



INTERNAL AUDIT DIVISION

REPORT 2014/156

Audit of the recruitment process at the United Nations Office on Drugs and Crime

Overall results relating to the efficient and effective management of the recruitment process were initially assessed as partially satisfactory. Management has satisfactorily addressed the identified issues.

FINAL OVERALL RATING: SATISFACTORY

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AUDIT REPORT

Audit of the recruitment process at the United Nations Office on Drugs and Crime

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the recruitment process at the United Nations Office on Drugs and Crime (UNODC).
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. UNODC works with Member States to enhance their efforts to combat the intertwined problems of drug use, trafficking, transnational crime, corruption and terrorism by helping to create and strengthen legislative, judicial and health systems to safeguard some of the most vulnerable persons in society.
4. For the biennium 2014/2015, the UNODC budget included 560 posts comprising 383 in the professional and higher categories and 177 in the general services category. Of these, 124 were established regular budget posts and 436 (or 78 per cent) were funded with extra-budgetary contributions. During the period January 2012 to August 2014, UNODC made 273 selection decisions for positions at G-5 and above for one year or longer. Being part of the United Nations Secretariat, UNODC policies and procedures for the recruitment of staff were guided by the United Nations staff regulations, rules and administrative instructions. These included the administrative instruction on the Staff Selection System, which came into effect in April 2010. The Human Resources Management Service (HRMS) of the Division for Management in the United Nations Office at Vienna (UNOV) provided the necessary support for human resources management in UNODC. The Recruitment and Placement Unit, which comprised of 11 staff and was responsible for recruitment-related activities, was headed by a Chief who reported to the Director of HRMS.
5. Comments provided by UNODC are incorporated in italics.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of UNODC governance, risk management and control processes in providing reasonable assurance regarding the **efficient and effective management of the recruitment process at UNODC**.
7. The audit was included in the OIOS 2014 internal audit work plan due to the risk that delays in recruitment of staff and failure to hire staff with the requisite skills could adversely affect UNODC operations and its capacity to deliver its mandated activities.
8. 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 appropriate human resources targets and strategies are in place at UNODC to ensure efficient and effective management of the recruitment process.

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

9. 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.

10. OIOS conducted this audit from September to October 2014. The audit covered recruitment cases where selection decisions were made during the period from January 2012 to August 2014. 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

11. The UNODC 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 UNODC**.

12. OIOS made three recommendations to address issues identified in this audit. The key control related to human resources targets and strategies was assessed as partially satisfactory because UNODC needed to enhance the periodic reporting to senior management by including information on ongoing recruitment cases. The key control related to recruitment policies and procedures was assessed as partially satisfactory because UNODC needed to put in place a mechanism to ensure that hiring managers establish scoring criteria for written assessments beforehand and ensure that the composition of assessment panels is aligned with the administrative instruction on the Staff Selection System.

13. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **satisfactory**² as Management has satisfactorily addressed the identified issues.

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.

² A rating of “**satisfactory**” means that governance, risk management, and control processes are adequately designed and operating effectively to provide reasonable assurance regarding the achievement of control and/or business objectives under review.

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 UNODC	(a) Human resources targets and strategies	Partially satisfactory	Partially satisfactory	Not assessed	Satisfactory
	(b) Recruitment policies and procedures	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
FINAL OVERALL RATING: SATISFACTORY					

A. Human resources targets and strategies

Recruitment actions were generally processed in a timely manner

14. The Compact signed between the UNODC Executive Director and the Secretary-General of the United Nations includes a target of 55 working days for completion of all recruitment activities under his delegated responsibility. UNODC took on average 71, 56 and 43 working days, respectively, to complete the activities identified in the Compact during 2012, 2013 and 2014 (up to September). This indicated a significant improvement over the years, which could be largely attributed to the use of rosters to fill vacancies expeditiously. In 2014, UNODC selected roster candidates in 40 per cent of the cases while in 2012 and 2013, roster candidates were selected in only 20 per cent of the selections.

