



INTERNAL AUDIT DIVISION

REPORT 2015/028

Audit of the recruitment process at the United Nations Office at Nairobi

Overall results relating to the efficient and effective management of the recruitment process were initially assessed as partially satisfactory. Implementation of seven important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

20 April 2015
Assignment No. AA2014/211/01

CONTENTS

	<i>Page</i>
I. BACKGROUND	1 – 2
II. OBJECTIVE AND SCOPE	2
III. AUDIT RESULTS	2 – 7
A. Human resources targets and strategies	3 – 4
B. Recruitment policies and procedures	5 – 8
IV. ACKNOWLEDGEMENT	8
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

AUDIT REPORT

Audit of the recruitment process at the United Nations Office at Nairobi

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the recruitment process at the United Nations Office at Nairobi (UNON).

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. UNON was established in January 1996 as a successor to two separate divisions of administration of the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat) as well as the United Nations Common Services Unit at Nairobi. According to the Secretary-General's Bulletin on the organization of UNON, the functions of UNON are to: (a) serve as the representative office of the Secretary-General in Nairobi and to perform representation and liaison functions with permanent missions, the host-country and other Governments, and inter-governmental and non-governmental organizations in Kenya; (b) facilitate co-operation between the United Nations system and regional organizations; (c) provide administrative and other support functions to UNEP and UN-Habitat; (e) provide joint and common services to other organizations of the United Nations system; (f) manage and implement the programmes of administration, conference services and public information and to provide security and safety for United Nations staff and facilities at UNON.

4. UNON had, as at 30 June 2014, 740 staff members divided into the following divisions and offices: (a) Office of the Director-General (ODG); (b) Division of Administrative Services (DAS); (c) Division of Conference Services (DCS); (d) Department of Safety and Security (DSS); and (e) United Nations Information Centre (UNIC). These included the posts of 1 Under-Secretary-General, 6 Directors (D), 113 Professional (P); and 620 General Service (GS) staff.

5. UNON Human Resources Management Section (HRMS) is headed by a Director at the D-1 level who reports to the D-2 Director of Administrative Services. HRMS has 11 P-level, six National Professional Officers (NPOs) and 55 GS-level staff members, subdivided into four sections: (i) Recruitment and Classification/Planning Service; (ii) Staff Administration Section; (iii) Staff Development and Training Unit; and (iv) Joint Medical Services. The function of the Recruitment and Classification/Planning Service Section is to partner with client managers on developing staffing plans and implementing related recruitment activities in line with the Organization's human resources policies. Being part of the United Nations Secretariat, UNON policies and procedures for the recruitment of staff are aligned with the United Nations Staff Regulations and Staff Rules.

6. The administrative instruction on the Staff Selection System applied to the selection and appointment of all staff members to whom the Organization has granted or proposes to grant an appointment of one year or longer under the Staff Rules at the G-5 and above levels for positions established for one year or longer, irrespective of the functions or source of funding. Policies and procedures for staff at the levels below G-5 were established locally at each duty station. In 2012 and 2013, UNON selected and appointed 36 and 65 staff respectively for durations of one year or longer. The number of similar appointments made between January and June 2014 was 34.

7. Comments provided by UNON are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

8. The audit was conducted to assess the adequacy and effectiveness of UNON governance, risk management and control processes in providing reasonable assurance regarding **the efficient and effective management of the recruitment process at UNON**.

9. The audit was included in the 2014 internal audit work plan for UNON because of the risk that delays in recruitment of staff and failure to hire staff with the requisite skills could adversely affect UNON operations and its capacity to deliver its mandated activities.

10. The key controls tested for the audit were: (a) human resources targets and strategies; and (b) recruitment policies and procedures. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Human resources targets and strategies** – controls that provide reasonable assurance that human resources targets and strategies are in place to ensure efficient and effective management of the recruitment process; and

(b) **Recruitment policies and procedures** – controls that provide reasonable assurance that appropriate recruitment policies and procedures are in place and are consistently followed in recruiting staff.

11. The key controls were assessed for the control objectives shown in Table 1. Certain control objectives (shown in Table 1 as “Not assessed”) were not relevant to the scope defined for this audit.

12. OIOS conducted the audit from September to November 2014. The audit covered recruitment cases where selection decisions were made during the period from January 2012 to June 2014. The audit covered the selection and appointment of staff members to whom the Organization had granted an appointment of one year or longer under the Staff Rules at the G-5 and above levels in the General Service category, as well as to staff in the Professional and above categories. A sample size of 30 job openings was selected among those completed within the scope period. The sample of recruitment cases reviewed covered all divisions of UNON.

