Annex II

Results-based Reporting

The unique role of UNOPS inherently affects any results-based assessment of its performance. UNOPS contributes to programme outcomes in partnership with other entities, and since project ownership rests with UNOPS partners, their annual reporting may elaborate on broader outcomes and/or impacts than those described here. Thus, achievements in the UNOPS Annual report are measured at the output level, and in certain cases, with the support of partners, impacts and outcomes are also mentioned.

Context
In line with the General Assembly resolution (A/RES/67/226) on the Quadrennial Comprehensive Policy Review on results-based management (RBM), UNOPS reporting on operational results is informed by key definitions in use by the United Nations Secretariat, UNDP and the Organisation for Economic Co-operation and Development, as well as those provided in the RBM Handbook (United Nations Development Group, 2011). UNOPS approach to RBM, including UNOPS position in the development results chain, is described in detail in "UNOPS results methodology", Annex IV to the UNOPS strategic plan, 2014-2017 (DP/OPS/2013/3- Annexes).

Process
UNOPS collects data for operational results using an online results-based reporting (RBR) tool, which enables project managers to report on planned- and completed project services and outputs. In the tool, one or more services can be combined with distinct outputs according to defined business rules. The RBR tool then enables the project manager to attribute project expense per combination of services and outputs. In 2017, more than 200 UNOPS project managers completed and certified data entry for more than 900 projects.

To capture sustainability and national capacity results in its project portfolio, UNOPS included as part of its data collection a brief survey aligned to the sustainability topics generated from the Global Reporting Initiative (GRI) materiality assessment conducted in 2015. For a more representative view of these results, UNOPS based its reporting on aggregated project delivery value rather than count of projects. The 29 sustainability topics is the basis of the 2017 UNOPS GRI Content Index that is fully aligned with the 2017 UNOPS Annual report of the Executive Director. Further details are available in Annex I.

UNOPS service lines
UNOPS service lines are mutually reinforcing and interdependent. An example of this is an engagement to design and construct schools; an infrastructure project which is likely to entail a significant amount of procurement, which together with other required inputs would need to be project-managed in order to achieve contribution of the expected benefits of the project. The portfolio analysis in the Annual report is presented from the perspective of the end-output, as identified by UNOPS project managers. To report on 2017 results, UNOPS used a list of close to 200 outputs, all of which had been associated with a service line.

Management Results and Reporting for 2017

The Strategic Plan 2014-2017 articulates four management goals which reflects the four perspectives of the UNOPS balanced scorecard; partners, business process, people, and finance. As part of the biennial budget estimates for 2016-2017, the related management results framework reflects 35 performance indicators and targets aimed at measuring and reporting on performance and achievements for the biennium. For 2017, key management results and reporting included the following:

The **partners perspective** reflects how UNOPS contributes to sustainable outcomes by providing effective technical expertise to its partners. As highlighted in the main document, 51 per cent of UNOPS procurement in 2017 was with

local suppliers in developing and fragile states in which UNOPS maintains a physical presence, up from 46 per cent in 2016. Moreover, the share of UNOPS delivery contributing to develop national capacity increased from 55 per cent in 2016 to 57 per cent in 2017. At the same time, 14 per cent of UNOPS country offices implement capacity building of local/regional suppliers, particularly amongst historically disadvantaged groups, an increase from 5 per cent in 2016.

Through the **business process perspective,** UNOPS continues to pursue excellence by benchmarking its processes against external standards. In 2017, 100 per cent of assessed UNOPS offices were successful in maintaining their external industry-standard certifications. The health, safety and environmental management system now applies to all UNOPS activities and facilities. Moreover, UNOPS achieves climate neutrality by purchasing certified emission reductions to offset its carbon emissions. Finally, UNOPS e-commerce platform UN Web Buy Plus was launched in 2017, and is now fully operational and accessible to external partners.

UNOPS also strives for excellence through the **people perspective**. In 2017, 95 per cent of UNOPS personnel completed the personnel performance appraisal. At the same time, personnel engagement levels increased from 2016 to 2017, once again exceeding the external benchmarks of high-performing organizations.

Finally, the **finance perspective** highlights that UNOPS exceeded its net revenue target and minimum requirements for the operational reserve in 2017, based on preliminary figures. This confirms UNOPS as a financially sound organization, well positioned to expand the pool and effect of resources in support of the 2030 agenda for sustainable development.

