

# People and Change practice group (PCPG)

## People and Change Practice Group



### **Strategic Intent**

UNOPS made the external commitment to “**empower high performing people**”



In the **Budget Estimates** for the 2014/15, UNOPS promised the **Executive Board** to improve:

- **Business partnering**
- **Recruit, develop and recognize talent**
- UNOPS support to **National Capacity Building** and strengthening **gender policy** and **practice**





Business Partnering



Talent Management



Learning



Innovation



Excellence



Change Management



## Today's agenda

### **HR for Project managers**

- 1. Performance management**
- 2. People and Change Practice Group**
- 3. Improving the benefits of UNOPS ICA**
- 4. Questions?**



# Performance Management

## Why do we have Performance Management?

Watch our animated video:

<https://intra.unops.org/Practices/HR/PerformanceManagement/Pages/Performance-Management-Training.aspx>

- **To improve corporate performance:** aligning individual goals with organizational goals, aligning human resources
- **To improve the productivity of personnel:** having clear goals is a key motivator for people, setting direction and expectations
- **To attract and retain talent:** providing year-round performance feedback leads to higher personnel satisfaction; performance conversations are key to motivation and results

## Performance Management

- Performance management cycle is simplified – 3 stages
- Online appraisal systems for all UNOPS supervised personnel
- Linkage to contracts, rewards, learning and development

### Challenges:

- Identifying and addressing under-performance
- Setting objectives
- Performance conversations and dialogues

Performance management learning programme on specific topics to assist supervisors with this

[Performance Management page](#) on the intranet and link to enrol in our Performance Management training sessions



# Improving the Benefits of our ICAs



- Problem: fee competition, status, differences in benefits/package (e.g. medical insurance, pension fund, etc.)
- Consequences:
  - Turnover leading to cost in rehiring and retraining, disruptions
  - Motivation: No incentive for growth, no increment, not only financially – no career perspectives, no reassignment
  - ICA administration and fee setting inconsistencies and cumbersome – automation could be improved, process efficiencies

**LICA alignment**

Provident Fund

IICA adjustments

Case study



- Applies to all UNOPS Supervised LICAs
- Effective 1 October 2014
- Scales calculated automatically and applied locally
- For Partner Personnel the new fee scales will apply if instructed in writing by the funding source.

- **Progressive alignment to the ICSC:**

LICA fee scales will be equivalent to the ICSC + 3% to reflect non-monetized benefits.



New scales will not exceed existing scales by more than 10% at implementation.



Where existing LICA fee scales  $\geq$  new scales  $\rightarrow$  frozen on their current fee amount until the scales equalize.

- Full alignment will be gradual, to allow projects to adjust.

## LICA Levels

- ICSC as principle comparator: LICA levels will be directly relatable to the ICSC:

ICSC-1 = LICA-1

ICSC-2 = LICA-2

ICSC-3 = LICA-3

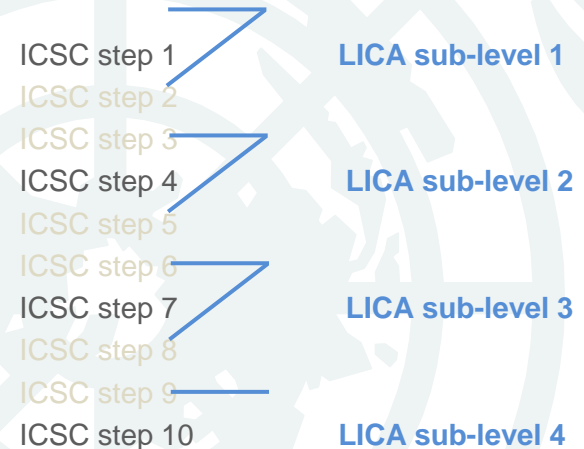
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ICSC-7 = LICA-7

- Same level for the same work worldwide.
- Same requirements for LICA levels as for ICSC levels.
- Excess relevant education will count toward the LICA level requirement.
- LICAs will be eligible for a **1.8% increase in fee** after 12 months of satisfactory performance, with the countdown starting at the next contract extension.

