Business Operations Harmonization at Country Level

Monitoring and Evaluation Framework and Reporting Process

FINAL
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Executive Summary

The UNDG, in cooperation with HLCM, developed this monitoring, evaluation and reporting framework to facilitate the **measurement of results from business operations harmonization** at country level. It responds, in part, to the request from the UN's recent Comprehensive Policy Review to further harmonize business operations and pursue higher quality, more effective, and cost-efficient support services in all programme countries, and to report on concrete achievements by the end of 2014[1].

The Framework and Reporting Process enable the UN system to measure and report about the *effectiveness, efficiency, and quality* of common business operations using key performance indicators (KPIs) at country level, and to aggregate the findings at the global level.

The Framework is flexible enough to encourage rapid country level adoption for all countries interested in more harmonized and effective business operations. It has standardized elements to enable aggregation of results for global monitoring and reporting purposes. It covers results and at the strategic level for effectiveness, efficiency, and quality, as well as at the work plan level and it makes clear linkages with the Resident Coordinator Annual Report (RCAR).

This Framework was prepared in three stages: (1) A stock-taking of UN ME systems in support of business operations, including pilot countries implementing a Business Operations Strategy (BOS); (2) Analysis of major approaches and trends for monitoring business operations performance in private and public spheres outside the UN; and (3) A synthesis of these findings to prepare this ME framework.

It was developed in consultation with multiple stakeholders including: The UNDG Reference Group on Common Services, the CEB Secretariat, the HLCM Procurement Network, operations managers from BOS pilot countries, and the UN Development Operations Coordination Office.

The main expected users of the BO ME framework are:

- » UNCTs and OMTs;
- » UNDG and Regional UNDG Teams, the HLCM, and DESA
- » DOCO and the CEB Secretariat

At country level, implementation of this Framework and Reporting Process at country level is an important step to demonstrate the value of business operations harmonization for the delivery of development results.

[1] QCPR Resolution, GA A/RES/67/226, 2012. Para 152.

Table of Contents

Executive Summary i

Acronyms and Abbreviations iii

1. Introduction 1

1.1 Background and rationale 1

1.2 Purpose of the ME and reporting framework 1

1.3 Guiding principles 2

1.4 Process to develop the framework 2

1.5 Users and audience groups 3

1.6 How to use this framework 4

2.0 Results and Indicator Framework 6

2.1 Management process of effective business operations harmonization [A] 7

2.2 Procurement [P] 9

2.3 Human resources [H] 12

2.4 Information and communication technologies [IT] 13

2.5 Finance [F] 15

2.6 Common Premises [CP] 16

2.7 Administrative Services [S] 19

3.0 Management Arrangements 22

3.1 Information needs and division of labour 22

3.2 Monitoring and reporting process and tools 23

3.3 Evaluation 27

Acronyms and Abbreviations

AWP Annual Work Plan
BOS Business Operations Strategy
CEB Chief Executives Board
CPT Common Procurement Team
CPRC Common Procurement Review Committee
CRB Compliance Review Board
CS Common Services
DaO Delivering as One
ECOSOC Economic and Social Council
ERP Enterprise Resource Planning
GA General Assembly
HACT Harmonized Approach to Cash Transfers to Implementing Partners
HLCM High Level Committee on Management
HQ Headquarters
HR Human Resources
ICT Information and Communication Technology
IPSAS International Public Sector Accounting Standards
KPI Key Performance Indicator
LTA Long Term Agreement
ME Monitoring and Evaluation
MoU Memorandum of Understanding
OMT Operations Management Team at country level
QCPR Quadrennial Comprehensive Policy Review on Operational Activities for Development
RBM Results Based Management
RC Resident Coordinator
RCAR Resident Coordinator's Annual Report
RCO Resident Coordinator's Office
SOP Standard Operating Procedures
UNCT United Nations Country Team
UNDAF United Nations Development Assistance Framework
UNDESA United Nations Department of Economic and Social Affairs
UNDG United Nations Development Group
UNEG United Nations Evaluation Group

1. Introduction

1.1 Background and rationale

The General Assembly has requested the UN system to harmonize business operations to achieve higher quality, more effective, and cost-efficient support services in all programme countries. Progress reports on concrete achievements are expected by the end of 2014[2]. At country level, the ultimate result expected from harmonized business operations is a contribution to more effective delivery of development results.

The 2012 Comprehensive Policy Review reiterates requests by the General Assembly that date back to the late 1970s for common services, harmonized business practices, cost-savings, and reduced transaction costs. The process accelerated with the report of the High Level Panel on UN system coherence in 2006 and the introduction of the Delivering as One (DaO) approach[3]. In 2013, the Standard Operating Procedures for DaO provide a model for 'operating as one' at country level with a business operations strategy. These aim reduce operational costs, increase the quality of business services, and enhance development results[4].

To respond to the requests of the General Assembly, the United Nations Development Group (UNDG), in cooperation with the High Level Committee on Management (HLCM), have developed this monitoring, evaluation, and reporting framework to facilitate the measurement and reporting of results from business operations harmonization at country level.

Business operations harmonization is guided by the Standard Operations Procedures for DaO and the Business Operations Strategy (BoS)[5], which is a multi-year strategic planning framework for UN Country Teams (UNCTs) and Operations Management Teams (OMTs).

1.2 Purpose of the ME and reporting framework

This Monitoring and Evaluation (ME) framework enables UNCTs and OMTs to plan, monitor, report, and evaluate the progress of business operations harmonization (BOH) using key performance indicators (KPIs) at country level, and to demonstrate the value of business operations harmonization for the delivery of development results.

When applied systematically by UNCTs, the framework enables the UN system to report at the global level about the quality, effectiveness, and efficiency of common business operations. This reporting will be in line with agreed indicator frameworks for monitoring QCPR requirements and the SOPs for Delivering as One.

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[2] 2012 QCPR Resolution, UN General Assembly, GA A/RES/67/226, Para 152.
[3] For an overview of the mandate and history of business practice harmonization in the UN system, see part 3: Assessing the Cost and Benefits of Simplifying and Harmonizing Business Practices of UN Entities at the Country Level, Background Paper for QCPR, UNDESA 2012.
[4] Standard Operating Procedures for Delivering as One, UNDG 2013.
[5] Guidance Note on developing the Business Operations Strategy, Draft, UNDG 2012.

While the framework will be most effective when paired with a Business Operations Strategy (BOS), this is not a pre-requisite. The framework is flexible enough to encourage rapid country level adoption for all countries interested in more harmonized and effective business operations. It has standardized elements to enable aggregation of results for global monitoring and reporting purposes. It covers results and at the strategic level for effectiveness, efficiency, and quality, as well as at the work plan level and it makes clear linkages with the Resident Coordinator Annual Report (RCAR).

1.3 Guiding principles

The ME framework for business operations harmonization is guided by the following principles:

- » Business Operations (BO) results and indicators contribute logically to the UN's policy goals and objectives as expressed by the indicator frameworks for the QCPR and Standard Operating Procedures for Delivering as One
- » UNCTs and OMTs have flexibility to choose which business operations areas they wish to work on. Once agreed, for each business operations area there is a minimum set of results and key performance indicators that are required, driven by overall strategic goals set by the General Assembly through the QCPR. A broader set of optional results and indicators are available that can be used to tailor country level frameworks to specific country situations. This limited standardization enables the aggregation of quantitative results from country level to global level.
- » An effective division of labour between the different bodies responsible for performance monitoring, reporting, and evaluation at different levels
- » Leadership by the RC and UNCT is vital to sustain the demand for information about the performance of harmonized business operations, and to use performance information for learning, managing and adjusting.

