WIPO

WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

Internal Oversight Division

Reference: IA 2016-04

Audit Report

Audit of Project Management

December 7, 2016

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LIST OF ACRONYMS

AGILE	Agile Software Development
AIMS	Administrative Integrated Management Systems
CDIP	Committee on Development and Intellectual Property
DA	Development Agenda
DACD	Development Agenda Coordination Division
DPPF	Department of Program Planning and Finance
EPM	Enterprise Performance Management
EPMO	(ERP) - Project Management Office
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
HRMD	Human Resources Management Department
ICT	Information and Communication Technology
ICTD	Information and Communication Technology Department
IIA	Institute of Internal Auditors
IOD	Internal Oversight Division
IPOBSD	Intellectual Property Office Business Solutions Division
IT	Information technology
MSP®	Managing Successful Programmes
PB	Project Brief
PCT	Patent Cooperation Treaty
PCT-IS	Patent Cooperation Treaty - Information System
PID	Project Implementation Document
PM	Project Management
PMO	Project Management Office
PMBOK®	Project Management Body of Knowledge
PPBD	Program Performance and Budget Division
PRINCE2®	PRojects IN Controlled Environments
PVC	Project Validation Committee
RBM	Results Based Management
WIPO	World Intellectual Property Organization

EXECUTIVE SUMMARY

1.   The Internal Oversight Division (IOD) conducted an audit of Project Management at WIPO in line with its 2016 work plan. The main objectives of the audit were to review the effectiveness and efficiency of project management practices as well as assess governance, risk management and compliance processes linked to managing projects at WIPO.

2.   A Project Management Framework defines a set of criteria and practices aiming at effective and efficient delivery of projects, as well as a methodology that can be tailored to various types of projects undertaken. Although WIPO has implemented components of a project management framework, the Organization has yet to establish a formal framework. In addition, lack of clarity in defining a project confuses WIPO Programs and results in inconsistent project management approaches and practices across WIPO.

3.   The Project Board is one of the key components for effective and efficient project management. Establishing guidelines for Project Charters would provide further clarity for roles and responsibilities within Project Boards and also enhance accountability and support for successful implementation of projects.

4.   A working group has been established at the request of the Director General, to review Information Technology (IT) Governance at WIPO, including IT project management. This group is currently assessing the benefits of a Project Management Office (PMO) for IT projects. IOD supports this initiative that would be a right step forward in establishing a robust project management framework, which would also enhance management information reporting on projects. IOD considers important that the role of a PMO is aligned with the WIPO's Accountability and Results Framework.

5.   WIPO would benefit further by expanding the scope of a support structure, such as a PMO, to cover not only IT projects but also other types of projects across the Organization. This would bring further coherence and efficiency in managing projects.

6.   While WIPO has organized project management trainings for staff, there is need for tailor-made, more focused trainings in line with organizational needs and priorities.

7.   Lastly, the role of the Development Agenda Coordination Division (DACD) in managing development projects under the Committee on Development and Intellectual Property (CDIP) could be expanded to better support these projects. Furthermore, follow-up of recommendations made in evaluations of development projects could be further enhanced by establishing a process and tool to monitor their implementation.

1.   BACKGROUND

8.   A project can be defined as a "temporary organization that is created for the purpose of delivering one or more business deliverables according to an agreed business case". WIPO undertakes both IT related and non-IT projects. The Information and Communications Technology Department (ICTD) acts as a product supplier in many instances, to support project owners and managers of IT related projects.

9.   The federated IT governance structure has resulted in some IT projects being independently managed by separate IT units within Programs/Sectors. For example, projects of the Patent Cooperation Treaty (PCT) are managed by the PCT-Information System (PCT-IS) Division, and Brands and Designs Sector's IT projects are managed by the Registries Support Division. Also, an Enterprise Resource Planning Project Management Office (EPMO) was established to independently manage projects related to WIPO's Enterprise Resource Planning (ERP).

10.   The ERP project is a Member State approved[1] portfolio of projects to implement a comprehensive integrated ERP system. It is part of WIPO Reserve-funded Special Projects. WIPO's External Auditors conducted an audit of the ERP project in 2015, as part of the reporting[2] on the financial year 2014.

11.   WIPO also undertakes projects that provide business deliverables to third parties. This is the case with projects that are part of activities and services catered to IP Offices and Institutions. The Global Infrastructure Sector regularly undertakes projects of this type.

12.   Finally, the Organization also conducts non-IT projects such as constructions/renovation projects, and Development Agenda (DA) projects which are associated with development activities of the Organization.

