



ORGANISATION DE L'AVIATION
CIVILE INTERNATIONALE

INTERNATIONAL CIVIL
AVIATION ORGANIZATION

Internal Audit Report on Staff Performance Management

IA/2021/03

Office of Internal Oversight

ACRONYMS

ADB	Administration and Services Bureau
ANB	Air Navigation Bureau
APAC	Asia and Pacific Regional Office
ATB	Air Transport Bureau
COM	Communications Office
ESAF	Eastern and Southern African Regional Office
EUR-NAT	European and North Atlantic Regional Office
FIN	Finance Branch
FRO	First Reporting Officer
GAT	Global Aviation Training Office
GP	Gratis Personnel
ICAO	International Civil Aviation Organization
MID	Middle East Regional Office
NACC	North American, Central American and Caribbean Regional Office
OIO	Office of Internal Oversight
OSG	Office of the Secretary General
PACE	Performance and Competency Enhancement
PIP	Performance Improvement Plan
POD	Policy, Organizational and Staff Development Section
RO	Regional Office
RSO	Regional Sub Office, Beijing
SAM	South American Regional Office
SPCP	Strategic Planning Coordination and Partnerships' Office
SRO	Second Reporting Officer
TCB	Technical Cooperation Bureau
WACAF	Western and Central African Regional Office

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EXECUTIVE SUMMARY

1. As part of its annual work plan for 2020 (C-WP/14945), the Office of Internal Oversight (OIO) carried out an audit of Staff Performance Management. The objectives of the audit were to assess whether (i) ICAO's performance management framework is adequate and staff performance objectives are aligned with operating plan objectives and expected results of the Organization; (ii) Policies and procedures, are adequately communicated and complied with in a consistent manner across the Organization; and (iii) Performance management framework promotes staff development, continuous learning, acknowledges good performance, and addresses underperformance. The audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing¹.
2. Though the Policy, Organizational and Staff Development (POD) section within Human Resources took initiatives in the past to support the implementation of Performance and Competency Enhancement (PACE) framework and to strengthen the related processes, significant weaknesses were noted in monitoring and timely completion of individual PACE reports.
3. Indicatively, staff members who either did not initiate PACE or their PACE appraisals were not completed by supervisors ranged from 17% in 2018 to 20% in 2019. As of August 2020, more than 40% of staff members including senior managers either did not initiate their PACE for 2020 or their performance objectives for 2020 had not been approved by their supervisors.
4. In about 23% of PACE reports of 2018 and 2019, individual performance objectives were not linked to expected results of the organization. This disconnect considerably weakens implementation of results based management and effective program performance.
5. HR decisions including step increments and confirmations, were not based on PACE reports for nearly 17%-20% staff who had no or incomplete PACE reports in 2018-2019, despite Staff Rule 104.39 stipulating that PACE reports should be the basis for concluding about the satisfactory service of staff members before initiating HR decisions.
6. The results of an internal staff survey conducted on effectiveness and efficiency of PACE system indicated that significant improvements are needed in PACE implementation. The salient points of feedback from staff survey are: (i) PACE reports are not completed in a timely manner (35%), (ii) staff development opportunities are very limited or unavailable (37%), and (iii) PACE application is not user friendly (28%).
7. Due to technical limitations and limited user interaction in the current PACE application, ICAO plans to implement e-Performance and Learning Management System (LMS) modules of the United Nation Inspira system.
8. In OIO's view, in order to enhance accountability and organizational learning, more work is needed so as to establish a performance based oriented culture, and promoting an honest and constructive performance dialogue at all levels of the organization.

¹ IIA Standard 1321

9. Based on the above results, OIO has given an audit rating of "Major improvement needed". In particular, management's attention is drawn to timely completion of annual appraisals, proper linkage of individual performance objectives to Organizational expected results, conducting a requirements analysis before implementing new IT system for PACE, and linking PACE with Learning Management System (LMS).
10. This report includes five recommendations including four high priority recommendations. All recommendations in the report have been accepted. Management comments and proposed actions to implement the recommendations are detailed in the Management Action Plan at Annex 5.
11. OIO wishes to thank management and staff for their assistance and cooperation during the audit.

RESULTS OF THE AUDIT

Background

12. Performance management is an integral part of a system of accountability, responsibility, and authority. The ICAO Performance and Competency Enhancement (PACE) framework provides a mechanism for organizational performance management by linking ICAO's strategic objectives and expected results to individual and unit performance targets. PACE strives to promote a culture of high performance, empower managers and hold them responsible and accountable for managing their staff and address underperformance in a fair manner.
13. The stages of a performance cycle in ICAO are pictorially depicted in the following diagram:



Figure 1: PACE PROCESS

Audit Objectives and Scope

14. The objectives of this audit were to assess whether:
 - i. ICAO's performance management framework is adequate and staff performance objectives are aligned with operating plan objectives and expected results of the Organization;
 - ii. Policies and procedures, are adequately communicated and complied with in a consistent manner across the Organization;
 - iii. Performance management framework promotes staff development, continuous learning, acknowledges good performance, and addresses underperformance.

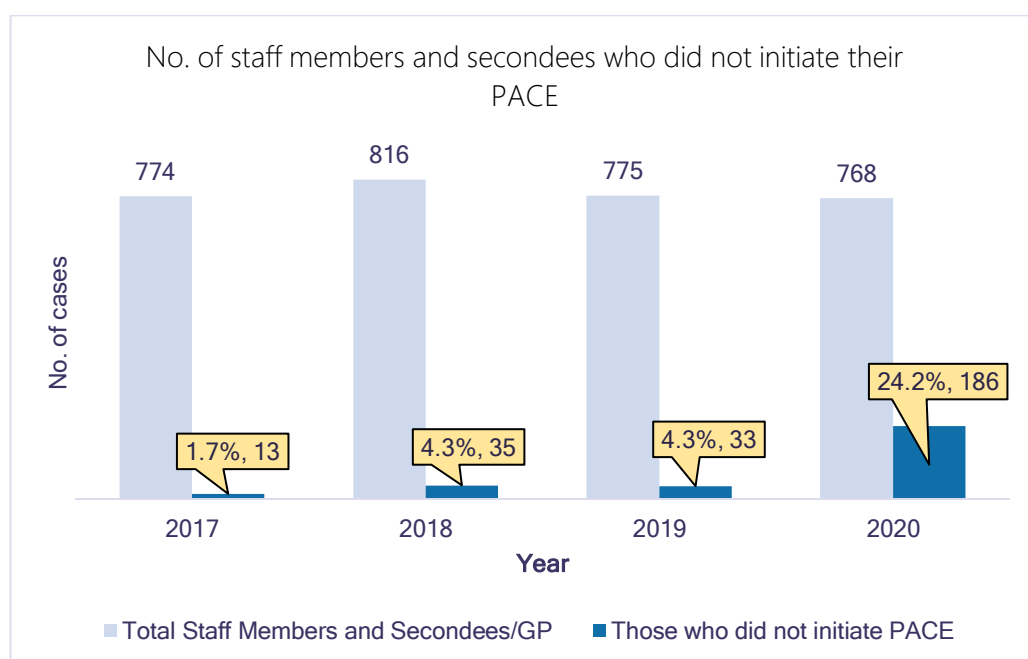
15. Scope of the audit included working of PACE system between January 2017 and March 2020. The audit work included a review and assessment of existing policy and operating procedures, interviews with key staff, surveys and analysis of relevant data and records.

Audit Findings and Recommendations

Lack of duly completed PACE appraisals

Staff members not initiating PACE process at the beginning of performance cycle

16. The statistics of staff members and secondees not initiating their PACE in last four performance cycles is shown as below:



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section
 Chart 1: No. of Staff members / secondees who did not initiate their PACE

17. The percentage of staff who did not initiate their PACE during 2017-2019 ranged between 1.7% and 4.3%. Furthermore, the proportion of staff members whose PACE was not initiated yet for 2020 was 24.2% (186 out of 768) as at 31 August 2020. This trend is not in line with Staff Regulation 4.40.1, which provides that all staff members shall be evaluated for their performance and competence through a regular assessment mechanism to ensure that the required standards of performance are met.
18. Non-compliance of staff members was not restricted to a particular Bureau/Office² and this was found to be pervasive across the organization. At the time of writing of this report, corrective management action has yet to be taken.