1.4 Process to develop the framework

Business Operations (BO) harmonization is guided by the Standard Operations Procedures for DaO and the draft Business Operations Strategy (BoS), which is a multi-year strategic planning framework for UN Country Teams (UNCTs) and Operations Management Teams (OMTs). The BOS is intended to support more effective delivery of development results from the United Nations Development Assistance Framework (UNDAF). This ME framework was prepared in three stages:

Stage 1 was a stock-taking[6] of UN ME systems in support of Business Operations, including **13 country pilots** that have implemented a Business Operations Strategy (BOS) since January 2012. A recent survey of BOS pilot countries[7] highlighted several important lessons that have been incorporated in this ME framework:

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[6] Monitoring and Evaluation Framework for UN Business Operations Harmonization at Country Level, **Stock Take Report**, 28 September, 2013. Alex MacKenzie MDC.

[7] UN Business Operations Strategy Survey Report, UNDG, November 2013.

» The need for standardized key performance indicators (KPIs)[8];

» The availability of practical examples of both business operations results and indicators;

» Clear guidance about the calculation of indicators, their requirements and limitations; and

» Alignment of monitoring and reporting responsibilities and processes with those for the UNDAF.

Stage 2 was an analysis[9] of major approaches and trends for monitoring business operations performance in private and public spheres outside the UN that are relevant to UN practice.

Stage 3 involved the synthesis of these findings to prepare this ME framework. It was developed in consultation with multiple stakeholders including:

» UNDG Reference Group on Common Services

» UN Development Operations Coordination Office

» CEB Secretariat

» HLCM Procurement Network

» Operations managers from BOS pilot countries.

1.5 Users and audience groups

The main expected users of the BO ME framework are:

» UNCTs and OMTs, with particular focus on BOS country pilots and Delivering as One (DaO) pilots and self-starters;

» UNDG and Regional UNDG Teams, the HLCM, and DESA

» DOCO and the CEB Secretariat

Data collected and reports prepared on the basis of the BO ME framework are intended for these main audience groups:

» The General Assembly and ECOSOC;

» Government and other development partners;

» Donors;

» The interested public.

[8] The survey found that nearly 60 percent of BOS pilot countries have not defined KPIs against which to monitor and measure performance.
[9] Monitoring and Evaluation Framework for UN Business Operations Harmonization at Country Level, **Industrial Practice Report**, 08 November, 2013. Alex MacKenzie MDC.

1.6 How to use this framework

This framework is applicable to all countries where the UN has a programme and operations presence, and where the UNCT seeks to find savings and reduce transaction costs from common services and harmonized business solutions.

Results and indicators related to Business Operations Harmonization should be included in the Annual Work Plan of the country Operations Management Team (OMT).

Use of this framework does **not** require a Business Operations Strategy (BOS), but it will be most effective when paired with a BOS. This is because a BOS includes a baseline analysis of spending on major categories of goods and services which facilitates the calculation and comparison of key performance indicators over time.

In keeping with the approach used by the UNDG to introduce and expand common services and to harmonize business operations, **this framework is flexible.** It can be adapted by countries to address their specific business operations solutions and expected results. The framework addresses seven [7] business operations areas:

1 Process of business operations harmonization (BOH)
2 Procurement
3 Human resources
4 ICT
5 Finance
6 Common premises
7 Common services

UNCTs and OMTs may choose the business operations area[s] on which they wish to work. For some business operations areas, there are a small number of results and key performance indicators (KPIs) that are required. There is also a broader set of optional results and indicators that can be used to tailor the ME frameworks to specific country situations. This *limited* standardization enables the aggregation of quantitative results from country level to global level.

Results

For each business operations area, the framework begins with the most relevant QCPR results and indicators to which the business operations results and indicators are intended to contribute. These represent the UN system's main policy goals and objectives.

Following these, the framework provides a set of generic results statements [outcomes and outputs] and indicators for use at country level:

» **Outcomes** describe performance changes by the UN to improve the **effectiveness, efficiency and quality** of business operations at country level [see box].

» **Outputs** are the tangible new skills, services, and products that are produced by the UNCT and OMT which contribute logically to the achievement of the outcome.

The results statements for each business operations area are **generic**. *They are models*, developed on the basis of current examples from business operations country pilots, UN Agency frameworks, and good practices from the private and public spheres outside the UN. They are phrased to be as simple and as direct as possible. Their use ensures a high level of quality in results formulation. UNCTs and OMTs may tailor the language of the results statements to their specific situations.

> **Effectiveness**: The capability of producing a desired result
>
> **Efficiency**: The extent to which time or effort is well-used to produce a desired result. It is measured by the ratio of output to input.
>
> **Quality**: An assessment about the extent to which a result meets established standards.
>
> *Source: Common UN Procurement at the Country Level, UNDG and HLCM.*

Indicators

Indicators provide the means to measure actual progress against the expected business operations results. There are two [2] types of indicators:

- **Key performance indicators (KPIs)** - Each business operations area has a small number of *required* KPIs that must be used. This enables the aggregation and reporting of selected results from country level to global level.
- **Optional indicators** - A broader set of optional results and indicators are provided that can be tailored to specific country needs and situations.

Part 2 describes the results and indicators. With both required and optional indicators the framework strikes a balance. It helps UNCTs and OMTs to tailor their business operations monitoring to specific country business solutions AND it enables the UN system to report coherently at global level about the performance of business operations harmonization.

Annex A provides detailed definitions for each indicator including calculations and required sources of data and information.

Results and indicators are reported on at least annually, and as part of the Resident Coordinator's Annual Report (RCAR). **Part 3** describes the management and reporting arrangements.

Depending on the country situation and needs, additional results and indicators beyond those offered in this framework may be developed by the UNCT and OMT. In these situations, UNCTs and OMTs should communicate the results and indicators to Business Operations support services at UNDOCO, for learning and further development of the framework.

2.0 Results and Indicator Framework

Monitoring and evaluation systems have two main components: results and key performance indicators that describe '*what*' is to be measured, and management arrangements and mechanisms that govern '*who*' does what, '*when*' and '*how*'.

This section is the core of the framework document. It describes the '*what*': A set of results [outcomes and outputs] and indicators for seven business operations area,:

- 2.1 Process of effective Business Operations Harmonization (BOH) at country level
- 2.2 Procurement
- 2.3 Human resources
- 2.4 ICT
- 2.5 Finance
- 2.6 Common Premises
- 2.7 Common Services

As described in part 1, UNCTs and OMTs choose the business operations area[s] on which they wish to work. For some business operations areas, there are results and key performance indicators (KPIs) that are required. There is also a set of optional results and indicators that can be used to tailor the ME frameworks to specific country situations. This *limited* standardization enables the aggregation of quantitative results from country level to global level.

Results and indicators for each business operations area are provided in a table [below].

The table begins by describing the most relevant QCPR and DaO indicator to which the results and indicators contribute. This demonstrates how BOH performance monitoring and measurement is contributing to the UN system's main policy goals and objectives.

Required results and KPIs and other optional results and performance indicators are grouped for ease of reference:

Summary of Business Operations Harmonization Results and Indicators

BOH Areas	Required result	KPI	Optional result	Indicator
1. Management process of BOH	2	3	0	0
2.Procurement	4	5	2	4
3. Human resources			6	10
4. ICT			9	10
5. Finance			4	5
6. Common Premises	1	1	5	6
7. Administrative Services	2	2	4	4
TOTAL	**9**	**11**	**31**	**41**

2.1 Management process of effective business operations harmonization [A]

The success of harmonization efforts at the country level depends on the commitment and leadership of the RC and UNCT, and on the set-up of effective working arrangements and incentives for the OMT and its subsidiary working groups.

