans for all HQ Divisions and Bureaux and the inclusion of terms of reference that describe the respective roles, responsibilities and accountabilities of these organizational programmes; and
- Structural changes, including decentralization and regionalization of field operations to place responsibilities closer to the ground, as well as the outposting of some administrative functions to reduce the cost of inputs required to achieve objectives.

Coordination of the implementation of these initiatives rests with ODMS. OIOS notes positively the considerable responsibility vested in ODMS to move the agency’s RBM system forward.<sup>67</sup> OIOS also commends ODMS and many of its partners in their efforts to conceptualize and implement the initiatives enumerated above as concrete steps toward improving RBM.

20. In addition to these concrete initiatives, OIOS noted a number of “softer” aspects of UNHCR’s culture and structure that speak to its progress toward improved results orientation. Staff interviewees understand the general purpose of RBM<sup>68</sup> and are aware of ODMS and its central role in this area, with many interviewees adding that they appreciate and value its efforts.<sup>69</sup> Furthermore, many staff members recognize the leaps UNHCR has made from the “input-based days” when accomplishment was associated

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<sup>66</sup> Specific features of Focus’s functionality include the ability to cascade the GSOs throughout operational work plans in a more streamlined way; the ability to link resources to objectives, albeit at a later phase; the ability to parse out UNHCR’s contributions from those of its partners; and account for external factors; as well as achieving a number of other desirable planning and reporting improvements (e.g., housing the results framework in a shared real-time platform, aggregating, disaggregating data in a variety of permutations; fielding and aggregating alternative S&Is; and the ability to enter data offline for later uploading online).

<sup>67</sup> OIOS takes note of ODMS’s location as a cross-cutting management function reporting directly to the DHC, its active role in working with the Senior Management Committee (comprised of the HC, the DHC, and the AHCs for Protection and Operations), and its function as Secretariat to UNHCR’s RBM Board (comprised of the SMC, as well as the Directors for International Protection, Division of External Relations, Division of Human Resources Management, Division of Finance and Supply Management, Division of Operations Support, Division of Information Systems and Communications, and one Bureau Director serving for a one-year term).

<sup>68</sup> On an unaided basis, for example, when staff survey respondents were asked what they understood the main objectives of RBM to be, over half (53.0 per cent) mentioned various aspects related to “Defining objectives,” while another third of respondents named aspects associate with “Improved planning” (30.0 per cent).

<sup>69</sup> OIOS notes positively that these initiatives were underway before OIOS notified UNHCR of this inspection.

with the ability to spend.<sup>70</sup> Also, OIOS found that staff and management exhibit a high degree of candour and introspection about RBM and their own performance. This culture of constructive reflection constitutes a critical hallmark of RBM – and of organizations that seek to learn and improve. Finally, OIOS acknowledges RBM’s central place on the agenda of the Senior Management Committee (SMC), the creation of the RBM Board with ODMS as its Secretariat, and the recent enshrinement of RBM as a centrepiece of its management strategy for targeting the GSOs.<sup>71</sup>

## **B. Despite initiatives to strengthen results orientation, lack of staff understanding and buy-in could hamper success**

21. While staff awareness of RBM’s overall purpose is high, OIOS found specific understanding of core RBM elements to be low. Many reflexively referred to RBM as a performance reporting and accountability mechanism, but were less clear on its potential for informing decision-making. In addition, a number of staff members used the terms “outputs,” “outcomes” and “impact” interchangeably, even though RBM hinges on a clear differentiation of these terms.<sup>72</sup> OIOS is aware of UNHCR management’s tactic of embedding core RBM elements throughout the agency without necessarily referring to these elements explicitly as “RBM,” but conjectures that this subtler approach might jeopardize effective implementation of RBM among a wider cross-section of staff. Also, among some staff, buy-in to RBM is impeded by a lack of belief that their RBM efforts have yielded practical benefits. Many even suggest the time and resources they devote to RBM *take away from* their substantive functions, with little sense that management uses the information generated for any other purpose than to placate donors.<sup>73</sup> Some describe a gradual accumulation of “retooled” processes and revision of documentation requirements, without ever doing away with earlier ones. The most common attitude OIOS found among staff toward the RBM initiatives was therefore that of cautious

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<sup>70</sup> While 57.7 per cent of respondents in the staff survey say that UNHCR’s Operations Management System (OMS) is an “Extremely effective” or “Somewhat effective” tool for helping UNHCR achieve its objectives, only 6.9 per cent give OMS the former rating and the remaining 50.8 per cent give it the latter rating. Another 27.4 per cent say it is “Neither effective nor ineffective” and 14.8 per cent say it is “Somewhat ineffective” or “Extremely ineffective.”

<sup>71</sup> See 2008-2009 GSOs, Strategies and Management Priority 10.1 (“Consolidating results-based management throughout the organization including improved policy development, planning, reporting and evaluation”). In addition, in some UNHCR communications RBM constituted part of its GSOs for 2006 and 2007 but in others it did not. See, e.g., UNHCR/IOM/082/2004-UNHCR/FOM/084/20042006; and *UNHCR’s Results-Based Management Gap Analysis: Current Situation and Future Directions*. Geneva: ODMS, 11 October 2005; compare to the 2006 Global Report; and the 2007 GSOs.

<sup>72</sup> OIOS is aware of an outstanding debate over the nomenclature surrounding effectiveness and impact. However, in common UN parlance, these terms are at present clearly defined, per guidance in the form of the PPBME and UNEG’s guiding documents. Terminology notwithstanding, there is a risk that this semantic debate will detract from the core issue that organizations should focus on long-term results as well as short-term results. This is the case for humanitarian organizations – including UNHCR, which engages in many other activities with potential long-term and/or ecological effects (e.g., provision of basic needs), and whose core protection mandate explicitly focuses on *durable* solutions. Nonetheless, OIOS is cognizant of the unique challenges humanitarian organizations like UNHCR face in measuring impact when actual operations often end after a short period.

<sup>73</sup> Survey results point to staff members’ moderate level of utility of RBM system. While half of staff respondents (51.0 per cent) say the current Operations Management System is “Somewhat effective” as a tool for helping UNHCR, only 7.0 per cent say it is “Extremely effective,” with the remaining 42.0 per cent deeming it less than “Somewhat effective.”

optimism: staff are waiting to determine whether and how current initiatives differ from their predecessors, and how they might improve day-to-day work.<sup>74</sup> Donors echo this sentiment.<sup>75</sup>

22. In terms of closing knowledge and perception gaps, OIOS noted UNHCR's infrastructure for conveying RBM concepts and instruments<sup>76</sup>, but found no evidence of a comprehensive internal communications strategy that includes overarching communications objectives, vehicles for achieving them, and targeted audiences,<sup>77</sup> or documentation to suggest its individual communications elements are working. OIOS is aware of the pending structural move of the Programme Coordination and Operational Support (PCOS)<sup>78</sup> service into a greater support role, under the umbrella of a merger with the Budget Section to form the Programme Budget Section (PBS). It also notes, however, that in tandem with its current austerity measures, UNHCR has targeted training and professional development as an area toward which it will devote fewer resources. This does clearly involve a risk, in terms of opportunities for embedding RBM concepts within the body of internal capacity development activity.<sup>79</sup> Finally, to address staff buy-in, OIOS found a need for greater consultation with staff members in the design and development of key RBM initiatives. OIOS takes at face value ODMS's claim that it consulted with key staff at various stages of each initiative underway. However, many staff members maintained that they were not consulted, even in areas where they claim significant expertise.

*UNHCR maintains that all RBM initiatives in the last two years have been systematically vetted and approved by senior management, and all important changes to its RBM system*

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<sup>74</sup> In the partner survey, fully 70.0 per cent of respondents concur that UNHCR has been either "Somewhat effective" or "Extremely effective" in defining results and managing toward them. However, while 57.1 per cent feel UNHCR's RBM approach has "Gotten much better" (23.8 per cent) or "Gotten a little better" (33.3 per cent), another 35.7 per cent feels it has "Stayed about the same."

<sup>75</sup> In assessing UNHCR's effectiveness in defining results and managing toward them, no donor respondents rate UNHCR on either end of the continuum of "Extremely ineffective" or "Extremely ineffective," but roughly two-thirds rate it as "Somewhat effective" and the remaining third rate it as "Neither effective nor ineffective." When asked on open-ended basis to explain their ratings, donors tend to note the overall improvement they have witnessed at UNHCR.

<sup>76</sup> OIOS noted the dedicated RBM and ODMS corners of UNHCR's website, which include a number of relevant items and to be relatively up to date. In addition, during OIOS's site visit at Headquarters, it was apparent that management kept staff members abreast of on-going developments, both by email and in a town hall forum, surrounding the outposting initiative. While some staff members value this platform as an important source of information, however, OIOS cautions UNHCR not to rely on this platform alone as a means of communicating to staff members for whom RBM might seem less salient.

<sup>77</sup> A report by UNHCR's IGO also cites the inadequate level of supports as a central determinant of UNHCR's success in meeting its objectives. These include general skills supports as well as skills specific to management's RBM-related needs (e.g., surrounding financial and human resource management). See A/AC.96/1028, paras 29-30.

<sup>78</sup> OIOS understands PCOS to be the Headquarters service responsible for developing trainings, the standards and indicators themselves, and instructions and guidelines.

<sup>79</sup> OIOS noted in the staff survey, for example, that overall participation in UNHCR's 10 main RBM-related trainings was low (i.e., ranging from a low of 6.0 per cent respondents for the training in Operational Data Management to only 36.0 per cent for the Protection Learning Programme). In addition, over two-thirds of respondents (68.0 per cent) said the trainings they have received were "Much less" or "Somewhat less" than what they need to successfully fulfil their RBM role; and when asked on an open-ended basis what key improvements UNHCR could make to RBM, issues related to "Internal RBM capacity building" formed the most common cluster of responses (22.9 per cent).

approved by them. It agreed that consultation and internal communication could be improved, but claims that in each instance, consultation has taken place.

**Memorandum item 1:**

***Successfully moving Secretariat programmes toward a greater results orientation requires more than improved technical systems. It also requires effective communications, training and consultation to promote understanding and buy in to RBM.***

**C. UNHCR’s results framework has improved, but clarity can still be improved and goals should cascade through levels of operation in a more consistent manner**

***1. Refinements to UNHCR’s results framework***

23. OIOS noted a number of refinements to UNHCR’s results framework in recent planning cycles. These include an expansion of UNHCR’s GSOs between 2006 and 2007<sup>80</sup>, followed in 2008-2009 by a consolidation of the GSOs<sup>81</sup>, stronger results-oriented language<sup>82</sup>, and a greater sense that EAs constitute the highest operational priorities associated with their corresponding GSOs.<sup>83</sup> In addition, OIOS acknowledges UNHCR’s effort, since 2007, to bring the language of the GSOs closer to accepted Organization-wide norms and standards (e.g., use of “expected accomplishments” and “performance targets”) in the spirit of greater system-wide coherence.<sup>84</sup> OIOS also takes note of a key improvement planned for the 2008-2009 cycle, namely a clearer differentiation between targeted objectives themselves and the management strategies through which to achieve them.<sup>85</sup> Staff and donors widely agree that these changes have resulted in a more comprehensive, accurate depiction of UNHCR’s multifaceted activities.

