RESULTS-BASED MANAGEMENT IN UN-HABITAT
## CONTENTS

1. INTRODUCTION ........................................................................................................................................... 3
2. WHAT IS RESULTS-BASED MANAGEMENT? ................................................................................................. 3
3. WHAT ACHIEVEMENTS AND PROGRESS HAVE BEEN MADE IN IMPLEMENTING RBM IN UN-HABITAT SO FAR? ......................................................................................................................... 4
4. WHAT CHALLENGES IS UN-HABITAT FACING IN IMPLEMENTING RBM? ....... 7
5. WHAT IS THE WAY FORWARD? ..................................................................................................................... 8
6. CONCLUSION ................................................................................................................................................ 9
1 INTRODUCTION

UN-Habitat adopted results-based management (RBM) as its management approach for achieving institutional and development results in the Medium-Term Strategic and Institutional Plan (MTSIP) in 2008, following the approval of the MTSIP by the Governing Council (GC) in April 2007\(^1\). The MTSIP has six substantive focus areas and a sixth one, excellence in management, under which RBM falls. An MTSIP Action Plan that was developed to guide implementation of the MTSIP articulates the deliverables for the period 2008-2009, and an MTSIP Roadmap outlines the deliverables for 2010-2013. This paper briefly defines what RBM is, UN-Habitat’s understanding of an RBM system, the main achievements to date, the main challenges encountered, and the way forward.

2 WHAT IS RESULTS-BASED MANAGEMENT?

There are many definitions of RBM but, at UN-Habitat, it is taken as a broad management approach that is intended to improve management effectiveness, performance and accountability by defining realistic expected results (accomplishments), monitoring and reporting progress towards achievement of expected accomplishments, evaluating performance and integrating lessons learned into management decisions, future planning and improvement\(^2\). The core functions of RBM operate as an integrated and interdependent system, each of them critical and its effectiveness dependent on the effectiveness of the others.

2.1 How is UN-Habitat implementing RBM?

UN-Habitat is in its third year of implementing RBM and is guided by the following critical success factors identified by the UN Joint Inspection Unit (2006) as essential for effective implementation of RBM:

1. A clear conceptual framework for RBM as a broad management strategy is in place;
2. Respective responsibilities of the organization’s main parties are clearly defined;
3. Clearly formulated long term objectives and organization’s programmes are well aligned;
4. The organization’s resources are well aligned with its long-term objectives;
5. An effective performance system is in place and evaluation findings are effectively used;
6. RBM is effectively internalized throughout the organization; and
7. A knowledge management strategy supports RBM.

Further, UN-Habitat is guided by the human rights based approach in all its interventions and recognises the obligations, claims and rights of different stakeholders.

\(^{1}\) Governing Council resolution 21/2 of April 2007
\(^{2}\) Adapted from the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results and the United Nations Development Group Handbook on Results-based management
Although its RBM system is not yet mature, UN-Habitat has most of the above factors in place and its efforts are focused on having an effective results-based planning, monitoring, evaluation and reporting system with requisite tools, and supported by a strong results culture, and an environment that enables achievement of MTSIP results.

3 WHAT ACHIEVEMENTS AND PROGRESS HAVE BEEN MADE IN IMPLEMENTING RBM IN UN-HABITAT SO FAR?

3.1 Changes in Strategic Planning
Several significant changes have occurred in the planning process, the most important being the long-term strategic plan with a SMART\(^3\) results framework which is the basis of planning, monitoring, reporting and evaluation for the six-year period. For the first time, there is much more emphasis on results rather than outputs, and also for the first time, UN-Habitat developed Habitat country programme documents (country plans) that support programming and RBM at country level and strengthen results alignment between the corporate and country levels. A reformed and more effective programme review mechanism is ensuring that the planning tools summarized below are results focused and maintain the integrity of the results chain.

3.1.1 A New MTSIP Results framework
For the first time, following the adoption of its six-year MTSIP, UN-Habitat developed a results framework with clear SMART results, comprising: a goal; a strategic result; and 3-4 expected accomplishments (a total of 18), and corresponding indicators for each focus area. A performance measurement plan, including indicator data sheets with baselines and targets, was developed to guide monitoring and evaluation. Five focus area strategy/policy papers were developed to guide monitoring and evaluation. Figure 1 below illustrates how the MTSIP is operationalised and implemented through three successive biennial strategic framework and work programme documents.

---

\[^{3}\text{SMART: Specific, Measurable, Achievable, Realistic and Timebound}\]

---
3.1.2 *Changes related to biennial strategic framework and work programme and budget documents*

Prior to the adoption of RBM, there was no results framework to inform the biennial planning documents and there was little emphasis on results. Three work programme and budgets derived from the MTSIP for 2008-2009, 2010-2011 and 2012-2013 have much SMARTer results, with the last one fully aligned to the MTSIP results framework. The documents for 2010-2011 and 2012-2013 include sub-expected accomplishments designed to strengthen the results chain between expected accomplishments and outputs. Guidelines were prepared and orientation on results-based planning was provided to staff. Another significant change was the introduction of an elaborate *Results-Based Budgeting Process*, which is a radical departure from the past. The budgeting process for the 2012-2013 budget was based on clearly defined expected accomplishments, on the basis of which the required financial and human resources were determined and allocated. Special tools were developed to facilitate the process, which was participatory, and thorough briefings were given on the use of the tool.