UNOPS management results and reporting framework for 2016-2017

The table below provides an account of 2017 results against the performance indicators, submitted as part of the UNOPS Budget Estimates for the biennium 2016-2017 (DP/OPS/2015/5). For ease of reference, the table includes 2016 results as reported in Annex II of the Annual report of the Executive Director (DP/OPS/2017/2).

Table 1. The partners perspective: recognized value

Balanced scorecard perspective	Management goal	Driver	Performance indicator	Baseline	2016 results	2017 results	2016-2017 targets
Partners	A. Recognized value	A1. Deliver world- class products and services adding sustainable value	Share of UNOPS delivery from defined services within UNOPS focus areas	100% (2015)	100%	100%	100%
			Share of UNOPS delivery that include national capacity-building components, agreed on with partners, including employing personnel locally, in combination with defined on-the-job learning elements, and formal trainings and certifications	55% (2015)	55%	57%	65%
			Share of UNOPS relevant new projects that include risk informed effective design and implementation considerations that contribute to resilient outcomes	28% (2015)	33%	28%[1]	70%
			Share of UNOPS projects on track for cost and schedule	76% (2015)	83%	77%	80%
			Overall partner satisfaction[2]	82% (2015)	91%	91%	80%
		A2. Build sustainable partnerships	Share of UNOPS procurement with registered local suppliers in developing and fragile states	45% (2014)	52 %	51%	50%
			Increase in new and extended partner agreements from identified key partners	$957 million (2015)	$1.22bn/ 28% increase	$1.77bn / 45% increase	15%
			Substantive UNOPS contribution to procurement collaboration across UN agencies (collaborative procurement)[3]	11% (2014)	24%	17%	25%
			Average number of monthly visits to UNOPS public website	78,294 (2015)	81,636	79,803	80,000

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[1] As part of its commitment to promote resilient infrastructure, UNOPS is revising its Design Planning Manuals, to be completed by the end of 2018. UNOPS encourages engagement developers and project managers to incorporate resilience considerations throughout the project life cycle.

[2] The UNOPS Partner Survey 2016/17 carried out in the beginning of 2017 revealed that 91% of partners are satisfied with UNOPS.

[3] Share of the value of UNOPS procurement using one of the common procurement initiatives, as outlined by HLCM in the 'Common UN Procurement at the Country Level'. The decrease in collaborative procurement volume in 2017 was primarily due to a reduction in UN web buy plus procurement by other UN agencies.

			Share of UNOPS public website content available in all official UNOPS languages	88% (2014)	85%	83%	100%
		A3. Communicate effectively and transparently	UNOPS Sustainability Report, based on concepts of Global Reporting Initiative (GRI) published	0% (2015)	100%	100%[4]	100%
			UNOPS compliance with International Aid Transparency Initiative (IATI) standards[5]	100% (2014)	30%	20%	100%

Table 2. The business process perspective: process excellence

Balanced scorecard perspective	Management goal	Driver	Performance indicator	Baseline	2016 results	2017 results	2016-2017 targets
Business process	B. Process excellence	B1. Manage and benchmark processes	Share of UNOPS offices assessed that are successful in maintaining external certifications.[6]	100% (2014)	100 %	100%	100%
			Share of processes identified as core business processes within the American Productivity and Quality Centre (APQC) framework that have been assessed against a best-practice maturity model and are under continual management and improvement	0% (2014)	50%	84%	85%
			Implementation rate of accumulated internal audit recommendations	97% (2014)	93 %	92%	100%
		B2. Improve process efficiency and effectiveness	Share of projects regularly assessed against UNOPS criteria for successful projects	98% (Q1-Q3 2015)	97 %	98%	100%
			Timely operational closure of projects	86% (2015)	82%	80%	80%
			Average duration of staff recruitment (number of days)	71 (2015)	72	94[7]	80
			Level of implementation of risk-based internal audit plan for Internal Audit and Investigations Group	100% (2015)	100%	100%	100%
			Evaluated offices compliant with minimum operating security standards	92% (2014)	96%	N/A[8]	90%