***2. Translation of corporate GSOs/EAs to the regional, country and divisional level***

24. In addition to these refinements, OIOS also noted UNHCR’s emphasis on “cascading” the GSOs throughout the agency – that is, translating these overarching corporate objectives into a set of regional and divisional objectives, which in turn are translated into country-, section- and individual-specific objectives.<sup>86</sup> OIOS identified

<sup>80</sup> This includes a clearer unpacking of the 2006 GSOs in 2007, with an increase from 4 to 6 GSOs.

<sup>81</sup> Ibid. Also see 2008-2009 GSOs. This includes a reduction in GSOs from 2007 to 2008-2009 from 6 to 5, along with the addition in 2008-2009 of 5 “Strategies and Management Priorities” associated with achieving the GSOs.

<sup>82</sup> Ibid. OIOS notes the use of stronger results-oriented language associated with each GSO (e.g., “ensuring,” “affirming,” “realizing,” “attaining,” “guaranteeing,” etc.) in the 2008-2009 GSOs than was the case in prior GSOs.

<sup>83</sup> Ibid. Since 2007, UNHCR has appended to each GSO to emphasize “priority given to” the EAs.

<sup>84</sup> *Delivering as One: Report of the Secretary-General’s High-Level Panel on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance, and the Environment*. New York: United Nations. 9 November 2006, pp. 40-42. See also 2007 and 2008-2009 GSOs.

<sup>85</sup> 2006, 2007 and 2008-2009 GSOs.

<sup>86</sup> *Results-Based Management in UNHCR: UNHCR’s Conceptual Framework*. Working Draft. ODMS, 22 June 2006.

two main shortfalls in the cascading process to date. First, most staff interviewees report that gains in the objectives' comprehensiveness and accuracy have not been met with tools to help managers prioritize among the various GSOs/EAs from which they can choose.<sup>87</sup> While some managers do not see the need for Headquarters to support them in this prioritizing function, others would welcome greater guidance.<sup>88</sup>

25. A second shortfall in the implementation of the cascading process surrounds the variable degree of cascading evident in planning and reporting instruments. In its analysis of individual and operational work plans for the 2007 cycle<sup>89</sup>, OIOS found almost all individual work plans to be either explicitly or implicitly linked to the GSOs and to their office's operational work plan. Similarly, almost all operational work plans explicitly made reference to specific GSOs and a large number of specific IOAs.<sup>90</sup> However, the link between Country Office and Bureau/Regional objectives was in some cases implicit rather than explicit, and at present only a quarter of operational work plans explicitly linked their plan to RBM or to UNHCR's emphasis on results.<sup>91</sup> OIOS also found a very low level of linkage between partner sub-agreements and the GSOs outlined in Country Offices' COPs.<sup>92</sup> OIOS noted a similar variability of cascading in UNHCR's key reporting mechanisms. For example, UNHCR's most recent performance reporting mechanism to donors and other stakeholders, the *2006 Global Report*, mentions each of the four GSOs for 2006, but for only two of these (i.e., GSOs 1 and 2) does it do so explicitly, with the remaining two (i.e., GSOs 3 and 4) being covered indirectly by way of individual EA mentions. Also, only 7 of UNHCR's 27 EAs for 2006 are explicitly referenced at all.<sup>93</sup> In this regard, it is unclear why guidelines provided by UNHCR to its Headquarters and Country Offices<sup>94</sup> specifically require that Annual Country Reports

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<sup>87</sup> UNHCR has since 2007 added language to each GSO, pointing to its associated EAs as key priorities. (See footnote 85.) OIOS suggests that this does not directly prioritize which EAs should be given priority over others, either from a corporate standpoint or within any given country or regional context. In addition, this approach leaves considerable leeway for alternative EAs (that is, by suggesting that there are other, less urgent EAs that some Country Offices might be active in). OIOS does not view this leeway either positively or negatively in its own right.

<sup>88</sup> In the respondent survey, fully a third of staff who participated in the Management Learning Programme (33.1 per cent) said that this training was "Not very closely related to RBM" or "Not at all closely related to RBM." And in interviews, most Country Representatives reported that they largely rely on their own substantive experience and that of their staff for priority-setting, rather than on guidance from Headquarters, hoping that their decisions will be acceptable to the Regional Bureaux. OIOS notes that while this approach is consistent with a decentralized, bottom-up approach to planning, it could be reinforced by shared standards for priority-setting and for effectively managing toward these priorities in ways that might complement managers' substantive and regional expertise.

<sup>89</sup> OIOS analyzed 6 Headquarters-level operational plans, 4 Country Office and 2 Regional Office plans, and 20 individual PAR plans from a mix of Headquarters and field offices. Documents included all divisional work plans from Headquarters (n=12), as well as key individual work plans (n=20). OIOS did not conduct a similar analysis of GSO cascading for the 2008-2009 period, as many operational units and Regional and Country Offices are still in the process of developing their work plans.

<sup>90</sup> OIOS noted an average of approximately 4-5 GSOs, and an average of 39 S&Is and other alternative indicators.

<sup>91</sup> OIOS noted that the effort to better link the GSOs and the Bureau plans and COPs is a relatively recent initiative.

<sup>92</sup> OIOS conducted a formal analysis of 9 partner sub-agreements across 5 of the Country Offices under review.

<sup>93</sup> This includes one direct reference to GSO 1, one indirect reference to GSO 2, 4 direct references to GSO 3, and 1 direct reference to GSO 4. During its observation of the ExCom Standing Committee's 39<sup>th</sup> Session, individual ExCom members took note of this need for greater alignment between reporting documents and the GSOs/EAs.

<sup>94</sup> *Instructions and Guidelines to UNHCR Field and Headquarters on Reporting on 2006, Implementation in 2007, and Planning for 2008-2009*, Geneva: PCOS, 11 December 2006.

(ACRs)<sup>95</sup> make explicit linkages to GSOs while there is no such requirement for Annual Protection Reports (APRs).<sup>96</sup>

### 3. *Adequacy of IOAs/PMs in operationalizing the EAs*

26. OIOS learned that, as with the GSOs/EAs, UNHCR has on an on-going basis sought to expand and refine the IOAs and PMs that operationalize its EAs.<sup>97</sup> However, OIOS found that these IOA/PMs, known internally as standards and indicators (S&Is), could more accurately and effectively capture UNHCR's work. For example, OIOS found a pivotal element of UNHCR's protection work to be missing from the S&Is entirely, namely those efforts that involve improving "enabling environment". Many DIPS staff are skeptical that their work can be as easily operationalized as more concrete assistance-related work.<sup>98</sup> In interviews, however, individual non-DIPS and DIPS staff claim that protection can indeed be operationalized given appropriate methodological supports. This gap in protection-related S&Is reflects a more generalized staff sentiment, expressed in both interviews and surveys<sup>99</sup>, that the current S&Is do not fully encapsulate the full spectrum of UNHCR's work.

27. OIOS, though not in a position to judge the substantive merit of individual S&Is, identified a number of specific methodological deficits that might compromise the S&Is' utility in operationalizing the GSOs/EAs. In a formal analysis of the S&Is, OIOS found that individual S&Is are not explicitly linked to corresponding GSOs/EAs they are meant to articulate, nor is each S&I clearly instantiated as an output, an associated outcome, and where feasible an associated impact measure. In addition, some S&Is use suboptimal scales<sup>100</sup>, individual S&Is are used in conjunction with some POC groups but not with others without a clear rationale<sup>101</sup>, and there is a lack of comprehensive methodological

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<sup>95</sup> ACRs, which are drafted by Country Offices and only accessible internally, review major developments, the management of operations, and the main achievements and constraints encountered.

<sup>96</sup> APRs, issued by Country Offices, monitor the protection and rights of refugees and other POCs.

<sup>97</sup> *Practical Guide to the Systematic Use of Standards and Indicators in UNHCR Operations*, Second Edition, Division of Operational Services, Geneva: UNHCR, 2006.

<sup>98</sup> OIOS acknowledges that UNHCR is currently attempting to remedy this gap; see: *The Agenda for Protection. Measuring Protection by Numbers*. See also the *Strengthening Protection Capacity Project*. In the staff survey, among those who took part in the Protection Learning Programme, 41.0 per cent said it was "Not very closely" or "Not at all closely" related to RBM, making it the training viewed as the least relevant to RBM.

<sup>99</sup> Staff survey respondents tended to give UNHCR middling ratings on the "Identification of programme performance indicators that are meaningful measures of UNHCR's success in meeting its objectives": 42.9 per cent rated UNHCR as "Excellent" (7.1 per cent) or "Good" (35.8 per cent) on this item, whereas 35.5 per cent rated it as "Fair" and another 21.5 per cent rated it as "Poor" (16.2 per cent) or "Very poor" (5.3 per cent).

<sup>100</sup> These include, e.g., using a "yes-no" response set on country-level statistics when a percentage would be more helpful. See S&I 14 ("Do all asylum seekers have access to information on counseling on RSD procedures?"), S&I 15 ("Are reasons for rejection shared in writing with the applicant?") et ux.

<sup>101</sup> Although differences in the number of indicators identified in the three operational level questionnaires are justified when additional areas have to be covered – in "Refugee Camp/Settlement," indicators need to cover camp management, food and nutrition, water and sanitation – OIOS was not always able to ascertain why some S&Is appear in one questionnaire and not in others, even though these S&Is seem intuitively important in all three settings. For example, while health issues are covered extensively in the "Refugee Camp/Settlement" (5 S&Is), they are covered far less in the "Urban Programme" list (1 S&I) and in the "Returnee Area" list (2 S&Is). Education is also a theme under which the number of S&Is varies greatly: 9 S&Is in the "Refugee Camps/Settlements" list, 4 S&Is in the urban programmes list, and 3 S&Is in the "Returnee Area" list.

guidance to help field staff measure overall need<sup>102</sup> and to collect performance data in a relatively standardized way that facilitates regional and corporate data aggregation.<sup>103</sup> OIOS found these methodological weaknesses to be mirrored in the operational work plans analyzed during this exercise.<sup>104</sup>

28. Managers have typically responded to the S&Is' shortcomings in one of two ways, neither of which OIOS found to be conducive to a well-functioning agency-wide RBM system. One has been to meet HQ reporting requirements, regardless of how meaningful the selected S&Is are to managers' own decision-making, and do nothing more, with the result that performance monitoring can be disconnected from the work at hand.<sup>105</sup> Another response has been to meet HQ requirements, but to develop parallel performance monitoring systems that better account for what their offices do than the S&Is. This response has led to individual performance monitoring systems that might be more meaningful, but also inefficient in their duplicative use of staff resources and in their lack of linkage to a shared corporate results framework.<sup>106</sup> OIOS recognizes UNHCR's effort to ensure that Focus address both "local" and HQ's data needs.

**Memorandum item 2:**

*There is an inherent tension between the need on one hand for shared objectives that can be aggregated and reported on corporately and disaggregated for comparison and on the other hand the need for these objectives to resonate with and make sense in their local operating environment. There is a connected need to refrain from making data collection so onerous that it draws staff away from their substantive work.*

**Memorandum item 3:**

*The target or beneficiary population of a given programme's activities constitutes a critical level of analysis for assessing effectiveness and impact. It is not sufficient to include individual community representatives alone or to solely rely on community inputs at the programme design stage.*

<sup>102</sup> That is, the denominator of effectiveness ratios of service data to overall need.