3.1.3 *Results-Based Annual Work Plans*

In line with RBM, UN-Habitat’s cascading results chain is strengthened by annual plans derived from biennial work programmes, which outlines the outputs and specify where, how, when, how many and by whom the outputs are to be delivered. The four annual work plans prepared since 2008 guide programme implementation, as well as performance monitoring and reporting.

3.1.4 *Changes in country programming through Habitat Country Programme Documents*

For the first time, UN-Habitat developed 33 Habitat country programme documents (HCPDs) to support planning and mainstreaming of MTSIP results. HCPDs are a strategic and critical tool for implementing the enhanced normative and operational framework (ENOF). The MTSIP results are delivered through programme and projects at country level. The HCPDs serve as work plans for Habitat Programme Managers who had none before, and also inform the UNDAF process at country level. These HCPDs were prepared before the MTSIP results framework, but programme review committees ensure that all programmes and projects contribute to MTSIP results.

3.1.5 *Changes at Programme/Project Entry through the Programme Review Mechanism*

The programme review mechanism, which was reformed in 2009, has become an effective and critical pillar of RBM and quality assurance in the organization. UN-Habitat’s programmes and projects derived from the biennial work programme and budget are the primary means for delivering MTSIP results. The new structure now consists of the headquarters programme review committee (HQPRC) and three regional ones (RPRCs), with new strategic membership, new tools, guidelines and mode of operation. Since December 2009, the HQPRC has reviewed 143 documents while RPRCs have reviewed 97 documents. A recent internal assessment of the programme review committees made substantive recommendations (many of which have been implemented) and noted the following significant improvements:

- Improved efficiency of the PRCs, with review time reduced from 10 to 8 days;
- Improved results focus and alignment in programme/project documents, with the rate of alignment rising from 95% in 2009 to 98% in April 2011;
• Improved quality of document reviews and quality of project documents;
• Strengthened internal collaboration and cooperation and improved learning and knowledge sharing, embedded in the programme/project document templates;
• Improved coordination of the activities of the HQPRC and the RPRCs due to new guidelines and the support of the HQPRC Secretary.

3.2.1 Changes in Results-Based Monitoring and Reporting
There have been several changes in the way UN-Habitat monitors and reports, including more emphasis on indicator baselines and targets. There is improved reporting, with UN-Habitat rated fourth out of 32 entities in 2010 for overall IMDIS reporting. To strengthen monitoring and reporting at branch level, the IMDIS is supported by a network of IMDIS focal points. Unlike before, the reporting is through statements of achievement and also provides supporting evidence. The quality of MTSIP progress reports has improved, with the report for June 2011, for the first time, including financial information. UN-Habitat carries out monitoring of the work programme and financial resources using two main tools. First is the Integrated Monitoring and Documentation Information System (IMDIS), a UN-wide web-based information system for programme performance monitoring and reporting. Second is the Integrated Management Information System (IMIS), a UN-wide online system used for administrative and financial management of projects, budget and finance, human resources, etc.

3.2.2 Changes Towards Effective Results-based Performance Evaluation
Changes have taken place to strengthen evaluation in UN-Habitat. Firstly, UN-Habitat adopted the United Nations Evaluation Group (UNEG) norms and standards for evaluation and this has raised the quality of evaluations. All evaluations receive technical guidance and, more importantly, there is follow up on recommendations, leading to improvement in the utilization of findings. Since 2008, UN-Habitat has conducted 24 evaluations (refer to background documents on evaluation). RBM puts premium on learning, adaptive management and informed planning. For example, the Peer Review made many recommendations that are the basis of organizational learning, management decisions, improved performance and planning.

3.2.3 How is UN-Habitat Building a Culture of Results?
Since 2008, UN-Habitat’s leadership has provided visible support, including through the creation of the post of RBM coordinator (in 2009) and provision of funds for building staff capacity in RBM. A staff survey undertaken in 2009 noted that there was limited knowledge, skills and application of RBM in the organization. There is notable improvement in the application of RBM, evident from the improved quality of project documents and monitoring and evaluation reports, which are now more results focused. There has been sustained training of staff in RBM, with over 280 trained since 2008 and some proceeding to the second level of RBM training. From figure 2 below, it is evident that more needs to be done. With RBM being a process of continuous learning and improvement, a four-year RBM training timetable was developed and rolled out.

3.2.4 How is UN-Habitat Establishing an Enabling Environment for RBM?
Several changes have taken place in the organization in a bid to effectively institutionalize RBM. This includes the empowerment staff, provision of necessary
resources, a fast paced organizational review which is a prelude to restructuring, and development of efficient business processes and systems. A review of progress made against relevant MTSIP indicators shows that a lot has been achieved, with many on course to achieve the set targets, (see latest MTSIP progress report). There are improvements in staff empowerment through training, alignment of staff skills to MTSIP compliant job descriptions, and efficient business systems and processes. There is a new knowledge management strategy and innovative information and communication infrastructure and processes which have improved knowledge sharing in the organization, including with field-based staff.