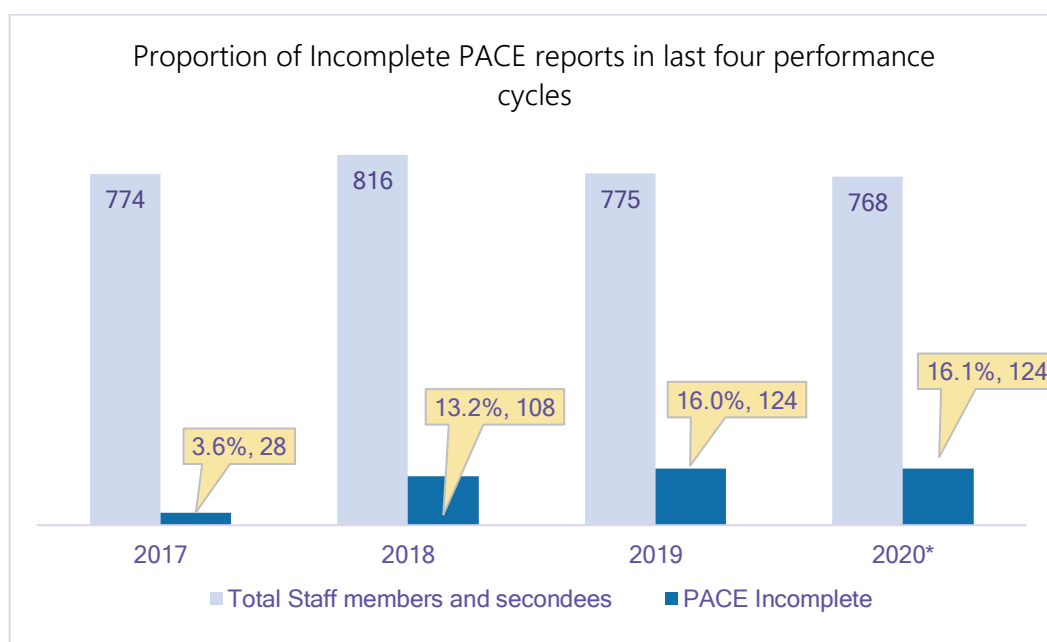
Incomplete PACE appraisals

19. The incomplete PACE appraisals included cases where (i) First Reporting Officers (FROs) didn't take any action to approve draft performance objectives, or (ii) cases where

² Bureau/Office wise details are given in Annex 2

performance objectives were approved but FRO didn't initiate end of year performance assessments, or (iii) Second Reporting Officers (SROs) didn't take any action to review the performance assessment undertaken by FRO at year end,.

20. Indicatively, the proportion of staff members with incomplete PACE reports in last four performance cycles is presented in the following chart:

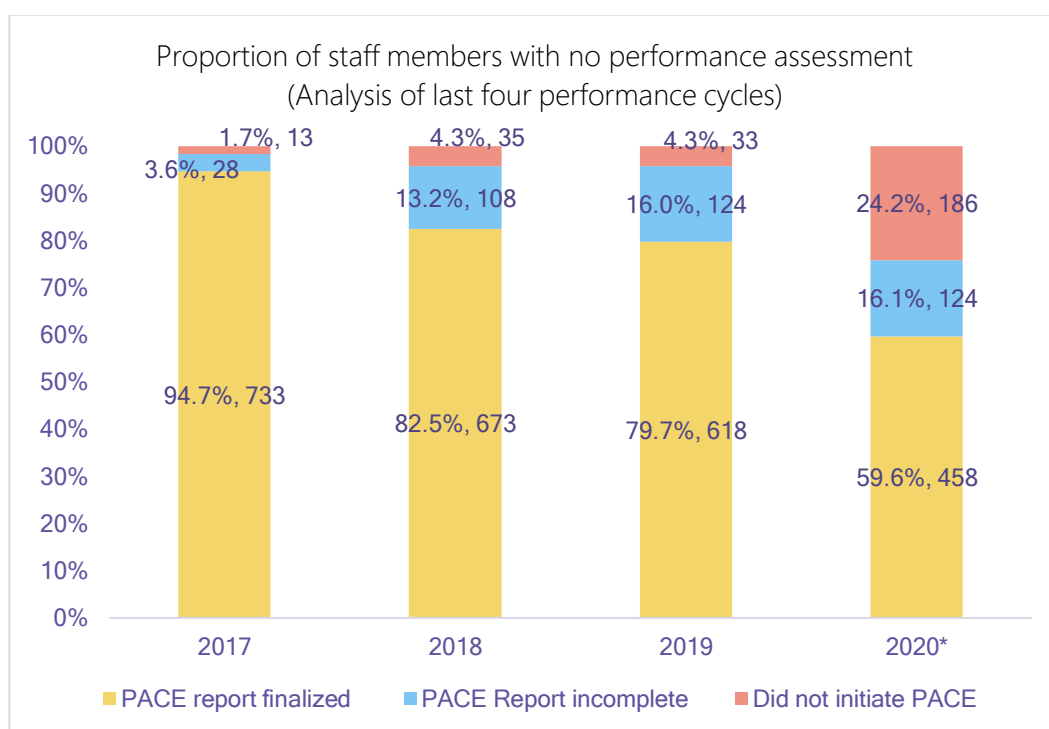


Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section
 (* For year 2020, incomplete cases mean annual performance objectives have not been approved / agreed by the First Reporting Officer, which was expected by 28 February 2020)

Chart 2: Proportion of incomplete PACE reports

21. The proportion of staff members and secondees having incomplete PACE reports ranged between 3.6% to 16.1% in the last four performance cycles. 50 out of 384 (13%) incomplete PACE reports of last four performance cycles related to D1/D2 level management positions³.
22. When the cases in two categories i.e. (i) non-initiation of PACE process by staff members (chart 1), and (ii) cases of incomplete PACE appraisals (chart 2) are combined together, a significant proportion of staff members do not have completed PACE report(s) in last four performance cycles. Year-wise distribution is as follows:

³ Details in Annex 2



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section
 (* For year 2020, incomplete cases are those cases where the annual performance objectives for the year 2020 have not been approved / agreed by the First Reporting Officer, which was expected by 28 February 2020)

Chart 3: Statistics: Proportion of staff members with no performance assessment

23. Indicatively, staff members who either did not initiate PACE or their PACE appraisals were not completed by supervisors ranged between 17% in 2018 and 20% in 2019 respectively. As of August 2020, more than 40% of staff members including senior managers either had not initiated their PACE or their performance objectives for 2020 had not been approved by their supervisors.
24. Significant proportion of staff not initiating PACE and incomplete PACE reports weakens organizational accountability and results based management culture.

HR decisions not based on PACE reports

25. Three internal promotions (2 LEB, and one ATB) were approved since January 2018 where there were no completed PACE report(s) of years prior to the year of promotion. HR decisions including step increments and confirmations were not based on PACE reports for nearly 17%-20% staff with no completed PACE during 2018-2019, which was not in conformity with Staff Rule 104.39⁴. While due diligence had been exercised by HR before taking appropriate decisions, for example, obtaining supervisor's feedback on staff performance, PACE reports were not available in all cases.

⁴ PACE report is the ICAO managerial tool to record the key tasks and expected outputs/results of staff members and serves as the basis for administrative actions such as salary increment, confirmations, renewal of appointment, etc.

Recommendation 1	Timely completion of PACE appraisals
Priority	High
i.	The Secretary General should formally remind all Senior Managers and staff members of their obligations to comply with the provisions of Staff Rule 104.39 to ensure completion of PACE reports for 2020 in a timely manner
ii.	The Secretary General should instruct that timely completion of PACE reports within their respective Bureaus/Offices/Regional Offices is added as a performance objective for all senior managers with responsibilities to supervise staff and appraise employee performance.
iii.	Bureau of Administration and Services (ADB) should monitor and regularly report to Secretary General on compliance of Bureaus / Offices / Regional Offices with organization-wide KPIs for PACE implementation.
iv.	Human Resources should ensure that PACE reports are taken into account as the basis for all HR decisions in line with the relevant Staff Rules and Regulations.
Closing criteria:	
i.	An IOM sent to all staff reminding of their obligations to comply with the provisions of Staff Rule 104.39 to properly initiate and complete PACE reports for 2020 in a timely manner.
ii.	Evidence of inclusion of KPIs for PACE implementation as part of performance objectives of staff with managerial responsibilities.
iii.	An example of an HR report where Administration and Services Bureau (ADB) is reporting to the Secretary General on organization-wide KPIs for PACE implementation.
iv.	A sample of HR decisions duly considering PACE reports.

Linking staff performance objectives to organizational goals

26. The PACE provides for linking the individual performance objectives with strategic objectives and expected results. In terms of Results Based Management, this is a positive feature of PACE as it facilitates linking the work of individual staff members to the organizational goals. This was also highlighted in the OIO's evaluation report on Results Based Management in ICAO (EV/2019/02).
27. However, the staff performance objectives were not linked to Organization's expected results in 23% of PACE reports in each of 2018 and 2019 performance cycles. This does not allow an effective implementation of program performance and results based management and significantly weakness organizational accountability.
28. The underlying causes were (i) difficulties of staff members in understanding the terminology of Business Plan (Expected Results, Outputs, and Programme Activities) and in formulating the individual performance objectives in a SMART⁵ manner, (ii) weak accountability framework, and (iii) PACE process perceived as a routine bureaucratic

⁵ SMART: specific, measurable, achievable, relevant, and time-bound.

exercise with no monitoring over the process at an organizational level. This indicates the need for staff awareness training on setting up SMART performance objectives and on the need for linking these objectives with organizational expected results as defined in the Business Plan of the Organization.