» **QCPR Results and Indicators**

Result	Indicator	Rationale
QCPR IV.C. Delivering as One	73. Nº Countries applying some components of the SOPs	

» **Required Result and Indicator**

There are 2 required results and KPIs for this area.

Result	Indicator	Rationale
Outcome A1. By [yr] the UNCT has established x harmonized business operations arrangements	**A1.a** Nº common services established for each business operations area *and/or*	A key outcome of more effective management processes and arrangement for business operations harmonization are common services. These are defined broadly to encompass any harmonized arrangement under the 7 business operations areas in this framework, such as: LTAs, common service MoUs and agreements, a UN website, a common HR initiative that is a new way of doing business, etc.
	A1.b Business Operations Strategy (BOS) approved (y/n)	This indicator is only relevant for countries opting to use a BOS.
Output A2 The UNCT and OMT apply good practices for effecive leadership and management of harmonized business operations	**A2.a** Nº Good business operations practices applied at country level out of 10 [scored]	This is a single indicator that consolidates the good management practices of Business Operations pilot countries and those identified by the UNDG/HLCM. The 10 good practices relate to: » Leadership » Working arrangements » Incentives » Analysis and Evidence The good practices [see below] are recommendations only.

<table>
<tr><th>Result</th><th>Indicator</th><th>Rationale</th></tr>
<tr><td colspan="3"><u>Good practices:</u>
Self-assessment by OMT of the total number of practices being applied out of a possible 10:

1. The Operations Management Team (OMT) is chaired by a Head of Agency and member of the UNCT, on a rotating basis
2. An OMT capacity assessment has been conducted and skills development plan prepared, costed, and budgeted, including consideration of CIPS certification
3. A baseline analysis of spending on major categories of goods and services has been conducted (procurement volumes; Nº transactions; Nº suppliers; Nº existing LTAs)
4. A cost-benefit analysis has been carried-out for proposed common business solutions
5. Priorities for common business operations have been formally agreed by the UNCT
6. The OMT has an approved annual work plan with tangible linkages to the results in the UNDAF, UNDAF Action Plan, or One Programme
7. OMT sub-working groups or task teams are established with lead agencies and have responsibility for specific results under the OMT work plan
8. OMT matters and regular progress reports against the approved work plan are a standing item during regular UNCT meetings
9. A summary of the annual BOS progress report, including key indicators, is included in the Resident Coordinator’s Annual Report (RCAR)
10. The performance appraisal process for OMT members includes review of responsibilities related to business operations harmonization</td></tr>
</table>

2.2 Procurement [P]

» QCPR Results and Indicators

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	89. % Countries with 25 or more per cent of the annual UN financed procurement volume done by the government 91. Nº Countries implementing: - common services - **common LTAs** - **harmonized approach to procurement** - common HR management - ICT services or - Financial management services	

» Required Result and Indicator

There are 4 required results and 5 KPIs for this area.

Result	Indicator	Rationale
Effectiveness **Outcome P1.** By [yr] collaborative procurement[10] services achieve estimated cost-savings of $**x** USD	**P1.a** Estimated savings [USD] through collaborative procurement	This KPI measures savings from discounts for collaborative procurement by UN agencies.
Effectiveness **OutcomeP2.** By [yr] the ratio of collaborative procurement spending to total procurement spending is increased from **x**% to **y**%	**P2.a** Ratio of total procurement spending, both local and international, with a harmonized approach to the total value of annual procurement* [**Note: Calculation of total procurement spending is based on common categories of goods and services for collaborative procurement and excludes (i) strategic procurement by agencies;(ii) procurement conducted at HQ level on behalf of COs.*]	This is a value for money (VFM) indicator of effectiveness. It shows the change in collaborative procurement spending as a proportion of total procurement spending.

[10] **Collaborative Procurement** refers to contracts or long term agreements (LTA) utilised or concluded through the efforts of two or more UN Agencies. It is equated with the terms: (1) Common Procurement; (2) Harmonized Procurement.

Result	Indicator	Rationale
Output P5. Common **Long Term Agreements (LTAs)** are assessed and, where appropriate, established for agreed categories of goods and services for collaborative procurement	**P5.a** Nº reviews undertaken to assess whether common LTAs[11] are appropriate for agreed categories of goods and services for collaborative procurement **P5.b** Value of purchase orders (PO) raised against common LTAs and contracts [USD]	The use of LTAs for high demand goods and services is the most frequently used method to secure cost reductions and efficiency gains[12]. The decision to pursue an LTA should be based on an assessment of its costs and benefits.
Output P6. The UNCT and OMT apply **good practices** that strengthen the management of collaborative procurement	**P6.a** Nº Good procurement practices applied at country level out of 9 [scored]	This is a single management practice indicator that consolidates the good procurement practices highlighted in the Stock-Take report. The good practices are recommendations only.

Good practices:

1. There is a signed statement of commitment by the UNCT to common procurement, including the use of common LTAs wherever it makes sense to do so
2. The OMT uses Guidelines for Common UN Procurement at the Country Level for collaborative procurement activities.
3. A Common Procurement Review Committee (CPRC) has been established for common procurement activities
4. A common procurement team is established with a TOR and responsibility for specific results under the OMT work plan
5. A lead agency is appointed for each of the major categories of goods and services
6. A common LTA database is used to record all local LTAs, including common LTAs and LTA supplier performance (Note: Use of the UN Global Marketplace (UNGM) LTA module is strongly recommended)
7. A common vendor database is available and updated annually (Note: Use of the UNGM vendor portal is strongly recommended)
8. A UN procurement website is operational (Note: Use of the UNGM procurement portal is strongly recommended e.g., tender notice, award announcement, knowledge sharing, etc.)
9. Regular in-service orientation and training is carried out by the OMT to strengthen procurement skills and capabilities at all levels.

   [Note: The HLCM Procurement Network has a core group of trained resource people on collaborative procurement that may be called upon to support country-level training. Financial costs are the responsibility of the UNCT and OMT.]

[11] **LTA: Long Term Agreement**. Several terms are used throughout the UN system for this type of contractual arrangement e.g. Long term arrangement, Framework contract, Blanket agreement, Standing offer, or System contract.

[12] HLCM Working Group on Harmonization, Procurement Process and Practice Harmonization in Support for Field Operations, Survey and OMT Chair Interviews, FINAL. 34.

» **Optional Results and Indicators**

Result	Indicator	Rationale
Efficiency		
Outcome P3. By [yr] collaborative procurement reduces transaction costs	**P3.a** Estimated **transaction costs avoided** [USD] from use of collaborative procurement	P3.a and P3.b are optional efficiency indicators. P3.a will be most appropriate for countries using a BOS that includes activity-based costing. P3.b will be useful in situations without activity-based costing. P3.a is based on the dollar difference between a standard procurement process with and without common LTA. This requires activity-based costing at country level of a standard procurement action with *and* without an LTA. See **Annex B** for an easily adapted example from Rwanda.
	P3.b Estimated **administration costs avoided** [USD] from use of collaborative procurement	P3.b is based on the difference between the administrative costs of individual agencies to set-up and manage individual LTAs or contracts and the administration costs of all participating agencies to set-up, piggy-back and manage a common LTA or contract together.
Quality		
Outcome P4. By [yr] the quality and timeliness collaborative procurement services are improved	**P4.a** % Vendors assessed as meeting minimum service standards for goods and services agreed in **common LTA** and provider contract.	This an optional quality indicator that gauges vendor performance, based on a judgement about how well vendors meet minimum service standards.
	P4.b % Staff surveyed who are satisfied with that quality of collaborative procurement services	This is an optional quality indicator. It is a composite indicator based on responses to a set of statements by procurement system users. See **Annex C** for Survey.

