SAVING
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Internal Audit
of the Reassignment process
in WFP

Office of the Inspector General
Internal Audit Report AR/21/09

May 2021

WFP
World Food Programme

Contents

Internal Audit of the reassignment process in WFP

I. Executive Summary

Reassignment in WFP

1.   As part of its annual work plan, the Office of Internal Audit conducted an audit of WFP's reassignment that focused on the period 1 January 2019 to 31 May 2020. The audit team carried out the fieldwork from 24 June to 2 October 2020. The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

2.   Central to WFP's operating model and culture, reassignment is the process of internally deploying international professional staff, most of whom are required to rotate between posts and duty stations (at designated intervals) to where they are most needed. During the audit period, 1,056 staff were reassigned, comprised of 919 professionals and 137 senior staff. The average financial cost of relocating an international staff member through reassignment is estimated at USD 50,000. With WFP's expansion of its rank-in-post promotion system to all grade levels starting in 2021, reassignment will act as the starting point through which promotions for duration of assignment will occur in the future.

Audit conclusions and key results

3.   Based on the results of the audit, the Office of Internal Audit has come to an overall conclusion of **partially satisfactory with some improvements needed** to provide reasonable assurance that reassignment objectives are clear and achieved, and that governance arrangements, risk management and controls are established and functioning. Issues identified by the audit were unlikely to significantly affect the achievement of the objectives of the audited entity/area. Management action is recommended to ensure that identified risks are adequately mitigated.

4.   The audit noted however that reassignment relies on the strength of the interconnected processes of workforce planning, performance management and career management. Efforts are under way to strengthen these areas; yet, in the auditor's view, not with the sense of urgency required for such a key area which indeed requires major efforts.[1] Weaknesses in these processes negatively impact reassignment; for example, in anticipating qualified staff or skills deficits for a faster filling of vacancies, especially in key hardship and emergency duty stations; in relying on performance assessments; or on a Career Framework that is not widely implemented and inconsistently used.

5.   With most international staff being rotational, the reassignment process that manages the rotation of staff is an essential tool for the organization to cover its staffing needs in putting the right people with the right skills on the right roles. It also offers opportunities for WFP, through career framework and tracks, to grow, through rotation, the profiles it will need in the future - be it skills, cross functional expertise, or gender and diversity.

6.   From the three main objectives associated with the reassignment process, 1) the right person for the right role, 2) staffing key operational areas, and 3) placing women in senior positions, other objectives or considerations weigh into the candidates' selection, for example employee preferences, equity and burden sharing, duty of care, managing a rotational pool, as well as spousal reunification. These are not made explicit, nor is their weight or preponderance in the decisions process clear.

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[1]Also reported in the Evaluation of the WFP People Strategy (2014-2017) https://docs.wfp.org/api/documents/WFP-0000112159/download/?_ga=2.43710757.1093305857.1615915523-309980513.1598015211

7. These objectives are tracked and achieved to varying degrees.

- Selecting the right person for the right role is defined and tracked measuring the extent to which candidates selected for vacancies meet the 'skills match' exercise. In the 2020 mid-year reassignment exercise, this Key Performance Indicator was reported as 97 percent achieved.

- Far more reassignment positions are advertised each year than there are staff due for reassignment and staffing of key operational areas is not timely. This is in spite of the introduction of a pre-vetted employee pool to expedite staffing and tap into the talent of internal employees when no internal candidate is identified. Recent audits highlighted the impact of long outstanding vacancies on field operations. A time-efficiency assessment could not be performed due to lack of time-relevant information.

- Women represent 44 percent of the rotational pool in June 2020. Recent and concerted efforts have been made to appoint women in senior positions, with a steady increase in selection of female applicants for Deputy Country Director positions, and a slight increase for women in D-2 positions in the last three years. Further improvements are needed to expand gender and diversity to non-senior levels, and at all stages of the reassignment process to establish a comprehensive approach to address diversity and inclusion. This should also include workforce planning to source and develop more diverse leaders for the future.

- The objective of burden sharing was first identified in WFP in 1998, in response to which a provision was created capping headquarters length of stay and requiring all staff serve in headquarters at least once in their WFP career. These provisions no longer exist in the current framework. Regardless of staff preference, though, these factors may negatively impact WFP through a less well-rounded staff body; possible negative staff perceptions about process fairness; staff wellness and duty of care implications for long service in hardship locations.

8. Areas for improvements include clarity on objectives and other considerations, aligning and introducing metrics, and Human Resources Division reporting on all objectives and on its effectiveness in filling vacancies in a timely and efficient manner.

9. Roles and responsibilities of all stakeholders in the process required revision with specific consideration of:

- the involvement of senior management in professional positions reassignment when most decisions of the Professional Staffing Committee are endorsements of proposals;

- the role, authority and professionalization of the Staffing Coordinator, which is key to the assessment and selection process ahead of the Staffing Committees; and

- the role of the Human Resources Division in guiding, monitoring and overseeing the process.

10. In its review of the process, the audit noted that the Human Resources Manual and other related guidance were not always clear and explicit on the rules and procedures of the reassignment process, upstream assessment and evaluation of the qualifications, as well as on how exceptions, when needed, were employed, reviewed, and approved, and on the informal and formal appeals available to staff. Ethical considerations and safeguards require strengthening throughout the reassignment process and to be made explicit in the Human Resources Manual. This applies to the role and selection of the Staffing Coordinator, managing conflicts of interest, formalizing referrals, etc.

11. Candidate applications and profiles were available as source documentation; yet the 'skills match' tool was insufficient for the audit to confirm all assessments and selections. An absence of clear guidance and criteria was observed to contribute to inconsistencies in the assessment of candidates. The Human Resources Division did not perform due diligence to ensure the staffing recommendations were based on a consistent methodology.

12. OIGA's survey showed that staff' reservations about the process were not focused on its effectiveness but on the transparency of the process itself. Ensuring there is a common understanding of how the reassignment process

actually works, adding good supporting documentation to justify the selections made, keeping the skillset requirements consistent across similar roles, and developing exceptional approval protocol to ensure that reassignment decisions are made at the right level of the organization, and exceptions documented, can help to demystify the process. This would also provide an opportunity to strengthen employee trust and engagement in the process and for WFP to align with its values, the People's Policy currently being developed and good practices.

13. When staff due for reassignment within a cycle are not found suitable positions to reassign, they are placed on the "Requiring a decision about reassignment" (RADAR) listing. They continue to collect salary and entitlements without in most cases performing any work so long as they continue to apply for reassignment vacancies. It is unclear how RADAR staff are managed; how their applications are prioritized during reassignment; where their costs should be charged and for how long; and who should be responsible for monitoring, assisting and taking action. An approach to the management and separation of RADAR staff has been developed but it is not consistently applied. Costs charged for staff on the RADAR list have increased by 30–50 percent in the last five years to over USD 6 million in 2019. A cost analysis of the account would be useful to reassess such arrangements.

Actions agreed

14. The audit report contains two high and three medium priority observations. Management has agreed to address the reported observations and work to implement the agreed actions by their respective due dates. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation during the audit.

II. Context and scope

WFP's reassignment process

15. The primary objective of the reassignment process is to cover the staffing needs of WFP by putting the right people with the right skills in the right role. Reassignment also aims to provide staff with a diverse set of experiences while balancing the needs of the organization with those of staff and contribute to staff career management and the development of a versatile and capable WFP workforce. The reassignment process aspires to ensure fair sharing of work assignments, including at hardship duty stations.

16. A reassignment policy was first issued in 2003 and revised in 2011. Reassignment principles, criteria, key roles and steps from the policy were subsequently transferred to WFP's Human Resources (HR) Manual. A Career Framework was also introduced in 2011[2] to enhance transparency and consistency in career-related decisions. WFP further developed the current framework in 2015 and revised it in 2019, aligning it to global best practices.[3]

17. In 2017, a Future International Talent (FIT) pool[4] was introduced as a pipeline of pre-qualified professionals to enable reassignment posts to be filled more rapidly in instances where no suitable internal candidates can be identified. The FIT Pool is a corporate effort to address the deficit in rotational staff numbers and skills by allowing WFP to tap into the external market but also its significant population of internal talent on short-term contract modalities. Since October 2020, WFP has extended its internal fit pools for some functions to national staff.