<sup>103</sup> No such guidance appears in the *Practical Guide*, or in the *Operations Management Learning Programme*. And in the staff survey, only 6.0 of staff claimed to have participated in the training in Operational Data Management, making this training the least frequented of any training. Moreover, among those respondents who did participate in this training, over a quarter (26.5 per cent) said it was "Not very closely" or "Not at all closely" related to RBM.

<sup>104</sup> None of the work plans clearly spelled out a data collection strategy. In addition, most were comprised of outputs and outcomes only (i.e., no work plan explicitly included impact indicators), and in no work plan was the linkage between outputs and their associated outcomes clear. No work plan explicitly addressed impact indicators staff aimed to ameliorate in the forthcoming year, or impact achieved in the current year that had been targeted in prior years' activities. OIOS also found no individual plan mentioned impact. Finally, among the performance indicators enumerated in operational work plans, OIOS found that while some plans included precise baseline data and precise targets for many or most indicators, others did not.

<sup>105</sup> Some managers, for example, state that they select indicators that are measurable as opposed to those that best represent what they do.

<sup>106</sup> UNHCR's IOG points to this issue as well. See A/AC.96/1028, para. 24.

**D. Compliance with performance monitoring and reporting requirements is generally high, but is time-consuming and seen as providing little payoff in decision-making**

29. In its analysis of UNHCR's performance reports, OIOS observed a high degree of compliance with the *Instructions and Guidelines* overall, although it found compliance to be more variable with respect to specific requirements.<sup>107</sup> In a formal analysis of UNHCR's document outlining compliance with planning and reporting requirements, the *Instructions and Guidelines to Field and Headquarters on Reporting on 2006, Implementation in 2007, and Planning for 2008-2009*, OIOS noted a number of changes aimed at further aligning planning, budgeting and reporting closely with RBM.<sup>108</sup> OIOS commends UNHCR for its efforts to simplify the format of internal reports to eliminate duplication between ACRs, APRs and the Country and Regional Operations Plans (COP/ROP).

30. Of greater concern to OIOS than compliance levels is the utility these outputs provide compared to the staff inputs required to produce them. OIOS found that staff spend a large proportion of their time on data collection, performance monitoring and reporting: among the 91.0 per cent of staff survey respondents who say they spend any time at all on RBM-related activities, staff members report spending an average of roughly 20.0 per cent of their time on monitoring and another 19.0 per cent on reporting. However, staff sense that there is little payoff to these activities, as feedback is rarely given on the information they produce and performance data are rarely seen being used in actual decision-making.

31. The perceived lack of connection between staff's efforts and day-to-day decision-making is borne out in weaknesses in UNHCR's reporting instruments themselves, and in their linkage to subsequent-year planning instruments. In a systemic review of UNHCR's performance reports, OIOS found these instruments to contain a number of rigidities that hamper their utility as decision-making tools. These include the inability to adequately parse out UNHCR's contribution to the achievement of objectives from that of its partners<sup>109</sup>; the mismatch between the occurrence of activities and when these activities reap results<sup>110</sup>; the difficulty measuring ecological changes and/or sustainability<sup>111</sup>; the inability to adequately account for unforeseen contingencies inherent in its work that impinge on staff's ability to achieve the objectives outlined in their work plans<sup>112</sup>; and the inability to measure important qualitative indicators. All of these issues

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<sup>107</sup> These areas include, e.g., the analysis of objectives linked to GSOs, changes in partnerships, the impact of assumptions and constraints on achieved results, the potential for durable solutions and phase-out, and the extent to which UNCHR Summary Management Strategy proved accurate.

<sup>108</sup> These include a number of specific references to RBM and UNHCR's results orientation, as well as particulars surrounding the internal control role of Regional Bureau Directors in ensuring GSO cascading, basing resource requests on evidence-based needs assessment, and so on.

<sup>109</sup> This issue is commonly referred to as the "attribution problem."

<sup>110</sup> This issue is commonly referred to as the "time-to-payoff problem."

<sup>111</sup> This issue is commonly referred to as the "impact problem."

<sup>112</sup> This issue is commonly referred to as the "external factors problem."



were substantiated to a significant degree.<sup>113</sup> OIOS also found a lack of congruence between UNHCR's prior-year reporting timeline and its subsequent-year budgeting and reporting timeline.<sup>114</sup> UNHCR requires operational staff to prepare an array of prior-year performance reports and current-year monitoring reports.<sup>115</sup> However, the planning process for the subsequent year begins during this same period.<sup>116</sup> OIOS found that UNHCR could use prior-year performance information in a more meaningful way to inform subsequent-year planning.<sup>117</sup>

32. OIOS understands these rigidities to be system-wide RBM hurdles. At the same time, OIOS sees these rigidities as underpinning staff members' sense that RBM has little utility *whatsoever* in a humanitarian or United Nations field setting, thereby jeopardizing initiatives to bring the modality more fully to scale at UNHCR. OIOS therefore strongly commends UNHCR in its effort to address many of these rigidities by way of the Focus software.<sup>118</sup> OIOS urges UNHCR to thoroughly address as many remaining technical anomalies in the software as possible before bringing it to scale throughout the agency, so as to avoid the unintended consequence of dampening rather than boosting staff's enthusiasm for its utility. Similarly, OIOS acknowledges UNHCR's identification of managers as RBM focal points, but noted in interviews that these focal points are charged more with planning and reporting requirements than with creating a culture of applied learning in their respective offices.<sup>119</sup>

*UNHCR noted appreciation for the changes OIOS made to this paragraph, but felt that OIOS's reference to "technical anomalies" added little to the report while implying that UNHCR might consider putting a product out that did not work well. UNHCR claims that it would not release a substandard product.*

33. OIOS found that these measures to bring UNHCR's monitoring and reporting system to bear on decision-making would benefit from more and better training, guidance and other supports to the staff who produce and apply these data. These include well-tailored Focus tutorials that convey how the software can help decision-making, as well as training managerial RBM focal points in their enhanced role beyond mere compliance.

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<sup>113</sup> OIOS analyzed UNHCR's 2006 Global Report, the 2006 High Commissioner's Report to the General Assembly, and 2006 Headquarters Reports, as well as all Annual Protection Reports (APRs), and Country Reports for 2006 for 5 of the 8 Country and Regional Offices under review.

<sup>114</sup> OIOS later learned that PCOS had also identified this problem.

<sup>115</sup> Respondents to the donor survey also tend to rate UNHCR's work plans and performance reports more highly, on average, for their relevance in "Reflecting the state of affairs on the ground" than they do these instruments "Overall quality" or "Overall accuracy." These instruments' "Timeliness" receives the lowest rating of all dimensions.

<sup>116</sup> That is, planning begins in January, with a draft work plan due in March and finalized in June. *Calendar for Reporting, Implementation, and Planning (Excluding monthly SitReps, SPMRs and quarterly obligation plans)*. Geneva: UNHCR, November 2006. See also: UNHCR Manual, Chapter 4, Parts 3 and 5.

<sup>117</sup> Aside from mentioning this in interviews, in the staff survey when respondents were asked on an open-ended basis what key improvements UNHCR could make to RBM, issues related to "Improved planning processes" formed one of the most common cluster of responses (22.1 per cent). In addition, OIOS found that none of UNHCR's 2007 operational work plans included in its narrative a risk analysis of key gaps outlined in its 2006 performance reports as an influence on its current-year work plans.

<sup>118</sup> *Update on Focus: UNHCR's New RBM Software*. Geneva: UNHCR, 15 June 2007. Also see: *Results-Based Management: Operations Management Support Software*. Geneva: UNHCR, 30 June 2006.

<sup>119</sup> The IOG points to human resources as accounting for the high degree of variance in levels of RBM implementation level among Country Offices. See A/AC.96/1028, para. 23.

They also include more general training, guidance and other supports to data collection staff in producing better data in a more standardized way across the agency. OIOS noted that UNHCR lacks a simple graphical overview of the RBM process, including timelines, responsible individuals, the rationale behind each deliverable in the process, and standard operating procedures (SOPs).<sup>120</sup> Finally, OIOS noted that, while PCOS offers a wide variety of RBM-related training<sup>121</sup>, many staff members feel the training could more directly aid them in their RBM responsibilities.<sup>122</sup> In this regard, OIOS noted gaps in staff members' technical knowledge surrounding data collection<sup>123</sup> and reporting<sup>124</sup>, and was unable to find any standard practices or guidelines surrounding data collection, a gap that limits the ability to aggregate data points at the corporate and inter-office levels. OIOS strongly encourages the current review of FICSS's revised Operational Data Management Learning Programme (ODMLP) to take into account these staff development needs.

**Memorandum item 4:**

***Within the Secretariat, there is an incongruence between the extensive monitoring and reporting requirements placed upon operational staff, on one hand, and on the other hand the need to digest this performance information before planning for the subsequent year. There is a need for a greater buffer period between prior year performance reporting and subsequent year planning, and more formalized systems for incorporating the former into the latter.***

<sup>120</sup> Although OIOS noted that the *Instructions and Guidelines* mentions deliverables and date, as does the calendar, it not able to cull such a flow chart graphically depicting the RBM process anywhere in UNHCR's materials.

<sup>121</sup> These include, e.g., a revised Operations Management Learning Programme (OMLP), Programme Management and EPM/IRP Training, and more. See: *Report on the Programme Training Activities*. Geneva: PCOS, 2006.

<sup>122</sup> OIOS notes that staff, despite spending a high proportion of their time on RBM-related activities (i.e., 47.0 per cent of staff reporting spending at least half of their time on these activities, with staff in general spending an average of 37.0 per cent of their time on RBM), a relatively small proportion of staff members have taken part in any of the 10 RBM-related trainings UNHCR offers. Staff participation in these trainings ranges from a low of 6.0 per cent (Training in Operational Data Management) to a high of only 36.0 per cent (Protection Learning Programme). Furthermore, among those who participated in these trainings staff members consistently tend to rate the training(s) they received to be related only "Somewhat closely" to RBM. Finally, among those who participated, over two-thirds (68.0 per cent) claimed the training as "Somewhat less" (47.0 per cent) or "Much less" (21.0 per cent) than what they needed on RBM.

<sup>123</sup> For instance, while some staff claimed that specific qualitative aspects of their work could not be captured, when OIOS probed on this issue it concluded that some of these aspects could indeed be operationalized within the planning and reporting framework.

<sup>124</sup> In addition, in its desk review of performance reports, OIOS noted a high degree of variation in the presentation of results. For example, some reports were more balanced in addressing both the achievement and non-achievement of results while others focused exclusively or heavily on achievement; some accounted for external factors influencing performance in great detail while others did not; some addressed impact while others did not; some reported raw numbers while others reported proportions of total need; and so on. In surveys, OIOS noted that while both donors and partners are likely to feel that actors in the field, including UNHCR and its partners are "Extremely effective" or "Somewhat effective" in addressing POCs' needs in the short term (90.9 per cent for donors and 92.7 per cent for partners), they were somewhat less likely to rate these actors' performance as "Extremely effective" or "Somewhat effective" in addressing longer-term impact (81.8 per cent for donors and 80.5 per cent for partners). On this issue of impact, OIOS does note, however, that in the *Instructions and Guidelines* for 2007, will soon require Headquarters and Country Offices to include a discussion of external factors in their planning and reporting documents.

