

## **Annex 2**

### **Results-based reporting**

The unique role of UNOPS inherently affects any results-based assessment of its performance. UNOPS contributes to programme outcomes in partnership with other entities, and since project ownership rests with UNOPS partners, their annual reports may elaborate on broader outcomes and/or impacts than those described here. While this is most obvious when services are provided to United Nations entities, the same can be applied to work performed in the spirit of the Paris Declaration, where UNOPS provides services directly to governments. Thus, successes in this report are measured at the output level, but in certain cases, with the support of partners, impacts and outcomes are also mentioned.

#### **Context**

In line with the General Assembly resolution (A/RES/67/226) on the Quadrennial Comprehensive Policy Review on results-based management (RBM), UNOPS reporting on operational results is informed by key definitions in use by the United Nations Secretariat, UNDP and the Organisation for Economic Co-operation and Development, as well as those provided in the RBM Handbook (United Nations Development Group, 2011). UNOPS approach to RBM, including UNOPS position in the development results chain, is described in detail in “UNOPS results methodology”, Annex IV to the UNOPS strategic plan, 2014-2017 (DP/OPS/2013/3-Annexes).

#### **Process**

For the first time, data for 2016 operational results were collected using UNOPS new ERP system; oneUNOPS. OneUNOPS enables project managers to report on planned and completed projects outputs, attribute project expense per output and assess aspects of national capacity and sustainability at project level. In 2016, more than 200 UNOPS project managers completed and certified data entry for more than 900 projects.

#### **Methodology**

UNOPS methodology and approach to managing and accounting for the operational results on behalf of its partners are continuously being improved. Hence, year-on-year comparison may not always be possible for certain results. To ensure a more representative view of sustainability and national-capacity results in its portfolio of projects, UNOPS bases aggregation on delivery instead of count of projects.

In 2016, the cross cutting sustainability questions were again recalibrated based on the sustainability topics generated from the Global Reporting Initiative (GRI) materiality assessment process conducted in 2015 to articulate UNOPS sustainability risks and aspirations. In the same year, UNOPS moved to adopt, along with other pioneering organizations, the new GRI Standards. The revised sets of 29 sustainability topics (from 31 in 2015) based on the new GRI Standards is the basis of the 2016 UNOPS GRI Content Index that is fully aligned with the 2016 UNOPS Annual report of the Executive Director. Further details are shown in Annex 1.

In the next years, we will continue to harness our ERP system’s potential to improve on our results reporting processes by exploring ways for ease of use, better user interface and dashboard utilization, and adding more functionalities to expand our reporting capabilities.

#### **UNOPS service lines**

UNOPS service lines are mutually reinforcing and interdependent. An example of this is an engagement to design and construct five schools; an infrastructure project which is likely to entail a significant amount of procurement, which together with other required inputs would need to be project managed in order to achieve contribution of the expected benefits of the project. By virtue of this logic, UNOPS global portfolio can be analysed and illustrated from the perspective of each of the service lines. The portfolio analysis in the annual report is presented from the perspective of the end output, as identified by UNOPS project managers.

## Calculating data splits

### Outputs

In 2016, the list of project outputs was revised based on feedbacks from project managers and technical experts from UNOPS regions, the infrastructure and project management group, the procurement group, the communications and partnership group and finance group. The revision was informed by Midterm review of the UNOPS strategic plan, 2014-2017 (DP/OPS/2016/5), analysis of previously reported project outputs, “UNOPS results methodology” and the constraints of UNOPS corporate systems for reporting. To report on 2016 results, UNOPS used a list of close to 200 outputs, all of which had been associated with a service line.

To classify projects into one of UNOPS service lines, the following methodology was applied: projects containing infrastructure outputs equal to or greater than 30 per cent of delivery were classified as infrastructure; projects containing procurement outputs equal to or greater than 30 per cent of delivery were classified as procurement; projects containing project management outputs equal to or greater than 30 per cent of delivery were classified as project management; projects containing financial management outputs equal to or greater than 30 per cent of delivery were classified as financial management; projects containing human resources outputs equal to or greater than 30 per cent of delivery were classified as human resources; and, the remainder were classified according to output mapping as shared services.

## UNOPS management results and reporting framework for 2016-2017

The table below provides an account of results against the performance indicators which were submitted as part of the UNOPS Budget Estimates for the biennium 2016-2017 (DP/OPS/2015/5).

