



INTERNAL AUDIT DIVISION

REPORT 2014/011

Audit of the management of the Young Professionals Programme

Overall results relating to effective management of the Young Professionals Programme were initially assessed as partially satisfactory. Implementation of four important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

**25 March 2014
Assignment No. AH2012/512/01**

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AUDIT REPORT

Audit of the management of the Young Professionals Programme

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the management of the Young Professionals Programme.
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. The General Assembly through its resolution 65/247 approved the Young Professionals Programme (YPP) in July 2011 to bring fresh talent to the United Nations from unrepresented and underrepresented countries and to recognize talent already in the Organization among staff members in the General Service and related categories, as well as in the Field Service category (FS-5 and below). YPP builds upon the National Competitive Recruitment Examination (NCRE) and encompasses the competitive examinations for the recruitment of staff members from other categories to the Professional category, also referred to as the G-to-P and G-to-N examinations. The positions available for recruitment under YPP include all Secretariat positions in the Professional category at the P-1 and P-2 levels established through the regular budget, excluding language posts, and up to 15 per cent of positions at the P-1 and P-2 levels in field operations financed through the regular budget and voluntary contributions.
4. Administrative issuances provided guidance for the implementation of YPP. The first YPP examination was held on 7 December 2011. A total of 111 Member States identified as unrepresented, underrepresented or at risk of being unrepresented or underrepresented were invited to participate in the examination. Of those, 76 Member States participated. The examination was held in four job families: Administration, Humanitarian Affairs, Public Information and Statistics. A total of 4,426 candidates sat the examination. Of those, 132 candidates were interviewed and 96 candidates ultimately qualified. The second YPP examination was held on 5 December 2012 in the following job families: Architecture, Economic Affairs, Information System and Technology, Political Affairs, Radio Producer and Social Affairs. The results were being processed at the time of writing the present report.
5. YPP was managed by the Examinations and Tests Section (ETS) in the Office of Human Resources Management (OHRM). ETS was headed by a Section Chief at the P-5 level who was supported by two Professional and five General Service staff.
6. Comments provided by OHRM are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of the OHRM governance, risk management and control processes in providing reasonable assurance regarding **effective management of YPP**.

8. The audit was included in the 2012 OIOS risk-based work plan due to risks related to the inability of the organization to attract fresh talent from unrepresented and underrepresented Member States and to provide career advancement opportunities for existing staff in the general and field service categories.

9. The key controls tested for the audit were: (a) risk management and strategic planning mechanisms; and (b) recruitment and promotion policies and procedures. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Risk management and strategic planning mechanisms** – Controls that provide reasonable assurance that risks relating to YPP are identified, assessed and mitigated and that strategic planning activities are conducted effectively.

(b) **Recruitment and promotion policies and procedures** – Controls that provide reasonable assurance that recruitment and promotion policies and procedures related to YPP are adequate and implemented consistently.

10. The key controls were assessed for the control objectives shown in Table 1. One control objective (shown in Table 1 as “Not Assessed”) was not relevant to the scope defined for this audit.

11. OIOS conducted the audit from March to August 2013. The audit covered activities related to YPP from 1 January 2011 to 30 July 2013.

12. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

13. The audit team reviewed the activities related to YPP, such as the determination of Member States to be invited to participate, identification of the number of posts available under the different job families, screening of applications, administration of the exam, scoring of answer papers, rostering of successful candidates and their placement in earmarked posts. The audit team also reviewed the newly introduced application screening procedures in the computerized staff selection system (Inspira), examined a representative sample of answer booklets and observed an interview of one of the candidates.

III. AUDIT RESULTS

14. The OHRM governance, risk management and control processes examined were assessed as **partially satisfactory** in providing reasonable assurance regarding the **effective management of YPP**. OIOS made five recommendations in the report to address issues identified in the audit. OHRM had initiated improvements in the implementation of YPP such as screening of applicants in Inspira, instituting adequate procedures for administering the YPP examination in different parts of the world and reducing the timeframe for conducting the examinations. Subsequent to the audit, OHRM indicated that it had made necessary arrangements to configure Inspira to collect and analyze responses to the mandatory feedback question on how applicants had learnt about the position being advertised to assess the effectiveness of its outreach activities. However, recruitment and promotion policies and procedures needed to be strengthened by conducting a cost-benefit review of the policy to limit YPP candidacy to two years and reviewing the basis on which to apply the 10 percent cap to arrive at the number of internal Young Professionals Programme candidates to be appointed in a given calendar year.

15. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **partially satisfactory** as implementation of four important recommendations remains in progress.