Note: The HLCM Procurement Network is developing a ***Procurement Log*** *to help record the results of collaborative procurement, e.g., savings, efficiency, quality improvement.IndicatorsP1.a, p3.b, P5.b are aligned directly with the Log.*

2.3 Human resources [H]

» **QCPR Results and Indicators**

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	91. Nº Countries implementing: - common services - common LTAs - harmonized approach to procurement - **common HR management** - ICT services or - Financial management services	

» **There are no required results and indicators**

» **Optional Results and Indicators**

Result	Indicator	Rationale
Efficiency Outcome H1. By [yr] the efficiency of human resources management is improved	H1.a Average times to fill vacancies through common recruitment processes	These are optional efficiency indicators, that reflect both UN Agency practices and those in the private and public sphere outside the UN system.
	H1.b % Reduction in staff time and/or costs for selected HR processes and services [e.g. recruitment]	It is common to use a target number of weeks for completion of the recruitment process. This can be decided on a country by country basis.
Quality H2. By [yr] staff satisfaction with common human resources management has improved	H2.a % Staff surveyed who are satisified with the quality of common HR initiatives	This is an optional quality indicator. It is a composite indicator based on responses to a set of statements about common HR systems by users. See **Annex A** for calculation and **Annex D** for Survey.
H3. **Job descriptions**, grade levels, and terms and conditions for national staff are harmonized	H3.a Nº Harmonised job descriptions and grade levels	
H4. A common **UN roster**	H4.a Common UN roster established	

Result	Indicator	Rationale
established and operational for recruitment of national staff and consultants	(y/n) H4.b % Vacancies filled with candidates from roster	
H5. A **coordinated recruitment process** for national staff is developed and implemented	H5.a Coordinated recruitment SOPs or Guidelines developed including standard letters of appointment, terms and conditions (y/n) H5.b Nº UN Agencies using common **UN web site** for vacancy announcements H5.c Inter-agency interview panels operational (y/n)	These results and indicators are in common usage by BOS country pilots.
H6. **Common staff orientation and training** is delivered on general topics relevant to the UN	H6.a Nº Common Staff Orientation and Training sessions conducted per year	

2.4 Information and communication technologies (IT)

» **QCPR Results and Indicators**

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	91. Nº Countries implementing: - common services - common LTAs - harmonized approach to procurement - common HR management - **ICT services** or - Financial management services	

» **There are no required results and indicators**

» **Optional Results and Indicators**

Result	Indicator	Rationale

Result	Indicator	Rationale
Effectiveness		
Outcome IT1. By [yr] common ICT services are more effective	**IT1.a** % Complaints for common ICT services resolved within agreed time limits	This is a optional indicator of the performance of the ICT function in restoring service within an agreed timescale following an outage or other operational incident reported by a user.
Quality		
Outcome IT2. By [yr] user satisfaction with common ICT services has improved	**IT2.a** % Staff surveyed who are satisified with the quality of common ICT services	This are optional quality indicators. They are based on responses to a set of statements about the ICT function by users. See Annex A for definition and measurement and Annex E for model survey. One of the questions asks staff to gauge how well common ICT services have: - Strengthened business operations performance and - Increased information and knowledge sharing about the work of the UN system in the country
Ouput IT3. A common **ICT infrastructure** is developed and operational	**IT3.a** % UN Agencies using a minimum common ICT infrastructure* [Defined as: Common server and internet, plus back-up and business continuity service]	These optional results and indicators are in common usage by BOS country pilots, and informed by the Industrial Practice report.
Output IT4. A common office **telephone system** established	**IT4. a** Common office telephone system and directory established [y/n]	
Output IT5. A common **UN website** established to facilitate joint programming and operations work and communication with stakeholders [external/ internal]	**IT5.a** UN website [extranet and intranet] developed (y/n) **IT5.b** Traffic volume - Nº hits per month on external UN site	

Result	Indicator	Rationale
	- Nº unique visitors -Bounce rate for selected periods	
Output IT6. Comon '***green***' **IT** policies and guidelines are developed and implemented *[Note: These may include: 'switch off' campaigns; standardised power consumption settings; replacement of CRT monitors and aged rack servers*[13]]	**IT6.a** Nº green IT policies and guidelines implemented	
Output IT7. Common **ICT support** services are available	**IT7.a** UN ITC help desk established (y/n)	
Ouptut IT8. Common **ICT maintenance** service established	**IT8.a** Common ICT maintenance contract agreed (y/n) **IT8.b** % ICT costs associated with ICT maintenance	
[Note: A common server and internet services provider enables development of common procurement and vendor database websites. See procurement indicators]		

2.5. Finance [F]

» **QCPR and DaO Results and Indicators**

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	91. Nº Countries implementing: - common services - common LTAs - harmonized approach to procurement - common HR management - ICT services or - **Financial management services** 92. % Countries that are fully HACT-compliant	

[13] See: UNDG, Guidelines for Delivering as One in ICT at the Country Level, February 2010.

Result	Indicator	Rationale

» **There are no required results and indicators**

» **Optional Results and Indicators**

Result	Indicator	Rationale
Effectiveness **Outcome F1.** By [yr] harmonized financial arrangements achieve estimated cost-savings of $**x** USD	**F1.a** Annual savings [USD] from use of common financial arrangements	This is a broad measure of estimated savings from the use of harmonized financial arrangements described in the outputs below such as common banking agreements.
Output F2. **Common banking service** agreement established/ used	**F2.a** N° Agencies using common banking agreement and services **F2.b** Reduction in bank fees stipulated in agreement	These optional results and indicators are in common usage by BOS country pilots.
Output F3. **Cost sharing agreements** for common services established	**F3.a** N° Cost-sharing agreements established for common services	
Output F4. The **Harmonized Approach to Cash Transfers (HACT)** implemented [*Note: HACT is mandatory only for UNDP, UNFPA, UNICEF, and WFP*]	**F4.a** N° Agencies that use the FACE form to disburse and account for cash transfers to implementing partners	

2.6 Common Premises [CP]

Common premises are understood to be an ‘enabler’ of common administrative services in areas such as security, travel, transportation, cleaning, and for greater business operations harmonization in areas such as a common ICT infrastructure and more effective joint programming[14]. Under this ME framework, Common Premises and Common administrative services related to travel, logistics, and transport, and security services, are addressed separately.

[14] UNDESA, UNDESA, Assessing the Cost and Benefits of Simplifying and Harmonizing Business Practices of UN Entities at the Country Level, Background Paper for QCPR, UNDESA 2012; UNDG-HLCM, Mission Report. 59.

Results and indicators related to compliance with security standards (MOSS) are addressed separately by DSS monitoring frameworks

» QCPR Indicators

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	85. UNDG strategy developed to support the establishment of common premises in programme countries that wish to adopt them [*Note: Results and indicators provided below make an indirect contribution to the QCPR result by providing evidence of effectiveness and quality gains, lessons, and good practices*]	

» Required Result and Indicator

There is 1 required result and KPI for this area.