### A. The Partners perspective – recognized value

#### A1. Deliver world-class products and services adding sustainable value

Key Performance Indicator	2016 Results
Share of UNOPS delivery from defined services within UNOPS focus areas	<p>In 2016, UNOPS delivered approximately \$1.4 billion worth of projects on behalf of its partners, on par with 2015. In 2016, 36 per cent of the deliveries pertain mainly to procurement services, 22 per cent to financial management services, 18 per cent to infrastructure, 16 per cent to human resources services, 6 per cent to project management and 1 per cent to other shared services.</p> <p>This is compared to UNOPS delivery in 2015: 43 per cent of which covered project management, human resources-, financial management- and shared services; 23 per cent of which was infrastructure: and 35 per cent of which was stand-alone procurement</p>
Share of UNOPS delivery that include national capacity-building components, agreed on with partners, including employing personnel locally, in combination with defined on-the-job learning elements, and formal trainings and certifications	<p>In 2016, 55 per cent of UNOPS projects reported the implementation of capacity building initiatives in terms of project deliveries, at par with 55 per cent in 2015. At the same time, 29 per cent of UNOPS supported projects reported on-the-job learning elements for local workers.</p> <p>Also, 22 per cent of UNOPS projects reported providing formal training or certification programmes were held for beneficiaries or local workers in 2016.</p>
Share of UNOPS relevant new projects that include risk informed effective design and implementation considerations that contribute to resilient outcomes	<p>For infrastructure projects which started after 2012, approximately 33 per cent reported that the design of the output included elements of resilience consideration, compared to 28 per cent in 2015. UNOPS ambition is that all new infrastructure projects will include elements of resilience consideration.</p>

<p>Share of UNOPS projects on track for cost and schedule<sup>1</sup></p>	<p>As part of the engagement assurance process, UNOPS project managers are asked to assess the performance of their respective projects in terms of delivering at the agreed cost and within the agreed time. In 2016, it was assessed that 79 per cent of the UNOPS global portfolio was on track for schedule and, 90 per cent was on track for cost, which compares to an aggregate target of 80 per cent for being on track for cost and schedule.</p> <p>This is compared to the 2015 results of 76 per cent on track for schedule and, 82 per cent was on track for cost.</p> <p>The assessed percentages for share of global portfolio on track for schedule and cost are above to those assessed in 2014, at 77 per cent and 88 per cent respectively.</p>
<p>Overall partner satisfaction<sup>2</sup></p>	<p>In 2016, UNOPS continued to develop its annual survey eliciting feedback from partners. Through personal interviews and online surveys, more than 522 high-level respondents from partners and influential individuals were asked about their needs and perceptions of UNOPS.</p> <p>The survey results on 427 responses indicate that overall satisfaction has increased to 91 per cent, compared to 82 per cent in 2015, while more than 89 per cent of past and current partners indicated that they are likely to recommend UNOPS services to others.</p>

## A.2 Build sustainable partnerships

Key Performance Indicator	2016 Results
<p>Share of UNOPS procurement with registered local suppliers in developing and fragile states</p>	<p>UNOPS is committed to strengthening national and local economies through supporting local suppliers in developing and fragile states. In 2016, the share of UNOPS procurement with local suppliers in developing and fragile states is 52 per cent, well above the 2014 baseline of 45 per cent and above the 50 per cent target set for 2016-2017.</p>
<p>Increase in new and extended partner agreements from identified key partners</p>	<p>In 2016, UNOPS continued to improve its key partner management framework with a revised list of key partners. The updated list more accurately reflects the diversity of partners UNOPS supports and the level at which UNOPS engages with these partners.</p> <p>Using the improved list, 2016 engagement addition from key partners amounted to \$1.22 billion, a 28 per cent increase compared to \$957 million in 2015.</p>
<p>Substantive UNOPS contribution to procurement collaboration across UN agencies (collaborative procurement)<sup>3</sup></p>	<p>In 2016, UNOPS provided common procurement services across the United Nations, such as procuring over \$80 million worth of goods through 'UN Web Buy' (compared with almost \$60 million in 2015).</p>

<sup>1</sup> As part of the engagement assurance process, project managers at UNOPS Regions and GPSO assess the performance of their projects in terms of delivering at the agreed cost and within the agreed time.

