

Year of issuance	Report title	Recommendation reference	Recommendation	Priority	Other comments from the auditor (to provide a better understanding of the recommendation)	Directorate	Deliverables and implementation details	Deadline
2021	Achievement of the strategic objectives	06.2021/1	<p><b>Recommendation 1</b> We recommend you when defining Top KPIs to include them into the business plan, so that they can be further tracked in the corresponding strategy implementation reports.</p>	Low	<p><b>Finding</b> The 15 SMART KPIs are defined in the IWPS but the Istanbul business plan does not resume all of them.</p> <p><b>Risks</b> The tracking of some of the 15 SMART KPIs is not possible.</p>	DPRM	<p><b>Management Comment</b> In accordance with the resolutions through which both the strategy and the business plan were adopted, the latter was aimed at constituting the main basis for monitoring and evaluating the implementation of the IWPS, rather than any other source. In this sense, although a list of "Top 15 SMART KPIs" was included in an annex of the IWPS for subsequent monitoring throughout the cycle, the same section of the document also explained that these KPIs were subject to improvements to reflect goals and activities, with the addition of other KPIs "where UPU bodies anticipate a need to measure specific elements of the agreed IWPS programmes". These Top 15 KPIs were not linked to specific goals, programmes and work proposals; nor did they include any specific values and time-bound targets. Therefore, they did not necessarily meet the SMART criteria, nor were they an accurate summary of the objectives of the IWPS. As a result, the Istanbul Business Plan, which defines over 100 work proposals and their related KPIs, constituted a much more precise and comprehensive basis for assessing the achievement of the strategic objectives of the cycle, all the more so because it was supported by very detailed strategy implementation reports in which the KPIs to achieve were tracked and explanations were provided for any performance below target, including details on evidence of controls as well on any changes made to the KPIs associated with each work proposal since 2017. Moreover, the Istanbul Business Plan and the strategy implementation reports reflected the addition of KPIs by UPU bodies when they anticipated the need to measure specific elements of the agreed IWPS programmes. The business plan of the new cycle does not include a fixed and reduced list of Top 15 KPIs, so any issues in establishing a read thread between such a list and the business plan is unlikely to materialize in the coming years. In any event, in future, Management will ensure that information is provided on any modifications made to indicators contained in the strategy and business plan during the Abidjan cycle.</p> <p><b>Follow-up of January 2023</b> As mentioned in the narrative, there is little that can be done to modify the existing business plan to include SMART KPIs. We will keep this in mind for the Dubai Strategy - to include SMART KPIs to the extent possible.</p> <p><b>Follow-up of July 2023</b> In progress. KPIs will be redefined for the Dubai cycle, for now the KPIs remain as is and we try to highlight the most important 'synthetic KPIs' as we can.</p> <p><b>Follow-up of February 2024</b> Work on drafting the Dubai Cycle strategy and supporting Business Plan is ongoing. As part of the UPU Strategy for 2026 - 2029, we will propose a set of high level KPIs for the member countries to consider and adopt.</p>	2025 at the Dubai strategy period
2022	Separation from services	04.2022/1	<p><b>Recommendation 1</b> In trainings, employees should gain better awareness of the importance of individual process steps, i.e. about the process responsibilities. Furthermore, it is important that they are aware of the independence in interviews. Employees as well as supervisors, the HR and the director should know about the rules and regulations. Additionally, they should be trained on process responsibilities due to the importance of ensuring that the process leader legally obtains and receives the information.</p>	medium	<p><b>Finding</b> Bad exchange of information and insufficient documentation did occur. We observed that the persons involved in the process were not completely aware of the risks connected to a separation from services in term of legal consequences. They were not properly instructed on how to proceed in such a case in terms of internal communication and documentation.</p> <p><b>Risks</b> The lack of knowledge prevents early involvement of legal and as well can result to procedural errors in the separation of services process.</p>	DRH	<p><b>Management Comment</b> The Management agrees with this recommendation. DRH will include this in 2023's training plan. Deadline: December 2023</p> <p><b>Follow-up of January 2023</b> DRH will include this in 2023's training plan (available by April 2023) Continous exchange with Directorates/DRH and DAJ on applicable rules and regulations.</p> <p><b>Follow-up of July 2023</b> DAJ will train DRH on legal implications of actions by the end of the year. Continous exchange with Directorates/DRH and DAJ on applicable rules and regulations. DAJ is also involved in all new cases since the first exchange with staff members.</p> <p><b>Follow-up of February 2024</b> Every people involved are informed of the stage and consequences (Supervisors, HR, legal and the staff). Legal is involve at the very beginning of the process: Once a risk of separation occurs, DRH consults DAJ who advises on preparation of the first letter until the end of the process. (Re: several confidential cases that we can share with the auditors if need be). Besides a legal training of DRH staff will take place in March/April (I put this as in progress because of the legal training)</p>	12/1/2023