Result	Indicator	Rationale
Effectiveness		
Outcome CP1.	**CP1. a**	
By [yr] use of common premises* saves an estimated $x [USD] in rental and building operating costs *[Note: Common Premises includes Joint Office and One UN House]*	Estimated Savings [USD] from use of common premises Savings are calculated annually and cumulatively for the programme period or 5 years, whichever is longer.	This is a measure of estimated savings in rental costs from the use of common premises It requires a baseline of individual agency rents, normally included in a feasibility study.

» Optional Results and Indicators

Result	Indicator	Rationale
Effectiveness		
Outcome CP1.	**CP1. b**	
By [yr] use of common premises* saves an estimated $x [USD] in rental and building operating costs	Payback period in years for refurbishment costs of common premises	This is an additional optional indicator. Common premises will often require refurbishment. This indicator shows the estimated timeframe to re-coup these investment costs.

Result	Indicator	Rationale
Quality **CP2.** By [yr] user satisfaction with common premises has improved	**CP2.a** % Staff surveyed who are satisified with the quality of common premises	These are optional quality indicators. It is a composite indicator based on responses to a set of statements about the quality and usability of common premises. Survey questions ask staff to gauge how well comon premises have: - Strengthened programme coordination and delivery and - Increased information and knowledge sharing about the work of the UN system in the country
Output CP3. Feasibility of common premises analysed	**CP3.a** Feasibility study, including cost-benefit analysis available (y/n) [Normally this will be done only once]	These results and indicators are in common usage by BOS country pilots.
Output CP4. Agreements to establish common premises are established	**CP4.a** Common Premises Agreement(s) signed (y/n)	
Output CP5. Common premises are established and used	**CP5.a** N° UN Agencies occupying common premises	
Output CP6. '*Green*' policies are agreed and implemented for common premises [*Examples of policies are: switch-off campaigns, timed a/c settings, printing restrictions, use of energy efficient appliances, and recycling*]	CP6.a 'Green' policy and practices agreed for use of energy and resources of common premises (y/n) CP6.b % Reduction in selected operating costs of common premises: - reduction of electricity costs - reduction of water consumption - reduction of fine paper costs - reduction in building maintenance costs	

2.7. Administrative Services [S]

For the purposes of this inventory, administrative services, services related to travel, logistics, and transport services have been clustered together. Results and indicators related to compliance with security standards (MOSS) are addressed by DSS monitoring frameworks.

» QCPR and DaO Results and Indicators

Result	Indicator	Rationale
QCPR IV. E. Simplification and Harmonization of Business Processes	91. Nº Countries implementing: - **common services** - common LTAs - harmonized approach to procurement - common HR management - ICT services or - financial management services	

» Required Result and Indicator

There are 2 required results and KPIs for this area.

Result	Indicator	Rationale
Effectiveness **Outcome S1.** By [yr] common service agreements and MOUs achieve estimated cost-savings of $**x** USD	**S1.a** Estimated savings [USD] through use of common service agreements and MOUs	This KPI measures savings from consolidation and use of common administrative services by multiple UN agencies.
Output S5. Common service agreements or MOUs established to regulate provision and quality of common administrative services	**S5.a** Nº Common service agreements and MOUs established	This result and indicator demonsrates the efforts of the UNCT and OMT to estblish common administrative services.

» Optional Results and Indicators

Result	Indicator	Rationale
Efficiency **Outcome S2.** By [yr] common service agreements and MOUs reduce	**S2.a** Estimated **transaction costs avoided** [USD] from use of	This is an optional efficiency indicator. It values the change in transaction costs, normally time an

Result	Indicator	Rationale
reduce transaction costs	common adminstrative services	labour gains, from the use of a new common administrative service. This requires activity-based costing of each service line prior to and after the use of common service or MOU.
Quality **Outcome S3.** By [yr] user satisfaction with common services has improved	 **S3.a** % Staff surveyed who are satisfied with the quality and reliability of selected common services [e.g. security, medical, travel, conference, cleaning, postal and courier, printing]	 This is an optional quality indicator. It is a composite indicator based on responses to a set of statements about common services by users. See Annex A for definition and measurement.
Outcome S4. By [yr] the quality of common services is improved	**S4.a** % Common services assessed as meeting minimum service standards agreed in MOU and provider contract.	This is another optional quality indicator. It is limited in that it does not compare the quality of common services to pre-common services. It is based on the service level agreements about minimum expected service standards amongst participating agencies and stipulated in the contract.
Output S6. **Common LTAs** established for selected common services	**S6.a** Value of purchase orders (PO) raised against LTAs for common administrative services [USD]	This result and indicators are in common usage by BOS country pilots. [*Note: If used, the OMT must distinguish between LTAs related strictly to common services and LTAs for other procurement for KPI indicator P5.b*]

Examples of specific indicators and arrangements from BOS country pilots:

	MOUs	LTAs	Other
Administrative Services			
» UN rates agreed for preferred hotels [y/n]			
» % Reduction in catering costs			
» % Reduction in cleaning costs			
» % Reduction in reception services			
» % Reduction in maintencance costs			

Result	Indicator	Rationale	
» % Reduction in conference costs			
Travel, Logistics, and Transport Services			
» % Reduction in air travel service costs			
» Common transport service providers agreed (bus, mini-bus, and taxi) [y/n]			
» Car sharing agreement between UN Agencies [y/n]			
» Common event management services agreed [y/n]			
» Centralised fleet mangement plan adopted [y/n] » % Reduction in UN fleet size			
» Common travel, conference and hotel LTAs agreed [y/n]			

3.0 Management Arrangements

3.1 Information needs and division of labour

This part describes the management arrangements for the monitoring and evaluation framework. To track progress, and report and evaluate the results of Business Operations Harmonization, it describes '*who*' does what, '*when*' and '*how*'. Successful monitoring and reporting about UN business operations harmonization requires:

- An understanding of the information needs of different groups at different levels, and
- A clear and effective division of labour between these groups for performance monitoring and reporting.

The management arrangements recognise and respond to different, but linked, **information needs** at **three** levels for monitoring and reporting about business operations harmonization (BOH)[15].

a) Micro Level: UNCT and OMT

For UNCTs and OMTs, an effective performance monitoring system:

» Assesses whether harmonized business operations are delivering higher quality goods and services and value-for-money;

» Provides valuable feedback about the extent to which the BOH has been efficiently planned and managed;

» Generates good arguments and incentives for better and higher-quality business operations performance, through review of performance and lessons learned; and

» Enables the UNCT and OMT to compare their performance against other countries and regions using standardized key performance indicators.

b) Macro Level:
UNDG, including coordination, consultation and information sharing with the HLCM and UNDESA

An effective performance measurement system helps the UNDG to track the effective implementation of its operational goals and strategies. Coordination, consultation and information sharing takes place with the HLCM to ensure policy coherence between agencies, and with UNDESA to supports implementation of the UN's periodic comprehensive policy review (QCPR) and monitor implementation of resolutions. At the macro level, the performance monitoring system:

» Provides information that enables judgments about the degree of efficiency and effectiveness gains from BOH at country level, over time

» Identifies strengths, weaknesses, lessons and good practices in BOH and assists priority setting to address weaknesses and take good practices to scale;

» Informs long-term strategic and operations planning at inter-agency and agency levels, including the annual budget process, management and staff development.

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[15] This is based on EU-OECD good practice. See Alex MacKenzie MDC, Monitoring and Evaluation Framework for UN Business Operations Harmonization at Country Level, **Industrial Practice Report**, 08 November, 2013. 11.

c) Meta level :
General Assembly and inter-governmental policy review and guidance through the QCPR

Globally, a good performance measurement system:

» Assists policy makers to gauge how policy impacts on the overall performance of the UN system and to understand how various policy goals interact;
» Enables member states to see how the UN is responding to the requirements of the QCPR and to take informed, constructive and long-term actions that will further support reform efforts;
» Generates stronger incentives at inter-governmental level and among UNDG Agencies to further simplify and harmonize business operations processes and set priorities for reform actions.