18. Workforce planning has seen very recent initiation of efforts such as pilot projects in Finance and Partnerships;[5] and the recent appointment of a Head of Workforce Planning.

19. Reassignment is enabled through several key actors as established in the HR Manual:

- Human Resources Talent Acquisition and Deployment Branch (HRMTM) is officially designated in the HR Manual as the Secretariat for the Staffing Committees and supports the overall reassignment process and actors. HRMTM works with Staffing Coordinators to support them in their role, whether it is to have career conversations with staff members, make recommendations to the Staffing Committee or look for alternative solutions to staffing challenges. It is the focal point for managers, staff members and Staffing Committee members for queries and advice on the reassignment process. It also maintains the reassignment dashboard and key data, identifies and advertises vacancies and notifies staff members of any reassignment decision.

- Staffing Coordinators (SCs) are senior staff (P-5 or above) responsible for assisting in the management of staffing requirements for their respective functional area and in providing career guidance to staff as per their Terms of Reference (TOR). As regards reassignment, SCs are tasked with coordinating between staff, Receiving Managers (RMs) and Staffing Committees, and are responsible for assessing and proposing the ranking of candidates and who they think are best suited for a position for consideration by the Staffing Committees. Except for Supply Chain, Programme and Policy and recently Partnerships and Advocacy divisions, all SCs carry out their role part time.

- Two Staffing Committees are designated as the reassignment process owners, with the Professional Staffing Committee (responsible for considering P-5 posts and below) chaired by the Deputy Executive Director (DED), and the Senior Staffing Committee (responsible for considering all P-5 and above Country

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[2] Directive on Reassignment (HR2011/0042).
[3] WFP's career framework recognizes the different nature and value of career moves, desirable leadership competencies, distinguishes between generalist and expert roles and considers both lateral and vertical moves for cross-functional rotation.
[4] The FIT pool now includes approximately 600 candidates, many of whom already work for WFP under non-staff modalities.
[5] Delivery of WFP functional plans will take time as it requires extensive data-driven analysis and recommendations.
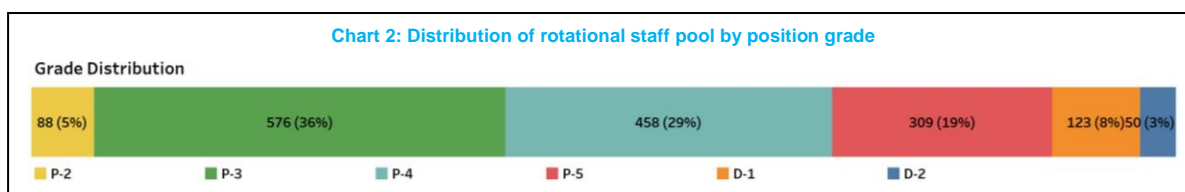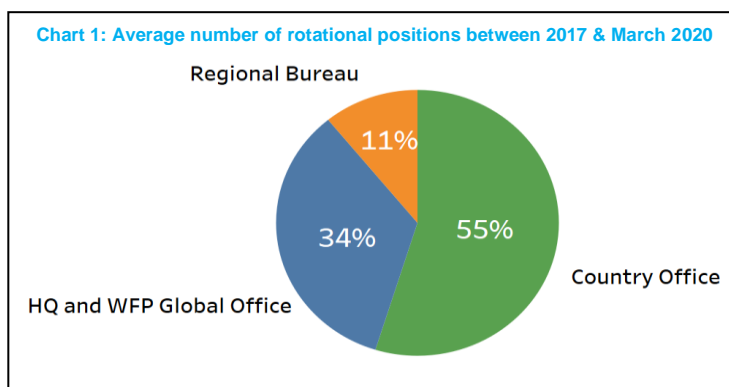
Directors posts and all D1 and D2 posts) officially chaired by the Executive Director (ED), but in practice chaired by the DED as alternate. The Committees maintain ultimate responsibility for assessing and selecting candidates based upon SC suggestions, and are also tasked with making sourcing decisions about how vacancies should be filled.

- All Staffing Committee professional reassignment recommendations are approved by the DED and senior reassignments and proposals for promotions to senior positions must also be approved by the ED.

- Staff are encouraged to seek feedback regarding their applications and can appeal decisions made. The ED maintains ultimate authority over reassignment decisions.

Staff rotational pool

20. The reassignment staff pool is made up of fixed-term, indefinite appointment and continuing staff whose posts have been designated as rotational. The make-up of this rotational pool provides context on how, where and why staff move and serve:

- As shown in Chart 1, on average, 55 percent of all rotational positions are in Country Offices (COs) versus 45 percent in headquarters (HQ)/WFP Global Offices/Regional Bureaux (RBx).

- The pool is equally divided between staff from developing countries and staff from developed countries.

- A slight majority of staff, 56 percent, are male.

Chart 1: Average number of rotational positions between 2017 & March 2020

- The majority of all rotational staff position grades, 59 percent, are at P4 level or above (See Chart 2).

Chart 2: Distribution of rotational staff pool by position grade

Grade Distribution

88 (5%) — P-2; 576 (36%) — P-3; 458 (29%) — P-4; 309 (19%) — P-5; 123 (8%) — D-1; 50 (3%) — D-2

- Fifty-three percent of all positions advertised from 2016 to 2020 are in family duty stations H, A and B. More than a third (35 percent) are in hardship duty stations D and E and 12 percent are in duty station C (See Chart 3).

Chart 3: Proportion of number of positions advertised by duty station classification per year
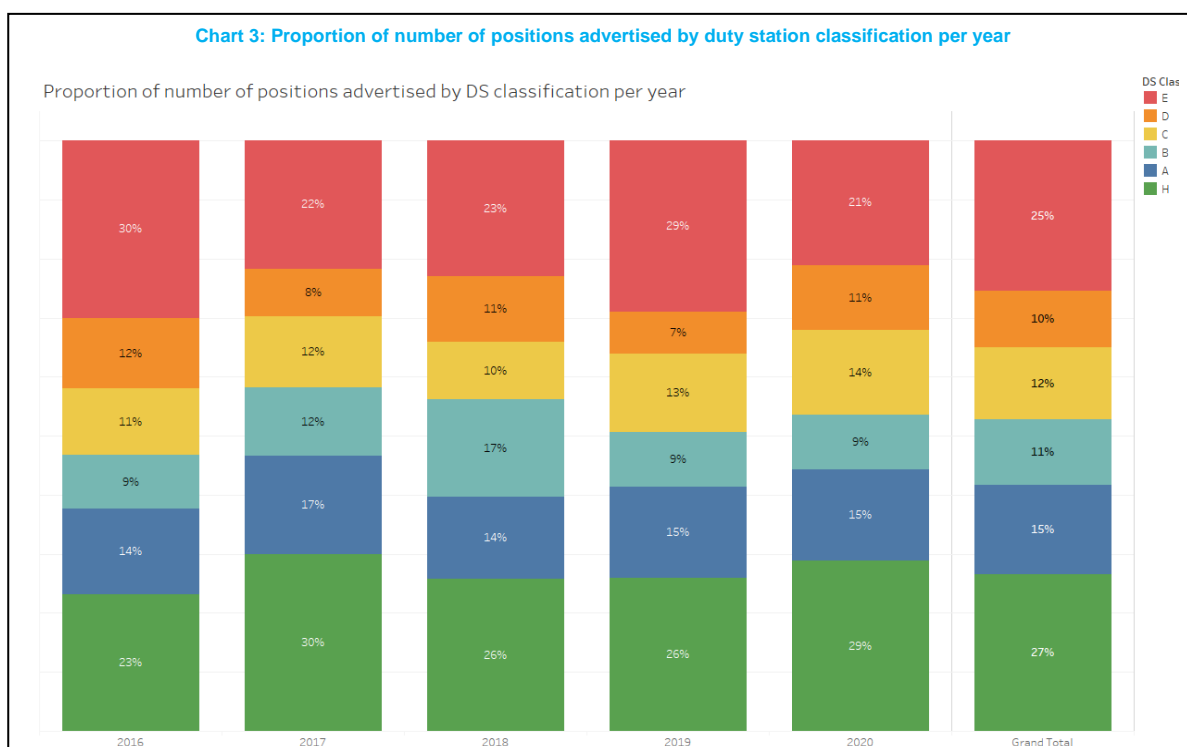
Objective and scope of the audit

21.   The overall objective of the audit is to provide assurance on the effectiveness of governance, risk management and internal controls related to WFP's reassignment process. Such audits are part of the process of providing an annual and overall assurance statement to the ED.