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2022	Separation from services	04.2022/2	<p><b>Recommendation 2</b> We advise to keep the employee files up to date. We also recommend to keep record of interviews, hearings or other discussions and document decisions and process steps to avoid a lack of information that could be used against the UPU. It is also important to build and cultivate relationships between employees and supervisors, directors, and HR. As well should the DAJ be involved at the moment where a risk of a legal dispute connected to a separation of service is identified.</p>	medium	<p><b>Finding</b> Inadequate information flow and exchange did occur. This was noted at the beginning of the process, when neither HR nor DAJ were not properly involved in the separation of services and therefore not all regulations were adhered. Also, HR did not hold detailed employee files. Based on our interviews, it also emerged that not all information reached the DAJ at the time when the disputed started and therefore, UPU was not able to adequately defend itself in court. Further observations on our part are for one, unawareness of such cases' importance when handling them.</p> <p><b>Risks</b> Due to violation of regulation, claims from employees may occur. Further, the lack of proper documentation can lead to a higher probability that settlement payments have to be made or that court judgements occur.</p>	DRH	<p><b>Management Comment</b> The Management agrees with this recommendation. It may be noted that, for the most recent misconduct case (2022), a more comprehensive effort to involve the concerned International Bureau units (notably DAJ, DRH and Executive Management) and integrate their actions had already been undertaken. For instance, letters to the attention of the staff member were reviewed by the DAJ before being sent to the recipient. In any case, the Management will make additional efforts in order to improve record-keeping processes, ensure timely information exchanges between the concerned units, and increase staff awareness of existing rules. DRH will keep all records including the court decisions in the employee files. Implementation: DRH,DAJ, Deadline June 2023</p> <p><b>Follow-up of January 2023</b> TO DO: Action Plan (by HR Director &amp; DRH/APAS on record keeping) DEADLINE 15/6/23. To establish a flowchart on record keeping (archive or active file).</p> <p><b>Follow-up of July 2023</b> Flowchart on record keeping exists</p> <p><b>Follow-up of February 2024</b> This is about the record court decisions of the legal cases. HR files are maintained in HR in two forms: paper and electronically Interviews minutes are maintained electronically both in words and pdf files. Those files are confidential but we will share them with auditors if need be. DAJ is involved in this process. DRH-DAJ are to agree on record keeping system.</p>	6/1/2023
2022	Recruitment Process	03.2022/6	<p><b>Recommendation 6</b> We recommend to implement an appropriate system/tool or feature in the e-recruitment system which automatically checks the submitted applications for the screening, the long- and shortlisting and as a result supports and accelerates the process and does reduce manual working steps and resources. When evaluating the system/tool, it should also be ensured that no changes can be made to the application documents by the candidates after the application has been submitted, so that screening, the long- and shortlisting can already begin during the publication of the vacancy. This is not the case today.</p>	medium	<p><b>Finding</b> The number of days between the application deadline and the evaluation of CV's / application documents may indicate a high manual effort to create the list or capacity bottlenecks in DRH. The same may be the case when the APC performs the review of the submitted CV's and application documents.</p> <p><b>Risks</b> The process may be delayed as a result of manually work and has corresponding effects on the recruitment process as well as on the other work of the involved persons.</p>	DRH	<p><b>Management Comment</b> The Management agrees with this recommendation. This is part of the digitalization of HR tools which is underway with the collaboration of the DCTP. Implementation: DRH, December 2023</p> <p><b>Follow-up of July 2023</b> This recommendation is underway. Inspira, the learning platform is already implemented.</p> <p><b>Follow-up of February 2024</b> This will be implemented with Inspira. Inspira/e-recruitment for launching in April 2024 is a tool that can address automatically 1) checking the submitted applications for the screening 2) long- and shortlisting matrix 3) acceleration of recruitment process by reducing manual work and human errors 4) candidates' accountability.</p>	12/1/2023