13. 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.

III. AUDIT RESULTS

14. The UNON governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding **the efficient and effective management of the recruitment process at UNON**. OIOS made seven recommendations to address issues identified in the audit. The key control related to human resources targets and strategies was

¹ A rating of “**partially satisfactory**” means that important (but not critical or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

assessed as partially satisfactory because UNON needed to: (a) implement remedial actions to achieve the target of 83 working days for recruiting staff as established in the UNON Director-General’s Compact; and (b) ensure that anticipated job openings are advertised in advance to fill vacancies immediately upon the separation of staff. The key control related to recruitment policies and procedures was assessed as partially satisfactory because UNON needed to: (a) improve the timeliness of activities relating to recommendation of candidates to ensure compliance with the target of 40 days; (b) ensure a more equitable distribution of Central Review Body cases among members; (c) ensure that all members of the Central Review Bodies receive training on the review body process; (d) address reasons for delays in the Central Review Bodies review process; and (e) ensure timely reference checks for external candidates.

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 seven 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
Efficient and effective management of the recruitment process at UNON	(a) Human resources targets and strategies	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
	(b) Recruitment policies and procedures	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Human resources targets and strategies

Need to implement remedial actions to achieve the targets for timely recruitment

16. The UNON Director-General’s Compact with the Secretary-General set a target of 83 days in which to complete the staff recruitment process. The target was not achieved in 2012 and 2013 as UNON took an average of 181 and 161 days respectively to complete these activities. There was a general understanding among the managers interviewed that this represented unsatisfactory performance which was due to a number of different causes. However, there was no assessment to identify the root causes or action plans for moving gradually towards the expected targets.

17. The Headquarters Performance Management Board (Board) established in the Executive Office of the Secretary-General reviewed the Senior Management Compact for UNON for 2012, 2013 and the mid-year review for 2014 for benchmarking against the Compact Assessments. In the 2012 assessment, the long recruitment timeframes were highlighted and UNON explained that: (a) Hiring Managers had complained that Inspira was not user friendly; and (b) managers were overwhelmed with other programme and operational matters. The remedial action planned then by the UNON Director-General was to set standards to require Hiring Managers to submit monthly reports on recruitment activities and, if necessary, vacancies not filled in a timely manner would be cancelled. In the 2013 assessment, delays in recruitment were again highlighted and according to UNON, the remedial action taken included

monitoring the recruitment process on a weekly basis and flagging delays to be promptly addressed. In addition, any persistent delays would be brought to the attention of the UNON Director-General and the membership of the Central Review Bodies would be expanded.

18. There was no evidence that the 2012 planned remedial actions were implemented; UNON could not explain why they were not implemented. Of the 2013 remedial actions taken, there was only evidence of an expansion of the membership of the Central Review Bodies. In the 2014 mid-year Compact Assessment, the Board again highlighted the non-achievement of the target on timely recruitment of staff. UNON stated that recruitments continued to be monitored weekly, that delays were flagged and promptly addressed, and that persistent delays were brought to the attention of the UNON Director-General. However, there was no evidence on file to support these actions.

(1) UNON should implement the remedial actions highlighted in the Compact Assessments to achieve the target of 83 working days for recruiting staff.

UNON accepted recommendation 1 and stated that an action plan will be developed, and quarterly reports on recruitment timelines will be disseminated to UNON Service Chiefs including reasons for delays. Recommendation 1 remains open pending receipt of evidence of implementation of remedial actions to achieve the target of 83 working days for recruiting staff as established in the UNON Director-General's Compact.

Need to ensure that job openings are advertised well before the anticipated vacancy

19. The administrative instruction on the Staff Selection System requires that posts expected to become vacant, for example through retirements, should be advertised at least six months before the anticipated vacancy. The 2012 report of the Secretary-General (A/67/324) states that despite early announcement of job openings, positions were rarely filled by the time the retiree had left. The report suggested that the recruitment process should start 12 months before the retirement date.