Table 1: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of YPP	(a) Risk management and strategic planning mechanisms	Partially satisfactory	Satisfactory	Not assessed	Satisfactory
	(b) Recruitment and promotion policies and procedures	Partially satisfactory	Satisfactory	Not assessed	Satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Risk management and strategic planning mechanisms

OHRM conducted risk management and strategic planning activities

16. OHRM conducted a comprehensive business process review to evaluate the activities related to YPP in the 2011/2012 examination cycle and identified enhancements and opportunities for improvements, which were incorporated into the processes. OHRM's strategic framework for the 2014-2015 biennium included increased placement of successful candidates of the YPP examination as one of the indicators of achievement. ETS developed annual work plans, which were aligned to the YPP goals. OHRM reported to the General Assembly on the activities of YPP. To comply with General Assembly resolution 67/255, OHRM initiated a comprehensive review of the method and format of the YPP examination, including its cost implications in order to ensure that it is conducted in the most efficient, effective and equitable manner. OHRM stated that it will report the results of the review to the 69th session of the General Assembly.

Need to explore more modern methods of conducting YPP examinations

17. Since the inception of the NCRE/G-to-P examinations in 1978, there had been no change in the basic modality of the examination: a combination of paper-based written and oral examinations, which remained the same even after the introduction of YPP in 2011. Over the years, more modern methods of administering examinations have evolved such as using computer-based or computer-assisted methods of assessment. While such assessment methods might be expensive to set up initially, they may offer advantages such as faster and improved reliability of the marking process, greater storage efficiency of answer scripts and enhanced question styles.

(1) OHRM should explore the possibility of using more modern methods of administering the Young Professionals Programme examination to improve the efficiency of conducting the examinations.

OHRM accepted recommendation 1 and stated that multiple choice questions have been used in

parts of the 2012 and 2013 YPP examinations and they have proven to be effective. OHRM will explore other methods, including computer-based testing, to improve the efficiency of conducting the examinations. Recommendation 1 remains open pending notification of the results of the review of other examination methods conducted by OHRM.

Feedback mechanism on the effectiveness of outreach activities was required

18. OHRM included a mandatory question in Inspira since March 2012 for applicants for YPP job openings to indicate how they found out about the position advertised, including the various outreach activities they utilized. Responses to this question were meant to monitor the impact of outreach activities; however, they were not collected and analyzed. The Section Chief of the Outreach Section explained that Inspira was not configured to extract the required information. Without analyzing the responses to the mandatory question, the opportunity to assess the effectiveness of outreach activities and take any remedial actions necessary was not availed.

(2) OHRM should make arrangements to configure Inspira to collect and analyze responses to the mandatory feedback question on how applicants had learnt about the position being advertised to assess the effectiveness of its outreach activities.

OHRM accepted recommendation 2 and stated that Inspira had been configured and the relevant data collected for analysis. Based on the action taken by OHRM, recommendation 2 has been closed.

B. Recruitment and promotion policies and procedures

Application screening procedures were streamlined in Inspira

19. ETS replaced manual screening of applications with automated screening in Inspira to verify the eligibility requirements for the YPP candidates and to rank them by Member State and job family so that only the top 40 most qualified candidates by job family would be convoked for the written examinations. The audit team tested a sample of 30 applications from different job families and noted that the application screening process was reliable.

Procedures for reviewing appeals by internal applicants were implemented

20. Relevant administrative instructions stipulated that staff members found to be ineligible to take the YPP examination may appeal to the Central Examinations Board for review. Based on the review of the handling of 60 appeal cases (out of 158 appeals by G-to-P candidates and 75 appeals by G-to-N candidates), OIOS concluded that the process of reviewing, obtaining clarifications and adjudicating the appeals was adequate.

Confidentiality policies in the examination process were complied with

21. Based on the review of examination materials in respect of 10 examination centres out of a total of 59, the audit team noted that: (i) adequate precautions were taken to dispatch examination materials; (ii) the answer books were properly sealed and dispatched to ETS on time by the respective focal points; and (iii) confidentiality statements were signed by all concerned to ensure that the examination was conducted in accordance with the established procedures. OIOS concluded that confidentiality policies in the examination process were adequate and were implemented satisfactorily.

Some approved markers were not released by their supervisors

22. According to administrative instructions, staff members serving on a Specialized Board of Examiners shall be released by their departments on a full-time basis to serve on the Board for a period sufficient to discharge their functions as a Board Member. Only examiners/markers approved by the Assistant Secretary-General for Human Resources Management should mark candidates' answer booklets. Seven markers of one of the occupational groups were not on the initial approved list of examiners for the 2012 YPP examination. ETS stated that the approved markers were not available for marking because they had not been released by their supervisors. As a result, ETS had to draft other eligible staff members from the concerned Division and revise the approved list of examiners. This contingency could have been avoided had the approved markers been released by their respective supervisors. Late or non-availability of the approved markers increased the risks that the examination in a particular job family may be cancelled or consultants may have to be engaged to mark papers at additional cost if other eligible staff members could not be drafted.

