

UNHCR'S ORGANIZATIONAL OVERSIGHT
AND PERFORMANCE REVIEW FRAMEWORK

Introduction

1. In a recent paper on non-profit organizations, a management consultant wrote that "as long as the subject of organizational performance was only of modest importance, most organizations allowed themselves to be too busy with 'getting the job done' to devote much effort to measuring, justifying and reflecting".¹ "As the climate changes", the author continued, "demonstrable organizational performance is becoming a priority, especially for those organizations that depend on government or institutional funding for a major slice of their financing". Non-profit organizations, the paper concludes, "are waking up to the need to find ways of showing that they are making a difference. The search is on for manageable systems for demonstrating organizational performance".

2. This information note examines the way that UNHCR has responded to the challenge of establishing a comprehensive oversight and performance review framework. As the paper explains, that framework incorporates all of those headquarters functions -- audit, inspection, evaluation, monitoring and protection oversight -- which are used to assess and enhance the organization's operational efficiency, effectiveness and impact. The paper is limited to internal mechanisms related to organizational performance. It does not describe external oversight activities² nor does it describe the systems that UNHCR employs to monitor, appraise and enhance the performance of individual staff members.³

I. Audit

3. The internal audit function for UNHCR is conducted by the UNHCR Audit Section of the United Nation's Office for Internal Oversight Services (OIOS). The audit services are provided on the basis of a Memorandum of Understanding between UNHCR and OIOS, dated 29 April 1999.

4. The UNHCR Audit Section is headed by a Chief at the D-1 level who reports to the Under-Secretary-General for Internal Oversight Services. The Section, which is based in Geneva, currently comprises 15 staff, including Resident Auditors at the UNHCR Regional Directorates in Africa (Nairobi and Abidjan) and in major emergency operations (Kosovo and Timor). The section is fully funded by UNHCR.

¹ Simon Lawry White, *Organizational performance*, Vine Management Consulting.

² Such oversight activities include external audit, inspections and evaluations undertaken by the United Nation's Office for Internal Oversight Services, evaluations undertaken by donor States and bilateral aid agencies, and reviews of UNHCR activities undertaken by independent researchers and scholars. UNHCR's Evaluation and Policy Analysis Unit is compiling a list of recent external reviews which will be placed in the public domain.

³ For details of UNHCR's career management and performance appraisal system, see *the Global Report 1999*, pp. 56-57, presented to the eighteenth meeting of the Standing Committee.

5. The scope of internal audit covers UNHCR country operations in approximately 150 countries, support functions and other activities at UNHCR Headquarters as well as UNHCR implementing partners (government agencies and local and international non-governmental organizations in the field and at their headquarters. A medium-term audit plan provides for an audit cycle for field operations of between two and five years, depending on financial exposure and other risk factors. The Annual Audit Plan, which includes some 35-45 audit assignments, is approved by the High Commissioner and the Under-Secretary-General of OIOS, after endorsement by UNHCR's Oversight Committee.

II. Inspection

6. The Inspector General's Office is located within the High Commissioner's Executive Office and the Inspector General reports directly to the High Commissioner. The post of Inspector General is at the D2 level. There are four inspection officers at the P5 (2), P4 and P3 levels and two support staff. Inspection teams generally include a staff member from the Department of International Protection with detailed knowledge of the country to be inspected.

7. Inspections are an internal oversight and management tool that provide the High Commissioner and her senior managers with a broad review of the functioning of her field representation at all levels. No less importantly, inspections provide UNHCR's field offices with an independent and objective review of their performance and, where necessary, a second opinion on difficult issues. Inspection reports include recommendations for improvements and action to overcome constraints. These often draw on the best practices or solutions seen in other inspections. In UNHCR, inspections are a routine function, broadly analogous to the work of the inspectorates of some diplomatic services.

8. Countries are selected for inspection so that over a 12 month period, inspections cover all geographical regions and both larger and smaller operations. The target is to inspect each UNHCR country programme every four to five years. The inspection programme is agreed to with the High Commissioner.

9. Preparations begin several weeks before the mission, with information-gathering, detailed briefings of the team at Headquarters, the completion of confidential individual questionnaires by all staff in the field, and the completion of comprehensive operations and administrative questionnaires by the field office. The mission itself lasts from a few to ten or more days, depending on the size and complexity of the programme and the number of offices outside the capital: the mission visits all locations where UNHCR staff are based. The mission reviews internal management, external relations and the overall appropriateness of the objectives and the effectiveness of actions to achieve them. There are meetings with UNHCR's key government, United Nations, non-governmental organizations (NGOs) and other counterparts, and members of the diplomatic community and refugees.

