



## INTERNAL AUDIT DIVISION

### REPORT 2015/030

Audit of the recruitment process at the United Nations Framework Convention on Climate Change

Overall results relating to recruitment process were initially assessed as partially satisfactory. Implementation of three important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

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# AUDIT REPORT

## Audit of the recruitment process at the United Nations Framework Convention on Climate Change

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the recruitment process at the United Nations Framework Convention on Climate Change (UNFCCC).
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. UNFCCC is institutionally linked to the United Nations in accordance with the various decisions of the Conference of the Parties and United Nations General Assembly resolutions 50/115 (1995), 54/222 (1999) and 56/199 (2001). Consequently, the Executive Secretary who heads the Secretariat has broad delegated authority from the Secretary-General of the United Nations on administrative matters.
4. The Executive Secretary was responsible for administering the staff of the Secretariat in accordance with United Nations Staff Regulations and Rules and such special rules as are established by the Executive Secretary in agreement with the Secretary-General of the United Nations. On the basis of Article 101.3 of the United Nations Charter and Article IV of United Nations Staff Regulations, UNFCCC established its Staff Selection System (SSS) in November 2011. The Review Board was established to advise the Executive Secretary on appointments of one year or longer and promotion of Secretariat staff. In October 2013, the Executive Secretary issued the recruitment and selection standard operating procedures (SOP) to guide the recruitment process in the UNFCCC Secretariat. In October 2014, UNFCCC implemented the revised staff selection system and issued new guidance on recruitment.
5. The Human Resources Unit (HRU) at UNFCCC consisted of three teams namely: recruitment; entitlements; and learning and performance services. The recruitment team provided services relating to classifying posts, preparing job descriptions and vacancy announcements, and shortlisting qualified candidates. To ensure timely recruitment, UNFCCC had set a baseline of four months for Professional posts from advertising to approval of the selected candidate by the Executive Secretary. HRU was headed by a Chief at the P-5 level who reported to the Coordinator of Administrative Services. HRU had a total of 18 staff out of which seven were assigned to the recruitment team.
6. During the period from January 2012 to June 2014, UNFCCC recruited a total of 198 staff on fixed term appointments out of which 111 were in the Professional and higher category and 87 were General Service staff. As at 30 June 2014, UNFCCC had 543 approved posts out of which 461 were filled, 82 were unfilled, 38 were General Temporary Assistance posts and two were Junior Professional Officer posts. The total income for UNFCCC for the biennia 2012-2013 and calendar year 2014 were \$296 million and \$92 million respectively. Expenditures for the biennium 2012-2013 totaled \$226 million while that for six months up to June 2014 totaled \$51 million.
7. Comments provided by UNFCCC are incorporated in *italics*.

## II. OBJECTIVE AND SCOPE

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

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

10. The key controls tested for the audit was recruitment policies and procedures. For the purpose of this audit, OIOS defined this key control as the one that provides reasonable assurance that appropriate recruitment policies and procedures are in place and are consistently followed.

11. The key control was 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 this audit from July to September 2014. The audit covered the period from 1 January 2012 to 30 June 2014.

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 UNFCCC governance, risk management and control processes examined were initially assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **efficient and effective management of the recruitment process at UNFCCC**. OIOS made three recommendations to address issues identified in the audit. UNFCCC had established its SSS and issued appropriate guidance including an SOP to provide the framework for regulating the recruitment process. However, there was a need to strengthen the recruitment process by ensuring that: (a) technical evaluation criteria are established in advance; (b) interview panel members undertake the mandatory competency-based interviewing training; and (c) the quality of documentation is improved by establishing a checklist of essential documents for all phases of the recruitment process.

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

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<sup>1</sup> 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.

**Table 1: Assessment of key control**

Business objective	Key control	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 UNFCCC	Recruitment policies and procedures	Partially satisfactory	Satisfactory	Not assessed	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

### **Recruitment policies and procedures**

The established recruitment baseline of four months was generally met

16. The recruitment process for all posts in 2012 and 2013 took an average of 128 days (4.3 months) and 134 days (4.5 months), respectively, from issuance of vacancy announcement up to approval of the selected candidate. Prior to October 2013, UNFCCC had not established a baseline for recruitment. In October 2013, UNFCCC issued a new SOP which established timelines for completion of each phase of the recruitment process, and an overall baseline of four months.

17. The average time taken for recruiting staff against the vacancy announcements issued during the period January to June 2014 was four months (for recruitment actions completed as of 30 September 2014). This met the baseline of four months from issuance of vacancy announcement up to approval by the Executive Secretary. However, of the 21 recruitment cases relating to Professional staff, 11 were completed between five to seven months. Furthermore, of the seven cases relating to Professional posts that were still at various stages of recruitment as at 30 September 2014, three were already beyond the four months target baseline by two to three months as of that date. UNFCCC attributed these delays to competing business priorities including arranging several events. The Secretariat explained that it had taken steps to improve the monitoring of vacancies and reporting to the Management Team on a regular basis. In view of the actions taken by UNFCCC, no recommendation was made.

