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粮食及  
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Food  
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of  
the  
United  
Nations

Organisation  
des  
Nations  
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pour  
l'alimentation  
et  
l'agriculture

Продовольственная и  
сельскохозяйственная  
организация  
Объединенных  
Наций

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación

## FINANCE COMMITTEE

**Hundred and Twenty-eighth Session**

**Rome, 27 – 31 July 2009**

**Progress Report on Implementation of Human Resources Management  
Strategy and Policy Framework**

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### **EXECUTIVE SUMMARY**

➤ The Finance Committee recognized at its 126<sup>th</sup> Session that the HR Management Strategy and Policy Framework continued to be a living document and recalled that this framework should be a standing item on its agenda. The present document and its attachment provide an updated version of the HR strategy framework for the Committee's consideration. It takes account of the agreed recommendations on human resources management emanating from the Root and Branch Review and continues the efforts to clearly align the HR goals to Functional Objective Y entitled "efficient and effective administration". It demonstrates how these are reflected in the detailed development of the three underlying Organizational Results and indicators for the MTP 2010-13 and the PWB 2010-11 so as to provide the basis for a results-based formulation of indicators of achievement and targets related to specific HR activities and enable the Committee to exercise its oversight role.

### **GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE**

➤ The Committee is invited to take note of the updated version of the HR Management Strategy and Policy Framework presented in the annex, and to endorse the proposed alignment of the principal HR initiatives and RBR recommendations to the respective Organization Result under Functional Objective Y. It is also invited to note the progress to date on the key HR initiatives it identified at its 126<sup>th</sup> Session.

1. At its 126<sup>th</sup> Session held in May 2009, the Finance Committee noted the progress made by the Organization in the development of the HR Management Strategy and Policy Framework (hereinafter also referred to as HR strategy framework), embodying three consolidated key HR goals, namely (a) to enable a workforce of excellence and high performance; (b) to establish HR as a strategic partner in corporate management; and (c) to provide efficient and effective HR service in support of programme delivery. The Committee also acknowledged the importance of the principle HR initiatives, namely Performance Evaluation, Management/Leadership training, Management Information Reporting, new HR Policies, support to restructuring, and streamlining, as being central for the effective delivery of the HR goals and to the HR strategy framework.
2. The Committee had further noted that the Root and Branch Review (RBR) had presented its final report in April 2009, in which a series of recommendations had been made on human resources management. In this respect, the RBR recommendations on HR included: (i) a major shift in the HR function towards a “business partner” approach, (ii) a new accountability framework for the HR function; (iii) streamlining existing HR processes with a view to deriving greater efficiencies in the delivery of these processes; (iv) establishing new HR processes (such as HR strategy, HR Communication and HR staffing) that would strengthen the HR function and transform it into a more strategic function; (v) realigning the skill-mix and competencies of the professional staff in the HR function; and (vi) reinforcing managerial competencies.
3. The Committee recognized that the HR strategy framework is a living document and the continued efforts being undertaken by the Organization to clearly align the three HR goals to Functional Objective Y entitled “efficient and effective administration”. It expected that this would be reflected in the detailed development of the three underlying Organizational Results and indicators for the MTP 2010-13 and the PWB 2010-11, to provide the basis for a results-based formulation of indicators of achievement and targets related to specific HR activities and enable the Committee to exercise its oversight role.
4. In line with the Committee’s request, the HR strategy framework has been updated to incorporate the agreed RBR recommendations into the framework’s roadmap that had been presented to the Finance Committee in May 2009 (ref. FC 126/16) and, together with the six principles initiatives, align them to the respective HR goal and Organizational Result. The updated framework is attached to this document.
5. The Finance Committee is invited to take note of the updated HR strategy framework presented in the annex and to endorse the proposed alignment of the principle HR initiatives and RBR recommendations to the respective Organization Result under Functional Objective Y. It is also invited to note the progress to date on the six principle initiatives it identified at its 126<sup>th</sup> Session.