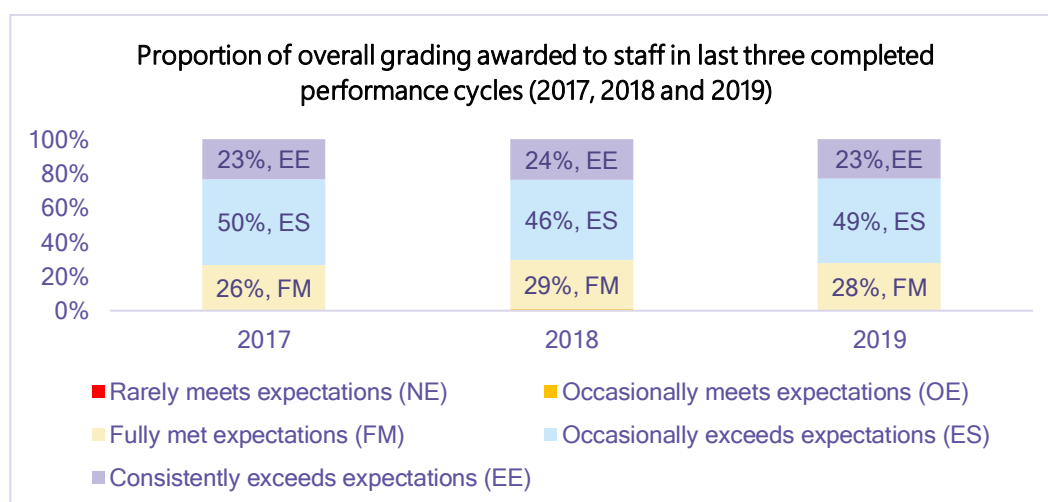
Recommendation 2	Linkage between performance objectives and expected results
Priority	High
Administration and Services Bureau (ADB) should ensure that	
i.	Individual staff performance objectives are linked to Organizational expected results in all PACE reports.
ii.	Senior Managers and staff members are provided training on effective PACE implementation including but not limited to formulation of SMART performance objectives and consistent application of performance rating.
Closing criteria:	
Development of written guidance on effective PACE implementation, which may include but not limited to (i) linking performance objectives with expected results of the organization, (ii) formulation of SMART performance objectives, and (iii) consistency in application of performance rating.	

Analysis of overall grading statistics

29. The evaluation stage of PACE occurs at the end of the cycle and involves assessing whether the objectives set at the planning phase have been duly met. This stage involves rating the performance of the staff member and an overall grading is assigned by the FRO and usually confirmed by SRO. Different grading levels used in ICAO are as follows:

- i. Consistently exceeds expectations (EE);
- ii. Occasionally exceeds expectations (ES);
- iii. Fully Met expectations (FM);
- iv. Occasionally meets expectations (OM);
- v. Never meets expectations (NE)

30. The overall grading distribution in last three years is presented in the following chart:



Data Source: Policy, Organizational and Staff Development (POD) section

Chart 4: Distribution of overall grading

31. In all three performance cycles, more than 70% of staff members were given an overall grading of either 'consistently exceeding expectations' or 'occasionally exceeding expectations'. While such high performance gradings may be justified, the performance objectives need to be clearly linked to the organizational results.
32. An objective performance management systems would achieve its objectives if implemented consistently across the organization. An analysis of the grading distribution⁶ indicated that the proportion of staff awarded EE grading ranges between 11% (OSG) and 50% (MID) while such grading is rarely given or not given at all by several Regional Offices. Consequently, the criterion used for giving overall gradings is inconsistent.
33. The primary cause for the current situation is lack of guidance to supervisors on how to apply objective criterion for performance ratings. Furthermore, there are no systematic reviews of the feedback in PACE at an organizational level to capture trends. PACE training that will be provided by ICAO need to include this aspect as well.

Review of PACE application

34. The PACE process is supported by an IT application that records the main stages of the performance process (workplan, midpoint review and end-of-year performance appraisal).
35. A review of the IT application indicated the following issues:
 - The IT application does not have any functionality for monitoring compliance as the existing MIS reporting mechanism is rudimentary.
 - PACE system does not interface with other systems like iLearn and ERP Financial modules. A Link with iLearn system would provide necessary data about achievement of staff training and development objectives, which is not monitored presently.
 - For an effective results based management, it is critical to establish a link between budget allocation on human resources and the contribution of staff members to the achievement of organizational objectives and expected results. This link is currently missing.
36. The database of staff members and secondees who are to be appraised under PACE included 14 instances of Young Aviation Professionals (YAPs) and one scholarship recipient. YAPs and scholarship recipients are not assessed under PACE and therefore should not be part of PACE database. Furthermore, there were eight duplicate records of gratis personnel on secondment to ICAO. Presence of such records had the impact of incorrectly calculating the PACE completion rates. The duplicate and ineligible records should be removed from the database.
37. At present, technical support to PACE IT Application is limited and there is no funding for supporting the existing IT Application.
38. Given the lack of confidence in the PACE application, ADB plans to implement e-Performance and Learning Management System modules of the United Nation Inspira

⁶ Details in Annex 2

system. There are many modules of UN Inspira system like e-Recruitment, e-Performance and Learning Management System. While the e-Recruitment module has been rolled out (October 2020), the e-Performance and LMS modules are planned in 2021. It is important at this stage to undertake requirements analysis, which should also draw inputs from lessons learned from previous experience of implementing the PACE IT application in 2017.

Recommendation 3	Requirements analysis before implementation of e-Performance module
Priority	High
Administration and Services Bureau (ADB) should undertake a requirements analysis of the desirable features before implementing e-Performance module considering the lessons learned from previous implementation of PACE.	
Closing criteria:	
A documented Requirements analysis before implementation of new e Performance module.	

Staff Training and Development

39. Under Staff Rule 104.39, staff members are expected to target a minimum of five days for learning and development per year. Managers should ensure that appropriate learning and development opportunities are identified for staff members to meet or exceed this target. To assess compliance with the Staff Rule, the relevant data was requested but due to inherent limitations in ilearn system, it could not be made available. Therefore, OIO could not verify the training days per staff member and other type of trainings such as self-study, experiential learning, network/webinar etc. As a result, no assurance could be drawn on organizational compliance with the objective and targets of staff training and development. PACE is not being used as a tool for informing and driving staff training and development needs.

Recommendation 4	Link between PACE and Learning Management System (LMS)
Priority	High
Administration and Services Bureau (ADB) should ensure at the time of implementation of UN Inspira e Performance and Learning Management System (LMS) modules that both these modules are linked and LMS should provide for recording all training activities of individual staff members.	
Closing criteria:	
Implementation of functionality providing linkage between the two modules.	

PACE reviews

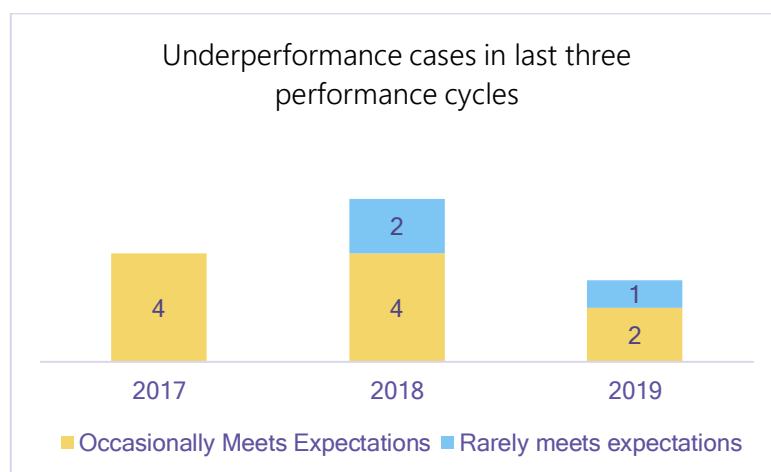
40. For performance management purposes, supervisors are categorized as first reporting officer (FRO) and second reporting officer (SRO). 149 Out of 768 officials (19.4%) in 2020 have same person as First Reporting Officer (FRO) and Second Reporting Officer (SRO).