<sup>2</sup> Data for measure derived from the UNOPS Partner Survey and calculated as share of respondents who indicate that they are 'satisfied' or 'very satisfied' with UNOPS, or services received from UNOPS.

<sup>3</sup> Share of UNOPS offices (including headquarters) that are participating in common procurement groups with other UN agencies

Average number of monthly visits to UNOPS public website <sup>4</sup>	The average number of unique monthly sessions (visits) on UNOPS public website in 2016 was approximately 81,636, a growth of 4.3 per cent compared to 2015, which averaged 78,294 unique monthly sessions. The result is above the 2016-2017 targets of 80,000.
Share of UNOPS public website content available in all official UNOPS languages <sup>5</sup>	<p>In 2016, the share of content available in all official UNOPS languages in UNOPS public website are the following:</p> <p>English 645 pages: 37.17 per cent  French 550 pages: 31.70 per cent  Spanish 540 pages: 31.13 per cent</p> <p>Compared to total of 84 per cent in 2014 and in line with 2016-2017 target of 100 per cent.</p>

### A.3 Communicate effectively and transparently

Key Performance Indicator	2016 Results
UNOPS Sustainability Report, based on concepts of Global Reporting Initiative (GRI) published	In August 2016, UNOPS published its first <u>sustainability report</u> titled “Our Common World.” It is the first sustainability report among UN organizations. It was published in four UN languages – English, French, Spanish and Arabic.
UNOPS compliance with IATI* standards	UNOPS continues to provide project data which is compliant with IATI data transparency standards on its public website. As part of updating its ERP system, UNOPS froze project data in 2016, with a view to providing updated information in 2017. Information and data sets are freely available on <a href="http://www.data.unops.org">www.data.unops.org</a> .

\*IATI = International Aid Transparency Initiative

## B. Business process perspective – process excellence

### B1. Manage and benchmark processes

Key Performance Indicator	2016 Results
Share of UNOPS offices assessed that are successful in maintaining external certifications <sup>6</sup>	<p>In 2016, all UNOPS entities assessed, successfully maintained 100 percent compliance to ‘ISO-9001’ quality management system meeting the target of full compliance.</p> <p>In the same year, UNOPS expanded the coverage of its ISO 14001 certified Environmental Management System (EMS) to cover infrastructure projects in Ghana and Myanmar, alongside existing certifications in Afghanistan, Guatemala, Kosovo, the State of Palestine and Sri Lanka.</p>

<sup>4</sup> Results calculated as average number of individual visits (sessions) per month to the UNOPS public website ([www.unops.org](http://www.unops.org)).

<sup>5</sup> Covering content on [www.unops.org](http://www.unops.org), but excluding content on [www.data.unops.org](http://www.data.unops.org) and [www.gprs.unops.org](http://www.gprs.unops.org), which are available as English language versions only

<sup>6</sup> Certifications refer to the standards ISO 9001 for Quality Management, ISO 14001 for Environmental Management and OHSAS 18001 for Health and Safety Management.

	<p>In addition, UNOPS extended the coverage health and safety management system certifications in its infrastructure practices, by the United Kingdom-based Occupational Health and Safety Advisory Services 18001, the internationally applied standard for occupational health and safety management systems. In addition to existing certification in Denmark, Pristina, and Jerusalem, operations in Myanmar have received this award.</p> <p>This achievement forms the basis for UNOPS compliance with CEB/2015/HLCM/7/Rev.2, the adoption of occupational safety and health systems in all UN organizations.</p> <p>The result meets the 2016-2017 targets of 100 per cent.</p>
Share of processes identified as core business processes within the APQC framework that have been assessed against a best-practice maturity model and are under continual management and improvement	As a key component of UNOPS new Legislative Framework, UNOPS's Process and Quality Management System supports the management of the processes underpinning its policies. UNOPS has further developed this system to now include all of its key financial processes, as well as all of its key human resources and payroll, benefits and entitlements processes.
Implementation rate of accumulated internal audit recommendations <sup>7</sup>	Indicating high levels of commitment from senior management to apply audit recommendations, the overall implementation rate of accumulated internal audit recommendations in 2016 was 93 per cent, compared to 2014 level of 97 per cent, below the 2016-2017 targets of 100 per cent.