10. The mission ends with a briefing of the senior staff on the findings and a discussion of draft recommendations. There are also a series of debriefings on return to Headquarters. A draft report is presented to the High Commissioner and then finalized in light of comments from all concerned. Inspection reports are confidential documents with a limited distribution.

III. Investigation

11. The Inspector General is also the focal point for investigations of alleged or suspected wrongdoings. One P5 post, that of Coordinator (Investigations) is dedicated to this function. Depending on their nature, actual investigations are conducted by UNHCR staff, by staff of the UNHCR Audit Section of OIOS, by the OIOS Investigations Section, or by using other resources as

appropriate. The outcome is either the referral of the case for appropriate disciplinary action or a determination that it should be closed.

IV. Evaluation

12. UNHCR's Evaluation and Policy Analysis Unit was established in 1999. It is headed by a staff member at the P5 level, who reports directly to the Assistant High Commissioner in his capacity of supervising the Department of Operations. The unit includes two other professional staff members at the P4 and P3 levels and one support staff.

13. The capacity of the Evaluation and Policy Analysis Unit is augmented by the use of consultants and consultancy companies with experience in the evaluation of humanitarian programmes, who are normally selected through a process of competitive bidding. The unit also encourages the direct involvement of personnel from governments, NGOs and other stakeholders in its activities.

14. The Evaluation and Policy Analysis Unit combines the evaluation function of the former Inspection and Evaluation Service and the policy research function that was previously located within the Centre for Documentation and Research. The work of the Evaluation and Policy Unit is supported and guided by an Evaluation Committee, which is comprised of representatives of UNHCR's principal departments and divisions, including those units which have responsibility for the inspection, investigation, monitoring and staff training functions. The Evaluation and Policy Analysis Unit acts as a focal point for relations with the UN's Inter-Agency Working Group on Evaluation, as well as the Active Learning Network for Accountability and Performance in Humanitarian Assistance (ALNAP), a network of evaluation specialists in UN agencies, NGOs and bilateral aid organizations.

15. The Evaluation and Policy Analysis Unit is responsible for the systematic examination and assessment of UNHCR policies, programmes and practices. EPAU also promotes research and analysis on issues related to the work of UNHCR, and encourages an active exchange of ideas and information between humanitarian practitioners, policymakers and the academic community. All of these activities are undertaken with the purpose of enhancing UNHCR's operational effectiveness and impact, thereby reinforcing the Office's capacity to fulfil its mandate on behalf of refugees and other persons of concern to the organization.

16. The evaluation and policy analysis function in UNHCR is intended to serve as an aid to institutional learning and to act as a catalyst for institutional change. Particular emphasis is placed on the identification of good practices and the incorporation of evaluation findings into UNHCR's planning, programming and training activities. In accordance with UNHCR's new evaluation policy, introduced in 1999, all reports produced by the Evaluation and Policy Analysis Unit are placed in the public domain and can be accessed through the internet.

17. The Evaluation and Policy Analysis Unit continues to make use of established working methods, including consultations with relevant staff and stakeholder personnel; reviews of project and programme documents and comparative studies; as well as missions to the field involving site visits and extensive interviews with UNHCR, United Nations, government and NGO personnel and refugees. The unit also has a particular interest in the development of new evaluation methodologies, including "beneficiary-based" and participatory approaches, self-evaluation techniques and inter-agency reviews.

V. Monitoring

18. Monitoring in UNHCR is an ongoing activity and is carried out at different levels within the organization. Overall developments of concern to UNHCR are closely monitored by the regional bureaux within the Department of Operations, as well as by the Department of International Protection. Both Departments advise the High Commissioner accordingly.

19. UNHCR is gradually introducing a new Operations Management System (OMS) which aims at further strengthening the management of UNHCR's activities worldwide. Monitoring is an important feature of the new system. To assist in this, all operations are now requested to develop a set of goals, objectives, outputs and indicators for each of the beneficiary populations or themes with which they are engaged.

