

Sixth Meeting of Working Group III – 29 April 2008 Human Resources Management Strategy and Policy

Background

1. In its report to the Conference, the Independent External Evaluation (IEE) team indicated that the Organization is 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 Independent External Evaluation team stated that a **strategic human resources management framework** is needed to engage senior management and the Human Resources Management Division jointly in implementing key human resources objectives.
2. In view of the foregoing and in response to the request made by members of the Conference Committee Working Group III on the Reform of Systems, Culture Change and Organizational Structure, a corporate strategy and policy on human resources management has been formulated based on the key strategic HR goals underpinning the FAO Human Resources Management Model (HRMM) framework developed by Accenture consultants and introduced in 2007.
3. Modernization of the HR function will be an intensive and continuous process over the next two biennia which will require the preparation of a detailed workplan with demonstrable actions together with estimates of required resources and timescales for completion as part of the overall IEE action plan. It will have to be refined and dovetailed with other areas of IEE follow-up, most notably the Root and Branch Review and actions addressing culture change, but also including specific initiatives such as mainstreaming of results based management in all of the organization's activities, changes in information and communications technology, internal communication improvements, streamlining, etc.

Purpose of an HR Strategy

4. Effective human resources management is essential in the successful realisation of FAO's strategic goals. ***Implementation of the HR Strategy will create an enabling environment to allow the Organization to attract, develop and motivate a world class workforce and channel its energies to achieve the corporate strategic objectives.***

The HR Strategy framework

5. The human resources management strategy and policy is founded on five key strategic goals:
 - I. Aligning the HR strategy with corporate goals in a results-based management framework
 - II. Attracting, recruiting and retaining a skilled and motivated workforce
 - III. Ensuring high performance and excellence
 - IV. Transforming HR service delivery to improve efficiency, cost-effectiveness and quality
 - V. Strengthening and transforming the HR function into a more proactive and strategic partner through a greater focus on provision of policy, advisory and consultancy services and HR solutions to the Organization.

Implementation of the HR Strategy

6. The linkages between the HR strategic goals and the recommendations made by the IEE are summarized below. The expected results to be derived from the achievement of each HR strategic goal, and an outline of the required actions to be taken by the Organization to contribute to the results, are specified separately.

I. Aligning the Human Resources Strategy with corporate goals in a results-based management framework

To ensure the successful achievement of corporate strategic objectives, the Organization will align, through a Performance Management framework, the individual staff work plans and accountabilities to its corporate results hierarchy

IEE Recommendations:

Changes are needed to policies and procedures on human resources in order to ensure that they are aligned with and focused on that clearer vision, and engaged as efficiently and effectively as possible to achieving clearer goals (6.1)

Result	Actions
<p>a. A coherent human resources strategic framework with concise and clearly defined strategic HR goals with measurable objectives and indicators</p>	<p>(i) Agree an overall HR management strategy and policy with key stakeholders by November 2008, as a basis for creating a supportive and enabling HR management environment, which fosters a management culture based around results</p>
<p>b. A motivated and productive workforce driven by results-based management</p>	<p>(ii) From 2008, progressively link the competency framework to the needs deriving from organizational unit activities, outputs and results</p>
<p>c. A strong dependency relationship between Results Based Management (RBM) and Human Resources Management, through the linking of HR strategic goals with the corporate programme goals embodied in the FAO Strategic Framework</p>	<p>(iii) Design a performance management system which links overall organizational goals to individual work plans and which provides feedback and ensures accountability for the delivery of programme results, starting with a pilot in 2008</p> <p>(iv) Define the scope and content of Results Based Management training (RBM); provide specialized training to develop managerial competencies; develop and disseminate key RBM techniques to technical and administrative departments</p>

II. Attracting, recruiting and retaining a skilled and motivated workforce

Contribute to becoming a successful knowledge organization by attracting the best people, training them well, and create a sense of shared interest and responsibility in the success of the Organization.

IEE Recommendations:

Align recruitment, staff development and promotion criteria into a single and more coherent human resources policy framework (8.2)

Human resources policy and systems should be re-oriented to attract the calibre of people and enable teamwork in the way FAO needs to fulfil its aims (6.1)

Clear levels of responsibility for recruitment should be established (8.4)

The Director-General should continue to hold overall responsibility for achieving geographic and gender balance, but within a more inclusive framework of delegated responsibility (8.5)

IEE welcomes the Human Resources Gender Plan of Action, particularly its emphasis on integrated approaches to recruitment and retention of female staff with policies such as work-life balance (8.5)