**Memorandum item 5:**

*Many constraints endemic to the UN's work – including the number of external factors affecting its ability to achieve objectives, the number of actors contributing to objectives, the UN's qualitative or indirect role in the achievement of objectives, and the time to payoff of its efforts – confound efforts to effectively use RBM planning and reporting platforms as accountability or decision making tools.*

**E. UNHCR is making progress in linking resources and results, but at present planned objectives and prior-year performance data have yet to be clearly and systematically factored into resource decisions**

34. OIOS noted the high proportion of UNHCR's budget coming from extra-budgetary (XB) sources (i.e., 97 per cent in the 2004-2005 and 2006-2007 biennia). This high proportion of XB funding poses challenges<sup>125</sup> to UNHCR in effectively and efficiently achieving agreed-upon objectives, as do constant (if not decreasing) overall resource levels and an increasing number of actors vying for these resources.<sup>126</sup> Donors also appear to recognize these constraints.<sup>127</sup> OIOS learned that UNHCR has responded to a decline in its share of these resources with global austerity measures, combined with an outposting of a number of posts to decrease input costs.<sup>128</sup>

35. OIOS observes that the hierarchy of budgeting decision-making in UNHCR's case might be broken down into three main types of decisions: (1) donor decisions of whether to fund UNHCR and by how much; (2) donor decisions as to the proportion of total donor contributions that will be earmarked versus unearmarked, and what type of earmarking will be undertaken; and (3) UNHCR decisions over how to apportion its total envelope among its various offices and substantive areas. As RBB constitutes a central pillar of RBM, OIOS noted that in all three areas UNHCR's work plans and performance data could be made more relevant to decision-making.<sup>129</sup>

36. OIOS sees opportunities for UNHCR to harness these sources of information to better inform resource decision-making<sup>130</sup>, both in its own right as a planning and

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<sup>125</sup> These include a relatively high number of ad hoc reporting requests from individual donors, as well as the constraints imposed by certain forms of earmarking.

<sup>126</sup> 2007 Global Appeal. Geneva: UNHCR, 2007.

<sup>127</sup> Half of respondents to the donor survey rank "The availability of adequate resources to do the job" as the most important factor influencing UNHCR's and its partners' effectiveness in the field.

<sup>128</sup> A/RES/55/232.

<sup>129</sup> Donors and some staff members alike suggest that when donors do use UNHCR work plans and performance data, they do so in a general sense to determine what UNHCR has done and what it plans to do; there is no sense that they use this information to set their own priorities, however. Respondents to the donor survey point to their own national considerations as the most important factors influencing overall envelopes and earmarking levels, rather than factors associated with UNHCR itself.

<sup>130</sup> Respondents to the donor survey, for example, tend to cite "The extent to which resources are properly allocated toward key objectives," preceded in importance only by "The availability of adequate resources to do the job" itself.

accountability<sup>131</sup> tool and to counter staff perceptions that their planning and reporting efforts yield little influence. Some staff and donor interviewees, for instance, claim that the gradual increase in earmarking has resulted from UNHCR's inability to effectively present its work plans and performance data and their resource implications. Enhancements in this process might therefore serve to increase the resources over which UNHCR exercises greater control. With respect to UNHCR's own internal resource allocations, OIOS learned that there have been some exceptions to UNHCR's general austerity measures, but that these exceptions have not been conveyed in a transparent manner, with exceptions seemingly based on factors other than prior performance or targeted objectives.<sup>132</sup> OIOS commends UNHCR for focusing Regional Bureau Directors more closely on bringing data to bear on their internal resource decision-making process, and encourages it to continue strengthening this initiative. OIOS urges UNHCR to make this process a more transparent, standardized and collaborative one between Bureaux and Country Offices.

37. In addition to UNHCR's outposting measure and its directive to Regional Bureau Directors to rely more heavily on work plans and performance information, OIOS acknowledges that UNHCR is making progress in linking resources more closely to results. OIOS learned that UNHCR plans to directly link its resource (MSRP) and results (Focus) frameworks more closely, albeit in a later phase of its development. In addition, in 2007 UNHCR proposed<sup>133</sup>, and ExCom endorsed<sup>134</sup>, a move to better calibrate its budgeting framework with other RBM processes and programmes. OIOS strongly endorses these streamlining initiatives. However, from its review of key documents, OIOS found no evidence of a strategy for bringing these enhanced resource-results linkages to bear on decision-making.<sup>135</sup> OIOS notes that donor resource allocations, levels of earmarked versus discretionary funds, internal resource allocations, and greater accountability represent only some of the potential uses of work plans and performance

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<sup>131</sup> Non-performance does not negatively affect budgets either, with respondents to the donor survey tending to disagree that non-performance would decrease their overall envelope. Because of this, an insufficient RBB component also compromises RBM's utility as an accountability mechanism. It is noteworthy that, in OIOS's analysis of operational work plans, in most work plans the connection was unclear between planned outputs and outcomes and the resources requested in order to produce them.

<sup>132</sup> Some staff members felt these differences were grounded in unforeseen or growing crises that have warranted supplemental budgetary allocations. In other cases, however, they sensed that these exceptions appear to hinge on the overall rhetorical ability of the Country Office Representative to make a compelling anecdotal case for need.

<sup>133</sup> *Proposal for the Redesign of UNHCR's Budget Structure*, 23 January 2007.

<sup>134</sup> EC/58/SC/CRP.17.

<sup>135</sup> IOM-051/2007 (FOM-054/2007); *Proposal for the Redesign of UNHCR's Budget Structure*, 23 January 2007; EC/58/SC/CRP.17; *UNHCR's New Resource Allocation Framework*, Geneva: UNHCR (Structural and Management Change), March 2007; A/AC.96/503/Rev. 7; *UNHCR Update on Programme Budget Biennialization: Informal Consultative Meeting, Presentation by the Controller*, 19 June 2007. OIOS analyzed these documents and found that UNHCR has indeed proposed a number of improvements. These include the modification of the programme budget cycle (i.e., to a biennial model) in order to unify ACABQ (RB) and ExCom (XB) oversight, harmonize the budget cycle with other United Nations agencies and enable comparability with them, enhance operational effectiveness through longer-term planning and budgeting, and heightened compliance with the International Public Sector Accounting Standards (IPSAS). They will also include a new category, the "new or additional activities – Mandate-related" (NAM) reserve, to fund unbudgeted activities. They also include a redesigned Unified Budget Structure, aimed at resolving shortcomings in the current Unified Budget (including prioritization, predictability, partnerships, oversight, earmarking, flexibility in dynamic situations, particularly in emergencies, equitable distribution of resources across operations). Finally, they include a redesigned framework for resource allocation and management for enhanced aggregation of planning and budgeting from the field to the corporate level.

data. As a management decision-making tool, data on resource-results linkages can assist managers in assessing their prior work and in planning for future work – for example, by helping them assess the cost-effectiveness of various initiatives, reallocate their internal resources to areas of highest priority, and examine strategic partnerships and pilot projects.<sup>136</sup>

**Memorandum item 6:**

***Resource decision making within the Secretariat is largely not informed by programmes' prior year performance data or current year work plans. In order for RBB to assume its place as a core RBM element, the Secretariat and governing bodies should determine what types of budget decisions can and should be influenced by this information.***

**F. Individual and operational accountability frameworks for rewarding performance and sanctioning underperformance are weak**

38. Improved accountability is one important purpose of RBM, and OIOS recognizes that accountability mechanisms entail many elements, including physical accountability tools, clear responsibilities, authority structures, reporting lines, and more. OIOS confirmed that UNHCR does have a clear reporting line<sup>137</sup>, but in its analysis of operational and individual work plans<sup>138</sup>, it found UNHCR's accountability mechanism for adequately rewarding performance and sanctioning underperformance of individuals and operational units to be weak.<sup>139</sup> For example, in its analysis of operational work plans, OIOS found only one work plan that explicitly stated the office's responsibility for the achievement of results in the forthcoming year. Likewise, almost no individual work plans include clear language referring to the individual's responsibility for the results outlined in the plan, nor do managers' work plans consistently articulate their responsibility for delivering the results of their respective units. In interviews, some managers conceded that the Career Management System (CMS) is an optional component of the Performance Appraisal Report (PAR), and that most staff members do not complete it.<sup>140</sup> In addition, a report by UNHCR's IOG notes that some managers

<sup>136</sup> *Results-Based Budgeting and Management in a Nutshell*. New York: United Nations Programme Planning and Budget Division, April 2002.

<sup>137</sup> UNHCR Manual. UNHCR organigramme.

<sup>138</sup> Documents included all divisional work plans from Headquarters (n=12), as well as key individual work plans (n=20). OIOS did not conduct a similar analysis of GSO cascading for the 2008-2009 period, as many operational units and Regional and Country Offices are still in the process of developing their work plans.

<sup>139</sup> OIOS defines "sanctioning" not only as punishing underperformance, but rather helping managers and other staff members to identify potential areas of improvement. And conversely, OIOS defines "rewards" as non-monetary as well as monetary incentives.

<sup>140</sup> In addition, in the staff survey when respondents were asked on an open-ended basis what key improvements UNHCR could make to RBM, issues related to "Improved connection of human resource issues to RBM" formed one of the most common cluster of responses (22.1 per cent)., with most of the specific responses under this category revolving around "Accountability of staff and management for results" (33.0 per cent), "Performance assessment of staff" (14.2 per cent) and "Ensuring that staff are qualified" (13.2 per cent).

appear to be more focused on PAR compliance than on its intended purpose of setting objectives, ensuring accountability for these objectives, and identifying areas where additional supports are needed.<sup>141</sup>

39. OIOS found that external factors are not always sufficiently accounted for in work plans and reporting mechanisms. From an accountability standpoint, there is a general need for UNHCR to better decouple those factors within its control versus those lying outside its control. Otherwise, there is a significant risk that a failure to adequately spell out such operating assumptions *ex ante* can lead to a tendency *ex post facto* to ascribe any underperformance at all to external factors.<sup>142</sup> In interviews, OIOS noted staff members' ability to offer up a large number of specific external factors that constrain their performance. Identifying these factors formally at the planning stage would help staff better understand what is and is not expected of them, and UNHCR and prospective donors in holding staff accountable for what does lie within their control. OIOS strongly supports UNHCR's changes to its *Instructions and Guidelines* to address the need for a clearer identification of results for which operational units and individual will be responsible, and for a clearer delineation of external and internal factors affecting the achievement of these results. OIOS encourages UNHCR to exercise greater internal control over this system, and to not only monitor compliance but also provide feedback so operations and individuals can refine these instruments over time.