20. Monitoring of progress towards delivering planned outputs within projects, as well as towards achieving the intended impact on the beneficiary population, is carried out by UNHCR field staff in consultation with beneficiaries and implementing partners, and is reported on by programme and finance staff in reports (project and sub-project monitoring reports, country reports, monthly situation reports) sent to Headquarters. Monitoring of developments in the protection situation of groups of concern to UNHCR is carried out by protection staff.

21. A new suite of information systems for protection and programme management, human resources, budget and finance, and the supply chain is currently under development. Once operational, these will provide significant support to improvements in all areas of operations management, including monitoring.

VI. Protection oversight

22. The functions of the Protection Support and Oversight Section (PSOS) of the Department of International Protection include:

- Undertaking selective monitoring of the protection aspects of UNHCR operations;
- Undertaking selective review and evaluation exercises, focussing on protection, in collaboration with the evaluation unit and Inspector General's Office; and
- Monitoring and providing support to protection field operations with a view to ensure consistency in the application of refugee standards and principles.

23. The section also has responsibility for upgrading protection expertise throughout UNHCR and coordinating the introduction and implementation of improved systems, procedures and methods for monitoring and reporting on protection aspects of operations. Within the Department, PSOS is the focal for providing support to OMS process and seeks to ensure that UNHCR's protection mandate is adequately reflected in OMS manuals, tools and working processes.

24. PSOS attends the weekly Department of Operations meeting, which is also attended by representatives of other units responsible for oversight and performance review activities. The section has 12 professional and three support staff members.

VII. Coordination

25. The different elements of UNHCR's oversight and performance review framework are coordinated in a number of ways. Formal coordination is ensured through a number of different mechanisms, as follows:

- The Oversight Committee, which is chaired by the Deputy High Commissioner and of which the Chief of the UNHCR Audit Section of OIOS is a member;
- The Evaluation Committee, which is chaired by the Inspector General and which brings together senior staff from units involved in oversight, performance review and institutional learning functions; and
- The weekly meeting of the Department of Operations, which is also attended by representatives from other departments and divisions.

26. Mutual consultation takes place on the annual audit, inspection and evaluation work programmes. Inspection, audit and evaluation reports and other relevant documents are routinely exchanged and many day-to-day interactions take place between the UNHCR units and personnel concerned with oversight and performance review functions.

VIII. Reporting

27. All field audits are concluded by an exit conference on the basis of written debriefing notes. Findings and recommendations are communicated to the UNHCR Representative or Chief of Mission in the field or to the appropriate managers of headquarters units in the form of audit observations. After assessing managers' replies to the audit observations, a final audit report is issued to senior management (the Controller and Deputy High Commissioner). An overview of the audit activities and significant findings and recommendations is included in the OIOS Annual Report.

28. All UNHCR evaluation reports are placed in the public domain, posted on UNHCR's website and are freely available to interested parties. Inspection reports are confidential internal documents, distributed to those directly concerned. Investigation reports are also confidential internal documents with restricted distribution, determined by the findings. The status of implementation of audit recommendations is regularly reported to and discussed by the UNHCR Oversight Committee.

29. UNHCR regularly reports to the Executive Committee on the functioning of oversight and performance review functions such as inspection and evaluation. The outcome and impact of UNHCR activities are reported to all of UNHCR's stakeholders by means of the annual Global Report.

IX. Follow-up measures

30. The UNHCR Audit Section maintains a database on audit recommendations issued and on implementation action taken. The data are shared with the audit focal point in the Controller's office and serve as the basis for follow-up.

31. Each unit affected by a recommendation in an inspection report is required to report on implementation by a pre-set time (normally three months after the finalization of the report). The need for further follow-up is determined on a case-by-case basis. All inspection reports and recommendations are entered in a confidential electronic database, which is also the tool used to

monitor implementation. Follow-up on investigation reports is determined on a case-by-case basis and monitored by the Human Resource Service.

32. The procedures for following up evaluations vary somewhat, according to the nature and purpose of each review. In general, evaluation findings are discussed with the department, division or bureau directly concerned, as well as the members of the Evaluation Committee. They may also be presented for discussion with relevant staff members at a debriefing meeting or presented to a meeting of the Department of Operations. The implementation of evaluation recommendations is monitored by the Evaluation and Policy Analysis Unit and reported to the Assistant High Commissioner. Evaluation findings which are of particular value to UNHCR's training programmes are communicated directly to the units responsible for this function.