20. Between January 2012 and June 2014, 23 staff members in UNON (G-5 posts and above) were due for retirement and their posts should have been advertised in Inspira. Of the 23 posts, two were still under review (vacant since 1 July 2012 and 1 April 2013), one was being reclassified (vacant since 1 July 2013) and another had been frozen (vacant since 1 August 2012). Of the remaining 19 posts:

- two had been advertised within six months before the anticipated retirement;
- 11 had been advertised between three months and two weeks before the anticipated retirement;
- five posts had been advertised after the incumbent had already retired; and
- one post had not been advertised even though it was vacant since 1 June 2014.

(2) UNON should advertise the anticipated vacancies at least six months in advance to ensure that they are filled immediately upon the separation of staff.

UNON accepted recommendation 2 and stated that UNON HRMS will advise UNON Service Chiefs of upcoming retirements two years before retirement date on a 6-monthly basis. Recommendation 2 remains open pending receipt of evidence showing that anticipated job openings are advertised at least six months in advance to ensure that vacancies are filled immediately upon the separation of staff.

B. Recruitment policies and procedures

Timeliness in activities relating to recommendation of candidates needed to be improved

21. In line with the Manual for the Hiring Manager on the Staff Selection System, the activities related to the recommendation of candidates are targeted to be completed in 40 working days. These activities include the evaluation of academic, work experience and language qualifications based on information in the Personal History Profile (PHP) against the requirements set out in the job opening and evaluation criteria; the administration and scoring of written tests (when required) and conduct of competency based interviews; and the drafting of the transmittal memo for the submission to the Central Review Bodies.

22. For the sample of 30 cases reviewed, the recommendation of candidates took on average 92 working days and represented the bulk of the delays in the recruitment process. These delays were at several stages of the process. Hiring Managers attributed a long time for completion of the assessment process including review of the PHP, administration of written tests, and competency-based interviews. Hiring Managers explained that delays in the review of the PHP were due to conflicting business engagements. Eligible applications were released on a daily basis in a dynamic manner in Inspira and the Hiring Managers could start analysing the applications of released applicants before the deadline date of the job opening. However, seldom did the Hiring Managers start the review of the PHPs while the job openings were still open, which contributed to considerable delays in the recruitment process.

(3) UNON should develop an action plan to address the delays in the recommendation of candidates in order to meet the target of 40 days.

UNON accepted recommendation 3 and stated that action on this recommendation will be incorporated in the action plan mentioned under recommendation 1. Recommendation 3 remains open pending receipt of evidence that an action plan has been developed to address delays in recommendation of candidates.

Need for a more equitable distribution of Central Review Body cases among members

23. The Rules of Procedure of the review bodies require that each member must participate regularly in the review of cases. The quorum for the Central Review Bodies is four, plus the Secretary and a focal point for women who do not have voting power. Between January and June 2014, a total of 272 cases were reviewed by the review bodies, including recruitment selections, evaluation criteria and special post assessments. However, while 69 staff members had been nominated to the review bodies for the 2012-2014 tenure, only 10 staff members reviewed 78 per cent of the cases presented to the review bodies while 52 members never attended any virtual meeting. Non-participation was attributed to other business engagements. The skewed representation by panel members at virtual meetings resulted in inequitable discharge of responsibilities among panel members.

24. Recognizing the need for a more equitable distribution of Central Review Body cases among members, HRMS has for the 2014-2016 tenure of the boards, which runs from 1 August 2014, until 31 July 2016, increased the membership in order to have a larger pool of members among which to distribute cases. The members of the CRB increased from 15 to 26; that of the CRC from 16 to 30; and that of the CRP from 16 to 30. However, at the time of the audit, it was still premature to conclude on whether this measure would address the issue.

(4) UNON should develop measures to ensure a more equitable distribution of cases among Central Review Body members.

UNON accepted recommendation 4 and stated that it will follow up with inactive members on a quarterly basis to achieve a more equitable workload distribution. If there is no improvement, replacements will be sought from Management and the Staff Union, as appropriate. Recommendation 4 remains open pending receipt of evidence of measures developed to ensure a more equitable distribution of Central Review Body cases among members.

Reasons for delays in the Central Review Body review needed to be addressed

25. According to the Manual for the Central Review Body Member on the Staff Selection System (October 2012), the meetings of the Review Bodies should be virtual rather than in person and seven working days are allocated for the completion of their review. For the 30 cases reviewed by OIOS, the Central Review Bodies took on average 14 calendar days to review and endorse the cases. Delays ranging from one day to 80 days (beyond the allocated seven days) were noted in 16 cases.