13.   The figure below, categorizes projects undertaken at WIPO.

Figure A: Project Categories at WIPO

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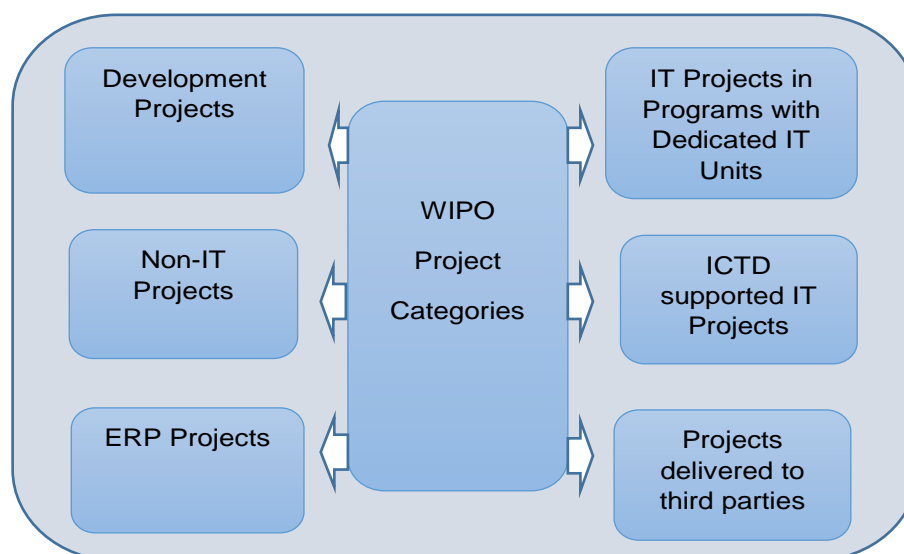
14.   IT related projects make up significant part of projects undertaken at WIPO, with most projects being managed through the PRojects IN Controlled Environments (PRINCE2®) methodology, which provides a structured approach to project management, covering risk, controls and governance of a project. Other project management related tools, methodologies, approaches, and principles used include:

(a) Managing Successful Programmes[3] (MSP®);

(b) Project Management Body of Knowledge (PMBOK®); and

(c) Agile Software Development (AGILE).

15.   Certain projects, in particular DA projects use a bespoke approach inspired from the above methodologies and principles.

16.   To improve consistency, coordination, and better harmonize work methods when managing IT projects, a Project Management Officer was recruited in 2012, whose task includes among others to: standardize the project management approach for IT projects across WIPO; provide assistance to Project Managers, on project management methodologies; and facilitate and maintain project management communication channels, such as a project register, and WIKI[4] space for project documents.

17.   The summarized project management process can be depicted as follows:

Figure B: Project Management Process
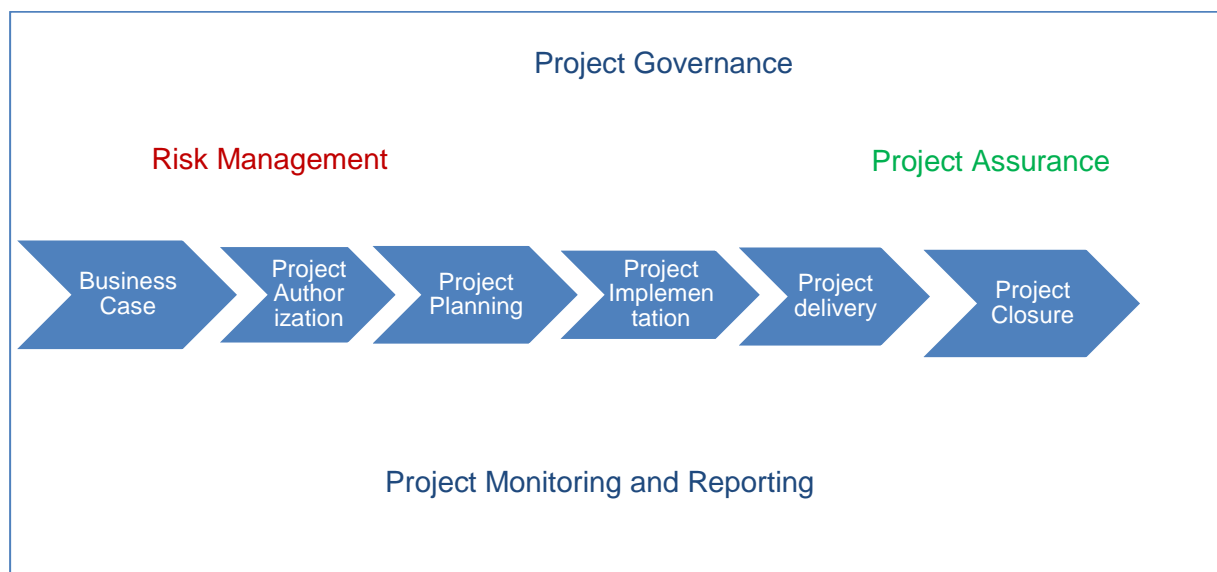
2.   **AUDIT OBJECTIVES**

18.   The objectives of this audit were to:

(a) Assess the efficiency and effectiveness of governance, risks management, and controls over project management in WIPO; and

(b) Verify the adequacy of, and compliance with the rules, regulations, policies and instructions on project management.