40. OIOS learned of UNHCR's move toward a more decentralized, regional model for planning, managing and reporting on results. This approach, OIOS noted, reflects UNHCR's well-grounded decision to have its organizational structure represent the nature of population movements, which often have regional causes, consequences and solutions. In interviews, however, OIOS learned that some Regional Heads are unsure of what authority they have for ensuring accountability within the Country Offices in their region, and whether and how they themselves will be held accountable for the achievement of regional results.<sup>143</sup>

**Memorandum item 7:**

***Along with scarce resources, external factors pose a major constraint to many Secretariat programmes' ability to effectively achieve results. However, these external factors, though oftentimes legitimate reasons for the non achievement of objectives, can become grounds for rationalizing underperformance. Operational and individual accountability can be strengthened by having all work plans spell out anticipated external factors, and performance reports and appraisals refer back to these same external factors.***

<sup>141</sup> See A/AC.96/1028, paras. 28-29.

<sup>142</sup> In contrast to staff reports, in surveys both donor and partner respondents tended to rank "External factors" as the least important influence among nine various sources of influence on UNHCR's and its partners' success in the field.

<sup>143</sup> OIOS did review UNHCR's directive in this regard. (See *UNHCR's New Resource Allocation Framework*. Geneva: Structural and Management Change, March 2007, para 14) However, the authority outlined in this document heavily emphasizes aspects of management related to budgeting and resource allocations.

## **G. UNHCR has not fully integrated partners into its RBM mechanism, and could better harness partners' expertise to achieve its own objectives**

41. UNHCR has long relied on partnerships with United Nations and non-United Nations partners alike to effectively and efficiently achieve its objectives. Recognizing key gaps in response capacity, coverage, timeliness and effectiveness in humanitarian partnerships, the United Nations has in recent years sought to ensure greater predictability, and accountability in these partnerships through a comprehensive humanitarian reform agenda.<sup>144</sup> UNHCR has been an active participant in the Inter-Agency Standing Committee (IASC), the chief body responsible for implementing the humanitarian reform agenda. In 2005 the IASC, also recognizing that coordination for more timely and effective system-wide response requires leadership based on individual programmes' comparative advantage, introduced a Cluster Approach to clearly designate individual programmes to lead specific sectors of humanitarian response when emergencies arise.<sup>145</sup> OIOS learned that UNHCR has been designated cluster lead in three sectoral areas: (1) protection; (2) camp coordination and management in situations of conflict; and (3) emergency shelter in cases of conflict.<sup>146</sup>

42. OIOS noted a number of challenges that the humanitarian reform agenda, with its emphasis on enhanced coordination and leadership, poses to UNHCR in folding partners into its own RBM mechanism.<sup>147</sup> First and foremost, the ability to define and effectively manage toward shared objectives remains an on-going challenge, as does the ability to parse out individual contributions of UNHCR and its individual partners in achieving these objectives. OIOS commends UNHCR for its plans to improve in this area, but noted other gaps in the extent to which UNHCR's partners are currently integrated into its results framework.<sup>148</sup> In its cascading analysis, OIOS found a low overall level of linkage between partner sub-agreements and their corresponding UNHCR COPs, both in terms of explicit GSO mentions and explicit mention of partners' accountability for results.<sup>149</sup> Moreover, in the process of selecting partners and continuing or discontinuing partnerships, some Country Office teams claim to rely heavily on prospective partners'

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<sup>144</sup> A/RES/46/182. OIOS noted the humanitarian reform agenda's four main objectives as follows: (1) sufficient humanitarian response capacity and enhanced leadership, accountability and predictability in "gap" sector/areas of response (ensuring trained staff, adequate commonly-accessible stockpiles, surge capacity, agreed standards and guidelines); (2) adequate, timely and flexible humanitarian financing (including through the Central Emergency Response Fund, or CERF); (3) improved humanitarian coordination and leadership (e.g., a more effective Humanitarian Coordinator system, more strategic leadership and coordination at the inter-sectoral and sectoral levels); and (4) more effective partnerships between UN and non-UN humanitarian actors.

<sup>145</sup> Inter-Agency Standing Committee (IASC) Guidance Note on Using the Cluster Approach to Strengthen Humanitarian Response. 24 November 2006.

<sup>146</sup> Terms of Reference, IASC Cluster Approach Evaluation, 1st Phase. 25 April 2007.

<sup>147</sup> In the partner survey, respondents consistently ranked coordination-related factors (e.g., "The ability of actors in the field to agree on prioritized objectives," "The ability of actors in the field to coordinate their operational activities") as the strongest influences on success in the field, followed by "The ability of UNHCR's results approach to define objectives, focus actors on these objectives, and manage toward results".

<sup>148</sup> OIOS conducted a formal analysis of 9 partner sub-agreements across 5 of the Country Offices under review.

<sup>149</sup> Per footnote 64, OIOS acknowledges that Focus intends to address this gap by serving as a platform to be shared by UNHCR's partners as well as UNHCR itself.

performance information while others concede that they do not.<sup>150</sup> Finally, partners' performance information is not routinely or uniformly shared with them, either as an accountability tool or a learning tool that might inform the partnership's on-going work.<sup>151</sup> Owing to the centrality of partnerships in UNHCR's ability to effectively achieve its objectives, OIOS maintains that UNCHR should continue to offer – and, where necessary, require – its partners to participate in any training and supports relevant to UNHCR's RBM process.<sup>152</sup>

43. OIOS commends UNHCR for including partners in the participatory assessments that inform its planning process. That said, many partners nonetheless view UNHCR as taking a top-down approach to its partnerships, whether or not it is operational or cluster lead in a given setting. For example, some partners say that they sometimes receive their proposals back from UNHCR, with their suggested objectives reformulated or deleted and others added in, with no communication indicating the rationale behind these edits or feedback for future reference. In addition, some partners claim that UNHCR could benefit from their own expertise in important areas of its work – for example, in the area of women and women's rights, children, education, public health, and so on – but does not consult them. UNHCR should actively take part in, and where applicable spearhead, the creation of formal forums for UNHCR and its partners to share best practices and lessons learned with each other in a horizontal manner.<sup>153</sup>

44. OIOS found that UNHCR lacks measures for effectively measuring partnership coordination, particularly in those areas in which it serves as cluster or operational lead. OIOS noted that, beginning in 2008-2009 UNHCR will be to parse out its GSOs from those management strategies aimed at achieving them; OIOS also took note that UNCHR

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<sup>150</sup> This analysis reflects those scenarios in which Country Offices have a choice among several prospective partners, all else held equal. OIOS acknowledges that this is not the case in many instances. For example, some partnerships arise as a result of mandated involvement (e.g., OCHA's involvement in virtually all humanitarian relief settings), while others arise because of the early evolution of civil society in many countries.

<sup>151</sup> This finding is corroborated by recent findings of the IOG. See A/AC.96/1028, paras 19 and 25. In addition, some partners claim, that UNHCR has terminated certain partnerships and projects on generic grounds of "underperformance," without sharing specific feedback that might help them learn and improve their effectiveness.

<sup>152</sup> This includes its general orientation on the RBM process, technical aspects associated with RBM (e.g., identification of S&Is, data collection methods, work plan development and performance reporting, and its recent initiatives to improve RBM), and UNHCR-specific areas of expertise that might enhance its partners' effectiveness. OIOS encourages UNHCR to follow through on its intention to do so. In the partner survey, relatively low percentages of partners maintain that they have received RBM-relevant trainings from UNHCR. Partner participation in UNHCR-led trainings ranges from a low of 14.6 per cent (i.e., for trainings related to "Using performance and/or needs assessment data to aid decision-making") to a high of only 37.5 per cent (i.e., for trainings related to "Understanding and systematically assessing the prioritized needs of populations of concern"). Substantial proportions of partners claim to need further training in these and other key areas, including "Understanding and systematically assessing the prioritized needs of the specific protection and assistance needs of groups and individuals within key populations of concern, as distinguished by their age, gender, diversity or other factors" (43.8 per cent), "Collecting performance and/or needs assessment data in the best way possible" (34.3 per cent), and "Understanding and systematically assessing the prioritized needs of populations of concern" (33.4 per cent). By contrast, the one area where the highest proportion of partners claim to have received more rather than less training than what they need to date is "Complying with data reporting requirements; fully 33.0 per cent say they have received "Somewhat more" or "Much more" training than what they need.

<sup>153</sup> In this vein, in the partner survey more respondents were likely to "Disagree somewhat" or "Disagree strongly" (28 per cent) that UNHCR "Treats its partners more as equals than as subcontractors" than with almost any other item in this agreement inventory.



has identified “Developing dynamic partnerships” as one of its key management strategies for achieving results (GSO 6). However, in its formal review of UNHCR’s S&Is OIOS found no indicators explicitly operationalizing coordination of or with partners. OIOS encourages UNHCR to concretely operationalize and measure coordination as a critical gauge of its own successful management toward results.

## **H. UNHCR must strengthen its internal organizational learning mechanism, particularly its independent evaluation function, as a vital element of RBM**

### ***1. UNHCR’s internal organizational learning mechanism***

45. UNHCR staff’s substantive expertise and institutional knowledge are widely acknowledged by the agency’s donors, partners, and external experts. OIOS noted a lack of formalized learning forums to diffuse individuals’ experience and expertise for greater corporate effectiveness.<sup>154</sup> Many staff interviewees volunteered that they do not currently have adequate horizontal linkages within their given substantive areas – for example, public information officers could benefit from the experience of their colleagues elsewhere on how to work toward and measure the creation of a better enabling environment; or protection officers could devise IDP-related indicators and solutions.<sup>155</sup> OIOS acknowledges recent calls for DIPS and DOS staff to forge greater linkages, and encourages UNHCR to facilitate such linkages across its global operations as a whole, and at all staff levels.<sup>156</sup>

46. In addition to its human infrastructure, UNHCR could improve its physical infrastructure for facilitating these linkages. While UNHCR’s intranet and internet have compiled a wide range of information of potential utility to staff members, there is a need to make these platforms into a more powerful information- and knowledge-sharing tool. OIOS noted that some areas are difficult to navigate and many key items are not updated. For example, even ostensibly simple queries via the intranet’s search function often yield unwieldy or unsatisfactory results. Moreover, by the fourth quarter of 2007 (4Q07) some 2006 COPs were available online while others are not.<sup>157</sup> This piecemeal approach is not conducive to up-to-date information sharing across UNHCR’s vast network of offices.

### ***2. UNHCR’s evaluation function***

47. In addition, OIOS’s view is that UNHCR’s evaluation function stands to be greatly strengthened. This step is necessary if, in keeping with the end purpose of RBM,

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<sup>154</sup> OIOS later learned that FICSS also identified this gap and advocated for an information portal, to be shared internally as well as with partners, to fill it. This “Portal Project” is currently under development.

<sup>155</sup> UNHCR’s IOG enumerates a number of sporadic office-specific initiatives to capture and store best practices and lessons learned, but notes that this practice is not consistently applied at all offices or between offices. See A/AC.96/1028, para 34-37.

<sup>156</sup> OIOS took note, for example, that in 6 out of PDES’s 15 reports, it was unclear whether the evaluators had included POCs as a source of data. Moreover, in many cases it was unclear which exact data collection methods it had used, how many informants or respondents had been involved, what potentially important stakeholders had not been included, and so forth.