[4] The Annual report 2017 is based on Global Reporting Initiative standards. The Sustainability Report 2017 will follow in June 2018.
[5] As at 31 December 2017, only activities that predated the oneUNOPS ERP could be published to IATI (20%). Ongoing work to publish from oneUNOPS ERP to IATI for all activities will be completed in 2018, bringing compliance back to 100%.
[6] Certifications refer to the standards ISO 9001 for Quality Management, ISO 14001 for Environmental Management and OHSAS 18001 for Health and Safety Management.
[7] UNOPS experienced a slight increase in staff recruitments from hosted entities that extended the staff recruitment timeline due to specialized recruitments with highly technical requirements. Meanwhile, the average duration of ICA recruitment fell from 62 days in 2016 to 59 days in 2017.
[8] The policy on Minimum Operating Security Standards (MOSS) was abolished in 2017 and offices are now implementing mandatory security measures as per the findings in the local Security Risk Management (SRM) process.

				100% (2015)	100%	100%	100%
		B3. Innovate	Carbon neutrality achieved[9]				
			UNOPS e-commerce platform fully operational and accessible to external partners	0% (2015)	50%	100%	100%
			Share of UNOPS country offices implementing capacity building of local/regional suppliers, particularly amongst historically disadvantaged groups (such as women-owned businesses) based on established framework	0% (2015)	5%	14%	10%

Table 3. The people perspective: people excellence

Balanced scorecard perspective	Management goal	Driver	Performance indicator	Baseline	2016 results	2017 results	2016-2017 targets
People	C. People excellence	C1. Business partnering	Share of relevant practitioners externally certified	77% (2015)	76%	69%	80%
			Share of relevant practitioners internally certified	60% (2014)	100%	100%	65%
		C2. Recruit, develop and recognize talent	Overall personnel engagement[10]	N/A	4.16	4.34	4.06
			Personnel performance appraisal completion rate	86% (2014)	91%	95%	90%
		C3. Embrace United Nations values	Share of women in UNOPS global leadership team[11]	28% (2015)	25%	24%	35%
			Share of females amongst UNOPS supervised international personnel (international professional staff categories and international ICAs)	34% (2015)	37%	38%	40%
			Completion rate among target audience of United Nations learning, including UN leadership courses, "I know gender" and UNOPS legal framework	N/A	N/A	N/A[12]	80%

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[9] UNOPS purchases Certified Emission Reductions (CERs) to achieve its climate neutrality. UNOPS will offset its 2017 emissions upon completion of its emission inventory.

[10] Personnel engagement is reported in the annual People Survey (launched in 2016). The 2016 and 2017 results exceed the internationally recognized benchmark of high-performing organisations of 4.06.

[11] UNOPS recognizes the potential for improved representation of women in leadership roles. In its new Gender Parity Strategy and Action Plan, adopted in January 2018, UNOPS commits to achieving gender parity at all levels of the organization.

[12] UNOPS is in the process of implementing a new learning management system that will enable accurate reporting on training figures.

Table 4. The finance perspective: financial stewardship

Balanced scorecard perspective	Management goal	Driver	Performance indicator	Baseline	2016 results	2017 results	2016-2017 targets
Finance	D. Financial stewardship	D1. Ensure financial control and efficiency	Maintain unqualified audit opinion for each year of the Biennium	100% (2015)	100%	TBD[13]	100%
			Rate of implementation of prior year United Nations Board of Auditors recommendations	48% (2014)	51%	38%[14]	50%
			Share of required personnel filing financial disclosure	100% (2015)	100%	100%	100%
		D2. Cost recovery and fair distribution	Achievement of net revenue target approved by the Executive Board	100% (2015)	100%	100%[15]	100%
		D3. Invest in innovation	Share of investments in relation to indirect cost	6% (2014)	6.8%	8.9 %	7.5%

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[13] At the time of preparing this report, the 2017 Financial Statements were still under audit, with audit opinions expected in May 2018.
[14] Rate of implementation for prior year UN BOA recommendations open at the beginning of the year (A/72/5/Add.11). The lower implementation rate in 2017 relates largely to a number of recommendations addressed with the adoption of the new Strategic Plan 2018-2021 and the implementation of the new Governance, Risk and Compliance framework.
[15] Expenses, revenue and reserve balances for 2017 are indicative figures to be verified and audited by the UN BOA.