26. The delays were due to a combination of structural and case specific reasons. The most important structural reason for the delays was related to the fact that the timeframe adopted in the Manual made no provision for cases where the Central Review Bodies would require further clarification and, as a result, the case would need to be re-submitted to the Central Review Body for its re-consideration.

27. Case specific reasons for delays in the Central Review Body review were related to the quality of the Hiring Managers' evaluations which resulted in repeated requests to the Hiring Managers for further action. Clarifications required were mainly related to the following: (i) lack of clarity of the documentation and presentation of the assessment results; and/or (ii) the Central Review Body questioned the use of the performance appraisal for the assessment. Hiring Managers stated that they had difficulties to match the Central Review Body expectations for documenting the assessment results which were sometimes not understood. No formal training in this regard had been provided to Hiring Managers. However, HRMS provided ad hoc guidance and training upon request.

28. To minimize delays in the review of cases by the Central Review Body, it was essential that HRMS, in coordination with the Central Review Body at UNON, provided training to Hiring Managers in order to enhance the quality and completeness of their presentation of assessment results for review.

(5) UNON should provide training to Hiring Managers on preparing documentation of assessment results to enhance quality and completeness.

UNON accepted recommendation 5 and stated that UNON HRMS will approach UNON Service Chiefs to identify training needs for the Hiring Managers and training dates. Recommendation 5 remains open pending receipt of evidence that Hiring Managers have been trained in preparing documentation of assessment results to enhance quality and completeness.

Need to ensure that all members of the Central Review Bodies receive training on the review process

29. According to the Secretary-General's bulletin on the Central Review Bodies, the review bodies are to give advice on appointment and promotion of staff, ensuring that the evaluation criteria has been properly applied and that the applicable procedures were followed. This is to ensure transparency and fairness.

30. For the period under review (1 January 2012 to 30 June 2014), there was no evidence on file that members of the review bodies had received training on the review body process. HRMS stated that training had been provided, but not recorded on file. Of the 86 members of the review bodies with a tenure running from 1 August 2014 to 31 July 2016, a total of 37 members (or 42 per cent) had received training in the months of August and September 2014. According to management, training had not yet been provided to all members of the recently established review bodies due to difficulties in finding suitable dates and times, but there were plans to train all them. Lack of training for the members of review bodies may lead to inconsistencies in the review process and inadequate performance of their function.

(6) UNON should ensure that training is provided to members of the Central Review Bodies to ensure consistency in the review process.

UNON accepted recommendation 6 and stated that UNON HRMS is following up with current Central Review Body members on their training needs. For new members, a new policy has been introduced that they may not be assigned until they have completed the relevant training and signed confidentiality pledges. Recommendation 6 remains open pending evidence of training provided to members of the Central Review Bodies to ensure consistency in the review process.

Need to ensure timely reference checks for external candidates

31. HRMS commenced the on-boarding process (time between the final selection approval and the staff member's entry on duty) upon completion of the selection process. According to the draft "Guidelines on Verification of Educational Qualification and Employment History" prepared by the Office of Human Resources Management (OHRM) in June 2012, the on-boarding process included verification of educational and employment background of selected candidates. The timeline for completion of the on-boarding process was two months.

32. Sixteen of the selected candidates in the cases reviewed were current or former staff members of the Organization at the time of their selection; since they had already undergone reference checks previously, no reference checks were required in these cases. In the remaining cases, OIOS noted the following:

- Ten cases had reference checks completed, but it took an average of 17.5 months to complete the process;
- Three reference checks were pending completion although the staff had reported for duty on November 2013, January 2014 and May 2014 respectively;
- One candidate was administered by United Nations Headquarters (UNHQ) in New York, hence the reference checks were to be conducted by UNHQ. According to HRMS, reference checks were being conducted and should be finalized shortly.

33. The reference checks process took very long, exposing the Organization to the risk of ineligible candidates being appointed. According to UNON, the lack of a global system to ensure that reference checks are conducted within the stipulated two month period had resulted in major delays in completing the process. Moreover, the OHRM draft guidelines on reference checks had never been finalized and HRMS was not certain to what extent the document was valid. However, since May 2014, HRMS had taken the informal decision that no candidate would be on-boarded before the reference checks had been completed.

(7) UNON should clarify with OHRM the guidelines, including timelines, for conducting reference checks and ensure that reference checks are completed in a timely manner.

UNON accepted recommendation 7 and stated that draft guidelines in use by UNON were confirmed as most recent documents in use by OHRM. Recommendation 7 remains open pending receipt of evidence that UNON is conducting reference checks in a timely manner.