22.   The audit aimed to give assurance along the following lines of enquiry:

- Line of enquiry 1 (LOE-1): Are the objectives of the reassignment process clear throughout the organization, measurable and fit for purpose? Have these objectives been met? If not, why?

- Line of enquiry 2 (LOE-2): Do the reassignment process and resulting decisions follow transparent and objective criteria and information, and are they consistently implemented?

- Line of enquiry 3 (LOE-3): Is reassignment an efficient and cost-effective process?

23.   The audit was carried out in conformance with the *Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing*. It was completed according to an approved engagement plan and took into consideration the risk assessment exercise carried out prior to the audit. The scope of the audit covered the period from 1 January 2019 to 31 May 2020. The audit field work took place from 24 June to 2 October 2020. With COVID-19 provisions and working arrangements at WFP headquarters, all work was performed remotely.

24.   The audit performed analytics of historical data beyond the audit period and, where necessary, reviewed transactions and events pertaining to other periods. Audit work was carried out and evidence was obtained through the following methods:

- review of key documents, communications, policies and procedures;

- structured interviews with a representative, randomized sample of the rotational staff pool.[6] Interview questions were finalized in collaboration with HRMTM to better understand the factors driving staff and manager behaviour and their views on reassignment performance and what can be improved;

- interviews with a sample of staff, managers, SCs, Staffing Committee members and observers, as well as consultations with a wide range of internal stakeholders;

- walkthroughs and sample testing of reassignment vacancies, early moves, decision memos;

- benchmarking analysis[7] with: (i) UN agencies – United Nations High Commissioner for Refugees (UNHCR), World Health Organization (WHO), United Nations Children's Fund (UNICEF); (ii) Non-Governmental Organizations – International Committee of the Red Cross; (iii) donor development agencies – United States Agency for International Development (USAID); (iv) foreign service organization – United States State Department Foreign Service; (v) the private sector – Mercer Consulting, Deloitte Global Mobility, KPMG Mobility and Oracle; and (vi) best practice on internal recourse and appeals mechanisms – Advisory, Conciliation and Arbitration Service of the United Kingdom (ACAS) and the International Labour Organization of the United Nations (ILO); and

- Analytics on key reassignment and HR related data.

25.   As a result of data constraints in the systems used, the audit was unable to fully assess WFP's ability to fill its operational needs through reassignment and the FIT pool. There were significant issues with the quality of data overall, including, but not limited to missing values, unpopulated fields, changing formats, inconsistent categorization and manually adjusted inputs. This coupled with the fragmented nature of the systems and sources of HR and reassignment information impaired the audit's ability to perform repeatable and efficient analytics.

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[6] Sample of 100 staff including 35 percent who have been a Receiving Manager during the reassignment process.
[7] Detailed results were provided to HR Management in an internal Management Information Note.

III. Results of the audit

Audit results and observations

26. Table 1 outlines the extent to which audit work resulted in observations and agreed actions. These are classified according to the lines of enquiry established for the audit and are rated as medium or high priority; observations that resulted in low priority actions are not included in this report. The five observations of this audit are presented in detail below.

Table 1: Overview of lines of enquiry, observations and priority of agreed actions	Priority of issues/agreed actions
Line of enquiry 1: Are the objectives of the reassignment process clear throughout the organization, measurable and fit for purpose? Have these objectives been met? If not, why?	
1 Reassignment Objectives and Other Considerations	*Medium*

Line of enquiry 2: Do the reassignment process and resulting decisions follow transparent and objective criteria and information, and are they consistently implemented?	
2 Roles and Responsibilities	*Medium*
3 Assessment and Selection of Candidates	*High*
4 Staff Feedback and Recourse	*Medium*

Line of enquiry 3: Is reassignment an efficient and cost-effective process?	
5 Management of the RADAR list	*High*

27. Management has agreed to take measures to address the reported observations.[8] An overview of the actions to be tracked by internal audit for implementation, their due dates and their categorization by WFP's risk and control frameworks can be found in Annex A.

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[8] Implementation will be verified through the Office of Internal Audit's standard system for monitoring agreed actions.

A: Line of enquiry 1 – Are the objectives of the reassignment process clear throughout the organization, measurable and fit for purpose? Have these objectives been met? If not, why?

Observation 1: Reassignment Objectives and Other Considerations

Clarity on Reassignment Objectives

28.   With most international staff being rotational, the reassignment process that manages the rotation of staff is an essential tool for the organization to cover its staffing needs in putting the right people with the right skills on the right roles. It also offers opportunities for WFP, through career framework and tracks, to grow, through rotation, the profiles it will need in the future - be it skills, cross functional expertise, or gender and diversity.

29.   As such, from the three main objectives that HRMTM is tracking and working towards,[9] other objectives or considerations do weigh into the candidates' selection, for example employee preferences,[10] equity and burden sharing, duty of care, managing a rotational pool, as well as spousal reunification. These are not made explicit, nor is their weight or preponderance in the decisions process clear. The requirement to stay in position for the length of the assignment is also not enforced and therefore inconsistently applied. Fourteen percent of all 2019 reassignment moves occurred earlier than the HR Manual permits, with staff completing less than half of their assignment.[11] This has a cost implication[12] to the organization, and also affects operations, continuity and performance.[13]

Performance in Achieving Objectives

Selecting the right person for the right role

30.   Widely acknowledged as the main objective of reassignment, selecting the right person for the right role is defined and tracked measuring the extent to which candidates selected for vacancies meet the 'skills match' exercise, which concentrates all potential "skills" into one rating of either "Fully Meets", "Partially Meets" or "Does Not Meet". The related Key Performance Indicator (KPI) has an established target of 95 percent of reassigned staff fully matching the skills stated for the position. In the 2020 mid-year reassignment exercise, HRMTM reported this KPI as 97 percent achieved as calculated based on the skills match exercise.

Placing women in senior positions

31.   Women represent 44 percent of the rotational pool in June 2020. Recent and concerted efforts have been made to appoint women to CD and Deputy Country Director (DCD) positions. Over the audited period, 50 percent of D-1 positions have been awarded to female applicants, with a steady increase in selection of female applicants for DCD positions. As of 31 December 2020, 46 percent of D-1 positions are filled by women. The number of women in D-2 positions has only slightly increased in the last three years from 13 to 15; 27 percent of D-2 positions are filled by women at the end of December 2020.[14]

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[9] The three objectives are: 1) the right person for the right role, 2) staffing key operational areas, and 3) placing women in senior positions.

[10] 63 percent of staff following the 2016 Mid-year Reassignment exercise were assigned to their first, second or third preferences.

[11] OIGA did not ascertain the reason of these reassignment decisions.

[12] The 2019 base financial cost of these outside-of- manual rule exceptions was estimated at USD 3.8 million.

[13] OIGA identified the internal staff availability deficit as contributing to early moves, as unique skill sets continue to be needed from a limited staff pool.

[14] Statistical report on international professional staff and higher categories at 31 December 2020: https://executiveboard.wfp.org/document_download/WFP-0000127602

Timely staffing of key operational areas

32. With most unfilled positions occurring in Level 2 (L2) and Level 3 (L3) emergency operations, this priority objective is not fully achieved with challenges related to the growth of the organization, demographics of the rotational pool, etc. (see Chart 4).