The following section describes the expected steps, processes, and tools for monitoring and reporting on BOH at each level, and their links to future plans. A diagram of the steps is provided below.

While monitoring and evaluation are linked and complementary, they are different processes in terms of scope, management structure, implementation, and follow-up. For this reason, evaluation of BOH is described in sections 3.2.

3.2 Monitoring and reporting process and tools

The RC and UNCT define expected results and targets for Business Operations at the country level. As a starting point, these UNCT-agreed results and indicators form the work plan of the country Operations Management Team (OMT). In DaO countries and countries using a Business Operations Strategy (BOS) these results and indicators are taken from the BOS results matrix.

At each step in the ME system, leadership at all three levels is essential to sustain the demand for performance information about harmonized business operations solutions, and to use performance information for learning, managing and adjusting.

a) Micro level: UNCT and OMT

» **Step 1. Routine monitoring and reviews against OMT work plan**
Normally, the work of the OMT is delegated to Task Teams responsible for specific business operations areas. The OMT and its Task Teams meet regularly to share information, highlight implementation progress and constraints against planned outputs and activities in the OMT work plan, and identify key issues for attention of the UNCT and country partners.
→ Chairs of OMT Task Teams are accountable to the Chair of the OMT to implement specific activities under the overall OMT work plan.

» **Step 2. OMT annual review and report**
Once per year, the OMT assesses progress towards expected BOH outcomes from their OMT work plan, linked to QCPR indicators. The OMT annual report describes actual outputs or the results of major activities delivered against those in work plan and progress towards achievement of the outcomes. Where possible the OMT will use evidence and feedback from internal and external

customers to show how BOH results are contributing to expected UNDAF results. The results of the OMT annual review are reported to the UNCT and feed into the preparation of the OMT work plan for the following year.

→ The OMT chair is accountable to the RC and UNCT to implement the agreed priorities and work plan for business operations harmonization at country level.

» **Step 3. UNCT Annual Review**

The RC and UNCT define expected results and targets for Business Operations at the country level. They monitor and provide management feedback and guidance to the OMT throughout the year. As a part of the UNCT's annual review, the OMT provides input to the **Resident Coordinator's Annual Report (RCAR)** and **UNDAF Annual Results Report** (as appropriate). The results of the UNCT annual review are used to finalise the OMT work plan for the following year.

→ The RC and UNCT are accountable for the achievement of business operations results at country level.

A selection of indicators from the OMT work plan are included in the RCAR, annually. The choice of indicators is for decision by the UNCT and OMT, depending on the specific business operations areas targeted by the UNCT and OMT. Where available, the following 6 KPIs are strongly recommended:

Business Operations Area	Recommended KPIs for RCAR
1. Process of business operations harmonization	**A1.a** Nº common services established for each business operations area **A2.a** No. Good business operations practices applied at country level out of 10 [scored]
2. Procurement	**P1.a** Estimated savings [USD] through collaborative procurement [common LTAs, contracts] **P5.b** Value of purchase orders (PO) raised against common LTAs and contracts [USD] **P6.a** Nº Good procurement practices applied at country level out of 9 [scored]
7. Administrative Services	**S1.a** Estimated savings [USD] through use of common service agreements and MOUs

b) Macro level:
UNDG, including coordination, consultation and information sharing with the HLCM and UNDESA

» **Step 4. UNDG Review**

Lessons and good practices highlighted in the OMT annual report and RCAR are reviewed by the UNDG Common Services (CS) Reference Group and by UNDOCO to prepare a synthesis report. Standardised KPIs reported in the RCARs and by OMTs will be aggregated for annual progress reports for the Secretary General and CEB.

These aggregate indicators, lessons, and good practices will inform the development and implementation of UNDG-approved HQ Plans of Action to address challenges and bottlenecks for Operating as One[16].

Primary responsibility for monitoring and reporting about business operations harmonization at the country level rests with the UNDG. Coordination, consultation and information sharing takes place between the UNDG and HLCM to ensure policy coherence between UN Agencies, and between the UNDG and UNDESA to support implementation of the UN's periodic comprehensive policy review (QCPR) and monitor implementation of its resolutions.

At the regional level, Regional UNDG Teams are mandated to provide advice, technical assistance, and trouble-shooting' support to RCs and UNCTs in support of development results and UNDG priorities . While this covers support for common services, no specific supporting role has yet been agreed for business operations harmonization.

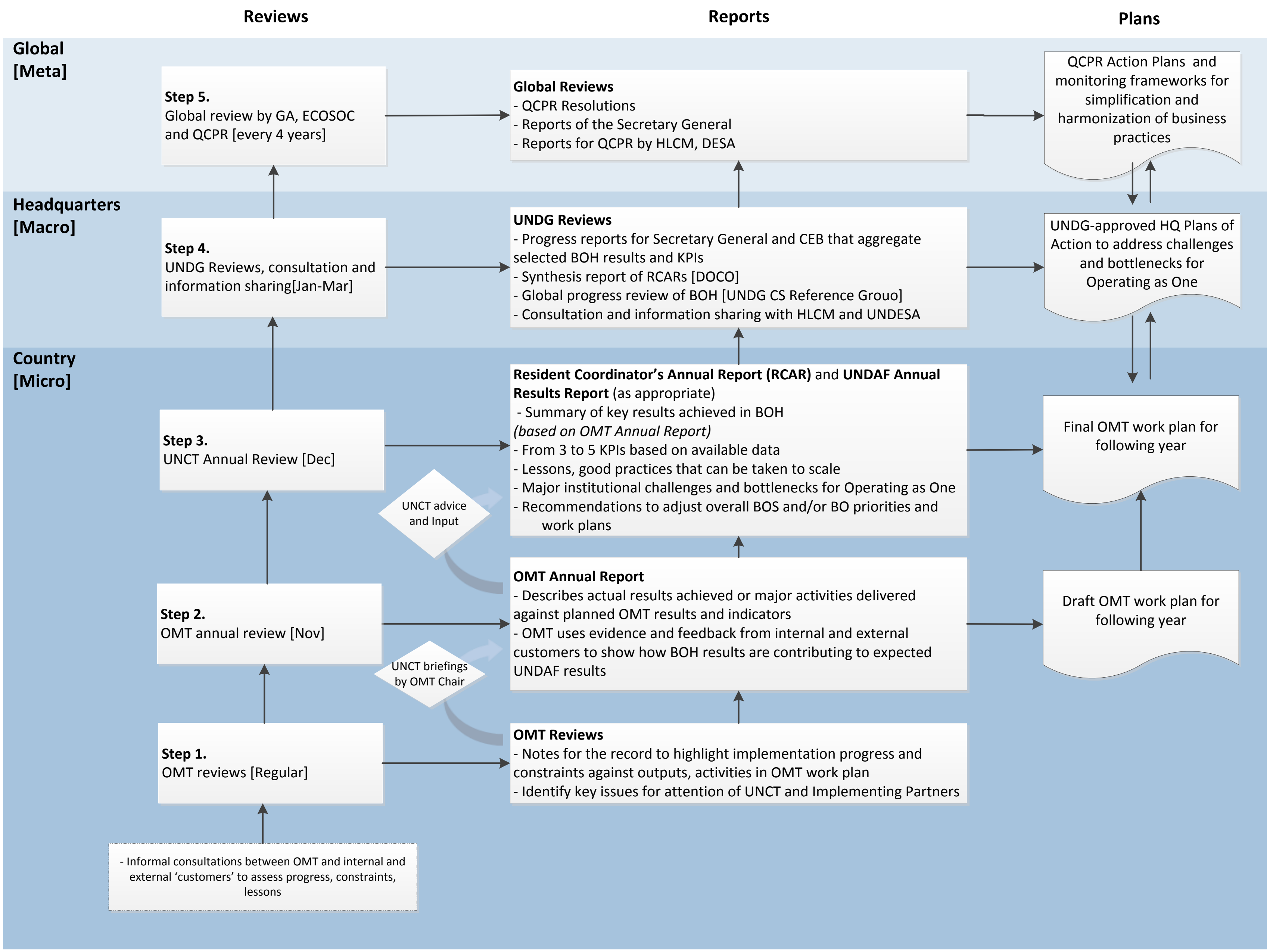
c) Meta level :
General Assembly and inter-governmental policy review and guidance through the QCPR