## LICA Sub-Levels

- 4 LICA sub-levels related to the ICSC steps (for fee calculation purposes) in the following way:



- Higher sub-level requires 5 additional years of relevant experience.
- Sub-level 4 cannot be awarded as entry level.
- Hiring managers can at their discretion place LICAs on a higher sub-level after 3 years of satisfactory performance. The countdown will begin at the next contract extension.

**Proforma costing tool**

- A proforma costing tool for both UNOPS supervised and Partner supervised personnel
- Automatically calculates annual cost and cost over contract duration of LICA



**Database of LICA fee scales in local currency**

- An easy to use database with LICA fee scales for all levels for all duty stations.
- LICA fee scales are set automatically and updated twice a year.
- Pre-set print areas for easy printing and presentation to clients.



**Database of LICA fee scales in USD**

- Identical to the database in local currency but with all fees shown in USD, to help budgeting purposes and for partners who are not familiar with local currencies.



LICA alignment

**Provident Fund**

LICA adjustments

Case study



## What it is

- A savings scheme to help LICAs set funds aside and save for their futures.
- Mandatory for UNOPS supervised LICAs on contracts of 3 months or more
- Administered by Zurich International on UNOPS's behalf. Investment advice will be provided by Mercer.

## How it will work

- LICAs will contribute 7.5% of their monthly fee.
- UNOPS will contribute an additional 15%.
- From 2015:
  - LICAs will be able to invest their own contributions into 3 blended funds – low, medium and high risk.
  - Make additional voluntary contributions

## How LICAs will benefit

- LICAs will benefit from the interest accrued and investment advice provided to UNOPS by Mercer.
- LICAs will be eligible for the UNOPS contribution after a period of time (vesting period) - after 12 months they will be eligible for 33%, after 24 months to 66% and after 36 months to the entire amount (prorated by month).
- UNOPS will cover administrative fees.

