

## Annex VIII

### Reporting on Management Results

#### UNOPS approach to Results-based Management

##### Preamble

In line with the importance attached to results-based management by General Assembly resolution (A/RES/75/233) on the quadrennial comprehensive policy review, UNOPS reporting on operational results is informed by key definitions in use by the United Nations Secretariat, UNDP and the Organisation for Economic Co-operations and Development, as well as the Results-based Management Handbook published by the United Nations Development Group.

UNOPS approach to results-based management, including its role in the results chain, is described in Annex II of the UNOPS strategic plan, 2018-2021 (DP/OPS/2017/5-Annexes). Noting that UNOPS contributes to programme outcomes in partnership with other entities, achievements in the Annual report are measured and reported at the output level.

##### Process

UNOPS project managers use the enterprise portfolio and project management ('oneUNOPS Projects') to schedule projects, systemize tasking, record and escalate risks and issues, capture lessons learned, and monitor project progress. Through oneUNOPS Projects, project managers are required to plan and report on completed outputs, with project expenses attributed in accordance with output-based budgeting. In 2022, UNOPS projects significantly contributed to output deliverables with total expenditure exceeding \$3.4 billion.

##### Portfolio

UNOPS service lines comprise infrastructure, procurement, project management, financial management and human resources. While projects often include multiple components from different service lines (for example procurement activities to complete an infrastructure output), the portfolio analysis in the Annual report is presented from the perspective of the end-output (such as a school), as identified by UNOPS project managers. To report on 2022 results, UNOPS used a list of around 170 outputs, all of which are associated with a service line.

### A. Management Results and Reporting for 2022-2023

The strategic plan, 2022-2025 articulates four management goals that reflect the four perspectives of the UNOPS balanced scorecard: partners, people, process, and finance. As part of the biennial budget estimates for 2022-2023, the related management results framework comprises 12 performance indicators and targets aimed at measuring and reporting on performance and achievements for the biennium. For 2022, key management results are outlined in section III-B of the Midterm review of the UNOPS Strategic Plan 2022-2025 (DP/OPS/2023/5).

Table 1 below provides an overview of 2022 results against performance indicators submitted as part of the UNOPS Budget estimates for the biennium 2022-2023 (DP/OPS/2021/6). The baseline is as of 2021, unless otherwise specified.

**Table 1. UNOPS management results framework and reporting for 2022-23**

Management goals	Drivers	Performance indicators	Baseline 2021	Targets 2022-2023	2022 result
A. Partner value	A1. Manage partner value	Overall partner satisfaction	78%	80%	77%
	A2. Partner for knowledge and effect	Increase in partner agreement value to support public procurement and quality infrastructure	\$745M (20/21 average) <sup>1</sup>	>10%	\$940M (+26%) <sup>1</sup>
	A3. Communicate contribution of value	Uphold international transparency standards for results	100%	100%	100%
B. People excellence	B1. Embrace a culture founded in United Nations values and principles	Women in workforce	50.6%	47%-53%	51.2%
	B2. Attract, recognize and develop talent	Overall personnel engagement	3.77	4.10	3.72
	B3. Reinforce leadership	Women in senior positions	44.6%	47%-53% <sup>2</sup>	43.8%
C. Process excellence	C1. Manage efficiency and consistency	Timely completion of projects	83%	85%	92%
	C2. Benchmark performance	Implementation rate of accumulated internal audit recommendations	97%	90%	98%
	C3. Innovate services and delivery platform	Timely forecasting of project expenditure	88%	95%	90%
D. Financial stewardship	D1. Manage growth and delivery	Ratio of annual delivery to value of partner agreements	63% (20/21 average) <sup>1</sup>	75-85%	70% (2022) <sup>1</sup>
	D2. Attribute costs to value	Partner agreements in compliance with cost recovery policy	99%	95%	98%
	D3. Invest in knowledge and innovation	Internal investment projects reporting on results	71% (2020)	100%	94%

<sup>1</sup>Excluding an unprecedented partner agreement signed in 2020 with the Government of Mexico.<sup>2</sup> For ICS-11 and above, the target date for achieving 47%-53% representation is end-2026.