<sup>157</sup> OIOS later learned that all COPs are available to all HQ staff upon email request, but does not feel this system is sufficient for meeting real-time information needs and does not achieve maximum reach among all global staff.

the agency is to become an organization that learns from its performance in order to improve. OIOS noted that UNHCR does have a central function dedicated to evaluation, the Policy Development & Evaluation Service (PDES). In its analysis of PDES outputs in 2006 and 2007, OIOS learned that PDES produced 11 evaluation reports in 2006 (4 by PDES itself and 7 by external consultants) and 4 reports in the first three quarters of 2007 (3 by PDES itself and 1 by external consultants), with another 3 PDES-generated reports slated for release in 4Q07. In its analysis, OIOS found these reports to be of a very high calibre on a number of methodological and substantive dimensions outlined in the United Nations Evaluation Group's (UNEG's) norms and standards for evaluations.<sup>158</sup> Moreover, most reports explicitly drew out specific, practical and actionable recommendations related to best practices or lessons learned.<sup>159</sup>

48. Less certain from OIOS's analysis, however, is how systematically PDES's reports are linked to RBM and to the achievement of the agency's full range of priorities enshrined in the GSOs. In this regard, OIOS found PDES's mission statement<sup>160</sup>, evaluation policy<sup>161</sup>, and Chapter 4 (Part 7) of UNHCR's Manual to lack explicit reference to PDES's linkage to UNHCR's RBM framework or the GSOs, or to the role of evaluation in an RBM framework more generally.<sup>162</sup> It also found specific areas of the Manual in need of update since its last iteration in 2002 to better reflect UNHCR's progress in improving RBM.<sup>163</sup> OIOS understands that PDES recently inherited these documents from its predecessor, the Evaluation and Policy Analysis Unit (EPAU), upon the re-establishment of the evaluation function in the form of PDES after EPAU had been defunct for several years. However, this lack of an explicit RBM linkage is reflected in PDES's reports; only 3 of 15 reports make explicit reference to RBM or the GSOs for the year under review. Moreover, a qualitative review of these reports suggests that, while it is clear that each one indeed emanates from one or more of the agency's priorities – and particularly from burgeoning policy issues (e.g., the effectiveness of the cluster approach in meeting IDPs' needs, emerging urban POCs, etc.) – what is less clear is why these priorities received attention while other high priorities did not.<sup>164</sup>

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<sup>158</sup> *UNEG Checklist on Evaluation Quality, Questionnaire for Self-Assessment*. New York: United Nations Evaluation Group (UNEG), August 2005. OIOS examined the 15 PDES evaluation reports published in 2006 and 2007, as well as its 4 policy papers and 24 research articles published in UNHCR's scholarly journal, *New Issues in Refugee Research*, during this period (3 of which written by UNHCR staff and 21 by external authors).

<sup>159</sup> That said, in the spirit of transparency in debating the merit of these reports' findings and recommendations, OIOS would encourage future reports to more thoroughly and systematically detail their data collection and data analysis methods, including their methodological limitations.

<sup>160</sup> *Policy Development and Evaluation Service: mission statement*. Geneva: PDES.

<sup>161</sup> *UNHCR's evaluation policy*. Geneva: UNHCR Evaluation and Policy Analysis Unit (EPAU), September 2002.

<sup>162</sup> OIOS did note that both PDES's mission statement and UNHCR's evaluation policy do mention "relevance" (i.e., to "UNHCR's operational needs and performance") as a fundamental principle underlying PDES's work. However, OIOS feels that PDES's role within UNHCR's RBM framework could be made more explicit.

<sup>163</sup> These include, e.g., specific references and links to UNEG norms and standards, as well as UNHCR's active participation in UNEG (see *UNHCR's evaluation policy*, p. 5 and p. 11); more explicit reference to the role of evaluation and PDES in light of developments in the humanitarian reform agenda (at present, PDES does not mention these issues under the rubric of its core principle of "Consultation," either in the mission statement or UNHCR's evaluation policy, p. 11).

<sup>164</sup> For example, in 2006 PDES targeted a wide variety of issue areas (e.g., structural influences on effectiveness, urban populations, cost-effectiveness in resource use), POCs (e.g., refugees, IDPs, returnees and asylum seekers) and levels of analysis (e.g., single Country Offices, multiple Country Offices, and corporate). By contrast, in the first three quarters of 2007 this scope had reduced to examine the coupling of a single issue area (i.e., the cluster

49. Also of concern to OIOS is PDES's current evaluation capacity. Evaluation, as an organizational learning tool, serves a vital function in RBM.<sup>165</sup> However, OIOS learned that PDES is simultaneously serving in a policy advisory capacity, undoubtedly an important function if it were to systematically harness knowledge to inform policy.<sup>166</sup> In examining the 4 policy papers produced in 2006-2007<sup>167</sup>, OIOS found only 1 to explicitly connect UNHCR's policy position to the state of the knowledge surrounding the issue at hand, and this paper stated this evidence casually without reference to a specific source or to knowledge generated by PDES. OIOS detected numerous functions PDES could be engaged in that are more consistent with the role of evaluation within an RBM context. First and foremost, PDES should be undertaking regular programme evaluation. There is also considerable opportunity for PDES to collaborate with its colleagues in enhancing UNHCR's S&I inventory and its data collection and reporting systems, and in boosting staff's own basic capacity for undertaking these tasks. As such, PDES, rather than revamping its evaluation policy outright, should seek greater alignment of its present activities to its original evaluation policy<sup>168</sup>, which covers these multifaceted functions.

50. OIOS is aware that a complete devolution of evaluation functions to UNHCR's operational units and Country Offices might not be optimal, both from an efficiency standpoint<sup>169</sup> and a methodological standpoint.<sup>170</sup> OIOS notes that PDES uniquely combines methodological rigour with substantive and institutional knowledge of UNHCR and its work. Moreover, PDES is uniquely positioned to undertake a number of cross-cutting evaluation functions as well, in addition to its current role in policy development. These include on-going self-evaluation of UNHCR's RBM systems and processes, recent initiatives to improve them<sup>171</sup>, and several other roles.<sup>172</sup> In this sense, PDES's capacity should be boosted if it is to assume these other important RBM-related responsibilities. UNHCR's donors likewise express concern with UNHCR's current lack of adequate evaluation capacity, and strongly support measures to boost it, possibly through earmarked funds.<sup>173</sup> Donors and other stakeholders also express concern over PDES's close association to the Office of the HC. OIOS notes that the location of PDES within

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approach) and a single population (i.e., IDPs) at one level of analysis (i.e., multiple Country Offices, culminating in a summary report of these offices).

<sup>165</sup> *Norms for Evaluation in the United Nations System*. United Nations Evaluation Group (UNEG), 29 April 2005.

*Standards for Evaluation in the United Nations System*. United Nations Evaluation Group (UNEG), 29 April 2005.

<sup>166</sup> This policy focus might help explain, in part, PDES's focus on the cluster approach in IDP settings in all of its 2007 evaluations to date.

<sup>167</sup> These include the following: *UNHCR, Refugee Protection and International Migration; The High-Level Dialogue on International Migration and Development: UNHCR's observations and recommendations*, 28 June 2006; *Forced migration and development*, 9-11 July 2007; and *UNHCR Recommendations to the EU-Africa Ministerial Conference on Migration and Development*, 16 November 2006.

<sup>168</sup> *UNHCR's evaluation policy*. Geneva: UNHCR Evaluation and Policy Analysis Unit (EPAU), September 2002.

<sup>169</sup> It would be inefficient for operational staff to have to acquire, in addition to their substantive operational expertise, evaluation expertise.

<sup>170</sup> The UNEG norms and standards suggest the principle that, the greater the independence of the evaluation function, the greater the objectivity of its work.

<sup>171</sup> OIOS maintains that the IGO could serve an important function in this area as well. See A/AC.96/1028.

<sup>172</sup> OIOS is aware that PDES, in its former incarnation as EPAU, embraced these other roles. (See UNHCR's evaluation policy, pp. 1-3, 5-6, and 12-13.)

<sup>173</sup> OIOS notes that UNHCR has explicitly committed itself to allocating the resources necessary to realizing the goals of its evaluation policy. (See UNHCR's evaluation policy, p. 5.)

the OHC, with the head of PDES reporting directly to the HC, as conforming with United Nations Evaluation Group (UNEG) norms for the reporting lines of evaluation Heads.<sup>174</sup> However, while its central location might enhance PDES's role as an aid to management, OIOS also notes a potential risk to the independence of PDES in providing organizational accountability and learning.<sup>175</sup> While PDES states that its current roster of evaluations was self-generated, OIOS notes that this independence is not guaranteed under the current structural arrangement, should management's vision of an independent evaluation function change. (And as noted in para 49 above, PDES is currently beholden to the OHC's desire for it to play a greater policy advisory role, in addition to undertaking programme evaluations.) OIOS suggests that guidance from UNEG could be clearer on the relative merit of reporting lines to a given programme's management versus its governing body.

51. Knowledge generated by evaluations and other sources of organizational learning is only as good as it is implemented, or at least considered seriously in subsequent decision-making.<sup>176</sup> In this regard, OIOS concurs with a number of UNHCR's self-generated documents<sup>177</sup> concluding that, if RBM is to become truly internalized within UNHCR, the agency must take more seriously the implementation of recommendations garnered from the reports of PDES, as well as the Inspector General's Office (IGO), OIOS, the JIU, external evaluators, the IASC, and other bodies seeking to assist it in its learning process. This entails a formal, transparent process for reviewing these recommendations and tracking the agency's implementation of them.

### **I. UNHCR has improved the mainstreaming of age, gender and diversity, but lacks a shared agency-wide understanding of what it means to implement AGDM in the field**

52. UNHCR operates in close proximity to the end beneficiaries of its work, oftentimes in a direct service capacity. OIOS therefore understands that it is incumbent upon UNHCR, if it is to achieve its objectives effectively, to not only develop its core expertise in serving the population at large, but also a nuanced understanding of subpopulations and their unique vulnerabilities. In this regard, its protection work should clearly reflect the UN's body of declarations, conventions, protocols and other pronouncements on population-specific concerns<sup>178</sup>, as well as the growing state-of-the-knowledge surrounding specific subpopulations' needs and what this means for protection and assistance programming.

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<sup>174</sup> *Norms for Evaluation in the United Nations System*. United Nations Evaluation Group (UNEG), 29 April 2005. *Standards for Evaluation in the United Nations System*. United Nations Evaluation Group (UNEG), 29 April 2005.

<sup>175</sup> OIOS submits that PDES's location within the Office of the HC might drive its choice of activities, rather than an independent assessment of key risks to the agency, of the GSOs more broadly, and of the many other roles it could be playing. PDES, however, claims that most of the evaluation projects in its current work plan were self-generated.

<sup>176</sup> *Ibid.*

<sup>177</sup> See, e.g., the Gap Analysis, UNHCR's evaluation policy, and A/AC.96/1028.

<sup>178</sup> Including e.g., S/RES/1325 (2000); EC/RES/2005.20; ECOSOC Agreed Conclusions 1997/2; A/44/49 (1989).