IV. ACKNOWLEDGEMENT

34. OIOS wishes to express its appreciation to the Management and staff of UNON 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 recruitment process at the United Nations Office at Nairobi

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	UNON should implement the remedial actions highlighted in the Compact Assessments to achieve the target of 83 working days for recruiting staff.	Important	O	Evidence of implementation of remedial actions to achieve the target of 83 working days for recruiting staff as established in the UNON Director-General's Compact.	30 June 2015
2	UNON should advertise the anticipated vacancies at least six months in advance to ensure that they are filled immediately upon the separation of staff.	Important	O	Evidence that anticipated job openings are advertised at least six months in advance to ensure that vacancies are filled immediately upon separation of staff.	1 June 2015
3	UNON should develop an action plan to address the delays in the recommendation of candidates in order to meet the target of 40 days.	Important	O	Evidence that an action plan has been developed to address delays in recommendation of candidates.	30 June 2015
4	UNON should develop measures to ensure a more equitable distribution of cases among Central Review Body members.	Important	O	Evidence of measures developed to ensure a more equitable distribution of Central Review Body cases among members.	30 June 2015
5	UNON should provide training to Hiring Managers on preparing documentation of assessment results to enhance quality and completeness.	Important	O	Evidence that Hiring Managers have been trained in preparing documentation of assessment results to enhance quality and completeness.	30 June 2016
6	UNON should ensure that training is provided to members of the Central Review Bodies to ensure consistency in the review process.	Important	O	Evidence of training provided to members of the Central Review Bodies to ensure consistency in the review process.	31 December 2015
7	UNON should clarify with OHRM the guidelines, including timelines, for conducting reference checks and ensure that reference checks are completed in a timely manner.	Important	O	Evidence that UNON is conducting reference checks in a timely manner.	30 June 2015

² 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.

³ 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.

⁴ C = closed, O = open

⁵ Date provided by UNON in response to recommendations.

APPENDIX I

Management Response

Management Response

Audit of the recruitment process at the United Nations Office at Nairobi

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNON should implement the remedial actions highlighted in the Compact Assessments to achieve the target of 83 working days for recruiting staff.	Important	Yes	Chief RCS, and HRO UNON	First reports are scheduled after Umoja go-live date (30/06/2015)	An action plan will be developed, included will be quarterly reports on recruitment timelines will be disseminated to UNON Service Chief incl. reasons for delays documented.
2	UNON should advertise the anticipated vacancies at least six months in advance to ensure that they are filled immediately upon the separation of staff.	Important	Yes	Chief RCS and HRO UNON	First report due on 01/06/2015	UNON HRMS will advise UNON Service Chiefs of upcoming retirements 2 yrs before retirement date on a 6-monthly basis
3	UNON should develop an action plan to address the delays in the recommendation of candidates in order to meet the target of 40 days.	Important	Yes	Chief RCS and HRO UNON	First reports are scheduled after Umoja go-live date (30/06/2015)	Actions on this recommendation will be incorporated in the Action Plan mentioned under Rec 1
4	UNON should develop measures to ensure a more equitable distribution of cases among Central Review Body members.	Important	Yes	Chief RCS and CRBody Secretariat	30/06/2015	UNON will follow up with inactive members on quarterly basis to achieve a more equitable workload distribution. If no improvement, replacements will be sought from Management and NSU, as appropriate
5	UNON should provide training to Hiring Managers on preparing documentation of assessment results to enhance quality and completeness.	Important	Yes	Chief RCS and HROs	30/06/2016	UNON HRMS will approach UNON Service Chiefs to identify training needs for the Hiring Managers and training dates.
6	UNON should ensure that training is provided to members of the Central Review Bodies to ensure consistency in the review process.	Important	Yes	Chief RCS	31/12/2015	UNON HRMS is following up with current CRB Members on their training needs. For new members being added to the CRBodies, a new policy has been introduced that they

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 recruitment process at the United Nations Office at Nairobi

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						may not be assigned until they have completed the relevant training and signed confidentiality pledges.
7	UNON should clarify with OHRM the guidelines, including timelines, for conducting reference checks and ensure that reference checks are completed in a timely manner.	Important	Yes	Chief RCS	30/06/2015	Draft Guidelines in use by UNON confirmed as most recent documents is use by OHRM. UNON will continue to monitor timelines for completion of reference checks