New guidance was issued to improve the process of long-/short-listing of candidates

18. The guidance issued in November 2011 required hiring managers to evaluate eligible candidates and roster candidates transmitted by the HRU for consideration and to decide on a short-list for further assessment. Also, the SOP on recruitment and selection issued in October 2013 required hiring managers to review the candidates against the technical and functional requirements of the post and to short or long list candidates for further assessment.

19. The process of assessing the candidates' qualifications and experience against the requirements of the post was not consistently documented. In 32 out of 34 sample recruitment cases reviewed, the hiring managers did not document the process but included explanations in the interview reports that they had carefully reviewed the candidates' cover letters and personal history profiles to: (a) short-list candidates for interviews; or (b) long-list candidates for further technical assessment before shortlisting candidates

for interviews; or (c) short-list candidates for technical assessment and interviews. In the remaining two cases however, the hiring manager rated the candidates' qualifications and experience against each of the major technical requirements of the post stated in the vacancy announcement. High-ranking candidates were thereafter short-listed for the interviews. Inconsistencies in documenting the assessment process may have resulted in inequalities in the selection process.

20. On 31 October 2014, the Executive Secretary approved the new SSS and amendments to the SOP, which established mechanisms to strengthen the process of long- and short-listing candidates by requiring hiring managers to: prepare reasoned short-lists of candidates deemed most qualified for the job opening based on a review of their documentation and a technical assessment; and keep a record of how each short-list of candidates was established by documenting the selection criteria met by the short-listed candidates and those that the deselected candidates failed to meet. The Executive Secretary also approved the new administrative guideline on the Review Board to further strengthen the long-/short-listing process. The guidelines mandated the Review Board to review all steps of the selection process including initial screening and short-listing. The guidelines also require the proposals made by the Head of the recruiting programme to be well reasoned and adequately documented, among others. In view of the new guidance issued by UNFCCC to improve the process of long- and short-listing of candidates, no recommendation was made.

#### Technical evaluation criteria needed to be documented in advance

21. The SSS requires that the hiring manager shall evaluate eligible candidates and roster candidates transmitted by HRU for consideration and decide on the short-list for further assessment. The SOP on recruitment issued in October 2013 required that eligible candidates be reviewed against the technical and functional requirements of the post and that selection for the short-list be done by assessing candidates in relation to the essential and desirable criteria as detailed in the recruitment profile. The SOP also provided that while short-listing candidates, all individuals (both internal and external candidates) on the eligible list, or long-list if applicable, would be further assessed against the technical and functional requirements of the post by phone interviews, online interviews, technical written tests or a combination of these. The assessment questions were to be sent to HRU for review to ensure relevance to the assessment criteria and objectivity in light of the principle of equality of treatment of candidates.

22. OIOS noted that the evaluation criteria for the technical questions were included in the report of the selection panel. However, there was no evidence to indicate that the assessment questions were sent to HRU for review, and that the technical evaluation criteria had been established in advance.

**(1) UNFCCC should ensure that technical evaluation criteria are documented in advance and included in the recruitment case files submitted to the Review Board.**

*UNFCCC accepted recommendation 1 and stated that it is working on achieving full implementation by December 2015. During January to March 2015, the Review Board reviewed 17 cases, each of which resulted in advising positively on appointment based on the complete documentation including technical assessment criteria in relation to approved recruitment profiles when submitted to the Review Board. All above case files except the first one had a recruitment profile enclosed. HRU continues monitoring of the complete documentation prior to submitting to the Review Board. Recommendation 1 remains open pending receipt of evidence showing that technical evaluation/scoring criteria are documented in advance and included in the recruitment case files submitted to the Review Board.*

Anticipated vacancies were advertised and filled in a timely manner

23. The SSS requires that anticipated vacancies should be advertised at least six months in advance of the vacancy. The SOP issued in October 2013 provides that the hiring manager may begin the recruitment process as soon as a vacancy announcement or anticipated vacancy is identified. For vacancies arising due to retirement, the process should start nine months (or more) before the anticipated retirement date.

24. HRU monitored and produced a list of staff reaching the statutory retirement age in the coming year and sent it to the respective programme administrative teams. HRU also prepared a table showing statistics on the age profile of staff members to inform the Management Team about the staffing situation. Recruitment action for the sole vacancy anticipated due to retirement in the third quarter of 2014 was advertised in advance and completed. OIOS therefore concluded that the mechanism in place for reporting on anticipated vacancies and filling them in a timely manner was functioning satisfactorily.

There was a need for interview panel members to undertake mandatory competency-based interview training

25. UNFCCC recruitment SOP requires that all interview panel members should have undertaken the competency-based interview training offered by HRU. This requirement became mandatory in July 2013 when the training programme was introduced.

26. OIOS review of eight sample recruitment cases for 2014 showed that only 10 out of 21 panel members who participated in interviewing candidates had undertaken the competency-based interview course. UNFCCC explained that it will take time to train all interview panel members and that due to other work priorities, it was not possible at all times to select from interview panel members who were trained.

27. Using panel members without the appropriate training in competency-based interviewing may result in inconsistent or inadequate evaluation of candidates, leading to loss of opportunity to identify the best available candidates.