## Annex

### HR Management Strategy and Policy Framework

#### Background

1. In its report to the Conference, the Independent External Evaluation (IEE) team indicated that the Organization was in urgent need of a clearly-enunciated strategy covering the full range of FAO products to at least 2015, understood and endorsed by all its Members and unequivocal in its stipulation of means-to-ends requirements (recommendation 7.1). As for human resources, the IEE Evaluation team stated that a **strategic human resources management framework** was needed to engage senior management and the Human Resources Management Division jointly in implementing key human resources objectives.
2. Under the Immediate Plan of Action (IPA) for FAO Renewal, it is foreseen that the modernization of the HR function will be an intensive and continuous process over the next two biennia. Reform shall take place in a phased approach with detailed results-based work plans with indicators of achievement and targets that enable measurement of progress and oversight, and which dovetail with other areas of IEE follow-up, including the Root and Branch Review (RBR) and culture change in the Organization.
3. Additionally, changes in information and communications technology, and internal communication improvements are underway. IPA recommendations identified for completion in 2009 are regularly reviewed for assessment of progress achieved to date.

#### Vision behind an HR Strategy

4. The HR Strategy aims to manage the Organization's most valuable asset – its workforce – that collectively enables the establishment of FAO as an organization recognized and respected for its commitment to excellence and sharing of expert knowledge in its service to members.

#### Functional Objective Y and the HR Strategy framework

5. The Human Resources Management Strategy and Policy is founded on three key strategic HR goals:
  - i) To enable a workforce of excellence and high performance;
  - ii) To establish HR as a strategic partner in corporate management;
  - iii) To provide efficient and effective HR service in support of programme delivery.
 For the 2010-11 biennium, the HR strategy will be fully integrated into Functional Objective Y “*efficient and effective administration*”.
6. This annex shows the progress to date on the key HR initiatives, as endorsed by the Finance Committee at its 126<sup>th</sup> Session, in the context of Functional Objective Y; and summarizes the main RBR recommendations and culture change proposals.

**Organizational Result Y3** FAO is recognized as an employer that implements best practices in performance- and people-management, is committed to the development of its staff, and capitalizes on the diversity of its workforce.

**Underlying HR Goal: To enable a workforce of excellence and high performance**

<b>Indicator</b>	<b>Progress as at 31.12.08</b>	<b>Target (4 years)</b>
<b>Y.3.1</b> Percentage of managers who completed the FAO Core Managerial Training programme (% of all P5-above)	<i>P5 &amp; above managers trained under previous programme between 2004-2009: projected to be 171</i>  Total # P5 & above = 549	50%
<b>Y.3.2</b> Competency improvement ratios (based on % of staff taking part in PEMS and their increase in competency rating)	2008 pilot with 131 participants: <ul style="list-style-type: none"> <li>▪ Participation rate in PEMS planning phase of 96%</li> <li>▪ Participation rate in the year end evaluation phase of 83%</li> </ul> Baseline indicators for competency ratings are premature as they depend upon PEMS data (2010 onwards)	90% of staff participate in PEMS;  50% increase in competency ratings
<b>Y.3.3</b> Percentage increase in mobility in workforce measured by a reduction of staff members in same grade and post for the last eight years.	Staff members in same grade/post for >= 8 years as at 31 December 2008: <ul style="list-style-type: none"> <li>▪ Professional and Above: 199 (13%)</li> <li>▪ General Service: 438 (25%)</li> </ul>	11%
<b>Y.3.4</b> Improved gender representation at all levels measured by proportion of female staff by category.	Proportion of female staff at 31 December 2008: <ul style="list-style-type: none"> <li>▪ D: 14%</li> <li>▪ P: 32%</li> <li>▪ GS: 64%</li> </ul>	Proportion of female staff: <ul style="list-style-type: none"> <li>▪ D: 20%</li> <li>▪ P: 38%</li> <li>▪ GS: To be determined</li> </ul>
<b>Y.3.5</b> Percentage number of Member countries that are equitably represented.	As at 31 December 2008: percentage equitably represented : 62%	70%
<b>Y.3.6.</b> Increased client satisfaction with HR policies	No baseline figures available	75%

## Main HR Initiatives in 2009

### Performance Evaluation (PEMS)

The PEMS project is ongoing in 2009 for full implementation across the Organization in January 2010. Approximately 550 staff members are participating in the 2009 PEMS cycle and the project is on schedule. This initiative includes the development of the competency framework by March 2010 and a 360 degree multi-rater system with appropriate technology to manage the process and associated reporting.