41. While it may not be possible to have an SRO different than FRO, especially in cases of senior staff members⁷, OIO noted 25 instances where there was undue delegation of second level review responsibilities to the first reporting officers at P5 and below grades. Such cases should be reviewed with a view to reduce the number of instances where FRO and SRO are same and designate a senior supervisor as SRO wherever possible depending upon hierarchy of the Organizational Unit.

Recommendation 5	Review of cases where same staff member acts as both First Reporting Officer (FRO) and Second Reporting Officer (SRO)
Priority	Medium
Administration and Services Bureau (ADB) should review all cases where First Reporting Officer (FRO) and Second Reporting Officer (SRO) roles are performed by the same staff member at P5 and below grades and request bureaus to designate a senior supervisor as SRO, wherever possible depending upon hierarchy of the Organizational Unit.	
Closing criteria:	
Designation of a different SRO (than FRO) in cases where it is possible.	

Managing underperformance

42. In three performance cycles reviewed (2017, 2018 and 2019), there were thirteen cases of staff members who were given a grading of either "Occasionally met expectations (OM)" or "Rarely meets expectations (NE)":



Data Source: Policy, Organizational and Staff Development (POD) section

Chart 5: Underperformance cases in last three performance cycles

43. Underperformance as recorded in Chart 5 shows that this accounts for nearly 0.5% of the PACE reports graded in the performance cycles of 2017, 2018 and 2019.
44. Nine out of these 13 cases (69%) had no mid-term appraisals in the years they were graded as underperforming. Incidentally, three underperforming staff members did not even initiate their PACE for the performance cycle 2020.

⁷ In these cases, Secretary-General is the First Reporting Officer

45. ICAO tries to resolve issues of underperformance, through informal conflict resolution mechanism and assist staff and managers in any job performance related challenges. If underperformance cannot be rectified, formal administrative actions such as establishment of a Performance Improvement Plan (PIP) is considered.

Results of staff survey on Performance Management

46. An anonymous staff survey was conducted to get direct feedback from staff members on the implementation of performance management. 201 staff members (28% of 701) responded to the OIO survey, which included 3 D1/D2 level officers, 98 Professional staff members, and 100 General Services staff members.
47. The responses to various assertions are presented in Annex 3. A significant proportion of staff members expressed specific concerns on the following aspects:
- 35% stated that performance assessments are not conducted in a timely manner.
 - 23% indicated about lack of an open, two way dialogue between staff and supervisor.
 - 37% replied that there are not enough professional training opportunities and other career development activities for staff development.
 - 28% replied that current tool used for PACE is not user friendly.
48. These results are in line with the findings of this report

Benchmarking with other Organizations

49. OIO also conducted a survey on staff performance management with the United Nations and other International Organizations. A total of 23 Organizations participated in this Survey. The results of this survey are presented in Annex 4.
50. The salient points from the survey can be summarized as follows:
- In all 23 organizations, performance assessments include staff development component. ICAO have formal Administrative Instructions on Learning and Development Program and instructs staff members to undergo at least five days of training in a year. However, this is not being monitored, so no assurance can be provided whether this is fully implemented.
 - Staff members in ICAO are not required to undertake a formal self-assessment in the evaluation phase of PACE. This good practice has been adopted by 16 out of 23 respondents (70%).
 - 12 organizations out of 23 (52%) have implemented 360 degrees assessment which improves the overall objectivity, fairness and credibility of performance evaluation process. ICAO has yet to adopt this good practice.
 - Mid-term appraisals are mandatory in 17 out of 23 (74%) organizations. ICAO provides for a mid-term appraisal in its PACE process but this step is not mandatory.
 - While 19 out of 23 (83%) organizations have a mechanism for addressing underperformance, ICAO has yet to develop guidelines.

51. Recommendations have been made in this report for taking corrective actions on various aspects of performance management. The results of both internal and external benchmark surveys support the findings of this audit. Adoption of good practices implemented by the UN system and other International Organizations should be given due consideration in future improvements of the PACE system.

ANNEX 1: DEFINITION OF AUDIT TERMS

1. Audit Ratings

In providing an overall assessment of the results of the audit, OIO uses the following standardized audit rating definitions:

Audit Assessment	Definition
Effective	Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Some Improvement Needed	A few specific control weaknesses or areas for improvement were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Major Improvement Needed	Several key control weaknesses were noted and/or several areas of strategic/high importance were identified where significant improvements can be made to increase efficiency and effectiveness.
Unsatisfactory	Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.

Internal control is defined as a process effected by senior management and staff, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance objectives. Whilst internal control provides reasonable (but not absolute) assurance of achieving organizational objectives, limitations may result from:

- suitability of objectives established as a precondition to internal control;
- reality that human judgment in decision making can be faulty and subject to bias;
- breakdowns can occur because of human failures such as simple errors;
- ability of management to override internal control;
- ability of management, other staff, and/or third parties to circumvent controls through collusion;
- external events beyond the organization's control.

2. Priority of Audit Recommendations

The audit recommendations in this report are categorized according to priority as a guide to management in addressing the issues raised. The following categories are used:

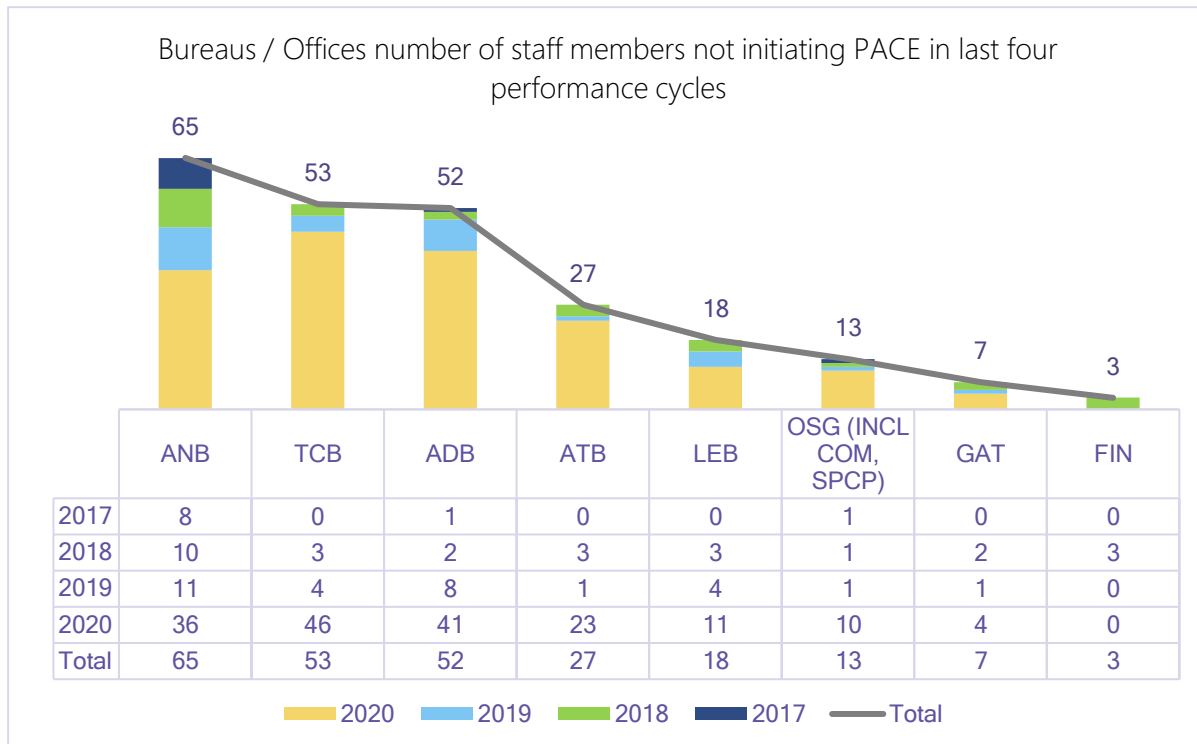
High: recommendations which address significant and/or pervasive deficiencies or control weaknesses, or areas where significant improvements can be made.

Medium: recommendations which address important deficiencies or control weaknesses, or areas where some improvements can be made.

Low: suggestions which represent best practice, or general opportunities for improvement.