33. As shown below in Chart 5, far more reassignment positions are advertised each year than there are staff due for reassignment: for the 2017 to 2019 period, with on average a 44 percent gap or deficit in staff numbers each year, which may be compounded by insufficient visibility on internal skills available. The internal rotational staff deficit remains a significant challenge, and this in spite of the introduction of the FIT Pool to expedite staffing and tap into the

Chart 4: Top 15 locations by proportion of unfilled positions (2016-April 2020)

talent of internal employees when no internal candidate is identified (as could be assessed at the time of the audit).
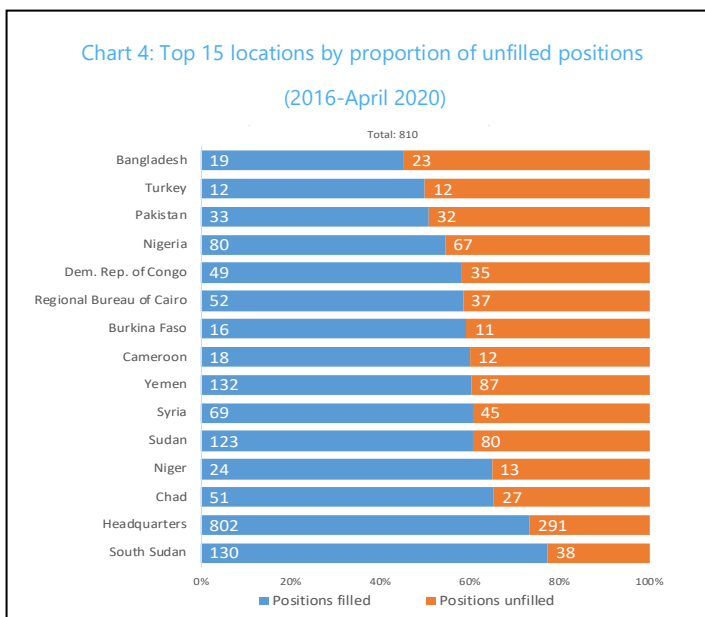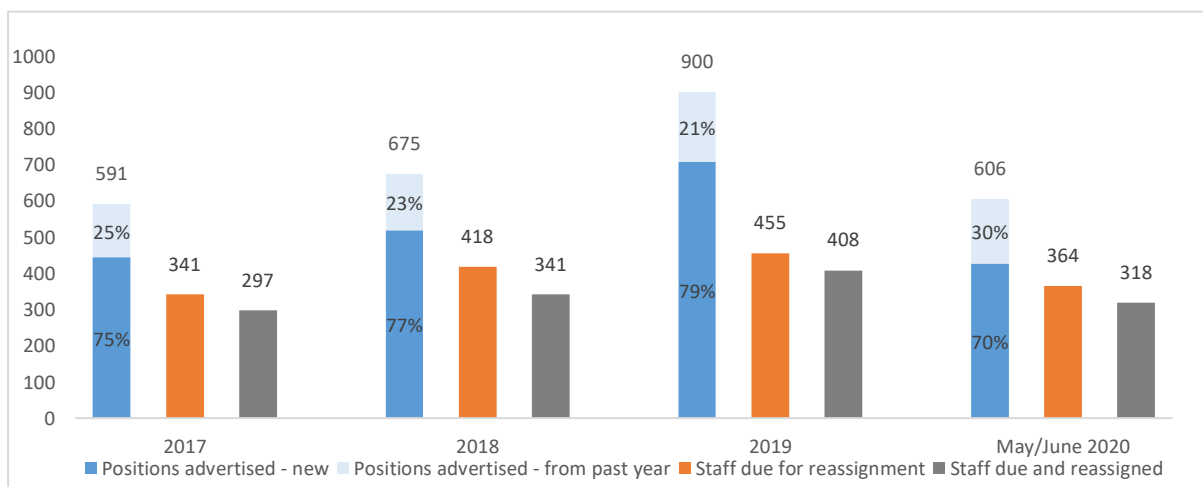
Chart 5: Staff reassigned and positions advertised 2017–June 2020

34. For most positions, the practice (although not documented in the HR manual) is to first attempt to exhaust all options within its rotational staff pool before FIT Pool and external recruitments[15] are considered by the Staffing Committees. This significantly impacts the efficiency with which operational needs are filled given that the needs exceed the numbers of internal staff available to reassign. WFP should also consider the demographics of its internal rotational pool (reference to background context charts), which has fewer staff positioned at lower grade levels, indicating an experienced but ageing rotational pool that needs to be refreshed with new or external talent. OIGA did not assess the number of staff available for reassignment that are reaching mandatory retirement age, but this may also need to be a consideration in staffing longer term positions. OIGA's analysis of job applications indicates that C, D and E duty stations (those where key operational areas are concentrated) receive on average

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[15] A position which is not filled by rotational staff first goes to the FIT pool, and then to external recruitment.

the lowest number of applications from the existing rotational staff pool.[16] Several factors influence why staff apply to a vacancy, with interest in the position and family reasons reported as the main reasons.[17]

35. OIGA did highlight long outstanding vacancies as impacting various field operations. A time-efficiency assessment could not be performed due to lack of time-relevant information, such as length of time to fill staffing needs, not built-in to the systems in use. RMs corroborated sourcing decision inefficiencies, especially regarding staffing key operational areas. Direct appointments were in some instances used to bypass reassignment inefficiencies to staff L2 and L3 emergencies. OIGA sees benefits from introducing metrics and HR reporting to its clients, i.e. offices that have vacancies to be filled, and on the effectiveness in filling vacancies in a timely and efficient manner.

Outward rotation, equity and burden sharing

36. The objective of burden sharing was first identified in WFP in 1998, in response to which a provision was created capping headquarters length of stay and requiring all staff serve in headquarters at least once in their WFP career. These provisions no longer exist in the current framework. RMs interviewed believe this results in a greater disconnect between those who do and do not serve in the field.

- Historical rotation by duty station classification (see Chart 6) shows that overall, there are two distinct pools of staff, one serving almost exclusively in "harder" duty stations (C, D and E) and another almost exclusively in family duty stations (H, A and B).

Chart 6: Historical rotations 2013–2019. % by duty station classification

Chart 7: Historical service by location
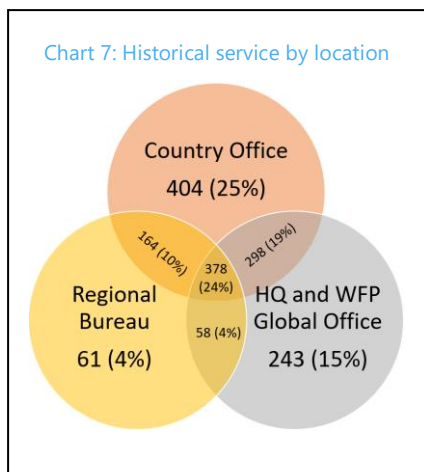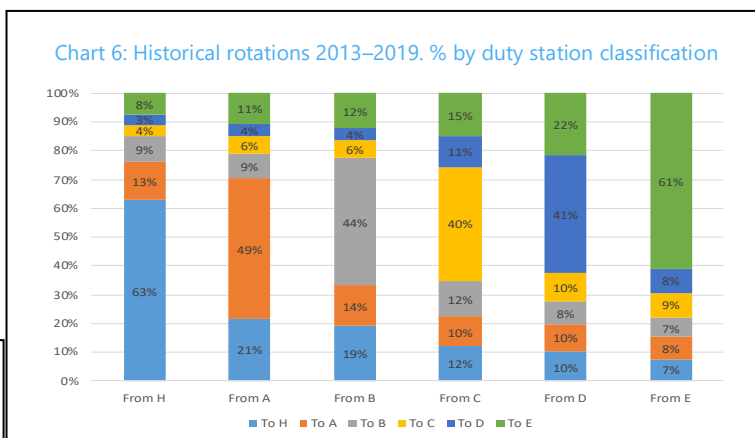
- With the option to extend stays (stay-ons), significant numbers of staff do not outwardly rotate and are either reassigned to the same duty station in a different position or extend their time in the same position (respectively 9 percent and 34 percent of all reassignment decisions in 2020).