LICA alignment

Provident Fund

**IICA adjustments**

Case study



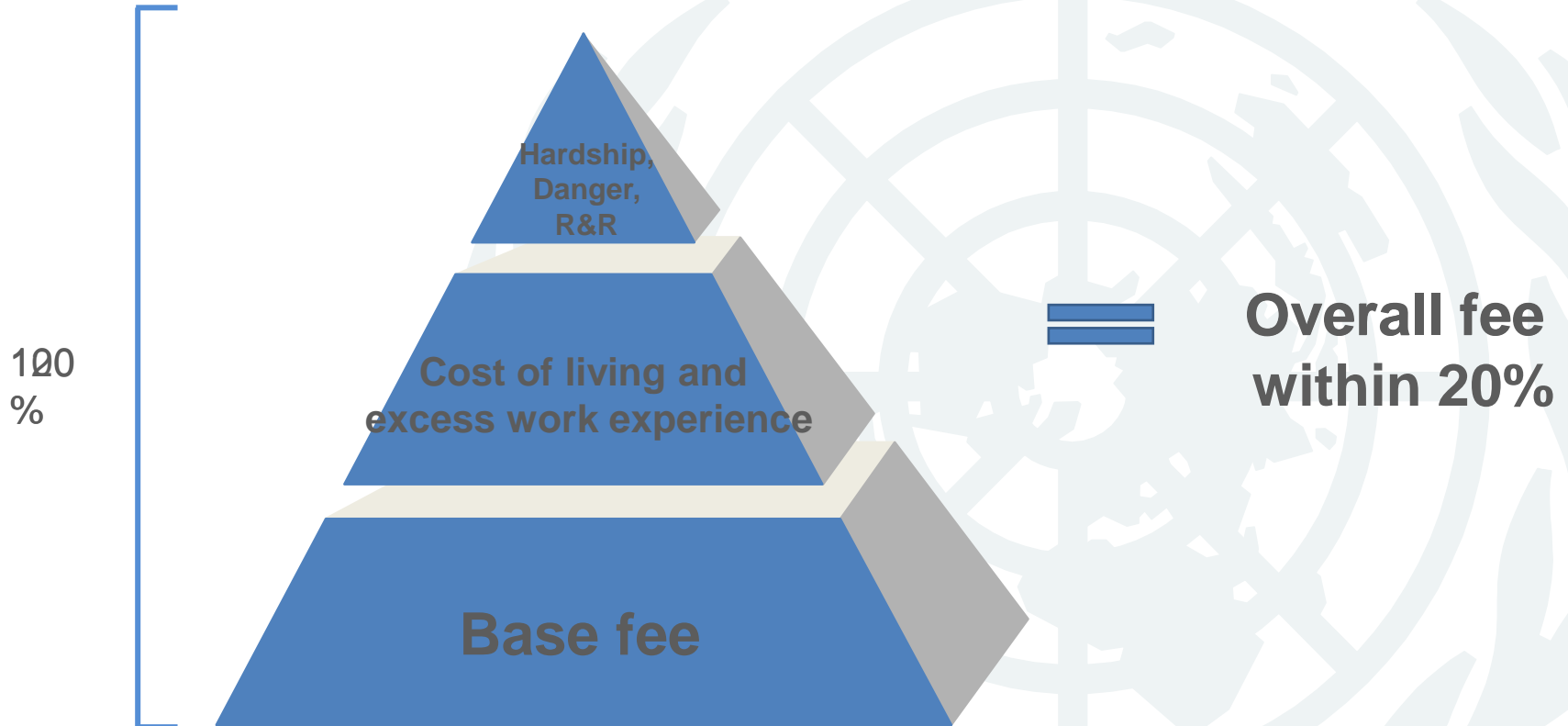


*Following a CPC recommendation, adjustments were made to the IICA fee-setting methodology to allow for improved flexibility in mobility.*

### Revised fee-setting methodology

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- Introduction of a **base fee** and the following add-on components:
  - Cost of living
  - Relevant Excess work experience
  - Danger, Hardship and R&R
- Introduction of a **standard fee band** and **specific fee range**.
- Provisions for the following have been removed from the fee-setting:
  - Short-term assignment (it remains possible for hiring managers to include a top-up of 25% to the fee for contracts of less than one month).
  - Excess education
  - Deviating work hours
- Provisions for the following have increased:
  - Excess relevant experience
  - Danger level
  - Accommodation related security provisions



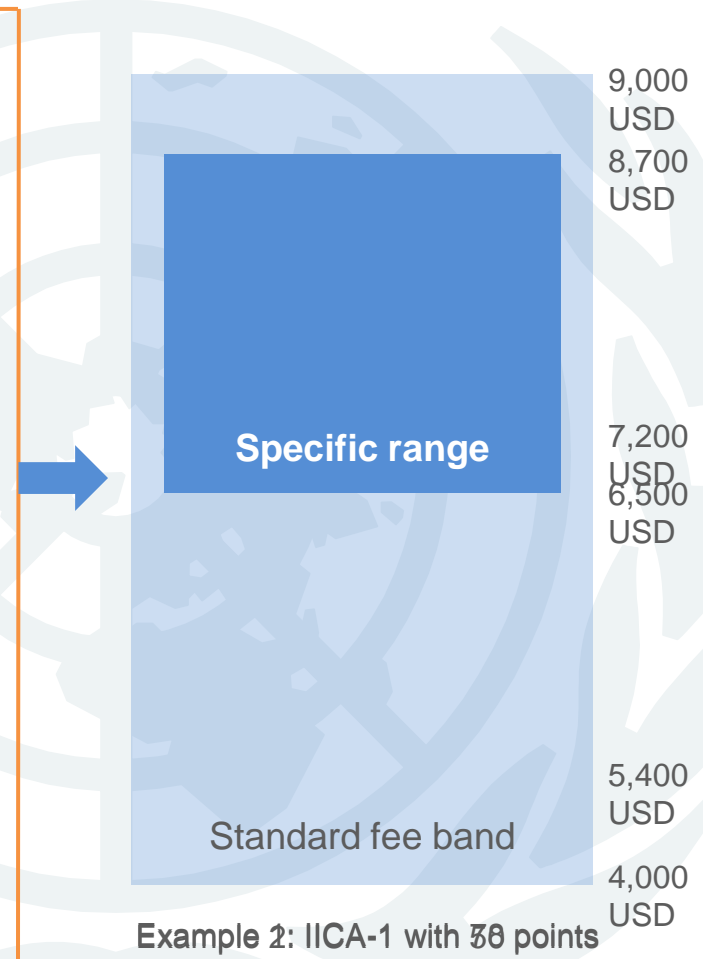
## What the standard fee band and specific fee ranges