Activity	Current Status	Target Date for Completion
Completion of Oracle system configuration		December 2009
Completion of pilot project		January 2010
Completion of PEMS training to all staff		February 2010
Preliminary Rewards and Incentives programme in place		March 2010
Completion of competency framework		March 2010

 On Schedule  
  Experiencing Delays  
  Not yet Undertaken  
  Completed

**Management/Leadership Training in 2009**

The joint Rome-based agency Management Development Centre (MDC) is expected to handle a target of 55 FAO managers and provide coaching sessions for 30 FAO managers. A

Management/Leadership Programme (MLP) is being developed and two modules will be ready to train a target of 30 participants in 2009. A Women's Leadership and Management Training programme, in collaboration with CGIAR, expects to train 20 female staff. In addition, training in Results-Based Management is being provided to all managers across the Organization. An Advance Management/Leadership Programme (AMLP) is also being developed, aimed at identifying and training a limited number of staff with management potential from the lower ranks of the professional category.

Activity	Current Status	Target Date for Completion
Management Development Centre (MDC)		55 staff to complete by December 2009
Coaching programme		30 staff to complete by December 2009
Management/leadership programme (MLP)		30 staff to complete two modules by December 2009
Advance Management/leadership programme (AMLP)		40 staff to complete one phase by December 2009, subject to funding
Womens' leadership & management training (in collaboration with CGIAR)		20 female staff to complete by December 2009
Results-based management (RBM) training		all managers trained by December 2010, subject to RBM guidelines/policies in place

 On Schedule    Experiencing Delays    Not yet Undertaken    Completed

**New HR Policies**

New policies have been drafted for Rotation & Mobility and Junior Professionals. These policies are currently undergoing the normal internal consultation process. The revised policy on the use of Non-staff human resources and retirees was submitted to, and endorsed by, the Finance Committee at its 126<sup>th</sup> Session (document FC 126/16 refers). All these policies are expected to be in place before the end of 2009. The new policies on flexible working arrangements and internship have been implemented.

Activity	Current Status	Target Date for Completion
Flexible working arrangements - implemented		April 2009
Internships - Implementation		May 2009
Use of NSHR and retirees – revised policy to FC 126		May 2009
Rotation & mobility – new policy endorsed		September 2009
Junior professionals programme – new policy endorsed		September 2009
Child-care facilities – planned opening (subject to funding)		September 2010

 On Schedule    Experiencing Delays    Not yet Undertaken    Completed

**Main RBR Recommendations on HR**

- Reinforce managerial competencies of HR managers.
- A new Accountability framework that envisages the head of the Corporate Services Department as the key person responsible for HR policies and HR governance at the corporate level, with the HR Director being delegated authority and responsibility on the development and enforcement of HR Policies, and HR Branch managers rendered operationally responsible for the delivery of the different HR processes and activities.
- Providing new and improved HR Processes (such as HR Strategy, HR Communication, Career Development, HR Staffing, etc.) that would enable the transformation of the HR function into a more proactive function with a strong “business partner” perspective.
- Realigning the skill-mix and competencies of the professional staff assigned to the HR function so as to enable them to carry out the Division’s strategic and advisory role in support of the delivery of the corporate programme and strategic goals.

## **Culture Change Team Proposals**

### **Recognition and Rewards**

AFH will take the lead on moving forward with the proposals on recognition and rewards with support from other units for the logistical arrangement for the FAO Staff Day.

### **Inclusive Work Environment**

AFH will develop a toolkit for managers in the short-term. Essential managerial concepts will be integrated into the new Management and Leadership Programme (MLP) which is underway and will be launched in 2009.

### **Career Development and Advancement**

Career Development and Advancement needs to be fostered in FAO. AFH is developing new HR policies such as the Junior Professional Programme as well as the Rotation and Mobility, in conjunction with new planning initiatives, which will be paramount to fostering a career environment. Subject to resources being made available as per RBR recommendations, other initiatives in support of career development will be introduced.