53. OIOS learned that UNHCR has for some time been developing its internal capacity in attending to subpopulation-specific needs<sup>179</sup>, culminating in 2004 in the formalization of a policy and associated guidelines, supports, and an accountability framework by way of the Age, Gender and Diversity Mainstreaming (AGDM) initiative.<sup>180</sup> UNHCR has incorporated AGDM in its Manual<sup>181</sup> (including a revision to Chapter 4) and other UNHCR documents (e.g., the Emergency Handbook, the IDP Protection Handbook), and on its intranet, which collectively serve to delineate the broad goals and contours of its policy. OIOS also commends UNHCR for its formal incorporation of age, gender and diversity into UNHCR's GSOs since 2006.<sup>182</sup> Moreover, OIOS is strongly encouraged by a noticeable degree of internal deliberation about how AGDM fits into the RBM framework, as evidenced in gradual refinements to how it reflects an AGDM perspective in each subsequent set of GSOs from 2006 to 2007 and from 2007 to 2008-2009.<sup>183</sup>

54. That said, OIOS found the articulation of UNHCR's AGDM goals, and the strategies for achieving them, to be less clear in the field. In its cascading analysis, OIOS noted that the specific AGDM-related objectives for 2007 have not been fully cascaded down from the corporate policy level to the regional and country levels.<sup>184</sup> OIOS speculates that this lack of full-scale mainstreaming might reflect a lack of shared understanding of what AGDM is, what it means, and especially how it is to be articulated

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<sup>179</sup> External expert interviewees claim that UNHCR has been attempting to build its internal subpopulation-specific capacity since at least the 1990s. *Guidelines on the Protection of Refugee Women*. Geneva: UNHCR, 1991. *UNHCR Policy on Refugee Women*. Geneva: UNHCR, 1990. See also: UNHCR's age and gender mainstreaming pilot project 2004: synthesis report, EPAU/2005/3, April 2005.

<sup>180</sup> UNHCR Handbook for the Protection of Women and Girls, June 2006, p. 15.

<sup>181</sup> UNHCR Handbook for the Protection of Women and Girls, June 2006.

<sup>182</sup> 2006, 2007 and 2008-2009 GSOs. OIOS is also encouraged by the attempts PDES has made to incorporate AGDM into its evaluations. PDES explicitly references AGDM in 5 of its 15 reports produced in 2006-2007, implicitly deals with AGDM-relevant issues in 14 of its 15 reports.

<sup>183</sup> For example, one 2006 GSO refers to AGDM in a very generic manner, with GSO 2 stating that UNHCR will "Ensure international standards of protection for girls, boys, women and men of concern to UNHCR are met". Various EAs heavily emphasizing two specific sex-related issues, gender equality (GSO 2b, "Promote gender equality and women's empowerment") and SGBV (GSO 2a, "Improve physical security and reduce incidents of violence, in particular prevent and respond to sexual and gender-based violence"), or one specific aspect of children's rights (GSO 2f, "Safeguard the right to education"). By contrast, the 2007 GSOs tighten UNHCR's AGDM focus in two ways, first by strengthening language surrounding UNHCR's commitment to taking a broader view of age and gender (e.g., by focusing not only on equity but also on knowledge of gender- and age-based differences), and second, by explicitly folding in diversity as well as age and gender; GSO 1 states that UNHCR will "Ensure international standards of protection are met for all persons of concern to UNHCR *taking into account* their age, gender or *personal background*" (italics added). Finally, for the upcoming 2008-2009 biennium, UNHCR takes a more far-reaching approach to AGDM (much as it does to RBM itself) by removing it from the GSOs themselves and defining it instead as an integrated management strategy that suffuses the entirety of UNHCR's work.

<sup>184</sup> OIOS found that all of UNHCR's five Regional Bureaux do explicitly mention age and gender in their Strategic Objectives. However, OIOS noticed some variation in the depth that individual Bureaux devote to explaining how they will parlay the AGDM policy in concrete terms; only one Bureau does so in any detail, with the remaining four Bureaux generically stating that they will foster Country Office compliance with UNHCR's age and gender mainstreaming policy. In addition, OIOS found only two of the five Bureaux to mention diversity. The cascading of AGDM is less consistent in the COPs assessed by OIOS. Of the 8 COPs analyzed, only 2 provide an in-depth narrative outlining a specific strategy for how Country Offices will go about mainstreaming any component of AGDM, with the remaining 6 COPs generically mentioning their intention to further mainstream it. Furthermore, as with the Regional Bureaux' Strategic Objectives, some of the COPs failed to include the mainstreaming of diversity; that said, OIOS found no correlation between the Bureaux and Country Offices that had ignored diversity.

in concrete programmatic terms. OIOS noted, for example, that the main pillars of UNHCR's AGDM strategy<sup>185</sup> and the 2008-2009 EAs surrounding the AGDM GSO<sup>186</sup> are not explicitly aligned. Moving forward, UNHCR should harmonize these two main sources on AGDM guidance, updating the Manual to more closely reflect these EAs.

55. Also of concern to OIOS is the extent to which UNHCR's AGDM strategy is complemented by adequate supports to equip staff with the tools to operationalize and implement the aforementioned pillars – for example, what it means to “apply age, gender and diversity analysis to all operational activities” or “analyze the findings of participatory assessments from an AGDM perspective,” and whether to view these objectives through the lens of *equity* or an adequate appraisal of age-, gender- and diversity-based *differences*. In its COPs review, OIOS found almost no mention of how Country Offices should interpret these general directives from the RBM perspective of defining objectives, harnessing resources and working toward them. And looking beyond UNHCR's policy itself, OIOS found that no COPs explicitly linked their AGDM-related objectives or activities as stemming from United Nations guiding documents on the main components of age, gender or diversity<sup>187</sup>.

56. This is not to say that Country Offices are not undertaking important concrete steps in these areas; on the contrary, OIOS noted in its analysis that many Country Offices are currently incorporating AGDM into their participatory assessments, and others are constructing explicit strategies for how to bring AGDM to bear on their protection and operations activities. Others are not, however. OIOS merely notes that Country Offices are at present not consistently stating the precise AGDM outputs they are undertaking and the associated outcomes they are seeking to achieve, which might be reflective of a lack of clear parameters and guidance from Headquarters.<sup>188</sup> Moving forward, UNHCR should consider providing more detailed support and guidance to its staff in this regard<sup>189</sup>, and better harnessing the population-specific expertise of its partners (e.g., UNICEF, NGOs etc.).

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<sup>185</sup> These include the following: (1) Working in multi-functional teams with partners, (2) Participatory assessments (3) Analyzing the findings of participatory assessments; (4) Using this analysis for strategic planning,; (5) Agreeing with POCs on how projects and services will be monitored and evaluated; (6) Development of the AGDM Accountability Framework; and (7) Establishment of a longer-term training strategy.

<sup>186</sup> Per the 2008-2009 GSOs, UNHCR has summarized these as follows: (1) Applying age, gender and diversity analysis to all operational activities; (2) Improving gender balance in UNHCR's workforce in the Field and at Headquarters; (3) Improving the level and quality of registration, data collection, analysis and documentation at all stages of an operation; and (4) Implementing the Accountability Framework for AGDM.

<sup>187</sup> S/RES/1325 (2000); EC/RES/2005.20; ECOSOC Agreed Conclusions 1997/2; A/44/49 (1989)

<sup>188</sup> OIOS does note that PCOS, since 2007, has incorporated AGDM into its Operations Management Learning Programme (OMLP) training. However, there is currently no dedicated AGDM unit in OMLP; just over one page is dedicated to AGDM, and various sections weave in AGM issues. Moreover, these sections, while providing an outline of overall AGDM goals, do not provide prescriptive guidance on how to operationalize AGDM, implement the AGDM pillars described in the Manual, or suffuse the 2008-2009 GSOs with an AGDM sensibility. OIOS notes that the Community Development, Gender Equality and Children Section (CDGECS) plans to work with PCS on improving AGDM-related indicators and trainings, and on including PCS in its three-year AGDM action plan.

<sup>189</sup> CDGECS notes that some of the inconsistency in COPs stems from UNHCR's bottom-up approach to AGDM-related objective-setting via participatory assessments; as such, its role is limited to an advisory capacity, namely the provision of guidance surrounding the need for objectives to be rights-based, activities to be community-based, and indicators to be AGD-sensitive. It therefore underscores that ultimate accountability for achieving AGDM-related objectives should rest with the operational units it advises. That said, CDGECS agrees that guidance to the field must be improved, and that AGDM must be more fully integrated into UNHCR's RBM mechanism, but notes several challenges it has faced in this regard to date (e.g., the tendency for discussions of the S&Is to focus on other

### III. RECOMMENDATIONS

#### Recommendation 1

57. The newly created Training Unit within DOS should revisit PCOS's existing trainings and materials, with a view to clearly conveying the basic purpose and core concepts of RBM, as well as embedding an RBM approach within all trainings and materials. Particular attention should be paid to Focus and its linkage to MSRP, methodological aspects of operationalizing indicators and collecting data on them, managers' need for prioritizing and budgeting, and the need for fuller understanding of how to integrate AGDM into field activities. UNHCR senior management should ensure that adequate resources are in place to support UNHCR's and its partners' training and support needs, and should explore more cost-effective modalities for doing so. (Paras. 22, 24, 33, 42, 53, 55-56 )(SP-07-005-001).\*

*UNHCR informs OIOS that it has undertaken steps to address this issue since the inspection. OIOS notes these steps and will review them as part of its semi-annual reporting cycle.*

#### Recommendation 2

58. UNHCR senior management should ensure that managers, in their RBM focal point capacity, are not only charged with overseeing compliance but also with fostering buy-in, shared standards, quality assurance, feedback mechanisms, and other support elements associated with UNHCR's corporate RBM strategy. (Paras. 21-22 )(SP-07-005-002).

#### Recommendation 3

59. UNHCR senior management should install a centralized function for vetting the cascading of the GSOs/EAs throughout the agency. It should also establish internal controls, based at Headquarters, to ensure that work plans and performance reports are aligned with the GSOs. (Paras. 24-25, 38-40)(SP-07-005-003).

*UNHCR informs OIOS that it has undertaken steps to address this issue since the inspection. OIOS notes these steps and will review them as part of its semi-annual reporting cycle.*

#### Recommendation 4

60. PBS, PDES and operational staff should work together in further refining the S&Is by way of more explicit linkages between individual S&Is and their corresponding GSOs/EAs, as well as a clearer parsing out output-based S&Is from their intended

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methodological issues than on the operationalization of AGDM, and technical difficulties incorporating the findings of participatory assessments into Focus and their associated costs into MSRP.

\* Internal code used by the Office of Internal Oversight Services for recording recommendations.

outcomes and impact. They should also strengthen the S&Is' focus on proportion of need abated rather than on raw numbers served, and promote best practices for mapping and tracking total need. Finally, they should develop S&Is related to target populations' well-being, and to their attitudes toward UNHCR's work, as a source of performance information. (Paras. 26-28)(SP-07-005-004).