- Historical service by duty station data (see Chart 7) shows less than half of the staff in the rotational pool reassignment exercise (44 percent)[18] have either worked only in COs (25 percent) or headquarters/RBx (19 percent).

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[16] C duty stations receive on average 2.6 applications per year (2016–2020); D duty stations have on average 2.9 applications, while E duty stations receive 3.8 applications on average. In contrast, B duty stations receive the highest number of applications on average at 4.8 followed closely by H with 4.7 and A with 3.8. OIGA's testing on historical moves and progression data show that, in general, the longer a staff stays in L2, L3, D and E duty stations, the less likely the staff is to be reassigned to a higher-grade post.

[17] Staff indicated they extensively research the strength and reputation of managers in the difficult field operations and the attractiveness of specific locations in deciding where to apply. HRMTM believes financial incentives for certain duty stations also play a prevalent role influencing application behavior.

[18] Consisting of 25 percent serving only in COs, 4 percent only in RBx and 15 percent only in HQ/WFP Global Offices.

37.   Regardless of staff preference, though, these factors may negatively impact WFP through a less well-rounded staff body; possible negative staff perceptions about process fairness; staff wellness and duty of care implications for long service in hardship locations.[19]

38.   Some benchmarked entities set length of stay time limits, especially for headquarters roles, and set clear expectations for staff rotation for those serving in both field roles and difficult duty stations.

Cross-functional rotation and career paths

39.   While staff who have experienced cross-functional moves value and commend this experience, staff overall perceive these as insufficiently encouraged or recognized.[20] This is noteworthy as SCs are identified per function. The need to promote further cross functional rotation is highly dependent on the specialist or generalist nature of different functions, and not all roles in WFP may benefit from this. Here again, more clarity is required on career paths and the extent to which the organization needs or values cross-functional rotation in order to better guide how these moves should be managed through the reassignment process.

Diversity and inclusion

40.   Additional efforts are under way to address diversity and inclusion concerns across WFP.[21] Within reassignment, further improvements are needed to expand gender and diversity to non-senior levels, and at all stages of the process so that a comprehensive approach to address diversity and inclusion can be established. This should also include workforce planning to source and develop more diverse leaders for the future. Efforts linked to language requirements are also required[22].

41.   Some benchmarked entities have established geographic and gender targets to consider in their shortlist, assessment and selection of candidates, as already done by WFP for external recruitment.

Underlying cause(s): Internal staff deficit. Practice of exhausting all internal options. Reliance on Staffing Committees to address workforce planning gaps and sourcing decisions. Insufficient proactive and regular analysis and forecasting of the staff pool and likelihood of unfilled positions in informing optimal sourcing strategies and career management. Unclear guidance on objectives and trade-offs between objectives. Inappropriate/incomplete metrics, tools and analytical capabilities. Fragmentation of systems and data.

> **Agreed Actions** [Medium priority]
>
>   1.   In consultation and coordination with the Leadership Group, the AED WP will:
>
>   a)   Reassess and clarify reassignment objectives and considerations to be taken into account by all stakeholders involved in the staff reassignment process, such as gender, diversity, burden sharing, cross-functional experience or specific expertise, as well as staffing operational positions. This should include clarity on:
>
> - The extent to which employee preferences are considered in meeting organizational needs;
>
> - Staff duty of care, and how it takes precedence, or not, over staff preferences and operational needs for those staff who serve at length in difficult or hardship locations;
>
> - Close monitoring and enforcement of time in position prior to reassignment;

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[19] 20 percent of staff stay in D and E duty stations for more than five consecutive years and 15 percent for more than 10 consecutive years. HR is exploring a mandatory one-month break for staff serving in hardship duty stations as a replacement to the current policy of three-month Special Leave With Pay after serving two consecutive assignments.

[20] Of all staff who have served in WFP for more than 15 years, 29 percent have served in more than one functional area.

[21] For instance, in 2019 and 2020, there was a 14 and 18 percent increase respectively in the number of CD appointments for staff from developing countries in comparison to the number of applications.

[22] Observation 2 – Internal Audit of WFP's Level 3 Emergency Response for the Sahel – AR/19/15.

- Staffing of the whole rotational pool (see last observation on the RADAR).

b) Clarify where and when in the process competing objectives (trade-offs) are arbitrated upon and exceptions discussed and approved, and how these should be documented.

c) Ideally, and from a workforce planning perspective, regularly assess and define strategic priorities among objectives (and actively promoting some over others) ahead of the Staffing Committees, and related HR decisions required. This should be with HR, in collaboration with Staffing Coordinators, providing an analysis of staff pool, vacancies, advance planning and monitoring of objectives.

2. HR Director will:

a) Strengthen the diversity and inclusion approach by expanding gender and geographic equity considerations to all staff levels and all stages in the process including how talent is sourced for the rotational pool, or other pools including non-rotational;

b) Align metrics for monitoring on the achievement of objectives once clarified;

c) In order to expedite the filling of reassignment vacancies, review internal mechanisms to speed up decision making that leads to FIT pool or external recruitment.

Timeline for implementation
1. 31 March 2022
2. 30 June 2022

B: Line of enquiry 2 – Do the reassignment process and resulting decisions follow transparent and objective criteria and information, and are they consistently implemented?

Observation 2: Roles and Responsibilities

Staffing Committees

42. Based on 100 randomly selected staff interviewed by OIGA of staff who participated in the reassignment process, the reassignment process is an asset for the organization and its staff. Structured interview respondents overwhelmingly view the reassignment as core to WFP, providing them with the opportunity to experience different operating contexts, cultures and even different roles during their career. Regular staffing committee discussions, where reassignment recommendations are considered, are important events, with senior management investing significant amount of their time in attending.

43. The Professional Staffing Committee has 13 members, with observers from the Professional Staff Association (Professional Staffing Committee only), Legal (LEG) and the Office of the Inspector General (OIG).[23] The role and purpose of observers are unclear, also when considering the role of LEG in the appeals process.

44. While the Leadership Group participation is essential for the senior staffing committee, their involvement in professional positions reassignment is one that the Leadership Group may wish to delegate, while maintaining the facilitation of the escalation/arbitration mechanism instead. In general, HR has identified that most decisions of the Professional Staffing Committee are endorsements of proposals from SCs and RMs. Members of the Staffing Committees agreed that there are opportunities to gain efficiency by delegating decisions where senior management's time and involvement are not required, for example on sourcing decisions, to ensure the process remains cost-efficient[24] and decisions are exercised at the right level and not delegated upward.

Staffing Coordinators

45. The assessment of candidates, ahead of the Reassignment Meetings, is delegated to SCs in the functional units. Although their functional area expertise is a noteworthy strength, onboarding of SCs is inconsistent, and they have thus far been provided with only limited HR training. We found that many SCs, as either act simultaneously as a Director or report to one and are at the same time subject to reassignment. Therefore, unlike trained HR professionals, they may not always provide independent as well as objective advice and assessment of candidates, especially when considering a cross-functional move. The SCs' engagement in workforce management is still narrow, and there is a significant imbalance in the coverage and workload of different SCs, limiting their ability to rigorously and consistently perform their role, therefore not availing the same support across the board.

46. There were diverging views on whether SCs should play a role in career management and advice (as defined in their TOR) or whether this role should be incumbent on staff themselves and managers instead.[25] Structured interviews carried out during the audit indicated that 45 percent of staff had not received any career advice or feedback from their staffing coordinators, while many had, again pointing out differences in the level of support received from this important role in the process.

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[23] The Inspector General no longer attends the meetings, citing that any input that could be relevant related to investigations in process is confidential and cannot be discussed in the open forum of the committee.
[24] From a cost perspective, OIGA estimated the cost of senior leadership time spent on professional reassignment at approximately USD 200,000 per year.
[25] Roles and responsibilities for staff and managers are not defined in the manual.

Human Resources

47. Currently in WFP, one professional staff (P-4 level), two full-time and one part-time G-S staff support the HRMTM Chief (P-5 level) in coordinating the reassignment process.