(3) OHRM should include in its request to departments for nominees to serve on the Specialized Board of Examiners the risks associated with the late or non-availability of approved markers in the time-bound Young Professionals Programme examination process.

OHRM accepted recommendation 3 and stated that due to unforeseen operational needs or personal circumstances, not all nominated board members can make themselves available for all phases of the examination process. Thus, OHRM usually includes some margin of safety in calculating the number of board members required for a job family. The recommendation will be included in the request to departments/offices in 2014. Recommendation 3 remains open pending receipt of a copy of the memorandum to department/offices that includes risks associated with the late or non-availability of the approved markers.

Policy on the YPP roster needed to be reviewed

23. Administrative instructions specified that candidates who were successful in the YPP examination remained on the roster for two years. On the other hand, the validity of the NCRE/G-to-P roster (legacy roster) did not expire. As of 21 June 2013, 84 NCRE candidates remained on the legacy roster of which 32 took the exams before 2008, with 2001 being the earliest exam year; and nine G-to-P candidates remained on the roster, with 2005 as the earliest exam year. In the absence of specific actions to reduce the legacy roster, a situation could arise wherein the more recently qualified YPP candidates would be taken off the roster and those who passed the NCRE/G-to-P exams years earlier would remain on the roster and continue to have a chance of being recruited.

24. ETS could not provide the rationale for limiting the validity of YPP roster to two years. As at June 2013, 41 out of 84 successful candidates from the 2011 YPP examination had been appointed. If the remaining 43 candidates were not placed before June 2014, they would lose their candidacy. This would result in a potential waste of resources if qualified candidates were taken off the rosters and new YPP exams were conducted in the same job families.

(4) OHRM should conduct a cost-benefit review of the current policy of limiting the validity of the roster of successful candidates of the Young Professionals Programme to two years

OHRM accepted recommendation 4 and stated that the cost-benefit review of the current policy of limiting the validity of the roster of successful candidates will be conducted as part of the comprehensive review of the YPP examination requested by General Assembly resolution 67/255. Consideration of the YPP report by the General Assembly will take place in the fall of 2014.

Recommendation 4 remains open pending receipt of the results of the cost-benefit review of the current policy of limiting the validity of the roster for successful candidates of the YPP to two years.

Selection procedures for G-to-P candidates needed improvement

25. According to General Assembly resolution 55/258, the recruitment of qualified staff from the General Service to the Professional category should be limited to the P-1 and P-2 levels, and be permitted for up to 10 per cent of the appointments of external candidates at those levels. Prior to the launch of YPP in 2011, the number of internal candidates to be selected was determined based on the number of P-1 and P-2 positions filled by external candidates in the previous year. OHRM revised the application of the 10 per cent cap to place one G-to-P candidate only after the selection of 10 external candidates in the same year. OIOS noted that it was more difficult to comply with the new procedure because the total number of P-1 and P-2 posts filled by external candidates changed throughout the calendar year. Therefore, the number of internal candidates that could be placed due to the cap remained a moving target during the year and could only be known with certainty after the year end, when it would be too late to place additional candidates.

(5) OHRM should review the basis on which to apply the 10 per cent cap to arrive at the number of internal Young Professionals Programme candidates to be appointed in a given calendar year to further enhance the placement process.

OHRM accepted recommendation 5 and stated that changing the basis on which to apply the 10 per cent cap would not necessarily increase the opportunities for placing internal candidates. The placement opportunities for internal candidates are dependent on the number of external candidates placed. A robust number of placements of externals would actually result in a larger number of internal YPP candidates placed. OHRM will look into the results of the YPP exercises so far and come with an approach that is most practical and feasible. Recommendation 5 remains open pending notification of the results of the review carried out by OHRM to increase the opportunities for placing internal candidates.

Methodology to arrive at the cost of administering YPP examination was reasonable

26. ETS estimated the cost of administering YPP by considering staff cost based on the time spent on this activity by relevant personnel who were involved in the process, including ETS staff and members of the Specialized Board of Examiners, and applied the standard weekly cost at the relevant grades. It also considered other expenditures related to the major operational aspects of the YPP examinations, such as marking of the general papers by consultants, printing and shipping of examination materials, travel by exam administrators and candidates (for interviews), rental of exam venue in New York, etc. OIOS validated the computation and reasonableness of the staff and other costs in the work sheets evidencing the methodology applied by ETS. In view of the above, OIOS is not making any recommendation.