**(2) UNFCCC should ensure that interview panel members for future recruitment exercises have successfully completed competency-based interviewing training.**

*UNFCCC accepted recommendation 2 and stated that the competency-based interview training sessions will be rolled out throughout 2015 and into 2016. As per the SSS, HRU continues to review the interview panel composition including verification of training completion by the proposed panel members. Recommendation 2 remains open pending receipt of evidence showing that interview panel members for recruitment exercises have completed the competency-based interview training.*

Documentation of the recruitment process required improvement

28. The SOP on recruitment requires a planning meeting to be held between HRU and Programme Administrative Teams to discuss: (a) the recruitment process including the requirements of the post (i.e., relevant educational qualifications and technical work experience); (b) recruitment plan that includes posting date and potential dates for interviews; (c) range of recruitment sources to attract qualified candidates; and (d) range of assessment methods to be used to evaluate candidates against the required technical knowledge and competencies.

29. HRU case files reviewed did not provide evidence that these actions had been taken. Documents such as the recruitment profile and planning documents that related to the pre-selection activities were not

included in the HRU recruitment case files. Information on pre-selection activities was also not included in the documentation sent to the Review Board.

30. There was no tool such as a checklist to guide the preparation of complete recruitment case files. The absence of complete documentation increased the risk that the recruitment process could be delayed due to the cases being returned by the Review Board.

**(3) UNFCCC should establish and include in the standard operating procedures on recruitment, a checklist of essential documents for all phases of the recruitment process and ensure that the Human Resources Unit, in collaboration with the Programme Administrative Teams, maintains case files with the required documentation.**

*UNFCCC accepted recommendation 3 and stated that a checklist of essential documents has been introduced in January 2015, and update of the standard operating procedure will be conducted during the first half of 2015. Recommendation 3 remains open pending receipt of updated SOP including a checklist of essential documents for all phases of the recruitment process.*

#### **IV. ACKNOWLEDGEMENT**

31. OIOS wishes to express its appreciation to the Management and staff of UNFCCC 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 Framework Convention on Climate Change

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
1	UNFCCC should ensure that technical evaluation criteria are documented in advance and included in the recruitment case files submitted to the Review Board.	Important	O	Evidence showing that technical evaluation/scoring criteria are documented in advance and included in the recruitment case files submitted to the Review Board.	December 2015
2	UNFCCC should ensure that interview panel members for future recruitment exercises have successfully completed competency-based interviewing training.	Important	O	Evidence showing that interview panel members for recruitment exercises have completed the competency-based interview training.	June 2016
3	UNFCCC should establish and include in the standard operating procedures on recruitment, a checklist of essential documents for all phases of the recruitment process and ensure that the Human Resources Unit, in collaboration with the Programme Administrative Teams, maintains case files with the required documentation.	Important	O	Submission to OIOS of updated standard operating procedures including a checklist of essential documents for all phases of the recruitment process.	September 2015

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> C = closed, O = open

<sup>5</sup> Date provided by UNFCCC in response to recommendations.

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of the recruitment process at the United Nations Framework Convention on Climate Change

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNFCCC should ensure that technical evaluation criteria are documented in advance and included in the recruitment case files submitted to the Review Board.	Important	Yes	HR Recruitment Officer	December 2015	<p>UNFCCC is working on achieving full implementation by December 2015.</p> <p>Recruitment Profile includes specific professional knowledge and job related skills, which are used as a basis for establishing the evaluation criteria for recruitment process, including any technical assessment. Recruitment Profile is signed by the relevant HR Officers and it is now being included in the case files to the Review Board.</p> <p>During January to March 2015, the RB has reviewed 17 cases, each of which resulted in advising positively on appointment based on the complete documentation including technical assessment criteria in relation to approved recruitment profiles when submitted to the RB. All above case files except the first one had a recruitment profile enclosed. One profile was not signed. HR Recruitment unit continues monitoring of the complete documentation prior submitting to the RB.</p>

<sup>1</sup> 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.

<sup>2</sup> 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 Framework Convention on Climate Change

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
2	UNFCCC should ensure that interview panel members for future recruitment exercises have successfully completed competency-based interviewing training.	Important	Yes	HR Recruitment Officer	June 2016	The implementation is in progress. In view of the organizational-wide commitment with the upcoming Conference of Parties in Paris and as per the request of the Executive Secretary, UNFCCC, the competency-based interview training sessions will be rolled out throughout 2015 and into 2016. As per the UNFCCC SSS, HRU continues to review the interview panel composition including verification of training completion by the proposed panel members.
3	UNFCCC should establish and include in the standard operating procedures on recruitment, a checklist of essential documents for all phases of the recruitment process and ensure that the Human Resources Unit, in collaboration with the Programme Administrative Teams, maintains case files with the required documentation.	Important	Yes	HR Recruitment Officer	September 2015	This recommendation is partially implemented. Checklist of essential documents has been introduced in January 2015, and it has been included for all Review Board case files following the introduction of the form to the Programme Administrative Teams. Update of the standard operating procedure will be conducted during the first half of 2015 as a 6 month review exercise of the newly introduced UNFCCC SSS and SOP.