15. UNODC had also promptly initiated the process for filling vacant positions and advertised the job openings in a timely manner. HRMS classified job descriptions within the targeted days and applicants were released to hiring managers in a timely manner. Further, HRMS had established a system of automated reminders to hiring managers on their responsibilities for evaluating the applicants in a timely manner. OIOS concluded that internal controls established at UNODC to ensure timely recruitment were working efficiently.

Accountability needed to be strengthened by enhancing the reporting to senior management

16. UNODC used the United Nations human resources management scorecard for monitoring annual performance against the targets for recruitment set by the United Nations Secretariat. The scorecard was designed to track the benchmarks established by the Office of Human Resources Management as mandatory for each step of the recruitment process, from the day of initiation of the job opening in Inspira to the final selection decision by the Head of Department. Preparatory and follow-up activities such as the request for classification of the job description, determination of evaluation criteria and the onboarding process were not included in the scorecard.

17. UNODC submitted periodic reports to its senior management on human resources matters, including gender and geographical representation and timeliness of the overall recruitment process. However, these reports only included statistics pertaining to completed recruitment cases. The reports did not include information on delays in ongoing recruitment cases. In the absence of a mechanism for

proactive monitoring of the delays in recruitment, senior management was unable to ensure that hiring managers and/or other stakeholders took timely action to expedite the recruitment process.

(1) UNODC should enhance the periodic reporting to senior management by including information on ongoing recruitment cases.

UNODC accepted recommendation 1 and stated that information on how many cases beyond the established timelines that each Division has pending have been added to the regular HRMS report to the Executive Committee meeting (comprising UNOV and UNODC Directors) held on 15 December 2014. In addition, HRMS provided a report with all individual cases within each Division to UNODC Division Directors on 22 December 2014. Based on the actions taken by UNODC, recommendation 1 has been closed.

B. Recruitment policies and procedures

Need to ensure that scoring criteria for written assessment are established beforehand

18. The Manual for the hiring manager on the Staff Selection System states that the same written assessment exercise should be used for each applicant. The assessors shall rate each individual applicant using pre-determined passing grades, the prescribed response scale and response guide. Written tests were administered in all the recruitment cases reviewed. In eight cases, the hiring manager had not formally established the scoring criteria upfront. To maintain the integrity of the written tests, UNODC needs to ensure that the scoring criteria for written tests are documented in writing beforehand.

(2) UNODC should put in place a mechanism to ensure that hiring managers establish and document the scoring criteria for written assessments beforehand.

UNODC accepted recommendation 2 and stated that a comprehensive message reminding hiring managers, HR focal points and focal points for women of the need to establish and document the scoring criteria for written assessments beforehand was sent on 2 December 2014. HRMS is conducting spot-checks to ensure that the scoring criteria are established beforehand, and the pass mark and a confirmation to this effect is now being included in the Inspira transmittal memorandum submitted by hiring managers. Based on the actions taken by UNODC, recommendation 2 has been closed.

Need to ensure gender balance in the membership of assessment panels

19. According to the administrative instruction on the Staff Selection System, assessment panels normally need to be comprised of at least three members, with two being subject matter experts at the same or higher level of the job opening, at least one being female, and one being from outside the work unit where the job opening was located. According to the Manual for the Central Review body member on the Staff Selection System, assessment panel members are required to complete the “Selection & Interviewing based on United Nations Competencies” training. OIOS reviewed the composition of 21 assessment panels and noted that they were constituted in accordance with the requirements of the administrative instruction, except in three cases where there was no female representation.

(3) UNODC should put in place a mechanism to ensure that the composition of assessment panels is in accordance with the administrative instruction on the Staff Selection System.

UNODC accepted recommendation 3 and stated that a comprehensive message to all hiring managers, HR focal points and focal points for women has been sent out on 27 November 2014 reminding them of

the correct composition of assessment panels. HRMS will continue to monitor the process and conduct spot-checks to ensure consistent application. Based on the actions taken by UNODC, recommendation 3 has been closed.