IV. ACKNOWLEDGEMENT

27. OIOS wishes to express its appreciation to the Management and staff of the Department of Management for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General for Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the management of the Young Professionals Programme

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	OHRM should explore the possibility of using more modern methods of administering the Young Professionals Programme examination to improve the efficiency of conducting the examinations.	Important	O	Receipt of the results of the review of other examination methods conducted by OHRM.	31 December 2016
2	OHRM should make arrangements to configure Inspira to collect and analyze responses to the mandatory feedback question on how applicants had learnt about the position being advertized to assess the effectiveness of its outreach activities.	Important	C	Action completed.	
3	OHRM should include in its request to departments for nominees to serve on the Specialized Board of Examiners the risks associated with the late or non-availability of approved markers in the time-bound Young Professionals Programme examination process.	Important	O	Receipt of a copy of the memorandum to department/offices that includes risks associated with the late or non-availability of the approved markers.	31 March 2014
4	OHRM should conduct a cost-benefit review of the current policy of limiting the validity of the roster for successful candidates of the Young Professionals Programme to two years.	Important	O	Receipt of the results of the cost-benefit review of the current policy of limiting the validity of the roster for successful candidates of the YPP to two years.	31 December 2014
5	OHRM should review the basis on which to apply the 10 per cent cap to arrive at the number of internal Young Professionals Programme candidates to be appointed in a given calendar year to further enhance the placement process.	Important	O	Receipt of the results of the review carried out by OHRM to increase the opportunities for placing internal candidates.	31 December 2014

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by OHRM in response to recommendations.

APPENDIX I

Management Response



TO: Ms. Carmen Vierula, Chief, New York Audit Service DATE: 28 February 2014

A: Internal Audit Division
Office of Internal Oversight Services

THROUGH: *pp. [signature]*
Christian Saunders, Director

S/C DE: Office of the Under-Secretary-General for Management

FROM: *[signature]*
Mario Baez, Chief, Policy and Oversight Coordination Service

DE: Office of the Under-Secretary-General for Management

Draft report on an audit of the management of the Young Professionals Programme (Assignment No. AH2012/512/01)

OBJET:

1. In response to your memorandum dated 22 January 2014 on the above subject, please find attached the revised DM comments to the draft report in Appendix I.
2. This memorandum supersedes the one we sent to you on 11 February 2014.
3. Thank you for giving us the opportunity to provide comments to the draft report.

*14-00523
28 Feb 2014*

Management Response

Audit of the management of the Young Professionals Programme

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	OHRM should explore the possibility of using more modern methods of administering the Young Professionals Programme examination to improve the efficiency of conducting the examinations.	Important	Yes	OIC of Examinations and Tests Section	31 December 2016	Multiple choice questions have been used in parts of the 2012 and 2013 Young Professionals Programme (YPP) examinations and they have proven to be effective. OHRM will further explore more options to modernize the method for future exercises.
2	OHRM should make arrangements to configure Inspira to collect and analyze responses to the mandatory feedback question on how applicants had learnt about the position being advertized to assess the effectiveness of its outreach activities.	Important	Yes	OIC of Examinations and Tests Section	Implemented	Inspira was configured and the relevant data has already been collected for analysis.
3	OHRM should include in its request to departments for nominees to serve on the Specialized Board of Examiners the risks associated with the late or non-availability of approved markers in the time-bound Young Professionals Programme examination process.	Important	Yes	OIC of Examinations and Tests Section	31 March 2014	Due to unforeseen operational needs or personal circumstances, not all nominated board members can make themselves available for all phases of the examination process. Thus, OHRM usually include some margins of safety in calculating the number of board members required for a job family. The recommendation will be included in the request to departments/offices in 2014.

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of the management of the Young Professionals Programme

Rec. no.	Recommendation	Critical/ Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	OHRM should conduct a cost-benefit review of the current policy of limiting the validity of the roster for successful candidates of the Young Professionals Programme to two years.	Important	Yes	OIC of Examinations and Tests Section	31 December 2014	The cost-benefit review of the current policy of limiting the validity of the roster of successful candidates will be conducted as part of the comprehensive review of the YPP examination requested by the General Assembly resolution 67/255. Consideration of YPP report by the General Assembly will take place in Fall 2014.
5	OHRM should review the basis on which to apply the 10 per cent cap to arrive at the number of internal Young Professionals Programme candidates to be appointed in a given calendar year to further enhance the placement process.	Important	Yes	Chief of Headquarters Staffing Section	31 December 2014	The assumption that changing the basis on which to apply the ten per cent cap will increase the opportunities for placing internal candidates is not factually correct. In the current counting mechanism the placement opportunities for internal is dependent on the number of externals placed. A robust number of placements of externals would actually result in a larger number of internal YPP candidates placed. OHRM will look into the results of the YPP exercises so far and come up an approach that is most practical and feasible. It is noted that any change in this regard will require the approval of the General Assembly. Consideration of YPP report by the General Assembly will take place in Fall 2014.