48. HR's role and authority require further clarification and/or reaffirmation, for a key process like reassignment. The interpretation that the reassignment process is owned by the Staffing Committee has resulted in HR's role as noted by the audit being limited when monitoring and reporting on the effectiveness and efficiency of the reassignment process; providing oversight on implementation and compliance with procedures and rules; and updating process design, manuals and guidance.

49. The roles of staff and managers (CDs, Regional Directors and Divisional Directors) are not defined in the manual.

Underlying causes: Roles, responsibilities, authority and capacity of key actors not reassessed, and updated. Size, composition and scope of responsibilities for effective governance not reviewed. Insufficient capacity and skills in workforce and career management among RMs and SCs.

Agreed Actions [Medium priority]

1. With support from the Leadership Group, the AED WP will reassess existing roles and responsibilities and establish an appropriate decision framework delegated to the right authority, competence and capacity and will:

   a) Review the scope of decisions, size and composition of the Staffing Committees; and reconsider and clarify the need for and role of observers;

   b) Strengthen the capacity and professionalization of the Staffing Coordinator function, while maintaining expert knowledge;

   c) Confirm the authority and capacity for policy and process design, implementation and oversight to HR to enforce accountabilities and to monitor compliance.

2. Under the guidance of the HR Director, HRM should ensure that appropriate training is provided to all those who are involved in the reassignment process.

Timeline for implementation

30 June 2022

Observation 3: Assessment and Selection of Candidates

50. In advance of the Staffing Committees meetings, vacancies are advertised based on job profiles and specific TORs or requirements; candidates are assessed by both RMs and SCs who in turn present their proposals to the Committees for final review.

51. The HR Manual and other related guidance is not always clear and explicit on the rules and procedures of the reassignment process, upstream assessment and evaluation of the qualifications, as well as on how exceptions, when needed, are employed, reviewed, and approved. Without clear training and guidance, the risk is that the assessment and selection of candidates will be inconsistent, giving rise to concerns on how objectives and criteria are interpreted and applied.

WFP's Career Framework and Vacancy Announcements Criteria

52. A Career Framework was introduced in 2011[26] to enhance transparency and consistency in career-related decisions. WFP further developed the framework in 2015 and revised it in 2019 aligning it to global best practices.[27] It is however not consistently used; all of the Staffing Coordinators confirmed that they do not follow or use it as a reference in assessing candidates. Competencies outlined in WFP's Career Framework are not being considered in the assessment and selection process or reflected in Vacancy Announcements (VAs). Its validity and whether it should be used, replaced, or retired requires clarification.

53. For example, the Career Framework suggests prior experience as a DCD before becoming a CD. In practice forty percent of CDs in WFP do not have prior experience as a DCD with WFP. Prior field experience, or results from past Career Development Centre (CDC) leadership assessments, are inconsistently considered for candidates to CD positions. A thorough review of available guidance and frameworks is required to ensure greater clarity in these considerations and to demonstrated that exceptions are justified and understood by all actors in the process.

54. Job profiles used for VAs should include additional information that make decision easier for staff when reviewing which posts to apply to, including informal qualifications, skills and competencies, as well as other considerations regarding mobility. OIGA's interviews indicated that candidates often do extra work to understand the role; and criteria are sometimes used to assess candidates that are not always included in the VA.

Skills Matching and Candidate Assessment

55. Candidate applications and profiles are available as source documentation. SCs are required to document their assessment and proposal, using a tool to flag a 'skills match'. In a walkthrough testing with seven functional area SCs on how each communicates with, assesses and selects each candidate as well as whether and how they document this work, and tests on a random sample of 23 vacancies it was difficult to retrace the steps followed by the SCs in their assessment in the absence of documentation other than the skills match rating itself.

- For 10 vacancies, the audit team was not able to clearly understand and identify how the skills match assessment was made.

- For one of the vacancies tested, the skills match assessment was not completed for 4 out of the 6 candidates, increasing the risk that not all candidates were equally or fairly assessed even under the current model.

- The narratives provided by the SC to support their assessment tend to support the proposal rather than document objectively how candidates are assessed against all criteria and when/which other considerations guided the selection.

- SCs indicated that they adjust the skills match to maximize chances to obtain the staff that they and the RMs want.

56. RMs ranked referrals from other staff or managers as an important source of information in their candidate assessments. Reliance on informal networks and unrecorded discussions may have an associated risk of perceived bias and of unsubstantiated decisions.

57. With regard to senior staff such as Country Directors, the skills match tool is not used. The SC is the Director, HR who prepares a narrative for the committee. OIGA noted that considerations of the CDC assessment or field experience were not always consistent.

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[26] Directive on Reassignment (HR2011/0042).
[27] WFP's Career Framework recognizes the different nature and value of career moves, desirable leadership competencies, distinguishes between generalist and expert roles and considers both lateral and vertical moves for cross-functional rotation.

Consistency and Documentation of the Process

58. An absence of clear guidance and criteria was observed to contribute to inconsistencies in the assessment of candidates as exercised by many SCs. At the time of the audit, there were no checks exercised by HR to ensure the staffing recommendations made by the SCs were based on a consistent methodology.

59. In the absence of such control and assurance, together with clear objectives and criteria, due diligence measures are instrumental to ensure the reassignment process results in fair competition. Consistency of the assessment and proposal, when delegated to many SCs, can only be maintained through clear guidance and quality control checks. While recognizing the need for flexibility and the increased workload that documenting the assessment and selection rationale for thousands of positions would incur,[28] lack of documentation can result in the perception by some of a lack of transparency and accountability. HR should review and challenge suggestions made when necessary with the goal of ensuring recommendations are made consistently by staffing coordinators with the goal of ensuring decisions meet the spirit of open competition. Competition, as per FAO staff regulation 301.4,[29] is an overarching principle in a staff selection/assignment process. This in turn will help address some staff perceptions on the reassignment process.

60.   Being able to trace back reassignment decisions to the criteria/objectives considered and reasons for other considerations should be made explicit and well justified. This also provides an opportunity to strengthen employee trust and engagement in the process and for WFP to align with its values, People's Policy and good practices.

61. OIGA's survey shows that staff reservations about the process are not focused on its effectiveness (77% of the staff interviewed felt that the process helped ensure their skills were matched to the right post and that WFP has achieved some of its reassignment objectives) but on the transparency of the process itself. For example, polling results from 1,034 JAM session participants on the recent values consultations identified reassignment (along with promotion and performance management) as one of the main processes requiring substantial efforts to reflect and demonstrate WFP's values. This is supported by OIGA's finding that 60% of the staff we interviewed identify transparency as the most important area for improvement in the reassignment process.[30]

62. Ensuring there is a common understanding of how the reassignment process actually works, adding good supporting documentation to justify the selections made, keeping the skill set requirements consistent across similar roles, and developing exceptional approval protocol to ensure that reassignment decisions are made through consensus and at the right level of the organization can help to demystify the process.

63. Similarly, OIGA recommends that HR ethical considerations and safeguards are strengthened throughout the reassignment process and made explicit in the HR Manual. This applies to the role and selection of the SC, disclosing and managing conflicts of interest at all steps of the process, or formalizing referrals, etc.

Underlying causes: Unclear minimum documentation standards at key stages to enforce accountability and monitor exceptions. Unclear manual/guidance in certain areas allowing for interpretation and inconsistent implementation. Insufficient guidance and controls to ensure consistency. Ethical risks in the reassignment process not comprehensively assessed in the policy and process design.

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[28] There were 3,470 applications in 2019 and 2,400 in 2020.
[29] "The paramount consideration in the appointment, transfer, or promotion of the staff shall be the necessity for securing the highest standards of efficiency, competence and integrity. [...] So far as practicable, selection shall be made on a competitive basis".
[30] Some of our interviews also highlighted other concerns related to unclear assessment and selection criteria and how some objectives, like outward rotation and burden sharing are prioritized, monitored and achieved; how decisions can be appealed; or how unassigned staff are managed.