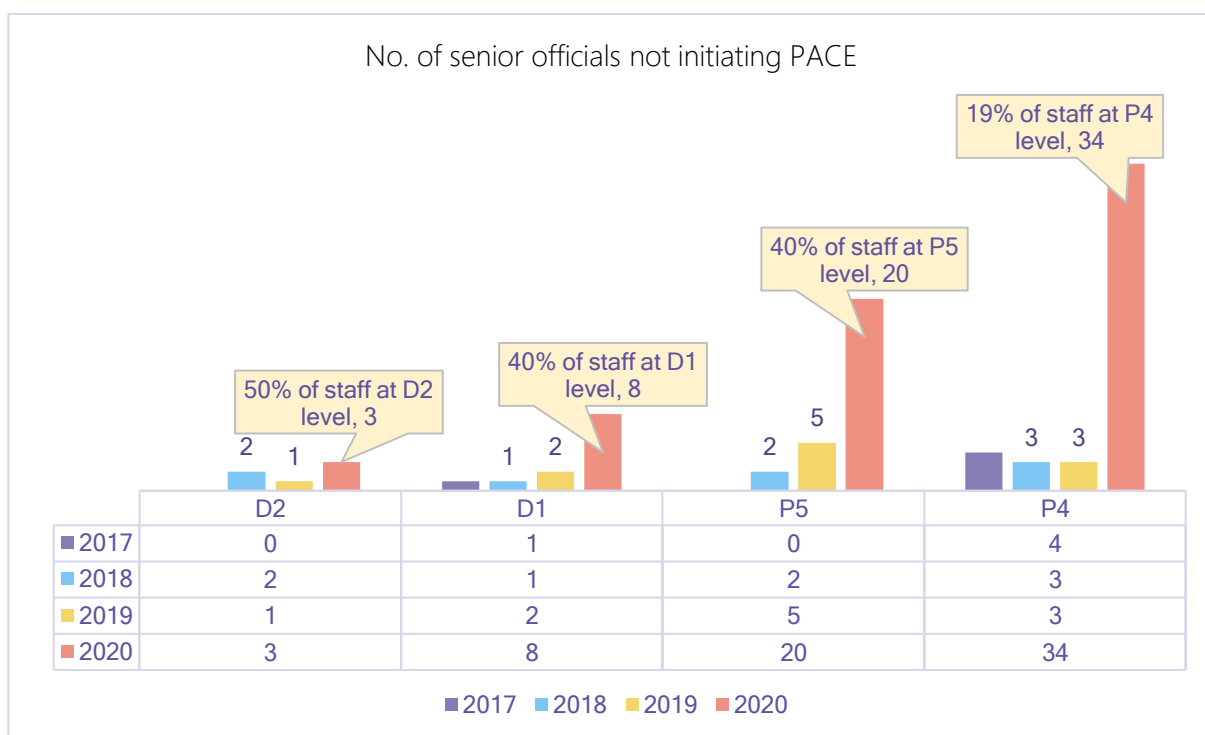
ANNEX 2: STATISTICAL ANALYSIS OF PACE DATA

1. Bureau / Office wise No. of staff members / secondees not initiating PACE



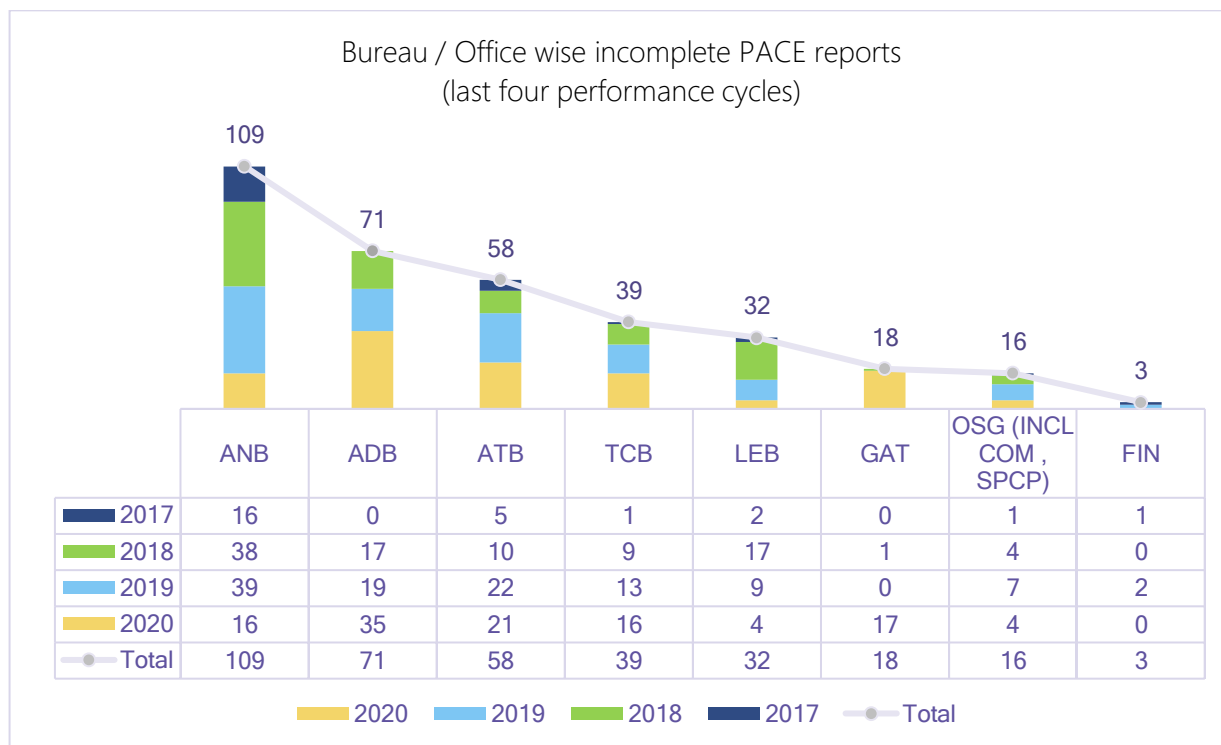
Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section

2. No. of senior officials who did not initiate PACE in last four performance cycles



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section

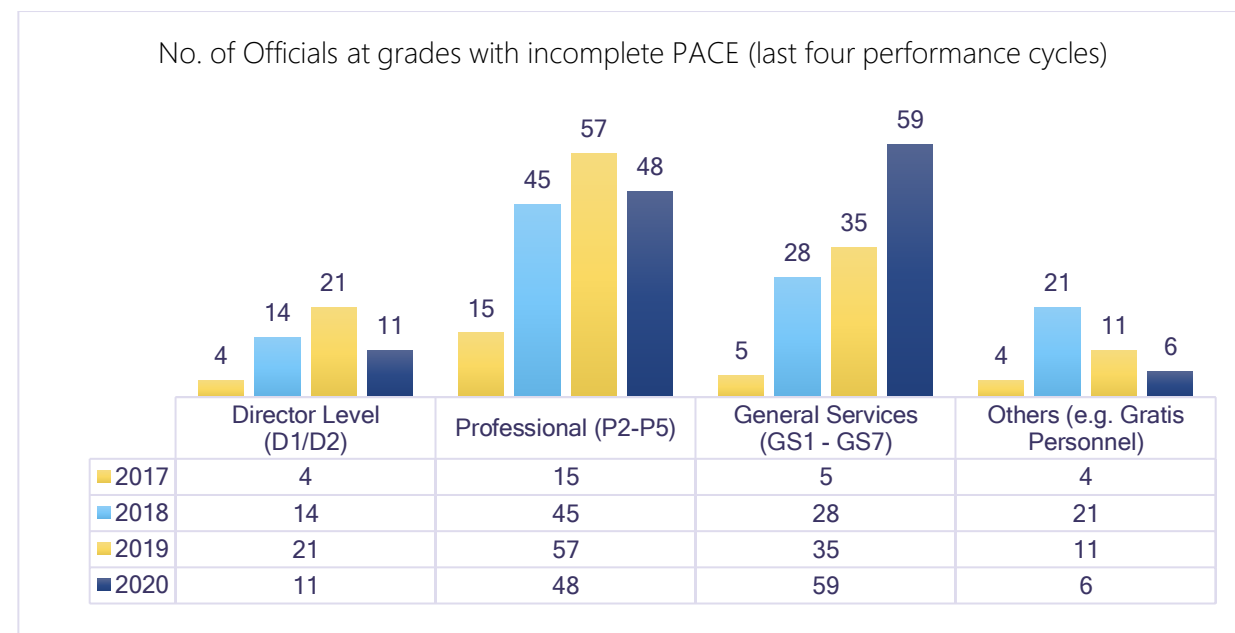
3. Bureau/Office wise distribution of incomplete PACE reports



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section

(* For year 2020, incomplete cases are those cases where the annual performance objectives for the year 2020 have not been approved / agreed by the First Reporting Officer, which was due on 28 February 2020)