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[3] Recently introduced in the PCT
[4] A customizable web space for collaborative work and information sharing

3.   AUDIT SCOPE AND METHODOLOGY

19.   The audit scope included: (1) reviewing the overall project management framework at WIPO; and (2) reviewing a sample of Projects for effectiveness of built-in controls and compliance with procedures and guidelines on project management.

A. SCOPE LIMITATIONS

20.   The following scope limitations were considered:

(a) ERP Project was excluded from the scope because an audit of this project has been performed in 2015, by the External Auditors as part of the reporting[5] on the financial year 2014;

(b) The Madrid Modernization Project was excluded from the scope because IOD will conduct a separate audit of the Madrid System; and

(c) Construction Projects are not included within the scope of this audit as there has been sufficient audit coverage by both internal and external audits.

21.   The audit methodology included:

(a) Reviewing the adequacy of rules, policies, procedures and guidelines on management of projects;

(b) Interviewing staff involved with Project Management in the Organization;

(c) Reviewing the existing framework and available documentations to assess its organizational governance, adequacy and comparability with project management standards;

(d) Reviewing and assessing the integration and management of risk;

(e) Assessing effectiveness of monitoring and reporting mechanism setup within the project management framework; and

(f) Assessing through sample tests, the efficient and effective management of projects, as well as compliance with procedures, rules, and policies on project management.

22.   The audit was performed in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

4.   AUDIT RESULTS - ACHIEVEMENTS

Project Management is maturing at WIPO with more efforts being made to formalize projects under a recognized methodology, as well as take measures to increase the potential for success of major projects. This is particularly the case with IT related projects. Progress made include:

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[5] WO/PBC/24/5

    (a) Establishment of an IT Governance working group, whose mandate includes assessing the adequacy of IT project management in WIPO, and making recommendations to improve it;

    (b) Establishment of an Information and Communication Technology (ICT) Board Project Validation Sub-committee, to review IT project gateway documents, with a view to ensuring that the justification for the projects are relevant, and linked to organizational objectives, as well as assessing the potential for success;

    (c) Recruitment of a Project Management Officer to assist Managers of IT related projects;

    (d) Development of a number of templates based on PRINCE 2® methodology and MSP©, to assist Project and Programme[6] Managers; and

    (e) Creation of an Enterprise Architecture and ICT Program Management Division in 2014 that will amongst others, enhance harmonization of IT infrastructure, and alert on potential duplicate of major IT projects' objectives.

5. AUDIT OBSERVATIONS AND RECOMMENDATIONS

23.   The following observations and recommendations are made to help enhance project management governance, risk management and control processes.

A. CURRENT PROJECT MANAGEMENT STRUCTURE AND PRACTICES

24.   WIPO undertakes both IT related and non-IT projects. WIPO Programs independently manage their projects and in some cases seek the assistance of the ICTD, who supplies IT infrastructure, in particular for IT related projects.

25.   The structure and stakeholders of project management at WIPO has the following characteristics:

Figure C: Structure and Stakeholders of Project Management at WIPO

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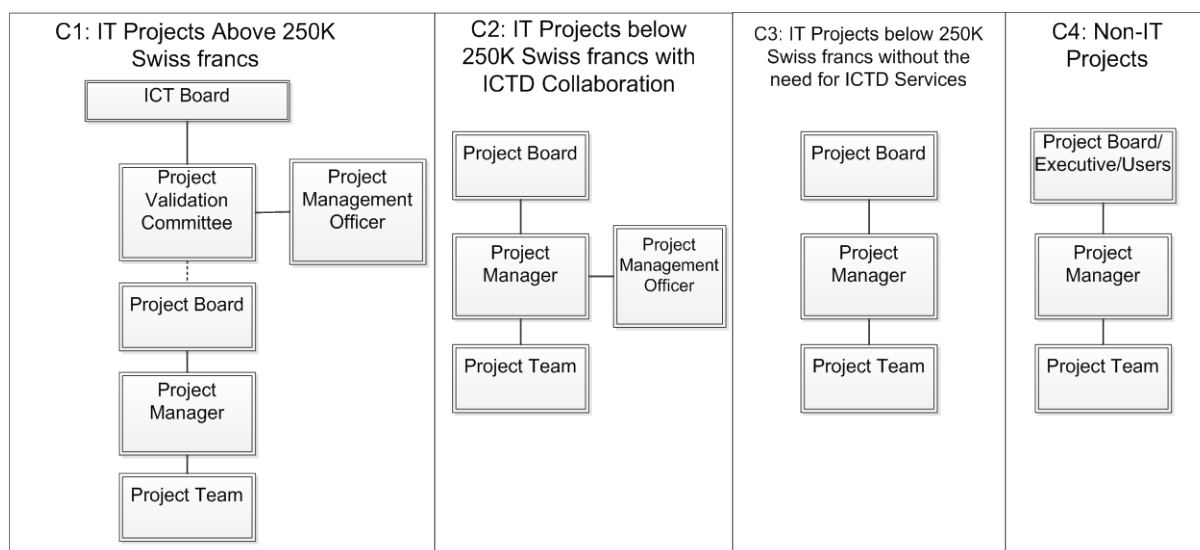
[6] *Programme* management refers to the process of managing several related projects, and *Program r*efers to WIPO's structure for delivering work plan activities.