IV. ACKNOWLEDGEMENT

20. OIOS wishes to express its appreciation to the Management and staff of UNODC 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 on Drugs and Crime

Recom. no.	Recommendation	Critical ³ / Important ⁴	C/ O ⁵	Actions needed to close recommendation	Implementation date ⁶
1	UNODC should enhance the periodic reporting to senior management by including information on ongoing recruitment cases.	Important	C	Action completed.	Implemented
2	UNODC should put in place a mechanism to ensure that hiring managers establish and document the scoring criteria for written assessments beforehand.	Important	C	Action completed.	Implemented
3	UNODC should put in place a mechanism to ensure that the composition of assessment panels is in accordance with the administrative instruction on the Staff Selection System.	Important	C	Action completed.	Implemented

³ 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.

⁴ 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.

⁵ C = closed, O = open

⁶ Date provided by UNODC in response to recommendations.

APPENDIX I

Management Response

Management Response

Audit of the recruitment process at the United Nations Office on Drugs and Crime

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNODC should enhance the periodic reporting to senior management by including information on ongoing recruitment cases.	Important	Yes	Chief, RPU	22 December 2014	<p>Completed - Information on how many cases beyond the established timelines that each Division has pending have been added to the regular HRMS report to the ExCOM (UNOV and UNODC Directors) meeting held on 15 December 2014. The relevant material provided to ExCOM members is attached.</p> <p>In addition, HRMS provided a report with all individual cases within each Division to UNODC Division Directors on 22 December 2014 (message sent attached).</p> <p>It should be noted however that reporting on the HRM indicators to senior management is a well-established and regular practice in Vienna, which is not the norm in other Departments and Offices.</p>
2	UNODC should put in place a mechanism to ensure that hiring managers establish and document the scoring criteria for written assessments beforehand.	Important	Yes	Chief, RPU	24 December 2014	Completed – A comprehensive message reminding Hiring Managers, HR Focal Points and Focal Points for Women of the need to establish and document the scoring criteria for

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 on Drugs and Crime

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>written assessments beforehand was sent on 2 December 2014.</p> <p>HRMS is conducting spot-checks to ensure that the scoring criteria are established beforehand, and the pass mark and a confirmation to this effect is now being included in the Inspira Transmittal Memorandum submitted by Hiring Managers.</p> <p>Proof that this practice is consistently followed in UNODC is documented in the enclosed Transmittal Memos for UNODC cases endorsed by the CRBs during the months of November and December 2014 (Ref. JO 36689, JO 37337, JO 37211, JO 36769, JO 36240, JO 36735).</p> <p>At HRMS' request, OHRM has also agreed to implement an Inspira enhancement so that the pre-determined text of the TM be revised to require HMs to include this information.</p> <p>Furthermore, the certified Vienna-based CBI trainers incorporated information on this requirement in the Competency-based Interviewing and Selection Skills Workshops for panel members.</p>
3	UNODC should put in place a mechanism to ensure that the composition of	Important	Yes	Chief, RPU	24 December 2014	Completed - A comprehensive message to all Hiring Managers, HR

Management Response

Audit of the recruitment process at the United Nations Office on Drugs and Crime

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	assessment panels is in accordance with the administrative instruction on the Staff Selection System.					<p>Focal Points and Focal Points for Women has been sent out on 27 November 2014 reminding of the correct composition of assessment panels and informing that correct process will be verified by HRMS through the Inspira Transmittal Memo.</p> <p>We are submitting as proof a list of selection decisions completed in UNODC during the months of November and December 2014 which provides detailed information on the related Assessment Panel composition to confirm that they are in accordance with the provisions of the staff selection system and related manuals.</p> <p>HRMS will continue to monitor the process and conduct spot-checks to ensure consistent application.</p>