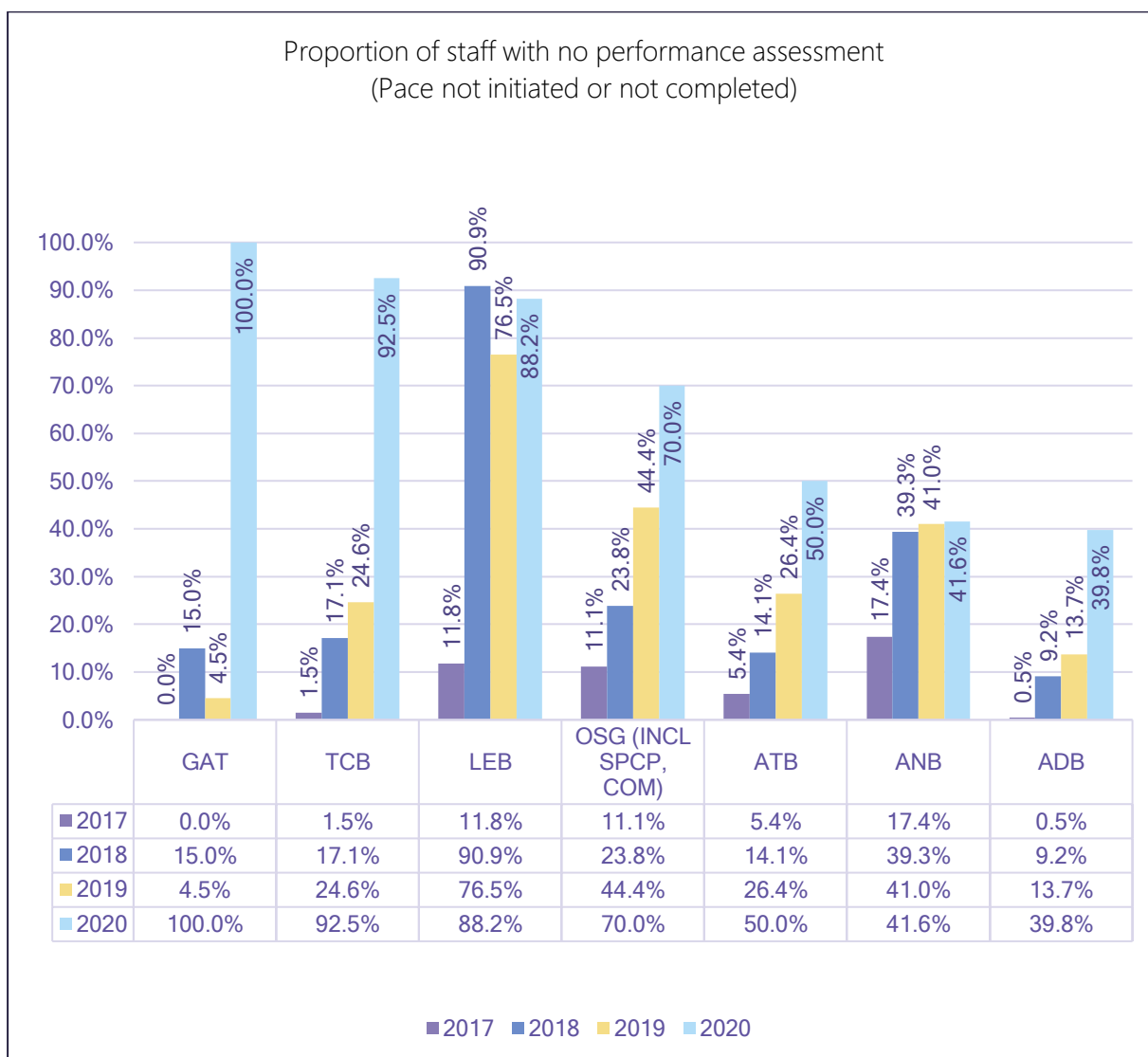
4. No. of officials at different grades with incomplete PACE



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section

(For 2020, incomplete PACE reports mean non-approval of performance objectives by first reporting officers, which was due on 28 February 2020).

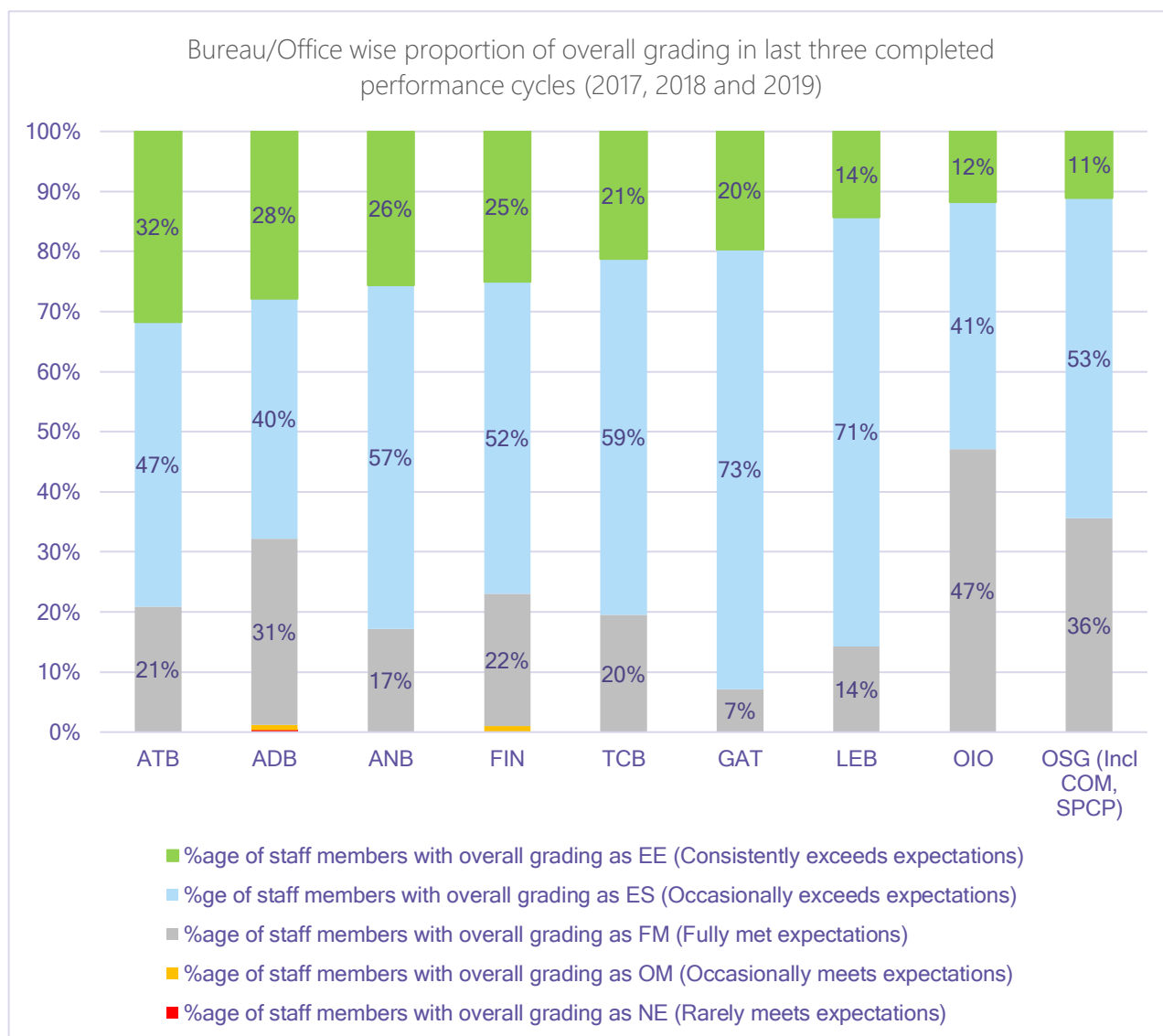
5. High Proportion of staff members in Bureaus/Offices with no performance assessment



Data as on 31 August 2020, Source: Policy, Organizational and Staff Development (POD) section