26.   **Figure C1: An ICT Board** exists that is in charge of steering the IT strategy of the Organization. While this Board does not participate in project management, it however receives updates on the status of major IT projects across the Organization.

27.   **The Project Validation Committee (PVC)**, is a sub-committee of the ICT Board, it was established to ensure that the justifications for IT projects with budgeted costs over 250 thousand Swiss francs (total cost of operation estimated over five years of design, build and operate) are based upon policy/organizational objectives, stakeholders buy-in, reasonable costs and high potential for success. A total of 17 IT projects have been submitted to the PVC for the 2016/17 biennium, for a total estimated cost over five years of around 79 million Swiss francs.

28.   **A Project Management (PM) Officer** post was created and filled in 2012 to provide advice and support to project managers in adopting and implementing standard project management methodology and related tools. The PM Officer reviews the provided project documents and advises project managers on tools and principles applicable to project and programme management, and in particular PRINCE2® and MSP©. The PM Officer is also the secretariat of the PVC.

29.   **Figure C2:** IT projects below the 250 thousand Swiss francs threshold (Total Cost of Ownership over 5 years) do not need the validation of the PVC. When these projects require infrastructure and services from ICTD, the provided project documents such as Project Brief (PB) and Project Implementation Document (PID) is reviewed by the PM Officer.

30.   **Figure C3:** The decentralized IT structure of the Organization results in a number of IT projects being independently managed by separate IT units within Programs/Sectors. For example, the PCT and the Brands and Designs Sector, both manage their own projects. In instances where the services of ICTD is not required, project managers do not seem to systematically provide any information on the project to the PM Officer.

31.   **Figure C4:** WIPO also undertakes projects that provide business deliverables to third parties, such as implementing systems and tools for IP Offices and Institutions, currently carried out by the IP Office Business Solutions Division (IPOBSD). These projects are managed through PRINCE2®, and bespoke approaches based on other existing methodologies.

32.   Certain projects, in particular in-house software developments, are tailored based on size, and do not include a Project Board, with the Project Manager reporting to an Executive equivalent or interacting directly with Users of the tool.

33.   This is also the case with development projects carried out under the CDIP. Member States directly propose development projects through the CDIP. WIPO is then requested to appoint the relevant Project Manager based on the theme and subject matter.

Figure D: Development Projects Structure
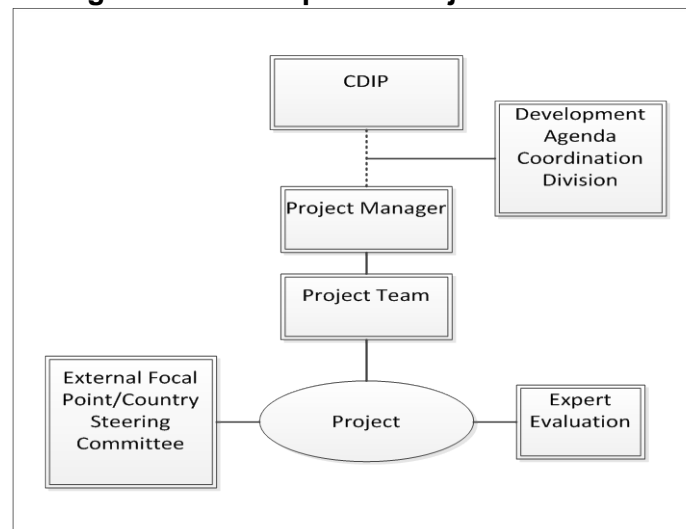
34.   The DACD, the CDIP and relevant Program and Project Managers collaborate to develop the content of a project. The final proposal is presented before the CDIP for approval prior to launching of a project. The total budget for development projects since 2008, amount to circa 25 million Swiss francs[7]. The majority of these projects do not include Project Boards, and their status is reported during the CDIP meetings that take place bi-annually.

B. GOVERNANCE AND FRAMEWORK FOR PROJECT MANAGEMENT

35.   A Project Management Framework defines a set of criteria and practices to ensure that projects are effectively and efficiently delivered, as well as a methodology that can be tailored to various types of projects undertaken.

36.   Although different components of a framework exist at WIPO, the Organization has yet to compile these components into a formal project management framework. As a consequence, similar projects can be approached in different ways by different Programs, diminishing the potential benefits from comparing projects and sharing lessons learned and experiences.

37.   Furthermore, there is no common definition of a "Project" at WIPO, resulting in Programs establishing their own criteria to differentiate between projects, operations and activities. Also, the absence of a clear framework results in staff not being able to differentiate between "Programmes", "Portfolio" and "Projects". This limits the Organization's ability to identify interlinkages between different projects, and impacts effective risk management.