Result	Actions
<p>a. A grade structure and HR policies that foster career development</p>	<p>(i) Create a framework of HR policies that encourage junior level entry, provide increased experience through mobility and promote career advancement for well performing staff, including through less rigid position grading practices.</p>
<p>b. A stronger capacity to attract and recruit staff possessing the competencies and skills required in a changing environment</p>	<p>(ii) Complete the development of the HR Management Information Reporting system to facilitate better HR planning</p> <p>(iii) Introduce proactive recruitment measures to target sources of highly qualified candidates and establish an iRoster of such candidates</p>
<p>c. A more efficient and effective streamlined recruitment process including career development planning</p>	<p>(iv) Delegate authority for the recruitment of Professional staff to Heads of Departments, Regional and Independent Offices from 1 May 2008.</p>
<p>d. Lower the age profile of the Organization</p>	<p>(v) Revise the grade structure of departments with a view to selectively establishing lower graded posts</p> <p>(vi) Target recruitment of junior professional staff to address the current elevated</p>

average age profile of the FAO workforce

- e.** Progress in attaining more equitable geographic representation and working towards full gender parity
 - (vii)** Finalize the HR Gender Action Plan to align FAO's objectives in terms of gender balance with those of other organizations of the UN common system
 - (viii)** Establish geographic and gender balance targets and assign responsibility to Heads of Departments/Offices to attain these targets

- f.** Creation of an enabling working environment that reinforces attraction and retention of skilled staff
 - (ix)** Implement flexible working arrangements that promote work-life balance goals by May 2008.
 - (x)** Pursue arrangements for child-care facilities within FAO premises

III. Ensuring High Performance and Excellence

Contribute to creating a workforce with high standards of competence, efficiency and integrity through a performance management framework that develops a culture of responsibility and accountability with due recognition for high performance and a proactive support structure to address under-performance

IEE Recommendations:

The IEE endorses the broad thrust of the new performance appraisal approach set out by the Human Resources Management Division, particularly its emphasis on staff development (8.6)

Introduce a range of staff incentives for exceptional performance linked to the stronger performance appraisal system (8.7)

Incentives to encourage, recognise and reward initiative and performance at both the group and individual level (8.1)

Rotation of FAO technical staff, both as a means of ensuring effective linkages between headquarters and the field and to catalyse staff skills development (8.2)

Results

- a. A workforce with the high standards of competence and efficiency and possessing the requisite skills to assist the Organization in achieving its corporate goals
- b. An interdisciplinary workforce which allows for the promotion of broader cross-organizational

Actions

- (i) Implement a fair, equitable, transparent and measurable system of performance management that supports the development of a management culture of responsibility and accountability, through implementation of a new Performance Management System (PEMS) starting with a pilot in at least two headquarters offices and one region in 2008, followed by an Organization-wide roll-out in 2009
- (ii) Provide advisory support to managers on performance issues.
- (iii) Integrate the recently developed managerial, FAOR professional, General Service and core competencies into each of the relevant modules of the HRMS and provide training to managers and staff on their use for all of the HR functions
- (iv) Develop a series of incentives to reward high performance starting in 2009, with initial emphasis given to non-financial incentives.
- (v) Introduce a staff rotation and mobility policy to regulate the movement of staff from one post to another within the

- knowledge and experience
- same duty station and from one duty station to another i.e. between headquarters and field offices
- (vi) Facilitate inter-agency mobility
- c. A management cadre that is well trained, enjoys increased responsibility and decision making in terms of the management of their human resources and capable of generating improved efficiency and effectiveness of their teams in the delivery of their respective programmes
- (vii) Increase the proportion of total staff development funds to allow the expansion of the Management Development Centre (MDC) to include more P-5 level participation. Expand existing management skills development programmes to include an assessment against FAO managerial competencies, leading to targeted training plans
- (viii) Establish an accountability and responsibility framework which defines the levels of delegated authority based on the principle of subsidiarity, that managers and staff will exercise in delivering their programmes

IV. Transforming HR service delivery to improve efficiency, cost-effectiveness and quality

Achieve a higher degree of client satisfaction through cost-effective and measurable delivery of HR services

IEE Recommendations:

Administrative procedures should be fundamentally reviewed, simplified and re-oriented to be more 'client-focused' (6.1)

Focusing administrative processes and support services on the client basis (8.1)

The maximum degree of streamlining and simplification possible of rules and procedures (6.1)

Proposals should aim to advance transparency, promote and delegation of authority based on the principle of subsidiarity (8.1)

Substantial shift from *ex ante* to *ex post* controls (8.1)

Facilitate and enable horizontal and vertical communication (6.1)

Outposting administrative officers to stimulate and assure client-focus approaches to technical divisions (8.9)