## B. Resources for management results by functional cluster

Table 2, below, and the related narrative reporting provide an overview of the 2022 results against the performance indicators and the actual use of resources for the harmonized functional clusters, as presented as part of the UNOPS Budget estimates for the biennium 2022-2023 (DP/OPS/2021/6).

**Table 2. Targets achievement and resources for management results, by functional cluster**

Harmonized functional cluster	Performance indicator	Target 2022-2023	2022 result	Management resources, millions (US\$), 2022			Comparison of original and final budget (%)	Comparison of final budget and actual (%)
				Original budget	Final budget	Expenditure		
Leadership and corporate direction	Women in senior positions	47%-53%	43.8%	\$20.5	\$26.1	\$23.8	27%	-9%
	Internal investment projects reporting on results	100%	94%					
Corporate external relations and partnerships, communications and resource mobilization	Overall partner satisfaction	80%	77%	\$22.9	\$23.6	\$22.5	3%	-4%
	Increase in partner agreement value to support public procurement and quality infrastructure	>10%	\$940M (+26%)					
Country office oversight, management and operations support	Timely completion of projects	85%	92%	\$15.3	\$22.3	\$22.8	46%	2%
	Timely forecasting of project expenditure	95%	90%					
Corporate human resources management	Women in workforce	47%-53%	51.2%	\$5.6	\$5.9	\$5.4	6%	-8%
	Overall personnel engagement	4.10	3.72					
Staff and premises security	Not applicable <sup>3</sup>	n/a	n/a	\$0.6	\$0.3	\$0.3	-47%	17%
Corporate financial, information and communications technology and administrative management	Partner agreements in compliance with cost recovery policy	95%	98%	\$17.0	\$14.9	\$14.6	-12%	-2%
	Ratio of annual delivery to value of partner agreements	75%-85%	70% <sup>4</sup>					
Corporate oversight and assurance	Implementation rate of accumulated internal audit recommendations	90%	98%	\$8.9	\$11.3	\$9.8	28%	-13%
	Uphold international transparency standards for results	100%	100%					
<b>Total</b>				<b>\$90.7</b>	<b>\$104.3</b>	<b>\$99.3</b>	<b>15%</b>	<b>-5%</b>

<sup>3</sup> No performance indicators set for harmonized functional clusters representing less than 1% of management resources

<sup>4</sup> Excluding delivery within an unprecedented partner agreement signed in 2020 with the Government of Mexico.

### ***Leadership and corporate direction***

The ‘leadership and corporate direction’ harmonized functional cluster corresponds to the UNOPS ‘strategic management and leadership’ global function, handled by the global leadership team. The cluster articulates the Executive Director’s accountability to the Executive Board for implementing the UNOPS mission and vision through its strategic plan, 2022-2025. It is responsible for pursuing contribution goals and relevant targets for management results in the biennial budgets. The global function is responsible for leadership and organization-wide support for integrating UNOPS values and ethics.

In 2022, the ‘leadership and corporate direction’ harmonized functional cluster partially met the target for ‘women in leadership positions’ with 43.8 per cent against the target of 47-53 per cent, and made progress towards the target of 100 per cent for ‘internal investment projects reporting on results’ with achievement of 94 per cent. The expenditure was slightly below the final budget approved for the functional cluster, with the actual expenditure below the final budget by 9 per cent.

### ***Corporate external relations and partnerships, communications and resource mobilization***

The ‘corporate external relations and partnerships, communications and resource mobilization’ harmonized functional cluster comprises two UNOPS global functions: ‘communications’ and ‘partnerships development’. As UNOPS continues to mature in managing its external relations, the Partnerships and Liaison Group incorporates liaison offices located in proximity to partners and integrated into regional portfolios. UNOPS has increased its partnership development capabilities in the regions to ensure sufficient resource mobilization and improve the quality of engagements. The Communications Group has been strengthened with additional resources to increase the visibility of UNOPS to target audiences. This is reflected in increased funding for 2022-2023 biennium.