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2022	Recruitment Process	03.2022/9	<p><b>Recommendation 9</b> Without assessing or qualifying the existing personnel planning, we recommend to start filling vacancies and succession planning in good time and with foresight (also as part of regular performance reviews of the employees). This in particular with regard to internal, potential successors, where high potential is seen in the context of career opportunities, in the event of changes in the requirement profile for existing or new positions or in the event of upcoming termination of employment contracts.</p> <p>Within strategic personnel planning and development, and ultimately resulting in personnel recruitment, it can be effective to pay particular attention to and take into account the performance assessment of internal employees with high potential. Under certain circumstances, this can be achieved by introducing suitable training, management programs and tests. We recommend to review this and to be introduced where appropriate.</p>	medium	<p><b>Finding</b> From the interviews held with DRH, we conclude that in the past there were fewer internal career opportunities for the employees. However, the staff organization is requesting to give internal candidates more opportunities within their career. This includes providing employees with opportunities for training in existing or new areas to increase their skills. So far, this has not been done in the last few years for various reasons.</p> <p><b>Risks</b> There is an inherent risk that motivated and qualified internal employees with high potential do not see career opportunities and leave UPU.</p>	DRH	<p><b>Management Comment</b> The Management agrees with this recommendation. A proper succession planning is part of the now-under construction IB's HR Strategy. Implementation: DRH, December 2023</p> <p><b>Follow-up of July 2023</b> The implementation is underway.</p> <p><b>Follow-up of February 2024</b> Candidates (internal and external) are selected based on competences. A career development policy is under preparation to prepare qualified internal candidates.</p>	12/1/2023
2022	Recruitment Process	03.2022/10	<p><b>Recommendation 10</b> We recommend to consider to report or to implement additional appropriate key figures/KPI's in the reporting to the Council of Administration and/or to the DG and directorates to support the control and monitoring of business activities in this area. If there is a need and they appear useful, they should be implemented accordingly in the reporting.</p> <p>Conceivable would be key figures/KPI's for recruitment (e.g. besides time to hire and start position, also other relevant key figures/KPI's within the recruiting process like internal/external costs per hire, time to productivity of the new employee, training hours). Key figures/KPI's can also be useful for other areas of human resources. The following are examples for engagement &amp; retention metrics (e.g., total turnover rate, talent turnover rate, voluntary turnover rate), employee value &amp; performance metrics (e.g., performance &amp; potential with regard to succession and leadership planning, employee performance, goal tracking) and time tracking metrics (e.g., absence rate per employee, per directorate, per manager, overtime).</p>	medium	<p><b>Finding</b> The existing reporting system of DRH (Directorate Human Resources) to the Council of Administration covers various areas and provides a good overview in the human resources area. With regard to the recruitment process, the report includes information on the number of applications (broken down into male and female applicants, qualified/shortlisted and not shortlisted) as well as the key figure rate of completion of the recruitment process within three months of the closing of the job advertisement.</p> <p>Other key figures / KPI's relating to the recruitment and human resources management are not reported or provided (e.g. key figures related to success factors, balanced scorecard, value-based management). They could be of use and interest to the Board of Directors, to the DG and directorates and could ultimately impact the success of the business of UPU.</p> <p><b>Risks</b> Due to the missing of further important key figures/KPI's in the recruiting process and in the human resources area, no or only a limited analysis of the current situation can be carried out. No insights can be gained for further optimization or for the future for the recruitment process and human resources. The control and monitoring of business activities, the decisions of the Council of Administration, of the DG and directorates could possibly be different if additional key figures and metrics are available.</p>	DRH	<p><b>Management Comment</b> The Management agrees with this recommendation. This recommendation will be implemented with the HR digitalization project when DRH has a proper HR analytics system which can extract information from the e-recruit and Navision. Implementation: DRH, December 2023</p> <p><b>Follow-up of January 2023</b> DRH will prepare key measurable figures by June 2023</p> <p><b>Follow-up of July 2023</b> Complete DRH KPIs are shared by the Strategy Unit to the CA</p> <p><b>Follow-up of February 2024</b> Implementation in progress and is foreseen with the ERP/HR digitalization project of HR processes. Reports are made to the EM during the weekly meeting. Automated reports are underway and will be available when implementing the Recruitment module of Inspira in June 2024. In addition to KPIs on duration, reports on candidates (gender, geographical origin) per post is made to the CA</p>	12/1/2023