38.   Finally, the current federated IT Governance structure and the decentralized project management culture of the Organization, poses a challenge in implementing an appropriate and functional framework to effectively manage projects at WIPO.

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[7] Total project budget from 2008 to end of April 2016, excluding the cost of WIPO staff involved in CDIP projects.

39.   Establishing a formal project management framework at WIPO would help enhance effectiveness and efficiency by developing a consistent approach, setting roles and responsibilities, and setting standards and practices that: (1) consider the current project management culture as well as the governance structure (in particular IT governance) of the Organization; and (2) ensure that projects are clearly linked with WIPO's Results Based Management (RBM) Framework.

40.   A formal framework would also help address the following opportunities:

(i)   Project Management Board

41.   Developing a Project Charter that clearly outlines Project Board's accountability, aligned with the Organization's existing delegation of authority and accountability framework, while ensuring that Project Boards are composed of members with appropriate authority, would help provide a consistent set of rules to enhance effectiveness of WIPO Project Boards.

42.   Furthermore, the review of development projects, indicate that although the CDIP receives reports on projects, it is neither structured nor acts in a capacity of a Project Board. At the same time, the DACD is meant to monitor and report to the CDIP on the implementation of development projects; in practice however, this monitoring is not thorough and opportunities exists to expand its role to include certain elements of a project board.

(ii)   Closing/Suspending Projects

43.   There are currently no formal procedures and criteria on when and how to suspend a project. The absence of relevant criteria could result in projects not achieving their expected benefits, leading to inefficient use of resources. Furthermore, there is no formal policy or procedure that requires project end reports to be produced; for instance, IOD identified one project that has been completed since end of 2013 for which an end of project report is still pending.

44.   Establishing an effective mechanism and procedures for change management, suspending and closing projects, would further support effective project management at WIPO.

(iii)   Risk Management

45.   Although risks are identified at the project level, with major risks recorded in the project implementation document/plan, risks are not regularly revisited throughout the lifecycle of projects, resulting in a static risk management approach. Furthermore, depending on the size of the projects, risk registers are not always used in a consistent way.

46.   For instance, while Special Projects[8] have been registered in the Enterprise Risk Management (ERM) system, only risks related to the ERP portfolio have been recorded. Also, risk related to the Capital Master Plan Projects, which are part of the Special Projects, with a budget of around 11 million Swiss francs, are not captured in the ERM system.

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[8] Projects that are partly or fully funded through WIPO's reserve funds, and that require the approval of Member States. These include for instance: ERP (25MSfr.) ICT Capital Investment (5MSfr.), Madrid and Hague Projects (15.2MSfr.)

47.   Failing to effectively capture and monitor risks at project and/or corporate level could have detrimental impact on operations and financial resources of the Organization. Setting criteria and thresholds for monitoring project related risk in the ERM system would allow the Organization to have a better visibility of its risk map and enable a more efficient and effective risk management.

48.   As part of the 2017 work planning exercise, WIPO Programs are currently updating their risk registers, and the Department of Program Planning and Finance (DPPF) is ensuring that projects registers in the ERM system are being updated accordingly.

(iv)   Project Management Methodologies

49.   Historically, PRINCE2® is the methodology in place for managing major projects at WIPO. However, other methods, approaches and tools have been used to manage WIPO projects such as: (1) MSP®; (2) PMBOK®; and (3) AGILE. Furthermore, bespoke methods have been developed and tailored for certain projects, in particular development projects.

50.   Also, the review of software development practices identified inconsistent approach in developing software, with some Programs using the PRINCE2® or AGILE, while other do not use any formal methodology. The reason given is that PRINCE2® is used for software development that require interaction with other Programs; AGILE is used when the project involves multiple developers and a high number of change requests; and in certain instances, no formal method is used when the project involves one or two developers with direct interaction with users.

51.   While acknowledging that choice of method is linked to the type of project, the above conditions is also explained by the fact that Programs do not all define projects, activities, and operations in the same manner. The current practice would impede effective knowledge transfer and consistent software documentation.

52.   Also, interviews with development projects managers indicate that more can be done to develop an adapted methodology to help further enhance management of development projects.

53.   Finally, interviews with project managers highlight the current misperception that PRINCE2® is a rigid methodology that applies only to IT projects. This is because PRINCE2® has been historically associated with projects with a significant IT component.

54.   While IOD does not question the adequacy of the PRINCE2® methodology, it is nevertheless relevant for WIPO not to adopt a large number of distinct methodologies, which would encourage working in silos. Identifying a starting point would provide a common platform that can be tailored for different types of WIPO projects.