are

- Each IICA level has a **standard fee band**, which provides the absolute minimum and maximum limits of the fee for the IICA.

IICA Level	Standard Fee Band (monthly in USD)
IICA-1	4,000 – 9,000
IICA-2	6,000 – 12,000
IICA-3	9,000 – 18,000
IICA-4	14,000 – 27,000
IICA-5	20,000 – 40,000

- The low, mid and high fee bands have been replaced by a **specific fee range** that depends on the number of points that the IICA accrues in the fee-setting process.
- Deviation outside of the standard fee band is not possible, deviation outside of the specific fee range requires Director PCPG approval.



Step	How?
Establish I-ICA level	<ul style="list-style-type: none"> <li>Set the IICA level based on the minimum education and work experience required for the work to be delivered according to the points system in the PQMS (Knowledge System).</li> <li>For example, and IICA-1 requires 6 points which equates to either 6 years of relevant work experience or a master's degree.</li> </ul>
Determine the base fee	<ul style="list-style-type: none"> <li>The base fee is the basic amount on which all additions will then be added and which serves as the base for mobility.</li> <li>The base fee is the minimum amount within the IICA standard fee band. For example the standard fee band for an IICA-1 is 4000-9000 USD, therefore for an IICA-1 the base fee would be 4000 USD</li> </ul>
Determine the number of points	<ul style="list-style-type: none"> <li>The number of <i>fee points</i> will determine the specific fee range for the IICA. Fee points carry with them a uniform dollar value per IICA level. Points increase in value the higher the IICA level.</li> <li>Points are accrued for cost of living adjustment, excess relevant work experience, hardship, danger allowance and security related accommodation provisions.</li> </ul>
Determine fee	<ul style="list-style-type: none"> <li>Once the total number of points has been established, this will create a reference fee. The reference fee is a combination of the base fee and the total dollar value of the points accrued.</li> <li>The specific range is then defined as 10% below and 20% above this reference fee.</li> <li><b>The determined IICA fee must be within the specific fee range.</b></li> </ul>

LICA alignment

Provident Fund

IICA adjustments

**Case study - recruitment**

Your project is about to start and to ensure success you consider recruiting the following personnel to successfully run your project:

1. A **Project Manager** with previous UNOPS experience and strong PM skills and background. The project is expected to run for up to 4 years.
2. A **Finance Officer** with local regulation knowledge. The duration of the assignment is 2 months and this person needs to be on board as soon as possible.
3. An **Project support analyst** with large experience in similar projects. The duration of the assignment is 1 year.
4. An **Administrative Assistant** fluent in the local language. This person will support not just your project but other UNOPS projects at the local office.