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2022	Project Management Website	05.2022/1	<p><b>Recommendation 1</b> We do recommend to assign project executives with adequate knowhow and experience in relation to the complexity and challenges realizing the specific challenges.</p> <p>If there are no internal resources available, we do recommend engaging with external specialist. In any case, we do recommend not to solely rely on project management resources from the involved vendors or service partners.</p>	medium	<p><b>Finding</b> UPU did not deploy any project management specialist with adequate knowhow and experience leading a complex and costly project. The project relied predominantly on the skills of the external solution providers.</p> <p>Additionally, even though the project was very much dependent on technology, the involvement of IT specialists was not adequate. The fact that the IT Department has an established project management practice would have called for a more significant contribution from IT.</p> <p><b>Risks</b> The lack of knowledge and skills can lead to mismanagement, and finally to not being able to meet the project objectives.</p>	DACAB / DCTP	<p><b>Management Comment</b> The International Bureau agrees with the auditor's finding and risk assessment. Leadership of the project was assigned to a junior staff member lacking proper project management training and experience. It was assumed at the time of procurement that the supplier would lead the management of the project, identifying the appropriate moments when support from the internal IT team was required. Management at that time decided to keep the internal IT team's involvement to a minimum in order to reduce costs of internal billing for IT services related to the project.</p> <p>Going forward, the International Bureau recognizes the critical need to involve internal IT partners to the maximum from the outset of the project's relaunch, also relying on the internal IT team's project management framework &amp; know-how. Since the beginning of 2022, both the DACAB and DCTP teams have been working closely to close the current project and determine the way forward for the website.</p> <p>On a broader perspective, the IB agrees with the Internal auditor that the overall management of main project should not solely rely on providers or vendors. If the internal resources are not sufficient to ensure a sound project management for specific project, and if financial resources are available, an external support could be envisaged as recommended by the IA.</p> <p>Implementation: DACAB COMM / DCTP, Deadline : December 2023</p> <p><b>Follow-up of July 2023</b> Discussions are currently being held between DACAB and DPTC on the next project and the possibility of hiring an external consultant for project management has been discussed, but planning has yet to commence.</p> <p><b>Follow-up of February 2024</b> DACAB.COMM Comment (26.02.2024) A pre-project analysis is being conducted in partnership with DPTC and with transversal participation to determine whether a new project is necessary.</p> <p>DCTP comment: An intern Project manager has been recruited to oversee all ITSC approved project. draft Project Management Framework has been prepared (and uploaded in smartcockpit as evidence)</p>	12/31/2023
2022	Project Management Website	05.2022/2	<p><b>Recommendation 2</b> We do recommend implementing a project management framework with adequate guidelines and procedures. Project management staff should be trained and adherence to the respective rules and regulations should be enforced.</p>	medium	<p><b>Finding</b> There is currently no project management framework established within UPU. There are no guidelines available initializing and executing a project.</p> <p>We do recognize the IT Department is using a project management tool supporting their project execution. Nevertheless, using a tool in IT only (with special adaptations for IT projects) without a generally agreed project management framework within UPU (e.g. project management policy, standardized governance roles) is suboptimal at best.</p> <p><b>Risks</b> The lack of an established project management framework can lead to mismanagement, and finally to not being able to meet the project objectives.</p>	DCTP	<p><b>Management Comment</b> The IB agrees with the proposed recommendation. Project management should be reinforced through both an IB wide common framework and capacity building.</p> <p>As far as the IT department (DCTP) is concerned, it is not only using a tool (a Project Management Portfolio-PPM), it has also deployed a methodology, managed and controlled by a Project Management Office (PMO) function. We propose to accelerate the generalization of the PMO and PPM across the International Bureau.</p> <p>Implementation: DCTP, deadline: December 2024</p> <p><b>Follow-up of February 2024</b> ITSC has reviewed the draft Project Management Manual for the IB. The implementation of a PMO is an Executive Management decision, in the short-term an intern dedicated to Project Management has been recruited. The draft Project Management Manual for the IB has been uploaded into smartcockpit.</p>	12/31/2024