Recommendations

1.   The Administrative and Management Sector should seek input from WIPO Programs in order to develop an organization-wide framework on project management that would include:

   (a) A definition of a project and clarifying the roles and responsibilities;

   (b) A governance structure with clear linkages to risk management and accountability framework of the Organization; and

(c) Procedures and standards for effective project management that address the main project management practices and themes; and caters for all types of WIPO projects, including addressing opportunities to enhance development projects management; and

(d) Criteria and thresholds for monitoring project related risk in the ERM system

(Priority: Medium)

C. A PROJECT MANAGEMENT OFFICE

55.   The ICTD established the role of PM Officer to among others; support Programs in implementing PRINCE2® and other related methodologies when managing IT related projects. Over the years, WIPO has adopted a more federated IT architecture, and more projects are independently managed by Sectors/Programs.

56.   A review of the tasks of the PM Officer identified the following conditions:

Table 1: Tasks of the Project Management Officer

Expected Tasks	Effectiveness
Facilitates and maintains project management communication channels, such as project register, WIKI space(s) project documents and their controls.	While a WIKI space has been created to record project documentation, this registry is incomplete, because it is not mandatory for Project Managers to provide documentation and status updates on their projects.
Alerts supervisor and project executives to potential or actual conflicts before and during project implementation.	This task in not efficiently completed since project documentation is not systematically provided.
Monitors and reports to the supervisor on the effective use of the project management methodology, and recommends adjustments as needed.	This task in not efficiently completed since project documentation is not systematically provided.
Plans and organizes regular Project Review meetings and monitors the effectiveness of project boards, especially on high profile and/or high risk projects.;	A Monthly meeting is organized with Project Managers, however, the assessment of project boards is not effective since the PM Officer is not invited to meetings of boards and does not receive minutes of boards
Facilitates and administers benefit review analysis of selected set of closed projects.	This task is limited since Benefits Realization Plans are not systematically established and there are no Benefit Review Plans.
Promotes knowledge retention on projects and maintains the knowledge base of lessons learned.	Project Managers do not systematically provide End of Project Reports, consequently limiting effective capture and sharing of lessons learned
Contributes to contract management by establishing contract framework for projects using external resources	A framework agreement exists with four suppliers, for providing software development and IT operations resources

57.   The above conditions exist because the project management culture at WIPO encourages working in silos and this, coupled with the federated IT governance structure, does not promote collaboration with the PM Officer. Hence the Organization is not fully benefiting from the added value of the role. Furthermore, IOD has been informed that the title of the Project Management Officer would be changed to Program Management Officer.

58.   Going forward, a working group has been established at the request of the Director General, to review IT Governance at WIPO, including IT project management. This group is currently assessing the benefits of a PMO for IT projects.

59.   While supporting this positive initiative, IOD makes the following comments:

(a) Expanding the scope to include reviewing project management at organizational level, would help develop a solution that would cater for all types of projects managed at WIPO;

(b) Positioning the PMO at an appropriate organizational level would allow the office to effectively function and support the project management process;

(c) Ensuring that the roles and responsibilities of the PMO is aligned with the Organization's accountability framework would provide clear understanding of responsibilities in the project management process; and

(d) Identifying opportunities for synergies between PMO and the current PVC would help enhance the project management process and avoid any duplication of responsibilities.

60.   Establishing a PMO that will support the Project Management Framework, would improve the effective and efficient management of projects at WIPO, including enhancing information and knowledge management. In more detail, the PMO would help support or enhance the following project management practices:

(i)   Project and Quality Assurance

61.   Project Assurance is the process of reviewing project information to ensure that projects are planned, organized effectively and implemented while highlighting any areas of concern throughout the project lifecycle. Quality Assurance is an aid for wider Corporate/Programme that projects are being carried out in an appropriate manner, and in compliance with relevant management standards and policies.

62.   Currently, WIPO projects do not systematically establish a project assurance plan. Stakeholders interviewed indicate lack of resources and time as being reasons for the absence of an effective project assurance.

63.   While acknowledging that project assurance should be established based on size and complexity of projects, it is relevant to take measures to develop criteria for project quality assurance.

64.   Although a project "health checklist" has been developed by the PM Officer, it is perceived as being too heavy and more IT oriented. Carrying out project assurance during project lifecycle, would help identify and resolve any non-compliant practices, and improve the process.

65.   Going forward, a PMO that monitors effective implementation of project and quality assurance practices during projects would further support quality management, and information sharing.

(ii)   Sharing Lessons Learned

66.   Lessons learned are relevant both at project and corporate level because they can contribute towards improving the efficiency and effectiveness of project management across the Organization.

67.   While there is a WIKI space dedicated to capturing lessons learned, this space is not utilized in an effective manner. Furthermore, because end-of-project reports are not systematically completed, hence lessons learned are not fully captured; as a result, the Organization does not fully benefit from the experience gained in managing projects across the board.

68.   Also, IOD observed that development projects are managed in silos and there is no forum and little opportunity to share project management experience, and lessons learned.

69.   A PMO that would support Project Managers in compiling, sharing and escalating key lessons learned from various projects would enhance project information management, and decision making.