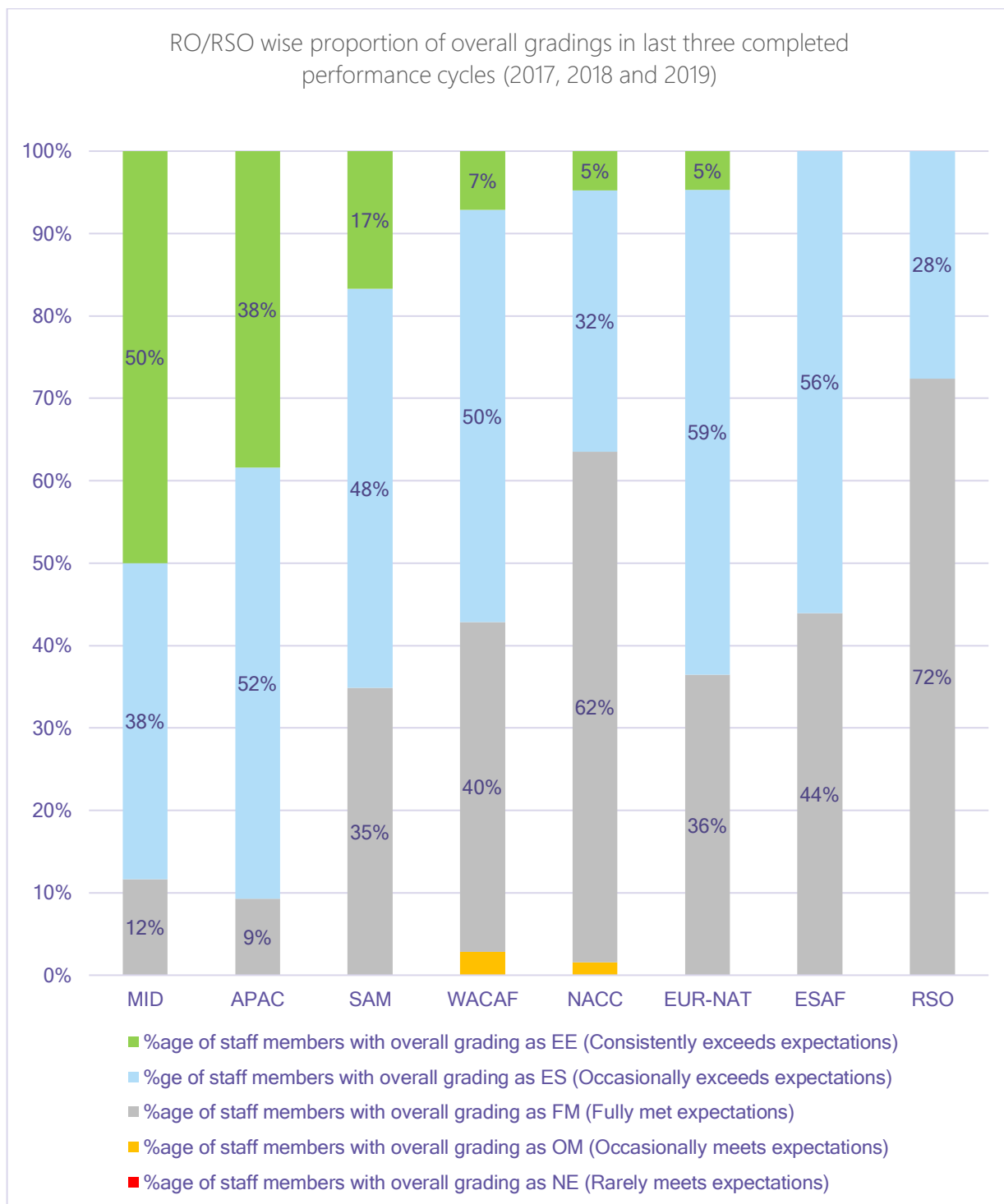
(* For year 2020, incomplete cases are those cases where the annual performance objectives for the year 2020 have not been approved / agreed by the First Reporting Officer, which was expected by 28 February 2020)

6. Bureau/Office wise proportion of overall grading



Data Source: Policy, Organizational and Staff Development (POD) section

7. Regional office wise proportion of overall grading

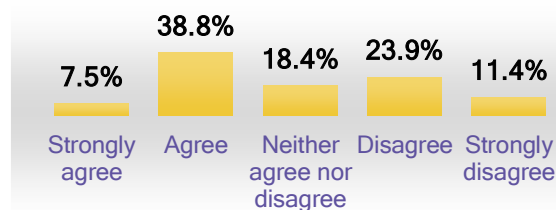


Data Source: Policy, Organizational and Staff Development (POD) section

ANNEX 3: RESULTS OF STAFF SURVEY ON PERFORMANCE MANAGEMENT

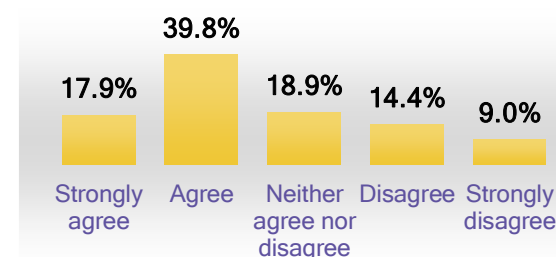
Performance assessments are conducted in a timely manner.

While 46.3 % staff members gave a positive reply, 35.3% gave a negative reply. A large proportion of staff members giving a negative reply correlates with the audit findings on non-completion of PACE.



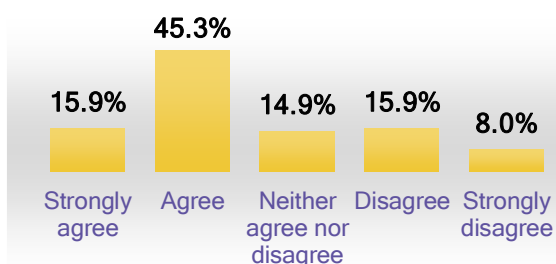
There is an open, two way dialogue between you and your supervisor and good quality of feedback is provided in all stages of annual performance assessment.

While 57.7% agreed, 18.9% were neutral and 23.4% of the staff members disagreed. In some Bureaus/units, the extent of non-availability of PACE reports is alarming and reporting officers are not tracking the status of PACE in respect of subordinate staff reporting to them.



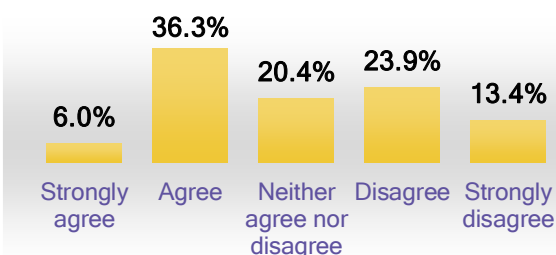
Your performance objectives set at the beginning of year are aligned with your current job description.

While 61.2% agreed, 23.9% of the respondents disagreed about alignment of performance objectives with their job descriptions. PACE does not have a mechanism to monitor alignment of performance objectives with Job Descriptions.



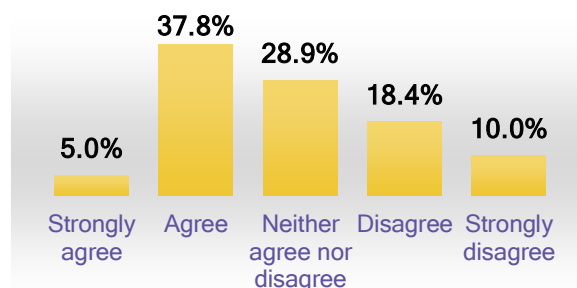
ICAO offers professional training opportunities and encourages other career development activities for staff development.

While 42.3% gave a positive feedback, 37.3% gave a negative response on this aspect.



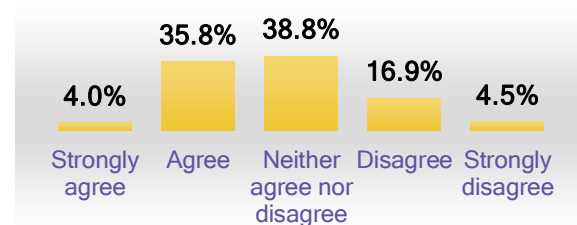
Current IT tool used for PACE is easy to use and having good user interaction.

28.4% responded negatively on the current PACE tool and 28.9% were neutral. While the PACE tool is workable but there are a number of deficiencies in the current IT application and plans are underway to replace this with UN Inspira e Performance module.



Available Performance Management Guide is clear and adequate in assisting you to complete annual staff performance assessments.

A large proportion (39.8%) responded positively. However, 38.8% were neutral and 21.4% responded negatively.