**Organizational Result Y2 FAO is recognized as a provider of comprehensive, accurate and relevant management information.**

Underlying HR Goal: To establish HR as a strategic partner in corporate management

Indicator	Progress as at 31.12.08	Target (4 years)
<b>Y.2.2</b> Percentage of stakeholder organizational units utilising information retrieved from the administrative corporate management information system on a regular basis.	<b>63%</b> of current requirements are available through corporate MIS.	80 %
<b>Y.2.3</b> Improved ability to produce final reports on corporate information through use of standard reporting tools.	40% of reports require ad hoc modifications.	Reduction in the number of reports that require ad-hoc modification.

### Main HR initiatives in 2009

#### HR Management Information Reporting

The HR Management Information Reporting project is in its third stage which consolidates the various HR satellite reporting systems with a view to creating a single repository of HR data. This stage will also adapt the new corporate Business Intelligence platform to effectively support the extraction of HR data for client needs, with a self-service capability.

Activity	Current Status	Target Date for Completion
Project team formation		March 2009
Finalization of user requirements		May 2009 (completion expected by end July 2009)
Implementation of data warehouse and business intelligence		February 2010
Post-implementation review		April 2010

 On Schedule  
  Experiencing Delays  
  Not yet Undertaken  
  Completed

**Organizational Result Y1 FAO's support services are recognized as client-oriented, effective and well-managed**

**Underlying HR Goal: To provide efficient and effective HR service in support of programme delivery**

Indicator	Progress as at 31.12.08	Target (4 years)
<b>Y.1.1</b> Percentage of corporate services covered by a Service-Level Agreement (SLA).	0%	40%
<b>Y.1.2</b> Share of services benchmarked.	0%	40%
<b>Y.1.3</b> Percentage of processes and procedures streamlined.	0% Measurement to start from 1 July 2009.	40%
<b>Y.1.4</b> Introduction of formal internal control reporting.	0%	Introduction of formal internal control reporting.
<b>Y.1.5</b> Improvement in client satisfaction.	Not measured currently.	75% satisfied

**Main HR initiatives in 2009**

**Support to Restructuring**

Headquarters restructuring and decentralization initiatives are underway as reported separately to the CoC-IEE, and the programme proposals and proposed organizational structure are being presented in the PWB 2010-11. The departments are currently being assisted by the Human Resources Management Division in formulating their restructuring proposals, in designing their revised organizational models, and in defining new job roles as a consequence of restructuring and delayering. Given the unprecedented scale of the restructuring proposals, external support will be required to define new organizational models and related job roles and to plan for the implementation of the new structures. With regard to Regional ADGs, Sub-regional coordinators and FAO Representatives, it is planned to redefine job descriptions, competencies and recruitment and performance appraisal procedures in the second half of 2009, with external consultancy services.

Activity	Current Status	Target Date for Completion
HQ restructuring – assessment of pilots, job roles defined (delay of 3 months due to more in depth pilot assessments)		October 2009
Decentralization – revised composition of RO/SRO staffing		November 2009
HQ detailed implementation plan (mapping/new units created)		December 2009
Define policy on dual grading		December 2009
Complete competency framework (incl. RO/SRO/FAORs)		March 2010

 On Schedule    Experiencing Delays    Not yet Undertaken    Completed

### Streamlining

This initiative includes the revision of the FAO Administrative Manual which is in its initial conceptualization phase. Once the new Manual has been mapped out, the project will move to formulation, design and implementation. Moreover, in view of the success of the first round of delegations implemented in 2008, a proposal for a further series of delegations was presented in June 2009, in line with the IEE principle of delegation to the lowest level of subsidiarity.

Activity	Current Status	Target Date for Completion
Review of implementation of 2008 delegations		May 2009
Proposals for further delegations		June 2009
Proposal for full redesign and rewriting of FAO Administrative manual		December 2009

 On Schedule
  Experiencing Delays
  Not yet Undertaken
  Completed

### Main RBR Recommendations on HR

- A major shift in the HR function towards a “business partner” approach. In a knowledge organisation such as FAO, where the employees constitute the primary asset and a substantial proportion of the capital, the HR management function should constitute a fundamental business partner with a view to ensuring that the workforce could be mobilised effectively in support of programme delivery and the realisation of corporate strategic goals.
- Streamlining existing cumbersome HR processes with a view to eliminating redundant administrative steps and deriving greater efficiencies in the delivery of these processes.