(iii)   Assessing Realized Benefits

70.   Expected benefits justify the implementation of projects, and these benefits can be tracked during and after the project, in order to assess whether they have been achieved. Measuring realized benefits from projects is not yet fully embedded in the Organization's project management practices. It still intuitively performed and depends on the size and cost of projects.

71.   While acknowledging that efforts to measure benefits should not outweigh the cost, it is nevertheless important that a method or process be developed that is tailored to the various types of projects implemented at WIPO.

72.   For instance, introducing an independent benefits validation exercise supported by a PMO, could help better monitor and report on benefits, and assess their realization in line with initial objectives.

Recommendations

2.   The Administrative and Management Sector should seek input from other WIPO Programs in order to identify and establish the best structure (aligned with the Organization's accountability and RBM Framework), for supporting project management at WIPO. This could include:

    (a) Expanding the role of the current Project Management Officer, or

    (b) Establishing a Project Management Office.

    (Priority: Medium)

D. PROJECT MANAGEMENT SUPPORT

(i)   Project Management Training

73.   WIPO organizes training on the PRINCE2® methodology as part of its corporate training catalogue. As a result, around 150 staff members of WIPO have been trained on PRINCE2®. In addition, several other training related to project management have been organized, including a generic two-days training on project management organized by the Program Performance and Budget Division (PPBD) and the Human Resources Management Department (HRMD), to provide project management training that is more adapted to development projects. Around 170 staff members have attended this non-IT project management training.

Table 2: Project Management Training 2012-2016 (excluding PRINCE2® training managed by ICTD)

Training	2012	2013	2014	2015	2016
Agile Project Management with Scrum	3				
Project Mgt. - Skills for Success	11	6			
Providing Admin. Support for projects	1	6			
Project Mgt. - Basic - UNOG		8			
Project Mgt. leadership		1			
Project Mgt. - non IT			67	79	24
Project Mgt. For publishers			1		
Monitoring & Evaluation of projects and programs				3	
Total	**15**	**21**	**68**	**83**	**24**

Source: HRMD - Performance and Development Section

74.   While a number of WIPO staff has participated in project management training, a majority of trained staff members have neither managed nor been part of a project.

75.   This could be justified by the fact that WIPO is not a project-based Organization by definition, and the current training approach is targeting participants who would benefit from managing their activities in a more "project-related" manner, in order to positively influence the existing management culture of the Organization. However, appropriate measures must be taken to ensure that these trainings are effective, and achieving their expected benefits, in order to avoid inefficient use of WIPO resources.

76.   While discussions with various project managers and members of project boards indicate that more can be done to provide training to board members, the above table shows insufficient emphasis placed on project management leadership and governance trainings.

77.   The PPBD and HRMD are currently working on a more expanded training on project management for development projects, which would go further in detail, including the possibility of developing templates for users to adapt to their projects.

78.   While acknowledging the added value of the various project training initiatives in WIPO, IOD makes the following observations that would help further enhance project management related training:

(a) Seeking inputs from experienced in-house project managers would help best tailor trainings to WIPO's needs;

(b) Organizing tailored training on directing projects would help enhance the knowledge and skills of Board members;

(c) Ensuring that training requests in project management are relevant and consistent with: (1) the current and future tasks of the staff; and (2) Programs' work plans, would help manage resources in an efficient manner;

(d) Establishing a feedback mechanism to assess whether these skills have been effectively utilized, would enhance relevance, and help measure outcomes and impact; and

(e) Aligning future project management training to both the RBM and Project Management Frameworks of the Organization would further support effective and efficient project management.

(ii)   Systems and Tools to Manage Projects

79.   The WIKI space dedicated to project management has various resources and templates available; however, this space is underutilized. Further, the repository of projects is incomplete, and many available areas for capturing relevant information such as risks and lessons learned, are not sufficiently used. This is because Project Managers are not required to systematically provide information into that space.

80.   For example, around 25 per cent (10 out of 40) of recorded open projects have not provided any project briefs, and 14 projects have not provided an update on their status. Furthermore, the current tool does not facilitate reporting and may not provide adequate features to fully support future needs to effectively manage projects at WIPO.

81.   Going forward, reviewing the current tool for supporting project management, with a view to: (1) aligning its features and functionalities to the future needs of the project management framework, or (2) identifying a more fit for purpose tool, would enhance overall management, monitoring and reporting on projects at WIPO.

82.   Finally, while development projects are evaluated to assess effectiveness, sustainability and project design, there is no tool currently in place to help effectively monitor the implementation of recommendations from evaluation reports. This could impede effective recommendation management, and delay relevant improvements.

(iii)   Reporting Project Costs

83.   Monitoring and reporting, is key to effective and efficient project management. Furthermore, reporting on projects at organizational level helps provide a more clear and transparent overview of the status of projects, including their costs versus budget.

84.   More can be done to fully integrate projects in the Organization's reporting process. Currently, Special Projects financed through reserves, and DA Projects are closely monitored and reported (for instance, specific activity codes have been created to capture costs of DA projects). However, this is not systematically the case with other projects, which require a manual and timely process to compile costs information from the financial and procurement systems, AIMS[9].