2022	Project Management Website	05.2022/3	<p><b>Recommendation 3</b> We do recommend amending the project management framework with the guidelines for project governance structures and bodies as well as controlling functions. Respective functions should be installed both on a project-by-project basis as well as managing the execution of the strategic plan (e.g. project portfolio management and controlling).</p>	medium	<p><b>Finding</b> There are no project governance structures and controlling functions in place (e.g. requirement to establish a project steering committee, project owner responsibilities, project controlling, project risk management and controlling guidelines).</p> <p>Project governance bodies (e.g. project steering committees, executive management) do not have verified information in the area of project controlling and project risk controlling to perform their function adequately.</p> <p><b>Risks</b> Without adequate project oversight the alignment of the project portfolio with the UPU strategic planning is severely compromised.</p>	DCTP	<p><b>Management Comment</b> The IB agrees with the recommendation, which as the previous recommendation, underline the need for a common approach to project management and controlling. An internal process will be put in place to study how this could be implemented from a resources and structure point of view.</p> <p>As far as IT project are concerned, a governance structure is in place, with the IT Steering Committee (ITSC). This structure can be revised and adapted for the governance of all projects across the International Bureau.</p> <p>Implementation: DPTC, deadline: December 2024</p> <p><b>Follow-up of February 2024</b> In progress</p>	12/31/2024

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2022	Project Management Website	05.2022/4	<p><b>Recommendation 4</b> We recommend halting the project and to perform an assessment identifying the future technical and organizational setup to meet the originally defined objectives. Additionally, the current setup should be challenged whether the capabilities to publish web content and functionalities is addressing current and estimated future requirements.</p> <p>Once there is viable concept available going forward, a new project with all lessons should be initiated.</p>	high	<p><b>Finding</b> At the time of the audit, the project was not finished yet. Although there is a significant under-achievement compared to the original objectives and the risk of not having a technical setup deemed adequate for a successful long-term operation, no re-assessment of the situation is planned yet.</p> <p>We reckon that not lift the current state of the UPU websites up to current industry standards and improve the overall technical integration of web services is not an option. Therefore, halting the project and perform a re-launch seems to be the only viable option.</p> <p><b>Risks</b> Without immediate action, there is a risk that project achievements can't be salvaged, and the project objectives might not be met going forward.</p>	DACAB / DCTP	<p><b>Management Comment</b> The International Bureau fully agrees with this finding and risk assessment. DACAB and DCTP have already launched the process of reviewing the current project status in order to support negotiations with the supplier and close the current project. In parallel, the two directorates are engaging in close dialogue about a potential relaunch of the project once the current one is closed and cleared. It was agreed among the team that any relaunch should engage a transversal team, ensuring the organization's needs are fully met.</p> <p>Project definition will also be reviewed, to clarify and better separate the different components of a "UPU Web Site": -communication tool -information system used as a foundation for the communication tool -portal to UPU online resources -collaborative workspaces</p> <p>Implementation: DACAB COMM /DCTP, deadline: December 2023</p> <p><b>Follow-up of July 2023</b> Discussions are currently being held between DACAB and DPTC on the next project and the possibility of hiring an external consultant for project management has been discussed, but planning has yet to commence.</p> <p><b>Follow-up of February 2024</b> DACAB.COMM Comment (26.02.2024) A pre-project analysis is being conducted in partnership with DPTC and with transversal participation to determine whether a new project is necessary.</p> <p>DCTP comment: In progress</p>	12/31/2023
2023	Long-term impact of the home office implementation	02.2023/1	<p><b>Recommendation 1</b> We recommend you consider regulating the break and working hours in the IA No 48/ Rev 1</p>	medium	<p><b>Finding</b> In the current home office policy IA No 48/ Rev 1 the policy about Flexitime is ruled out. This means that the recording of working hours is not uniform depending on where employees work.</p> <p><b>Risk</b> There is a lack of regulation about the minimum breaks that are needed to be taken regarding the total hours worked per day. This would be a violation of the Swiss labor law. Even though the IB has not to comply with the Swiss labor law, those regulations were defined to protect the staff member's health. In addition to that, employees working from home are not required Badge hours and overtime are not counted. This leads also to some discrepancies as the staff members in the office benefits from counted breaks. The mental health and work-life balance of the staff member can suffer leading to annoyance of discrepancies, burn-out and even resignations.</p>	DRH	<p><b>Management Comment</b> The International Bureau agrees with this recommendation. This recommendation is implemented by Internal Memorandum 36/2023 that clarifies: -The number of working hours per week; -The mandatory core hours; -The lunch break, and the ineligibility of staff opting to telework for flexible compensation working hours (not flexitime). Administrative Instruction No 48/ Rev 1 will be amended when we review the IB teleworking principles and policy.</p> <p><b>Follow-up of February 2024</b> Modification will be mentioned in AI 48/rev 2 «Flexible working arrangements» (to be published soon)</p>	
<b>Total</b>				<b>11</b>				