» **Step 5. Global Review.**
The results of UNDG reviews, including key performance indicators of aggregate business operations performance, lessons, and good practices are reviewed by the Secretary General for submission to ECOSOC and the General Assembly. This information is used during the QCPR process to assess progress towards the UN's system's main policy goals for business operations harmonization and performance. BOH results, rolled-up from the country level, help policy makers to set new priorities and targets for reform.

The following diagram depicts the main mechanisms and responsibilities for progress monitoring and reporting, and their links with planning, for Business Operations Harmonization at three levels.

[16] See QCPR IV.C. Delivering as One Indicators 77 and 78.

UN Business Operations Harmonization (BOH): Mechanisms and responsibilities for progress monitoring and reporting



3.3 Evaluation

Purpose of evaluation[17]

Evaluation of Business Operations Harmonization at country level, or in conjunction with evaluation at the regional or global levels, is intended to provide a judgement about the quality, efficiency, and effectiveness of BOH. These inform the development of new business operations solutions for the next programme period and influence the UN system's goals and policies.

The main driver of the evaluation framework for business operations harmonization is to help show results and to learn how to improve harmonization efforts. At country level, well planned and implemented evaluations can add significantly to the evidence that harmonized business solutions are working. Evaluations are also important for understanding the indirect effects of harmonized business operations where causal linkages are complex and not sufficiently described by the generic results and performance indicators. At the global level, evaluations can help to demonstrate progress against the UN system's main policy goals and objectives and they can galvanize ongoing donor support for business operations harmonization and Delivering as One.

Guidelines related to business operations harmonization and common services do not contain a prescribed evaluation requirement. An evaluation of the UNDAF is required during the penultimate year of the programme cycle[18]. Evaluations of business operations harmonization may be done at any level, separately or in conjunction with UNDAF evaluations. The decision about whether to conduct an evaluation is for the UNCT. Given the costs associated with evaluation, it may be preferable for evaluation efforts to be led by the UNDG, in collaboration with the HLCM and UNDESA, and addressing multiple countries. As far as possible, they will be commissioned jointly with donors and country partners. The design, implementation, and management of evaluations are to follow the norms and standards of the United Nations Evaluation Group (UNEG).

Scope and users of evaluation

In keeping with the overall policy goals and objectives of the UN system for business operations harmonization (BOH), the evaluation will address the extent to which harmonized business operations have led to higher quality, more effective, and cost-efficient support services at country level, and whether these have contributed to more effective delivery of development results[19].

Evaluations will combine both summative and formative elements. Judgements about the extent to which expected outcomes and outputs were achieved is paired with assessments of the process of business operations harmonization implementation with the main purpose of generating evidence and making recommendations that can strengthen ongoing implementation.

The main users of evaluation findings are:

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[17] This part is based on the norms and standards of the United Nations Evaluation Group (UNEG), including UNEG Guidance on Preparing Terms of Reference for UNDAF Evaluations (2012), and UNEG Guidance on Preparing Management Responses to UNDAF Evaluations (2012).

[18] How to Prepare and UNDAF: Part I Guidelines for UN Country Teams, UNDG 2010, p.19.

[19] 2012 QCPR Resolution, UN General Assembly, GA A/RES/67/226, Para 152.

» The UNCT and OMT

» Inter-agency bodies at headquarters level: UNDG, HLCM and CEB Secretariat, an UNDESA

» UN Agency headquarters

» The General Assembly and ECOSOC, through the QCPR process

» Donors and the interested public.

Harmonization efforts are very wide, encompassing up to seven business operations areas in BOS pilot countries, DaO countries, DaO self-starters, and countries with common services initiatives. **Care must be taken to define a manageable scope for the evaluations**.

Criteria

Selection of a focus for evaluation of business operations harmonization at the country level can be guided by the following criteria:

» **Demand**: There is demand for evaluation findings from the UNCT, UNDG, HLCM, or other inter-agency bodies, UN Agency headquarters, partner country governments and donors.

» **Common service or harmonized business solutions**: Several UN Agencies are implementing the common service or harmonized business solution for more than 18 months.

» **Learning and future planning**: Findings from the evaluation are needed to inform future interventions or other reporting requirements

» **Evaluability**: A theory of change exists (or can be developed) that shows how the business operations solution or strategy is being used by the UN to produce outputs and contribute to outcomes and the UN system's policy goals and objectives

» **Lack of Evidence**: The evidence base for the theory of change from monitoring data is weak

» **Funding**: Stakeholders, including country partners and donors are prepared to share the evaluation costs.

Core Evaluation Questions

One the topic for evaluation has been decided, the following generic core questions will inform the development of a more detailed evaluation matrix:

» **Effectiveness [cost savings]**. The extent to which harmonized business solutions led to cost savings?

» **Efficiency**. The extent to which harmonized business services led to reduced transaction costs and whether different solutions may have been more efficient?

» **Quality**. The extent to which staff and implementing partners at country level are satisfied with the quality of harmonized business services?

» **Sustainability.** The extent to which the benefits from business operations harmonization can be continued, or are likely to continue in the next programme cycle?

» **Effectiveness [process]**. The extent to which recommended good management practices were implemented and were perceived as contributing to greater cost effectiveness, efficiency and quality of business operations?

<u>Sub-questions</u>

- What new working arrangements , incentives, and resources were put in place to operationalize the harmonized business solution(s)?
- How did commitment and leadership of the RC and UNCT contribute to the process?
- How did the country context and situation affect the implementation of harmonized business solutions?
- What are the key lessons and recommendations that can be used to strengthen ongoing implementation of harmonized business solutions?
- Were there any unintended results from implementation and to what extent they have been anticipated and managed.

Methodology

The evaluation will draw on a variety of data collection methods including, but not limited to:

» Document review focusing on Business Operations Strategies [if applicable], baseline studies and spend report, OMT work plans, UNCT meeting notes and instructions, reports from annual reviews;

» Semi-structured interviews with key stakeholders including the RC and UNCT, OMT, operations staff who provide harmonized business services and users among UN staff and implementing partners

» Surveys and questionnaires directed to stakeholders;

» Focus Group discussions involving groups and sub-groups of stakeholders, decision-makers; and

» Other methods such as outcome mapping and observational visits.

Data collection methods must be linked to the core evaluation questions that are elaborated in a detailed evaluation matrix.

Management Structure

The aim of the management structure is to:

» Engage all key stakeholders

» Enhance the quality of the evaluation.