85.   Furthermore, the repository for projects only caters for IT related projects, and does not hold complete information on status and costs of these projects. Finally, projects do not systematically capture the cost of internal staff when reporting on project costs; hence understating the total cost.

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[9] Administrative Integrated Management Systems

86.   While acknowledging that reporting on projects at organizational level should be based on set criteria such as project size and financial thresholds, adapting practices that already exist for capturing and reporting project costs (i.e. activity codes) and establishing additional measures that could further enhance reporting on status and costs of projects would help support efficient and effective resource and project management across the Organization.

Recommendations

3.   The Administration and Management Sector should:

(a) Assess the current systems and tools with a view to identifying enhancements that would better support project management practices, including enhancing capturing, monitoring and reporting on projects costs and status across the Organization;

(b) Identify required changes (where applicable) to the existing tools and systems, as a result of establishing an organization-wide project management framework; and

(c) Work with the Development Agenda Coordination Division to implement a suitable tool that will enhance management of recommendations from development project evaluation reports.

Priority (Medium)

4.   The Human Resource Management Department in close collaboration with the Administration and Management Sector, should ensure that project management training is effective and tailored to WIPO's needs by:

(a) Assessing project management training requests, to ensure that they are aligned with both the current or future tasks of staff, and the Program's work plan activities; and

(b) Establishing a mechanism to assess whether acquired project management skills have been used to produce the expected outcomes.

(Priority: Medium)

ACKNOWLEDGMENT

IOD wishes to thank all relevant members of staff for their assistance, cooperation and interest during this assignment.

Prepared by: Alain Garba

Reviewed and Approved by: Tuncay Efendioglu

TABLE OF RECOMMENDATIONS

No	Recommendations	Priority	Responsible Person/Unit	Other Stakeholders	Management Comments and Action Plan	Deadline
1.	The Administrative and Management Sector should seek input from WIPO Programs in order to develop an organization-wide framework on project management that would include: (a) A definition of a project and clarifying the roles and responsibilities; (b) A governance structure with clear linkages to risk management and accountability framework of the Organization; and (c) Procedures and standards for effective project management that address the main project management practices and themes; and caters for all types of WIPO projects, including addressing opportunities to enhance development projects management; and (d) Criteria and thresholds for monitoring project related risk in the ERM system	Medium	A&M Sector	All Sectors	Accepted, however this will take some time to elaborate	Q4 2018

2.	The Administrative and Management Sector should seek input from other WIPO Programs in order to identify and establish the best structure (aligned with WIPO's accountability and RBM Framework), for supporting project management at WIPO. This could include: (a) Expanding the role of the current Project Management Officer, or (b) Establishing a Project Management Office.	Medium	A&M Sector	All Sectors	Accepted. This Recommendation will be implemented in conjunction with Recommendation 1	Q4 2018
3.	The Administration and Management Sector should: (a) Assess the current systems and tools with a view to identifying enhancements that would better support project management practices, including enhancing capturing, monitoring and reporting on projects costs and status across the Organization; (b) Identify required changes (where applicable) to the existing tools and systems, as a result of establishing an organization-wide project management framework; and (c) Work with the Development Agenda Coordination Division to implement a suitable tool that will enhance management of recommendations from development project evaluation reports.	Medium	A&M Sector		Accepted	Q4 2018

| 4. | The Human Resource Management Department in close collaboration with the Administration and Management Sector, should ensure that project management training is effective and tailored to WIPO's needs by:

 (a) Assessing project management training requests, to ensure that they are aligned with both the current or future tasks of staff, and the Program's work plan activities; and

 (b) Establishing a mechanism to assess whether acquired project management skills have been used to produce the expected outcomes. | Medium | HRMD | A&M Sector | Accepted. A plan of action will be elaborated in consultation with the different stakeholders. | Q4 2018 |

[Annex I follows]

ANNEX I: RISK RATING AND PRIORITY OF AUDIT RECOMMENDATIONS

The risk ratings in the tables below are driven by the combination of likelihood of occurrence of events and the financial impact or harm to the Organization's reputation, which may result if the risks materialize. The ratings for audit recommendations are based on the control environment assessed during the audit.

Table 1.1: Effectiveness of Risks/ Controls and Residual Risk Rating

| | | Compound Risk Rating (Likelihood x Impact) | | | |
		Low	Medium	High	Very High
Control Effectiveness	**Low**	Low	Medium	High	Very High
	Medium	Low	Medium	High	High
	High	Low	Low	Medium	Medium

Table 1.2: Priority of Audit Recommendations

Priority of Audit Recommendations	Residual Risk Rating
Requires Immediate Management Attention	**Very High**
Requires Urgent Management Attention	**High**
Requires Management Attention	**Medium**
Routine in Nature	**Low**

[End of Annex I and Document]