*UNHCR informs OIOS that it has undertaken steps to address this issue since the inspection. OIOS notes these steps and will review them as part of its semi-annual reporting cycle.*

### **Recommendation 5**

61. Division and Bureau directors and Section managers should use the period between prior-year data reporting and subsequent-year planning activities to bring organizational learning to bear on planning and managing toward objectives in a more effective and efficient manner. At the same time, where this is not possible, OMSS might also harness FICS's considerable analytical resources to produce country- and issue-specific data products that take the analytical onus off of operational staff and better meet their information needs. (Paras. 30-32, 50)(SP-07-005-005).

### **Recommendation 6**

62. The Division of Financial & Administrative Management should fulfil its intention to link MSRP to Focus without delay – and to complement this initiative with adequate communications and supports. (Paras. 22, 24, 36-37)(SP-07-005-006).

### **Recommendation 7**

63. The Deputy High Commissioner should task ODMS and the Programme Budget Service with improving UNHCR's prioritization and resource allocation processes, with particular emphasis on enhanced use of results data analysis as well as lessons learned. (Paras. 31, 35-37)(SP-07-005-007).

### **Recommendation 8**

64. UNHCR senior management should strengthen the agency's accountability framework, paying particular attention to a more systematic review of results in terms of outcomes and impact as well as delivery, through the combined functionality of the MSRP and Focus software. It should also make mandatory the submission of specific work plans, including the career management system (CMS) component of individual work plans, and by ensuring that planned enhancements to these systems (e.g., the clear delineation in all work plans of the assumptions and external factors expected to affect the successful achievement of objectives). It should also establish a formal internal control system to monitor compliance, oversee quality assurance of work plans and performance reviews, and provide feedback and guidance on how to refine work plans and performance reports for greater precision and accuracy. (Paras. 38-40)(SP-07-005-008).



*UNHCR informs OIOS that it has undertaken steps to address this issue since the inspection. OIOS notes these steps and will review them as part of its semi-annual reporting cycle.*

### **Recommendation 9**

65. The Executive Office should clarify Regional Heads' regional responsibilities, as well as their authority over the Country Offices under their purview. (Para. 40)(SP-07-005-009).

### **Recommendation 10**

66. PBS should include more specific reference in the Instructions and Guidelines surrounding the need to include in partner sub-agreements (a) the cascading of regional and country objectives to the sub-agreements, and (b) specific mention of partners' accountability for specific results. The Office of the AHC (Operations), the Regional Bureaux and Country Offices should include this area as an explicit object of its internal control over the cascading process. In addition, Country Offices should be sure to communicate performance information to partners in a more consistent and transparent way so that partners can improve their effectiveness in achieving shared objectives. Finally, UNHCR should make good on its intention to boost partner participation in UNHCR-led trainings and supports related to RBM and recent initiatives to improve it. (Paras. 42-43)(SP-07-005-010).

*UNHCR informs OIOS that it has undertaken steps to address this issue since the inspection. OIOS notes these steps and will review them as part of its semi-annual reporting cycle.*

### **Recommendation 11**

67. Based on the findings of the IASC's and PDES's evaluations of the cluster approach, UNHCR senior management, in conjunction with their counterparts at OCHA, should extract an array of best practices surrounding coordination in humanitarian response settings. Through PBS, PDES, the Division of External Relations and others, the SMC should then formally operationalize and monitor UNHCR's performance on its 2008-2009 GSO 6, "Developing dynamic partnerships." (Paras. 26-27, 41, 44)(SP-07-005-011).

### **Recommendation 12**

68. UNHCR should formalize horizontal forums for sharing best practices and lessons learned, not only internally but also with partners so as to improve clusters' joint achievement of results, and to receive partner feedback on Country Offices' own work. In the spirit of horizontal knowledge sharing, the Division of Information Systems & Telecommunications, under the direction of UNHCR's substantive divisions and ODMS, should streamline updates to UNHCR's internet and intranet sites so that more RBM-relevant information (e.g., work plans, performance reports, best practices papers) can be shared among more staff more readily. (Paras. 45-46)(SP-07-005-012).

### **Recommendation 13**

69. PDES should update its mission statement, UNHCR's evaluation policy, and the UNHCR Manual to more explicitly reflect PDES's and evaluation's linkage to UNHCR's RBM framework, its connection to the UNEG norms and standards, its role and strategy within the framework of the humanitarian reform agenda, and its strategy for determining areas of evaluation from one year to the next. (Para. 48)(SP-07-005-013).

### **Recommendation 14**

70. The Office of the HC should capitalize on PDES's significant evaluation expertise and, while retaining PDES's current policy development and policy advisory function, solidify its evaluation role. As such, rather than re-writing its evaluation policy outright, PDES should seek greater alignment of its current activities to this policy – and most importantly conduct more actual programme evaluations. Through the Divisions reporting to the DHC, UNHCR should work with donors to identify funding for this vital RBM-related function in the upcoming budget year. (Paras. 49-50)(SP-07-005-014).

### **Recommendation 15**

71. In keeping with the finding of ODMS's Gap Analysis, DIPS, DOS and other divisions should more systematically track follow-up to the recommendations emanating from evaluations and other sources of independent, objective learning, and implement these recommendations wherever possible. The Inspector General's Office, which is mandated to assess the quality of management in UNHCR's field operations, should examine the extent to which managers are making effective use of evaluation findings and recommendations. (Para. 51)(SP-07-005-015).

### **Recommendation 16**

72. DIPS and the Regional Bureaux should strengthen compliance with the AGDM Accountability Framework and the cascading of GSO 7 throughout the agency, and provide clearer instructions for how detailed the regional/country objectives should be. The Community Development, Gender Equality & Children Section should also provide more detailed guidance on how diversity mainstreaming should be articulated in objective-setting and programming, and update the AGDM website to weave these into a coherent narrative explaining the underpinnings of its AGDM strategy and how to concretely implement it. It should also provide links to external sources, relevant partner sites, and UNHCR operational units' AGDM strategies and best practices. Finally, in tandem with on-going refinements of the S&Is, together with PBS it should re-examine how the AGDM strategy is specifically operationalized as outputs, outcomes and impact indicators. (Paras. 54-56)(SP-07-005-016).

*UNHCR informs OIOS that it has undertaken steps to address this issue since the time of inspection. OIOS notes these steps will review them as part of its semi-annual reporting cycle.*

# ANNEXES

## Annex 1: Generic issues for OIOS RBM inspections

<b>RISKS</b>	<b>KEY ISSUES</b>
1. Translation of Mandates into Operational Objectives	<p>1.1 Alignment between Mandates, (sub) programme Objectives, Expected Accomplishments and Indicators of Achievement</p> <p>1.2 Congruence between RBM Frameworks and Organizational Structures</p> <p>1.3 Sensitivity of outcomes/expected accomplishments to activities and outputs</p>
2. Measurability of performance indicators	<p>2.1 Presence of Time-bound Performance Indicator Baselines and Targets</p> <p>2.2 Documentation of Performance Indicator Methodologies</p> <p>2.3 System for obtaining client feedback, satisfaction ratings</p>
3. Practice of Continuous Results Monitoring and Evaluation	<p>3.1 Availability of Updates/Observations on performance indicators</p> <p>3.2 Practice of Self-assessment and independent evaluation</p> <p>3.5 Quality of monitoring and evaluation reports and products</p>
4. Use of results information to guide decision-making	<p>4.1 Use of results information to inform resource allocation and other decision-making processes, including changes made in work programme plans</p> <p>4.2 Action taken in follow-up to findings and recommendations of evaluation and other oversight reports</p> <p>4.3 Sanctions and reward in performance assessment</p>
5. Partnerships and capacity development for RBM	<p>5.1 Arrangements and practices for coordination with other actors influencing outcomes pursued</p> <p>5.2 Department policy, guidelines and standard operating procedures for RBM</p> <p>5.3 Capacity development for RBM</p>

## **Annex 2:**

### **The RBM process at UNHCR**

The RBM process at UNHCR begins in October two years prior to the given implementation year with the issuance by Headquarters of its *Instructions for Detailed Project Submissions* for the coming year, followed by Country Offices' submission of these Detailed Project Submissions to their respective Regional Bureaux at Headquarters one month later in November. In December these initial planning documents are followed by another key guidance document, also issued to Headquarters Divisions and Bureaux as well as Country Offices, related to planning for the coming year and to performance reporting for the prior year. In off-budget years, this document also includes instructions for planning for the next biennium.<sup>190</sup> At the same time, Headquarters also processes Letters of Instruction (LOIs) and issues staffing tables and Administrative Budget and Obligation Documents (ABODs) to the Field for the following year. Based upon the LOIs, Country Offices prepare Sub-Project Agreements with their partners in December of the previous year. The Country Offices, as well as the Divisions and Regional Bureaux at Headquarters, use the Instructions to prepare their detailed plans for the subsequent biennium via their Country Operations Plans (COPs) and Headquarters Plans, respectively, due three months later in March and finalized in June after iterative consultation between the Country Offices and their respective Bureaux.<sup>191</sup>

January sees the beginning of the budgeting process for the following year. UNHCR participates in the Consolidated Appeals Process (CAP) from May to July, when UNHCR Country Offices in CAP-participating countries prepare their Needs Analysis Framework (NAF) and population planning figures. At the same time, Headquarters Divisions prepare their own resource requests, culminating in a single consolidated Annual Programme Budget for UNHCR for submission to ACABQ (for administrative expenditures) and ExCom (for all other expenditures) in July. The Annual Programme Budgets, COPs and Headquarters Plans, and performance data from the prior year are used to prepare inputs for the subsequent year's Global Appeal, presented to ExCom for review and approval during its annual meeting in October. Shortly thereafter, in November, the Secretary-General launches the Humanitarian Appeal emanating from the CAP. Finally, in December, donors convene for the Pledging Conference, the formal forum in which they officially commit funds to UNHCR.<sup>192</sup>

Reporting on the prior year's activities begins immediately in the new year with Country Offices' Resettlement Statistics Reports and Annual Statistical Reports (both submitted to Headquarters in January), followed by the Annual Protection Report and the Country Report and the Standards and Indicators Report (submitted in February). For Headquarters Divisions, reporting on the prior year's performance entails the submission of their respective Headquarters Reports in February. Corporate reporting on the prior year's activities and performance concludes with the Global Report. Country Offices and Headquarters Divisions also monitor and report on current-year performance on an on-going basis by way of Quarterly Statistical Reports and Quarterly Resettlement Reports<sup>193</sup> and the Annual Programme Interim Report<sup>194</sup>. In July the reporting process concludes with the consolidation of current-year and prior-year reporting into The High Commissioner's Report to the General Assembly for both the prior year and the current year. This report feeds into the Report of the Secretary-General to the General Assembly covering the same period.

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<sup>190</sup> Thus, in the present year of 2007, an off-budget year, this document is referred to as the *Instructions and Guidelines to Field and Headquarters on Reporting on 2006, Implementation in 2007, and Planning for 2008-2009*.

<sup>191</sup> See UNHCR's 2007 *Calendar for Reporting, Implementation, and Planning*.

<sup>192</sup> Ibid. In addition, twice a year (i.e., in February and July) selected Country Offices submit ad hoc budgetary requests to the Central Emergency Response Fund (CERF) through the Emergency Response Coordinator (ERC).

<sup>193</sup> Ibid. These quarterly reports are due in April, July and October.

<sup>194</sup> Ibid. This quarterly report is due in July.