» Build ownership and, consequently, use of evaluation findings

» Establish clear reporting lines, ensuring transparent selection of the evaluation team, review of the inception and draft reports and quality assurance at all key milestones

The main bodies and responsibilities for management of evaluations at **country** or **global** levels are:

Responsibility	Country	Global/ Multi-Country
The **Evaluation commissioners** and decision-making body will approve evaluations, and review, discuss, and approve the draft management response	UNCT	UNDG, HLCM, UNDESA or Tri-partite body
The **Evaluation Steering Committee** is chaired by a lead-UN Agency and is comprised of representatives of the UN, Government, and CSO and donor representatives, as appropriate. It is responsible for the day-to-day implementation of the evaluation and management of the evaluation budget. The procedures for management of the evaluation will be those of the lead-agency[20]. The Steering Committee: » Prepares the TOR for the evaluation and ensures adherence with UNEG Norms and Standards and Ethical Guidelines; » Leads the hiring of the Evaluation Team » Supervises and guides the evaluation team in each step of the evaluation process and ensures the quality and independence of the evaluation; » Reviews and provides substantive comments on the inception, draft and final reports, with a focus on the work plan, analytical framework, methodology, and quality of findings and draft recommendations; » Ensures the participation of relevant stakeholders in coordination with the ESC throughout the evaluation process; » Ensures the evaluation findings and conclusions are relevant and recommendations are actionable	Ad hoc country group chaired by a lead Agency	Ad hoc inter-agency group with representatives from HQ and country levels
The **Evaluation Team** will normally consist of a team leader and one or more team members. The Evaluation Team is expected to work independently. » The team leader will lead the evaluation process, working closely with all team members. He/she will conduct the evaluation process in a timely manner and communicate with the Evaluation Steering Committee on a regular basis to highlight progress made and challenges encountered. The team leader is responsible for producing the inception, draft, and final reports. » The team members will contribute to the evaluation process substantively through data collection and analysis.	External team	External team

[20] Where UN agency procedures differ from UNEG norms and standards, the latter will be applied.

Management Response[21]

A management response is important for the timely and effective use of evaluation findings and recommendations. The management response should be completed **within 2 months** of the receipt of the final evaluation report. It comprises the recommendations of the evaluation report and the responses to these recommendations from the Evaluation Commissioners. During the response process, evaluation stakeholders:

- » Review the evaluation recommendations and agree on what follow up steps and actions will be taken to implement the recommendations
- » Specify implementation accountabilities and time-frame
- » As appropriate, reject any recommendations that cannot be considered. Where recommendations are rejected, the management response should provide detailed rationale.

Process
Following receipt of the evaluation report:

1. A working group of the Evaluation Steering Committee will be formed.
2. It will engage with concerned offices and units at HQ and country levels to *draft* a set of concrete management responses, as per bullets above.
3. The draft responses are presented to the Evaluation Commissioners for approval.

The final version of the management response is kept on file with the Evaluation Commissioners and posted on the relevant UN website together with the evaluation report.

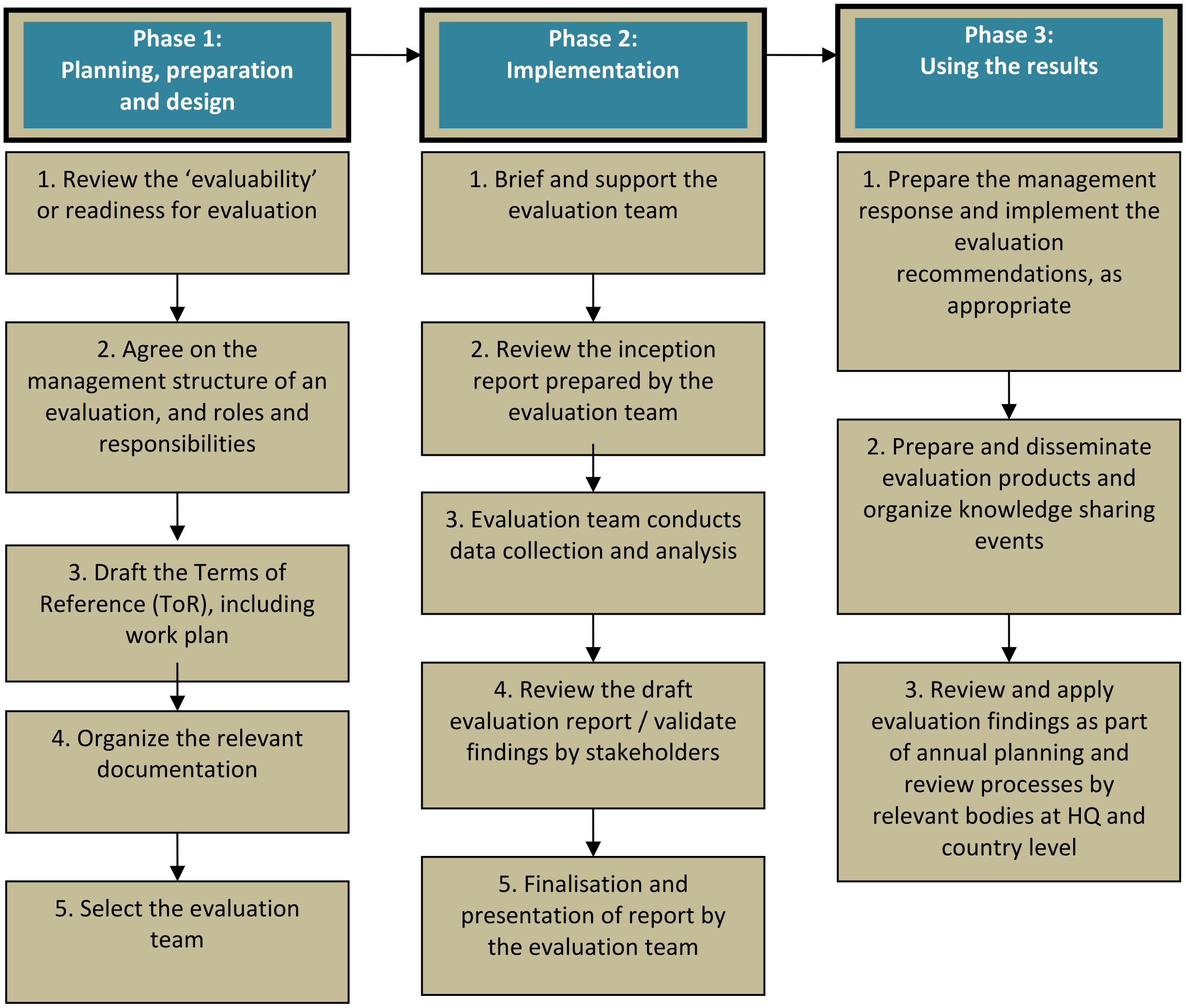
Follow-up
Within the UN, follow-up of the endorsed management response is done as part of annual planning and review processes by relevant bodies at HQ and country level. This involves periodic tracking of the various follow up steps and actions agreed within the management response, using the following categories:

- » Initiated: key action has started to be implemented.
- » Not initiated: key action has not started to be implemented.
- » Completed: key action has been finalized and accomplished as planned.
- » No longer applicable: if due to some external factors the key action is no longer relevant. It must be justified using the comment box.

[21] This section based upon: UNEG Guidance on Preparing Management Responses to UNDAF Evaluations, 2012.

Phases for implementation of evaluations

Evaluations will be implemented in three phases, coordinated by the Evaluation Steering Committee:



Funding

Evaluations are initiated paid for by the Evaluation Commissioners. Donors and country partners will be approached to contribute funds, and to serve on the Evaluation Steering Committee.