Results

Actions

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| <p>a. A more client focused HR function whose main role is to provide strategic and policy advice to senior and line managers and staff, rather than focusing on transaction processing</p> | <p>(i) Expand the coverage of value-driven processes in the areas of human resources management strategy and advisory services, including HR planning, staffing, organizational design, communication and information management. This entails the full implementation of the processes outlined in the HRMM</p> <p>(ii) Work with the Root & Branch Review to further improve the HR function and organizational arrangements for the delivery of services</p> |
| <p>b. An efficient and effective HR framework enabling managers and staff to carry out their function using the latest technology</p> | <p>(iii) Streamline the approval processing chain, limiting the number of initiator and approval levels of various HR transactions. Eliminate superfluous on costly transaction initiation and approval steps based on an assessment of transaction risk and cost-benefit analysis</p> |

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| | (iv) | Integrate the various HR service providers and introduce a system of staff and managers self-service, with a view to providing a more efficient service to departments and clients |
| c. | | Empowerment of line managers in Headquarters and field as well as administrative personnel officers by increasing their authority, responsibility accountability |
| | (v) | Progressively delegate authority in the area of Human Resources to suitably trained and well equipped line managers and personnel officers on the basis of the principle of subsidiarity (see Annex A) |
| d. | | Minimisation of “risk-averse” management |
| | (vi) | Establish an effective monitoring mechanism and strengthen <i>ex post</i> controls in support of delegations of authority |
| e. | | Better quality delivery of HR services, including introduction of measurable levels of service delivery (service level agreements) |
| | (vii) | Restructure the HR function to streamline, delayer and improve client focus and establish at least three Service Level Agreements by 31.12.08 |
| f. | | A HR management information reporting tool dedicated to delivering high quality HR reports |
| | (viii) | Develop and refine the Oracle HRMS system to be a single source of HR data across FAO and provide high quality HR Management Information reports |

V. Strengthening and transforming the HR function

Place the HR strategy at the heart of a new corporate culture of a knowledge based organization with due focus on provision of policy services and HR solutions to the Organization

IEE Recommendations:

Modernisation of the Human Resources Management Division to make it less a process facilitator and more a strategic partner, building human resources strategies and advising and supporting senior management (8.1)

Encouraging and supporting staff to be effective and accountable for achieving results in an efficient way (6.1)

Designing contractual arrangements for temporary non-staff human resources, including retirees, to ensure increased staffing flexibility to meet programmes needs (8.3)

Results	Actions
a. A more flexible HR management framework	(i) Review contractual modalities to provide greater empowerment and flexibility to line managers and address the issues of the changing nature of the workforce (e.g. reduction of core staff versus increasing proportion of non-core staff)
b. Reinforced HR communication strategy	(ii) Develop and implement an effective communication strategy that promotes a more client-focused approach to HR service design and delivery (iii) Review the Administrative Manual and simplify its provisions by rendering them more user-friendly, and extracting all procedural provisions (to be consolidated in a separate compendium)
c. Contribution towards Organizational Cultural change	(iv) Work together with the Change Team as part of the Culture Change initiative on improving the HR function

Human Resources Management Strategy and Policy
Progress on Delegations of Authority and Streamlining Initiatives in Human Resources Management

1. This annex provides an update on the progress in implementing HR delegations of authority and streamlining initiatives.
2. In line with the recommendations made by the Independent External Evaluation team calling for substantial administrative efficiency improvements through inter alia the streamlining of procedures and empowerment of line managers on the principle of subsidiarity, the Director-General has delegated authority on a number of issues contained in the 300 and 400 series of the Administrative Manual i.e. the Manual chapters covering all Personnel/Human Resources Management and Travel provisions. These delegations conform to the new Human Resources Management Model (HRMM) framework introduced in 2007.
3. Overall, 125 delegations have been decided upon, of which 26 items for which authority had rested with the Director-General have now been delegated. These include delegations on the appointment of Professional Staff (P1-P5) which will now fall within competence of ADGs; extension of appointment of staff at P5 and below and the approval of consultant honoraria above current thresholds which will be with HR-Servicing Officers; and the termination of Professional and General Service Staff which will be moved to the ADG, AF.
4. These delegations, which will come into force on 1 May 2008, will contribute to a shift from what the IEE termed ex ante transaction approvals and a “risk-averse management culture” towards greater use of ex post controls and management by exception. Empowerment of line managers and administrative personnel officers will also imply the delegation of both responsibility and accountability on HR activities to lower levels within the organisational structure, based on the principle of subsidiarity.
5. These delegations, and consequent streamlining of administrative processes in the area of human resources management, will contribute to improving the efficiency and effectiveness of the delivery of HR services, particularly in terms of the implementation of day-to-day HR transactions, and will reduce the administrative cost of processing these transactions. This approach will also permit a better integration of client support in the HR functions.