Agreed Actions [High priority]

Under the guidance of the HR Director, HRM will:

a) Review and clarify expectations and criteria for staff from different functions to enter CD roles, leadership career paths for WFP's functional areas and reassess the relevance of previous field and emergency experience for such paths.

b) Update the HR Manual and consider staff outreach to ensure clear, up-to-date and transparent information explaining the reassignment process is provided, including objectives, selection criteria, and ethical considerations, such as how conflicts of interest are handled.

c) Provide guidance to Staffing Coordinators and Receiving Managers on process documentation and candidate assessment, including on referrals.

d) Ensure alignment of the required competencies and duties, levels of qualifications required in the vacancies and the assessment of candidates.

e) Review and revise the definition of "the right person for the right role" and clarify the related criteria that are considered to fully assess the achievement of this objective, but also inform its skills gap analysis and how some objectives need to be forced to be met, thereby contributing to its larger efforts in workforce planning.

f) Review the reassignment selection process to identify documentation that can enhance transparency and accountability of the process, and with keeping the administrative burden to a minimum by using technology as much as possible.

g) Establish compliance/quality control checks with HR.

Timeline for implementation

30 June 2022

Observation 4: Staff Feedback and Recourse

64. SCs confirmed that they do not systematically provide feedback to staff on why they were not selected, or what they needed to improve. Insufficient documentation limits effective and efficient, and at times consistent, staff feedback and any lessons learned.[31]

65. Staff have two options to challenge a reassignment decision:

- an informal process addressing personal circumstances which involves a "request for reconsideration" by the Staffing Committees, the same bodies who make the initial decision, and its members vote electronically to either approve or reject staff requests. However, several staff interviewed were hesitant to challenge decisions through the reconsideration option for fear of retaliation.

- a formal appeal[32] for decisions deemed outside of rules, submitted to the ED within 90 days from decision receipt date, and reviewed by the Legal Counsel. In practice, only two related administrative appeals have been made since 2018, one of which was withdrawn after the staff member was reassigned and another from 2019, which is now pending before the FAO Appeals Committee following rejection by the ED. The level at which the appeal must occur, together with the extended length of time the process may take renders the current appeal process ineffective as a reasonable mechanism for reassignment decision recourse. Insufficient documentation supporting decisions made also limits an appeal as an effective recourse to staff.

66. Benchmarked entities[33] with similar or larger rotational staff bodies have a single process to challenge or appeal mobility decisions and have clear requirements for an independent and objective review (either through HR or an independent panel), supported by a documented process. Some are increasingly engaging their staff in the process through regular "pulse checks", and some provide a full documentation trail to candidates who are not shortlisted for a position.

Underlying cause(s): Design of reconsideration and appeals process against best practices not reassessed, and communication/expectation gaps.

Agreed Actions [Medium priority]

Under the guidance of the HR Director, HRM will:

a) In consultation with LEG, reassess WFP's two options for recourse with a view to establishing an independent, objective and documented process with clear criteria in line with best practice, and communicate to staff how the process works.

b) Deploy effective feedback mechanisms for staff to assess their selection decision and inform them on improvement opportunities.

Timeline for implementation

31 March 2022

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[31] The 2015 Global Staff Survey results and subsequent Fit for Purpose Review identified the provision of mandatory feedback to staff as a key area for improvement.

[32] Relates to the Administrative Appeals process in FAO Staff Rules and Regulations, Section 303, which permits staff to appeal to the FAO Director-General and eventually the FAO Appeals Committee for any administrative decision that they allege conflicts with their terms of appointment or the applicable rules.

[33] Also assessed against global best practices in appeals and recourse mechanisms review: the United Kingdom ACAS (https://www.acas.org.uk); and the ILO's Best Practices in Resolving Employment Disputes in International Organizations(https://www.ilo.org/wcmsp5/groups/public/@dgreports/@jur/documents/publication/wcms_459955.pdf).

C: Line of enquiry 3 – Is reassignment an efficient and cost-effective process?

Observation 5: Management of the RADAR List

67. FAO Staff Regulation 301.4.2 provides for, among others, securing the highest standards of efficiency in the appointment, transfer, or promotion of staff.

68. WFP's base reassignment costs are estimated for 2019 at USD 26 million.[34] While the Corporate Budget Branch (CPPC) maintains some costs related to reassignment from the Programme Support and Administration Budget (PSA) expenditure, total cost visibility was not available and cost related information is not shared with HR.

69. Attention to several key areas could result in efficiency and cost optimization for WFP, including sourcing decisions and early moves as identified above, or staff not reassigned as identified below.

Staff not reassigned

70. When staff due for reassignment within a cycle are not found suitable positions to reassign, they are placed on the "Requiring a decision about reassignment" (RADAR) listing. While on this listing, they continue to collect salary and entitlements without in most cases performing any work so long as they continue to apply for reassignment vacancies. They are also made available for temporary duty assignment (TDY). Some remain on the list for extended periods; and RMs are reluctant to use the RADAR list as a sourcing mechanism.

71. It is unclear how RADAR staff are managed; how their applications are prioritized during reassignment; where their costs should be charged and for how long; and who should be responsible for monitoring, assisting and taking action. HR, in consultation with LEG, has developed an approach to the management and separation of RADAR staff that should improve the situation. It is communicated to staff but not consistently applied. HR does not see the management of the RADAR as its responsibility, rather places it with each function. Benchmarked entities have also put in place several practices to address efficiency and costs of mobility programmes, including criteria and clear time limits for separating unassigned staff.

72. The account used to charge costs related to staff on the RADAR list also includes the costs associated with staff with medical restrictions, limited periods on special leave with pay or administrative suspension, and staff whose posts were subsequently abolished. Information received from CPPC shows that costs charged for staff on the RADAR list have increased with the growth of the organization by 30–50 percent in the last five years to over USD 6 million in 2019. The total costs charged in the five-year period ending 2019 were approximately USD 21 million. A cost analysis of the account would be useful to reassess such arrangements.

<u>Underlying cause(s):</u> Unclear accountabilities and authority for cost and efficiency as key reassignment performance metrics. Cultural and legal assumption of 'job for life' preventing separation of staff. Absence of documented policies and procedures to reflect approach in managing RADAR staff as well as unclear criteria and categories for staff on the list.

Agreed Actions [High priority]

1. The AED WP, in coordination with CPP, will clarify the responsibility to manage the RADAR list and staff on that list, including establishing a specific account, monitoring and reporting on costs and how these costs balance out with legal risks of contract termination.

2. HR will ensure consistent application of its new approach to managing the RADAR list in the HR Manual.

Timeline for implementation

31 December 2021

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[34] Based on the number of staff reassigned multiplied by estimated cost of relocating a member at USD 50,000.

Annex A – Summary of observations

The following tables show the categorization, ownership and due date agreed with the auditee for all the audit observations raised during the audit. This data is used for macro analysis of audit findings and monitoring the implementation of agreed actions.

Categories for aggregation and analysis:					
High priority observations	**WFP's Internal Audit Universe**	**WFP's Governance, Risk & Control logic:** Risks (ERM) Processes (GRC)		**Implementation lead**	**Due date(s)**
3 Assessment and Selection of Candidates	Human resources management	Business process risks	Human resources	HR	30 June 2022
5 Management of the RADAR list	Human resources management	Business process risks	Human resources	AED WP HR	31 Dec 2021 31 Dec 2021

Categories for aggregation and analysis:					
Medium priority observations	**WFP's Internal Audit Universe**	**WFP's Governance, Risk & Control logic:** Risks (ERM) Processes (GRC)		**Implementation lead**	**Due date(s)**
1 Reassignment Objectives and Other Considerations	Human resources management	Business process risks	Human resources	AED WP HR	31 March 2022 30 June 2022
2 Roles and Responsibilities	Human resources management	Business process risks	Human resources	AED WP HR	30 June 2022 30 June 2022
4 Staff Feedback and Recourse	Human resources management	Business process risks	Human resources	HR	31 March 2022

Annex B – Definitions of audit terms: ratings & priority

1   Rating system

The internal audit services of UNDP, UNFPA, UNICEF, UNOPS and WFP adopted harmonized audit rating definitions, as described below:

Table B.1: Rating system

Rating	Definition
Effective / satisfactory	The assessed governance arrangements, risk management and controls were adequately established and functioning well, to provide reasonable assurance that issues identified by the audit were unlikely to affect the achievement of the objectives of the audited entity/area.
Partially satisfactory / some improvement needed	The assessed governance arrangements, risk management and controls were generally established and functioning well but needed improvement to provide reasonable assurance that the objective of the audited entity/area should be achieved.
	Issue(s) identified by the audit were unlikely to significantly affect the achievement of the objectives of the audited entity/area.
	Management action is recommended to ensure that identified risks are adequately mitigated.
Partially satisfactory / major improvement needed	The assessed governance arrangements, risk management and controls were generally established and functioning, but need major improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved.
	Issues identified by the audit could negatively affect the achievement of the objectives of the audited entity/area.
	Prompt management action is required to ensure that identified risks are adequately mitigated.
Ineffective / unsatisfactory	The assessed governance arrangements, risk management and controls were not adequately established and not functioning well to provide reasonable assurance that the objectives of the audited entity/area should be achieved.
	Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.
	Urgent management action is required to ensure that the identified risks are adequately mitigated.