APQC = American Productivity and Quality Centre; ISO = International Standards Organization; OHSAS = Occupational Health and Safety Management Systems

## ***B2. Improve process efficiency and effectiveness***

<b>Key Performance Indicator</b>	<b>2016 Results</b>
Share of projects regularly assessed against UNOPS criteria for successful projects <sup>8</sup>	In 2016, UNOPS share of projects regularly assessed against its criteria for successful projects is 97 per cent compared to 94 per cent in 2014, but below the 2016-2017 targets of 100 per cent.
Timely operational closure of projects <sup>9</sup>	The share of projects which were operationally closed in 2016 in 82 per cent compared to 86 per cent in 2015, exceeding the 80 per cent target for timely operational closure.
Average duration of staff recruitment (number of days) <sup>10</sup>	The average duration of the formal solicitation process in UNOPS was 75 days in 2016, down compared to 71 days in 2015, and below the target of 80 days.  The average duration of the formal solicitation process for ICA positions in

<sup>7</sup> Results calculated in accordance with method used by UNOPS Internal Audit and Investigations Group, as overall implementation of audit recommendations issued from 2008.

<sup>8</sup> Data for measure derived from completion rates of UNOPS quarterly engagement assurance process for partner projects, put in place to manage risk and assure that engagements are performing successfully and contributing to objectives.

<sup>9</sup> In 2012, due to improved efficiency, UNOPS changed the target period for the operational closure of projects from 18 months to six.

<sup>10</sup> Data for measure to be derived from the UNOPS e-recruitment system, known as the 'global personnel recruitment system'.

	UNOPS was 62 days in 2016.
Level of implementation of risk-based internal audit plan for Internal Audit and Investigations Group	In 2016, UNOPS Internal Audit and Investigation Group implemented 100 per cent of its risk-based internal audit plan, on par with the implementation level in 2015 of 100 per cent and the 206-2017 target of 100 per cent.
Evaluated offices compliant with minimum operating security standards	In 2016, the average percentage of minimum operating security standards (MOSS) compliance in evaluated UNOPS offices remains at 96 per cent and above the 0216-2017 targets of 90 per cent.

### ***B3. Innovate***

<b>Key Performance Indicator</b>	<b>2016 Results</b>
Carbon neutrality achieved	Meeting its target, UNOPS achieved 100 per cent carbon neutrality in 2016, on par with the 2015 result.
UNOPS e-commerce platform fully operational and accessible to external partners	In the end of 2016, the UN Web Buy (UNWB), UNOPS e-commerce platform, was operating at 50 per cent capacity and was available to suppliers only. On its official launch in March 2017, UNWB started operating at its optimum capacity of 100 per cent.
Share of UNOPS country offices implementing capacity building of local/regional suppliers, particularly amongst historically disadvantaged groups (such as women-owned businesses) based on established framework	In 2016 UNOPS developed and implemented several projects to support local, small and medium, and traditionally disadvantaged business in the procurement process (such as women-owned businesses). This included the launch of a supplier diversity pilot program in Amman, Jordan, and the development of a pre-procurement market engagement portal for suppliers with innovative products and services.

## **C. People perspective – people excellence**

### ***C1. Business partnering***

<b>Key Performance Indicator</b>	<b>2016 Results</b>
Share of relevant practitioners externally certified <sup>11</sup>	In 2016, the total number of personnel who participated in external certification programs was 976, compared to 1,038 in 2015. 754, or 76 per cent, of all personnel who attended external certification courses in 2016 were certified, compared to 77 per cent in 2015 and above the target of 70 per cent.
Share of relevant practitioners internally certified <sup>12</sup>	In 2016, the total number of personnel who participated in internal certification programs was 209, compared to 272 in 2015. All of the 209 personnel who attended various internal certification courses in 2016 were certified and above the target of 50 per cent.

<sup>11</sup> The external certifications are ACCA, CIPS, Harvard Business School Publishing and PRINCE2.

<sup>12</sup> The internal certification is in Project Management (PMFC, PMPC, IPW, HSE).