ANNEX 4: RESULTS OF BENCHMARKING SURVEY

<p><i>Are consultants and temporary staff members covered by the same procedures used for performance assessment of staff members?</i></p> <p>In ICAO, staff members and secondees are covered by PACE. Like in other organizations, consultants are not covered by staff performance management.</p>	
<p>Temporary Staff members</p> <p>Consultant</p>	<p>43%, Yes, 10 57%, No, 13</p> <p>100%, No, 23</p>
<p><i>Are staff performances objectives (1) linked to Organizational objectives / expected results, and/or (2) aligned with staff job descriptions, in the system?</i></p> <p>In ICAO, PACE framework provides for staff performance objectives to be linked with Organizational Objectives. However, alignment of performance objectives with Job descriptions is not monitored.</p>	
<p>Both (1) and (2)</p> <p>(1) Only</p> <p>(2) Only</p> <p>Neither (1) nor (2)</p>	<p>52%, 12</p> <p>30%, 7</p> <p>13%, 3</p> <p>4%, 1</p>
<p><i>How do you make use of the aggregate organizational data of performance assessments?</i></p> <p>ICAO is not using PACE reports as a formal means to conclude on satisfactory performance and HR decisions are not necessarily based on PACE reports. The MIS reporting aspect is also inadequate.</p>	
<p>To inform HR decisions</p> <p>To inform Senior Management</p> <p>Other(s)</p>	<p>78%, 18</p> <p>65%, 15</p> <p>26%, 6</p>
<p><i>Do staff performance assessments include a staff development component?</i></p> <p>ICAO have formal Administrative Instructions on Learning and Development Program and instructs staff members to undergo at least five days of training in a year. However, this is not monitored.</p>	
<p>Yes</p> <p>No</p>	<p>100%, 23</p> <p>0%, 0</p>
<p><i>Do staff members undertake formal self-assessments before assessments by the First Reporting Officer (FRO)?</i></p> <p>Staff members in ICAO do not undertake a formal self-assessment in the evaluation phase of PACE. This good practice has been adopted by 16 out of 23 respondents (70%).</p>	
<p>Yes</p> <p>No</p>	<p>70%, 16</p> <p>30%, 7</p>

<i>Is there an organizational KPI for measuring the timeliness in completion of annual performance assessments?</i>	
While an organizational KPI has been formulated by POD, it is not monitored or reported to top management. There are no KPIs on staff performance management at Bureau/Office/RO level. The IT applications does not provide a robust MIS reporting feature which can facilitate timely action in case of delays in completing the process.	<div> <div>Yes</div> <div>57%, 13</div> </div> <div> <div>No</div> <div>43%, 10</div> </div>
<i>Does your Organization provide for a 360 degrees assessment?</i>	
In ICAO, 360 degrees assessment is not implemented. It is a good practice and allows for more transparency in the system. 12 organizations out of 23 respondents (52%) have implemented 360 degrees assessment.	<div> <div>Yes</div> <div>52%, 12</div> </div> <div> <div>No</div> <div>48%, 11</div> </div>
<i>Is mid-term review of staff performance mandatory in your Organization?</i>	
Mid-term appraisals are mandatory in 17 out of 23 (74%) organizations. ICAO provides for a mid-term appraisal in its PACE process but in practice this step is not mandatory.	<div> <div>Yes</div> <div>74%, 17</div> </div> <div> <div>No</div> <div>26%, 6</div> </div>
<i>Is there a scheme for recognizing and rewarding good performance?</i>	
ICAO introduced the Awards Scheme in 2014.	<div> <div>Yes</div> <div>57%, 13</div> </div> <div> <div>No</div> <div>43%, 10</div> </div>
<i>Is there a mechanism for addressing underperformance?</i>	
While a majority 83% organizations has a mechanism for addressing underperformance, ICAO has yet to develop guidelines.	<div> <div>Yes</div> <div>83%, 19</div> </div> <div> <div>No</div> <div>17%, 4</div> </div>
<i>Is there a formal rebuttal mechanism?</i>	
There is a rebuttal mechanism in ICAO which is similar to that of the United Nations.	<div> <div>Yes</div> <div>78%, 18</div> </div> <div> <div>No</div> <div>22%, 5</div> </div>

ANNEX 5: MANAGEMENT ACTION PLAN

Ref	Recommendation	Management Comments	Agreed Actions	Office/ Section Responsible	Target Date
1	<p>i. The Secretary General should formally remind all Senior Managers and staff members of their obligations to comply with the provisions of Staff Rule 104.39 to ensure completion of PACE reports for 2020 in a timely manner</p> <p>ii. The Secretary General should instruct that timely completion of PACE reports within their respective Bureaus/Offices/Regional Offices is added as a performance objective for all senior managers with responsibilities to supervise staff and appraise employee performance.</p> <p>iii. Bureau of Administration and Services (ADB) should monitor and regularly report to Secretary General on compliance of Bureaus /</p>	<p>i. ADB normally sends formal reminders via HR Postmasters and emails to all managers and staff on their obligations to comply with Staff Rule 104.39 and to ensure completion of PACE reports in a timely manner. This is done repeatedly until KPI of 90% is met.</p> <p>ii. The Secretary General previously instructed senior managers (Directors/Chiefs of Bureaus/Offices reporting to the SG) to have a task in their performance objective for timely completion of PACE.</p> <p>iii. ADB has recently developed a global monitoring dashboard with graphic illustrations of compliance rates and KPI targets for all Bureaus/Offices.</p> <p>iv. All sections of Human Resources already practices due diligence to ensure that PACE reports are taken into account concerning matters such as contract extensions, step increment, promotions and separation payments. In rare cases, a PACE report may not be available but satisfactory performance is nevertheless verified by the responsible manager of the concerned staff member before relevant HR decisions are undertaken.</p>	<p>i. A formal reminder from Secretary General regarding 2020 PACE reports will be sent. ADB will continue sending reminders, as required, in the first quarter of 2021.</p> <p>ii. The Secretary General will remind senior managers (Directors/Chiefs of Bureaus/Offices reporting to the SG) of the earlier instruction on a performance objective for timely completion of PACE.</p> <p>iii. ADB will communicate the link to the dashboard within the formal reminder of the Secretary General as well as reminders from ADB (recommendation 1 i.). ADB shall regularly monitor and report such compliance to the Secretary General.</p> <p>iv. Human Resources will continue to practice due diligence, referring to PACE reports as available, in addition to other verification processes to confirm satisfactory performance. Compliance to take into account completion rate of PACE in view of KPIs.</p>	<p>i., ii., ADB and OSG</p> <p>iii. ADB</p> <p>iv. ADB</p>	<p>i. Completed</p> <p>ii. Completed</p> <p>iii. Completed</p> <p>iv. 31 December 2021</p>

Ref	Recommendation	Management Comments	Agreed Actions	Office/ Section Responsible	Target Date
	<p>Offices / Regional Offices with organization-wide KPIs for PACE implementation.</p> <p>iv. Human Resources should ensure that PACE reports are taken into account as the basis for all HR decisions in line with the relevant Staff Rules and Regulations</p>				
2	<p>Administration and Services Bureau (ADB) should ensure that</p> <p>i. Individual staff performance objectives are linked to Organizational expected results in all PACE reports.</p> <p>ii. Senior Managers and staff members are provided training on effective PACE implementation including but not limited to formulation of SMART performance objectives and consistent application of performance rating.</p>	<p>A new performance management training programme is currently being developed for implementation in January 2021. In addition, stand-alone modules are being developed which will focus on SMART performance objectives and assigning performance ratings.</p>	<p>i. ADB will request IAS/BTS to remove the option allowing the staff member to indicate task cannot be linked to strategic objectives and project/deliverables and to have the system populate the strategic objectives to avoid confusion and any chances of incorrect assignment of objective. IAS/BTS will also address technical issues related to information in CMRT being appropriately populated in the PACE. Data in CMRT should reflect all current operation plans submitted by Bureaus/Offices.</p> <p>ii. Stand-alone modules on planning and evaluation will be designed and introduced starting in the next performance cycle. Additionally, online, self-paced training modules to be developed and delivered in 2021 to complement courses delivered virtually.</p>	<p>i. ADB in consultation with IAS/BTS</p>	<p>i. 30 Sep 2021</p> <p>ii. 31 Dec 2021</p>

Ref	Recommendation	Management Comments	Agreed Actions	Office/ Section Responsible	Target Date
3	Administration and Services Bureau (ADB) should undertake a requirements analysis of the desirable features before implementing e-Performance module considering the lessons learned from previous implementation of PACE.	ADB has been engaging with Inspira developers since October 2020 on the desirable functions and customizations of the PACE system.	ADB will undertake a requirements analysis considering the lessons learned from the PACE system.	ADB	Completed
4	Administration and Services Bureau (ADB) should ensure at the time of implementation of UN Inspira e Performance and Learning Management System (LMS) modules that both these modules are linked and LMS should provide for recording all training activities of individual staff members.	Inspira LMS and ePerformance developers have confirmed the link can be made between the modules. The LMS module is planned for implementation in Q3 of 2021. Due to the ongoing performance cycle at ICAO (January – December) as well as transitional requirements from PACE to the new module, the ePerformance module is planned for implementation in January 2022.	The ePerformance module will be launched later than LMS module. Accordingly, the link between the modules will be active when both modules are live.	ADB	By 31 January 2022
5	Administration and Services Bureau (ADB) should review all cases where First Reporting Officer (FRO) and Second Reporting Officer (SRO) roles are performed by the same staff member at P5 and below grades and request bureaus to designate a senior supervisor as SRO wherever possible depending upon hierarchy of the Organizational Unit.	This determination is made at the Bureau/Office level as the reporting structures are not mapped in the PACE.	ADB will review such cases and request Bureaus/Offices to designate a senior supervisor as SRO wherever possible depending upon hierarchy of the Organizational Unit.	ADB	By 30 June 2021