2   Priority of agreed actions

Audit observations are categorized according to the priority of agreed actions, which serve as a guide to management in addressing the issues in a timely manner. The following categories of priorities are used:

Table B.2: Priority of agreed actions

High	Prompt action is required to ensure that WFP is not exposed to high/pervasive risks; failure to take action could result in critical or major consequences for the organization or for the audited entity.
Medium	Action is required to ensure that WFP is not exposed to significant risks; failure to take action could result in adverse consequences for the audited entity.
Low	Action is recommended and should result in more effective governance arrangements, risk management or controls, including better value for money.

Low priority recommendations, if any, are dealt with by the audit team directly with management. Therefore, low priority actions are not included in this report.

Typically audit observations can be viewed on two levels: (1) observations that are specific to an office, unit or division; and (2) observations that may relate to a broader policy, process or corporate decision and may have broad impact.[35]

To facilitate analysis and aggregation, observations are mapped to different categories:

3 Categorization by WFP's audit universe

WFP's audit universe[36] covers organizational entities and processes. Mapping audit observations to themes and process areas of WFP's audit universe helps prioritize thematic audits.

Table B.3: WFP's 2019 audit universe (themes and process areas)

A	Governance	Change, reform and innovation; Governance; Integrity and ethics; Legal support and advice; Management oversight; Performance management; Risk management; Strategic management and objective setting.
B	Delivery	(Agricultural) Market support; Analysis, assessment and monitoring activities; Asset creation and livelihood support; Climate and disaster risk reduction; Emergencies and transitions; Emergency preparedness and support response; Malnutrition prevention; Nutrition treatment; School meals; Service provision and platform activities; Social protection and safety nets; South-south and triangular cooperation; Technical assistance and country capacity strengthening services.
C	Resource Management	Asset management; Budget management; Contributions and donor funding management; Facilities management and services; Financial management; Fundraising strategy; Human resources management; Payroll management; Protocol management; Resources allocation and financing; Staff wellness; Travel management; Treasury management.
D	Support Functions	Beneficiary management; CBT; Commodity management; Common services; Constructions; Food quality and standards management; Insurance; Operational risk; Overseas and landside transport; Procurement – Food; Procurement - Goods and services; Security and continuation of operations; Shipping - sea transport; Warehouse management.
E	External Relations, Partnerships and Advocacy	Board and external relations management; Cluster management; Communications and advocacy; Host government relations; Inter-agency coordination; Non-Governmental Organizations partnerships; Private sector (donor) relations; Public sector (donor) relations.
F	ICT	Information technology governance and strategic planning; IT Enterprise Architecture; Selection/development and implementation of IT projects; Cybersecurity; Security administration/controls over core application systems; Network and communication infrastructures; Non-expendable ICT assets; IT support services; IT disaster recovery; Support for Business Continuity Management.
G	Cross-cutting	Activity/project management; Knowledge and information management; M&E framework; Gender, Protection, Environmental management.

4 Categorization by WFP's governance, risk & compliance (GRC) logic

As part of WFP's efforts to strengthen risk management and internal control, several corporate initiatives and investments are underway. In 2018, WFP updated its Enterprise Risk Management Policy[37], and began preparations for the launch of a risk management system (Governance, Risk & Compliance – GRC – system solution).

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[35] An audit observation of high risk to the audited entity may be of low risk to WFP as a whole; conversely, an observation of critical importance to WFP may have a low impact on a specific entity, but have a high impact globally.

[36] A separately existing universe for information technology with 60 entities, processes and applications is currently under review, its content is summarised for categorization purposes in section F of table B.3.

[37] WFP/EB.2/2018/5-C

As a means to facilitate the testing and roll-out of the GRC system, audit observations are mapped to the new risk and process categorizations as introduced[38] by the Chief Risk Officer to define and launch risk matrices, identify thresholds and parameters, and establish escalation/de-escalation protocols across business processes.

Table B.4: WFP's new ERM Policy recognizes 4 risk categories and 15 risk types

1	Strategic	1.1 Programme risks, 1.2 External Relationship risks, 1.3 Contextual risks, 1.4 Business model risks
2	Operational	2.1 Beneficiary health, safety & security risks, 2.3 Partner & vendor risks, 2.3 Asset risks, 2.4 ICT failure/disruption/attack, 2.5 Business process risks, 2.6 Governance & oversight breakdown
3	Fiduciary	3.1 Employee health, safety & security risks, 3.2 Breach of obligations, 3.3 Fraud & corruption
4	Financial	4.1 Price volatility, 4.2 Adverse asset or investment outcomes

Table B.5: The GRC roll-out uses the following process categories to map risk and controls

1	Planning	Preparedness, Assessments, Interventions planning, Resource mobilization and partnerships
2	Sourcing	Food, Non-food, Services
3	Logistics	Transportation, Warehousing
4	Delivery	Beneficiaries management, Partner management, Service provider management, Capacity strengthening, Service delivery, Engineering
5	Support	Finance, Technology, Administration, Human resources
6	Oversight	Risk management, Performance management, Evaluation, Audit and investigations

5   Monitoring the implementation of agreed actions

The Office of Internal Audit tracks all medium and high-risk observations. Implementation of agreed actions is verified through the Office of Internal Audit's system for the monitoring of the implementation of agreed actions. The purpose of this monitoring system is to ensure management actions are effectively implemented within the agreed timeframe to manage and mitigate the associated risks identified, thereby contributing to the improvement of WFP's operations.

OIGA monitors agreed actions from the date of the issuance of the report with regular reporting to senior management, the Audit Committee and the Executive Board. Should action not be initiated within a reasonable timeframe, and in line with the due date as indicated by Management, OIGA will issue a memorandum to Management informing them of the unmitigated risk due to the absence of management action after review. The overdue management action will then be closed in the audit database and such closure confirmed to the entity in charge of the oversight.

When using this option, OIGA continues to ensure that the office in charge of the supervision of the Unit who owns the actions is informed. Transparency on accepting the risk is essential and the Risk Management Division is copied on such communication, with the right to comment and escalate should they consider the risk accepted is outside acceptable corporate levels. OIGA informs senior management, the Audit Committee and the Executive Board of actions closed without mitigating the risk on a regular basis.

Annex C – Acronyms

AED	Assistant Executive Director
CD	Country Director
CDC	Career Development Centre
CO	Country Office
CPPC	Corporate Budget Branch
DCD	Deputy Country Director
DED	Deputy Executive Director
ED	Executive Director
ERM	Enterprise Risk Management
FAO	Food and Agriculture Organization
FIT	Future International Talent
GRC	Governance, Risk and Control
HQ	Headquarters
HR	Human Resources
HRMTM	Human Resources Talent Acquisition and Deployment Branch
KPI	Key Performance Indicator
LEG	Legal Office
LOE	Line of Enquiry
OIG	Office of the Inspector General
OIGA	Office of Internal Audit
PSA	Programme Support and Administration
RADAR	Requiring a decision about reassignment
RB	Regional Bureau
RM	Receiving Manager
SC	Staffing Coordinator
TDY	Temporary Duty Assignment
TOR	Terms of Reference
VA	Vacancy Announcement
WFP	World Food Programme