### C2. Recruit, develop and recognize talent

Key Performance Indicator	2016 Results
Overall personnel engagement <sup>13</sup>	<p>The new 'UNOPS People Survey' was launched in January 2016. The refined methodology measures the engagement of our people and the important factors which affect their work outcomes. Advanced analysis will allow UNOPS to implement targeted and positive workplace changes to drive retention, commitment and loyalty.</p> <p>Amongst the results of a survey of UNOPS personnel, engagement levels of 4.16 exceeded internationally recognized benchmarks for high performing organizations. From more than 2,500 responses, 70 per cent of personnel responded favourably, indicating high levels of engagement and intent to stay.</p>
Personnel performance appraisal completion rate <sup>14</sup>	<p>The 2016 performance appraisal completion rate was 89 per cent for staff and 92 per cent for personnel holding an individual contractor agreement (ICA) in the specialist category. The overall completion rate for personnel in these two categories was 91 per cent, 3 per cent higher compared to 2014, but above the 2016-2017 target of 90 per cent.</p>

### C3. Embrace United Nations values

Key Performance Indicator	2016 Results
Share of women in UNOPS global management team <sup>15</sup>	<p>Women made up 25 per cent of UNOPS global management team in 2016, a decrease of 6 per cent compared to 2014 and below the 2016-2017 targets of 35 per cent.</p>
Share of females amongst UNOPS supervised international personnel (international professional staff categories and international ICAs)	<p>Women made up 36.9 per cent of UNOPS supervised international personnel in 2016, almost three per cent increase compared to 2015 and above the target of 35 per cent.</p>
Completion rate among target audience of United Nations learning, including UN leadership courses, "I know gender" and UNOPS legal framework	<p>UN courses "I Know Gender" and "Prevention of Harassment, Sexual Harassment and Abuse of Authority in the Workplace" are mandatory for UNOPS personnel. PCG is developing Learning Management System that will be launched in 2017 to help better capture and measure UNOPS learning metrics.</p> <p>In 2016, nine trainings on gender mainstreaming or on community engagement (which includes a strong gender component) were carried out in eight UNOPS offices. The gender retainers provided home-based support to 11 separate requests for gender mainstreaming support.</p>

<sup>13</sup> "Personnel engagement" will be measured through UNOPS' personnel engagement survey which will be launched for the first time in late 2015 and replaces the previously conducted personnel satisfaction survey.

<sup>14</sup> As per UNOPS internal policy (AI/PCPG/2014/05), the online completion of Performance Assessment is only mandatory for international and local individual contractors in the specialist category for whom UNOPS is responsible for the performance evaluation and who has worked for the organisation of 6 months or more.

<sup>15</sup> Measurement of diversity: includes corporate leadership roles (EO, HQ directors and deputy, RDs, Country Directors, HoSS, HoP)

## D. Finance perspective – financial stewardship

### D1. Ensure financial control and efficiency

Key Performance Indicator	2016 Results
Maintain unqualified audit opinion for each year of the Biennium	At the point of preparation of this report, UNOPS Financial Statements for 2016 were still under audit and as such, no information is available at this time.
Rate of implementation of prior year United Nations Board of Auditors recommendations	As of July 2016, there were 34 outstanding external audit recommendations, 15 of which were issued during the year. By the end of the year, UNOPS had closed 19 of the outstanding recommendations. Of the 34 outstanding recommendations, UNOPS closed 62 per cent of the recommendations with target closing date for 2016. Three recommendations with target dates beyond 2016 have been implemented during the year before the pertaining final dates.
Share of required personnel filing of financial disclosure	In 2016, 100 per cent of relevant personnel filed their financial disclosures, on par with 2015, meeting the target of 100 per cent.

### D2. Cost recovery and fair distribution

Key Performance Indicator	2016 Results
Achievement of net revenue target approved by the Executive Board <sup>16</sup>	UNOPS achieved the annual net revenue target for 2016 and 2017 and thus the net revenue target for the biennium 2016-2017.

### D3. Invest in innovation

Key Performance Indicator	2016 Results
Share of investments in relation to indirect cost	In 2016, the share of investments in relation to indirect cost is 6.8 per cent. While the 2016 result is below the target for the biennium of 7.5 per cent, it shows a positive trajectory from the 2014 baseline of 6 per cent. Based on the investment budgets already issued for 2017, we are well underway to achieving the biennial target.

<sup>16</sup> Calculated by UNOPS and may be subject to change. The figures have yet to be verified and audited by the United Nations Board of Auditors.