In 2022, the ‘corporate external relations and partnerships, communications and resource mobilization’ harmonized functional cluster partially met the target for ‘overall partner satisfaction’ with 77 per cent against the target of 80 per cent, and exceeded the target for ‘increase in partner agreement value to support public procurement and quality infrastructure’ with 26 per cent increase against the target of at least 10 per cent. The expenditure was slightly below the final budget approved for the functional cluster, with the actual expenditure 4 per cent lower than the final budget.

### ***Field/country office oversight, management and operations support***

The ‘field/country office oversight, management and operations support’ harmonized functional cluster comprises three global UNOPS functions: regional oversight, implementation practices and standards, and integrated advice and support. UNOPS is strengthening its delivery mechanism by increasing technical advisory capacity at the regional level. This reflects its ambition to continue increasing technical expertise to support partners in its mandated areas. UNOPS governance, risk and compliance framework enables it to distinguish between transactional processes and policy-setting and oversight activities. By further delineating these roles for field support functions, UNOPS will be able to leverage its resources to improve solutions and promote innovation.

In 2022, the ‘field/country office oversight, management and operations support’ harmonized functional cluster exceeded the target for ‘timely completion of projects’ with 92 per cent against the target of 85 per cent, and made progress towards the target for ‘timely forecasting of project expenditure’ with 90 per cent achievement against the target of 95 per cent. The expenditure was slightly above the final budget approved for the functional cluster, with the actual expenditure 2 per cent higher than the final budget.

### ***Corporate human resources management***

The ‘corporate human resources management’ harmonized functional cluster covers the UNOPS global ‘human resources’ function. The cluster has a focus on strategic and institutional priorities, a more cost-effective way of

delivering specialized human resources functions to the organization and beyond. The well-established and cost effective UNOPS Shared Service Centre allows the delivery of high-quality global human resources support for both advisory and transactional tasks. UNOPS is thus able to increase the scope, types and share of services delivered to partners. This enables it to contribute effectively to the Secretary-General's reform agenda.

In 2022, the 'corporate human resources management' harmonized functional cluster met the target for 'women in workforce' with 51.2 per cent against the target of 47-53 per cent, and fell short of the target for 'overall personnel engagement' with 3.72 against the target of 4.10. The expenditure was slightly below the final budget approved for the functional cluster, with the actual expenditure 8 per cent lower than the final budget.

### ***Staff and premises security***

The 'staff and premises security' harmonized functional cluster covers the UNOPS global security function. Security is a critical component in the implementation of UNOPS projects worldwide, and the bulk of those costs are covered directly by relevant projects. In addition to the security of personnel and assets, UNOPS is implementing internationally recognized health, safety and environmental standards.

In 2022, no performance indicator was set for the 'staff and premises security' harmonized functional cluster as it represents less than 1 per cent of the management resources. The actual expenditure exceeded the final budget by 17 per cent.

### ***Corporate financial, information and communications technology, and administrative management***

The 'corporate financial, information and communications technology, and administrative management' harmonized functional cluster comprises three UNOPS global functions: 'finance', 'information technology', and 'general administration'. Rooted in the successful implementation of shared services at local, regional and global levels, UNOPS has achieved a high proportion of direct cost recovery for general administration functions.

In 2022, the 'corporate financial, information and communications technology, and administrative management' harmonized functional cluster exceeded the target for 'partner agreements in compliance with cost recovery policy' with 98 per cent against the target of 95 per cent, and partially met the target for 'ratio of annual delivery to value of partner agreements' with 70 per cent against the target of 75-85 per cent.. The expenditure was slightly below the final budget approved for the functional cluster, with the actual expenditure 2 per cent lower than the final budget.

### ***Corporate oversight and assurance***

The 'corporate oversight and assurance' harmonized functional cluster comprises the following global functions: corporate oversight and risk management; legal; audit and investigations; and ethics and compliance.

In 2022, the 'corporate oversight and assurance' harmonized functional cluster exceeded its targets: 'implementation rate of accumulated internal audit recommendations' reached 98 per cent against the target of 90 per cent, and 'uphold international transparency standards for results' reached 100 per cent in line with the target. The expenditure was slightly below the final budget approved for the functional cluster, with the actual expenditure 13 per cent lower than the final budget.