Step	How?
Establish I-ICA level	<ul style="list-style-type: none"><li>• After the ToR are drafted, the level of the position is classified at <b>IICA-1</b>. The minimum work experience required is 6 years or a masters degree.</li></ul>
Determine the base fee	<ul style="list-style-type: none"><li>• The standard fee band for IICA-1 is 4000 – 9000 USD. The base fee is the minimum amount of the standard fee band, therefore the base fee is <b>4000 USD</b>.</li></ul>
Determine the number of points	<ul style="list-style-type: none"><li>• You are now in the process of hiring an IICA-1, therefore you have to calculate the number of fee points they accrue. For this, you will use the <b>new IICA fee calculator</b>.</li></ul>
Determine fee	<p style="text-align: center;"><a href="#"><u>Link to IICA fee calculator</u></a></p>

## I-ICA Fee Level Calculator



<b>Name of contractor:</b>	Test case
<b>Date of Birth:</b>	01.01.1980
<b>Duty Station City:</b>	Kabul

	Variable	Options	Points Earned	Maximum Points
A	IICA Level	IICA-1	-	-
B	Excess Relevant Work Experience	Less than 5 years	0	15
C	Cost of Living	Afghanistan	36	50
D	Hardship Classification	E	30	30
E	R&R	4-6 Weeks	5	5
F	Danger	Level 4	7	15
G	Accommodation-Related Security Provisions	No	0	10
<b>Total</b>			<b>78</b>	<b>125</b>

Recommended Minimum	\$	6,500
Recommended Maximum	\$	8,700



Step	How?
Establish I-ICA level	<ul style="list-style-type: none"><li>• Scenario: You require an analyst in Kabul, Afghanistan. After drafting a TOR, you determine that the position requires 6 years of work experience.</li><li>• This means that the level of the position will be <b>IICA-1</b>.</li></ul>
Determine the base fee	<ul style="list-style-type: none"><li>• The standard range for IICA-1 is 4000 – 9000 USD. The base fee is the minimum amount of the standard range, therefore the base fee of the IICA-1 is <b>4000 USD</b>.</li></ul>
Determine the number of points	<ul style="list-style-type: none"><li>• You are now in the process of hiring an IICA-1, therefore you have to calculate the number of points they accrue. For this, you will use the <b>IICA fee calculator</b>.</li></ul>
Determine fee	<ul style="list-style-type: none"><li>• You used the IICA fee calculator where the IICA accrued 78 fee points which gave you a <b>specific fee range</b> of <b>6500 – 8700 USD</b>. You may offer the IICA-1 a fee anywhere within this range.</li><li>• Deviation outside of the specific fee range requires Director PCPG approval.</li></ul>

## ICA Extensions

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- Extension does not require review or award when:
  - ToR and level remain the same
  - Satisfied performance certified
- Request for extension must be cleared by the Human Resources/ Operations Specialist/HR Advisor and signed by any PA
- An ICA can be extended up to **4 years**.

## ICA Functional Review

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- Once an individual contractor has reached 4 years of service on the same TOR, the hiring manager together with the HR focal point must conduct a **functional review** to determine:
  - whether the functions are still required;
  - whether the function should still be performed by an individual contractor; and
  - whether the use of ICA is correct in accordance with the policy
- The results of the functional review must be approved by the relevant Head of Business Unit and shared with the HR Advisor.
- If still required, PA may award a the contract to the ICA based on an exception to the use of formal methods of solicitation.

## Other information on fee setting

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- For contracts of less than 1 month, **daily fees** may be used and calculated based on the pro-rated monthly fee and may be increased up to 25% (section 5.5.2 of AI/HRPG/2012/01 (Rev. 2))
- **Monthly fees for IICAs:**
  - Standard fee bands set up in AI
  - Specific fee ranges setting tool on the intranet
  - **PA may award below or above the specific fee range** upon approval from Director PCPG
  - **PA cannot award below or above the standard fee band**
- **Monthly fees for LICAs:**
  - Scales set up and updated twice a year (see PQMS)
  - Identify the level and sub-level

# Questions

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## HR Resources & Links

- [HR Team Contacts](#)
- [HR Forms & Templates Library](#)
- [HR Organizational Directives and Administrative Instructions](#)
- [Payroll, Salaries, Fees and Allowances](#)
- [Learning Catalogue](#)
- [Performance Management](#)