Figure 2: UN-Habitat staff trained in RBM

4 WHAT CHALLENGES IS UN-HABITAT FACING IN IMPLEMENTING RBM?

4.1 What Are the Main Challenges Encountered in Implementing RBM?
The main challenge encountered, include: understaffing of the units responsible for the core functions of RBM, i.e. planning (including coordination of RBM), monitoring, reporting, and evaluation; inadequate reporting of results; capacity gap in RBM; and limited resources for collecting data on indicators.

4.1.1 Results-based planning
(i) The unit responsible for programme planning, coordinating RBM and the activities of the PRC, has been under resourced for a long time. The unit had one professional staff member and one support staff until May 2010, when another professional staff member joined the team.
(ii) The synergy between the planning, monitoring and reporting functions, needs to be improved to enhance organizational learning and feedback between the functions.
(iii) The submission date of the biennial strategic framework for 2014-2015 poses a challenge for the organization, as the next six-year strategic plan has to be
developed before mid-October to ensure that the two documents are fully aligned.

(iv) The lack of synchronization between the planning cycles of the biennial work programme and budget and the completion of the Programme Performance Report (PPR) makes it impossible or difficult for the work programme documents to be informed by lessons learned from the previous biennium.

(v) There are challenges of developing effective expected accomplishments for UN-Habitat’s normative work in order to show results achieved in a biennium.

4.1.2 Results-based monitoring, reporting and evaluation

(i) Like the planning function, the monitoring, reporting and evaluation functions are understaffed, with 3 professional staff members carrying out the three functions.

(ii) There is limited provision of resources for collecting data for baselines and targets.

(iii) The alignment between the MTSIP results framework and the biennial work programmes for 2008-2009 & 2010-2011 has been a challenge to monitoring and reporting on progress made towards two sets of expected accomplishments and indicators of achievement.

(iv) The tools for monitoring programme and financial processes are not linked.

(v) The rigorous technical and quality assurance of programmes and projects at the design stage is not extended to implementation and completion stages.

(vi) Implementation of findings and recommendations of evaluations could be more timely and systematic.

4.1.3 Embedment of a results culture

(i) There are still capacity gaps in the application of RBM in the organization, which impacts on the application of RBM in the organization’s substantive work.

(ii) The PRC, which is one of the primary tools for mainstreaming and embedding RBM, is currently being coordinated by a consultant who has been mentoring and coaching staff as PRC Secretary, but will soon leave due to lack of resources.

5 WHAT IS THE WAY FORWARD?

5.1 Results-based planning and budgeting processes

(i) Finalisation of a UN-Habitat RBM action plan by July 2011.

(ii) Implement an integrated planning, monitoring and reporting system, which includes financial information, at all levels to strengthen RBM, management decision-making and effectiveness and accountability (2011).

(iii) Ensure the next six-year strategic plan 2014-2019 will be informed by data evidence from the MTSIP and include a SMART results framework (including effective expected accomplishments for normative work), monitoring and evaluation plan and full costing. Its development is to start
soon to ensure complete alignment with the biennial strategic framework (2014-2015), due for submission in December 2011.

(iv) Ensure there is full alignment of budgets to results (by 2011).
(vi) Strengthen the results chain from corporate to country level, by ensuring the next generation of Habitat Country Programme Documents are fully aligned to the results framework of the next strategic plan (2011).

5.2. Results-based monitoring, reporting and evaluation
(i) Ensure Monitoring and Evaluation Policy and Guidelines are approved and implemented (by August 2011).
(ii) Strengthen data collection and analysis from reports to inform learning and decision-making (by 2011).
(iii) Improve the implementation and utilization of evaluation findings (2011).
(iv) Ensure more results focus in biannual and annual MTSIP progress reports (2011).
(v) Statutory monitoring of the implementation of the biennial work programme (continuous).

5.3. Institutionalization of RBM
(i) Implement a strategic and coordinated approach to capacity building in RBM, including developing a cadre of RBM champions to support RBM at branch level (2011).
(ii) Ensure all management systems support RBM (continuous).
(iii) Enlist management support to drive change (continuous).

5.4 An enabling environment for RBM
UN-Habitat will continue to vigorously implement all the activities identified in the MTSIP roadmap on focus area 6 in order to achieve all the set results by the end of 2013 (see MPTSIP progress report).

6 CONCLUSION

Although UN-Habitat had a slow start in implementing RBM, a lot of changes have been achieved. The organization is aware of what needs to be done and is committed to doing it, in line with the MTSIP Action Plan and roadmap. The implementation process has gained momentum and there is a lot of enthusiasm among the staff. A lot of focus is being put into strengthening all the elements of the RBM system to ensure that the organization has a strong, effective and fully integrated RBM system, and achieves the planned MTSIP results by the end of 2013.