



# 79<sup>th</sup> Session of the Board

27-28 October, 2016



International **Training** Centre



# Wi-Fi Info

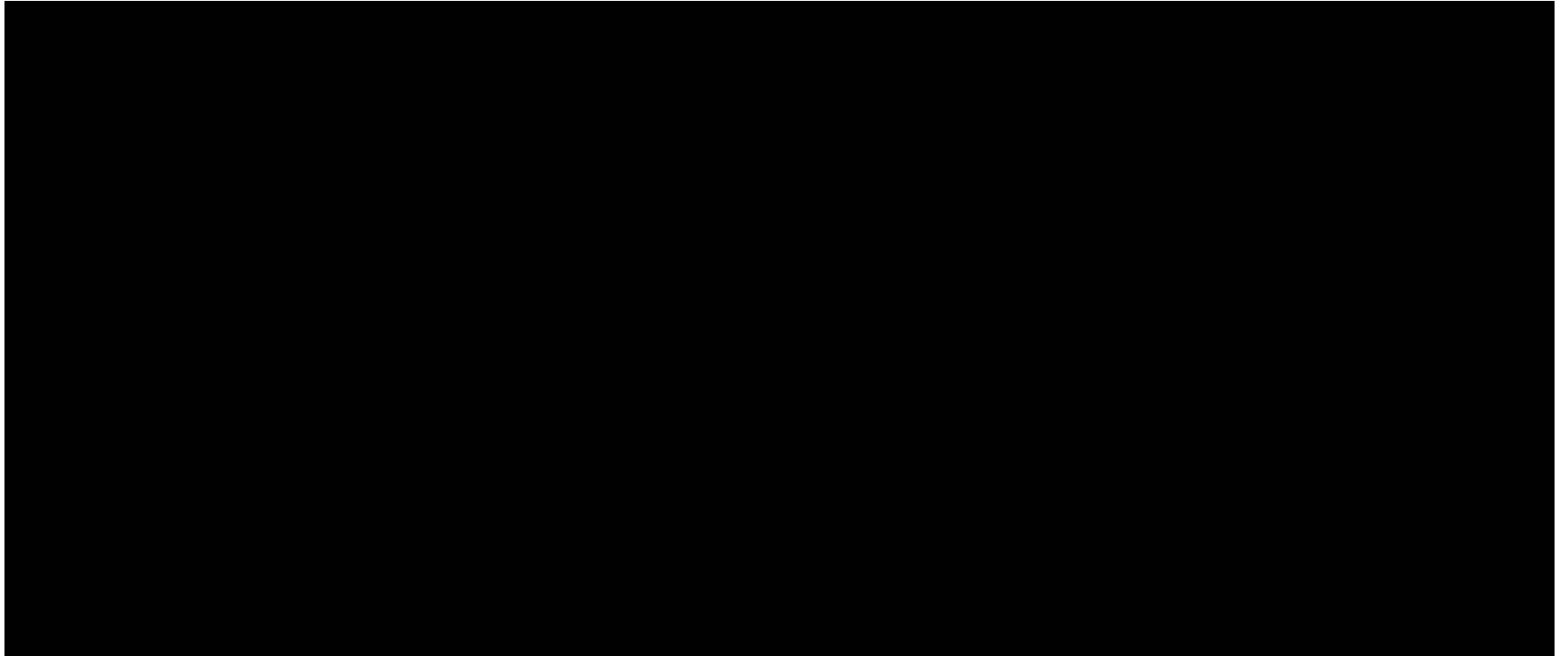
Please turn off hot spot function from your smartphone :



and use the ITCILO-public Wi-Fi:

Password: **Training.ILO**

# NEW VIDEO OF THE CENTRE



# ITEM 1 ON THE AGENDA

Annual Implementation Report for 2015

*Document CC 79/1/1*

*Submitted for information*

Interim Implementation Report - June 2016

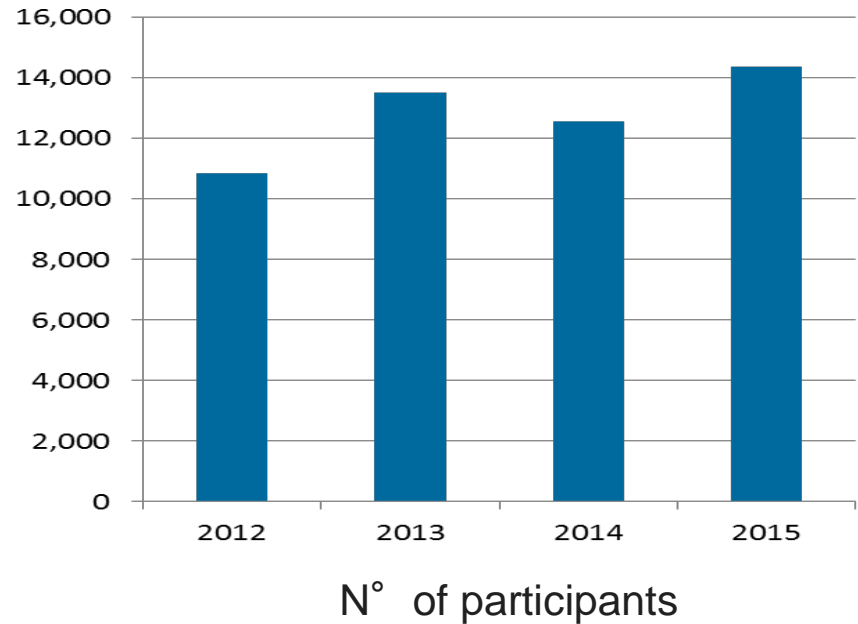
*Documents CC 79/1/2 and CC 79/1/2 Add.*

*Submitted for information*

# 2015 HIGHLIGHTS

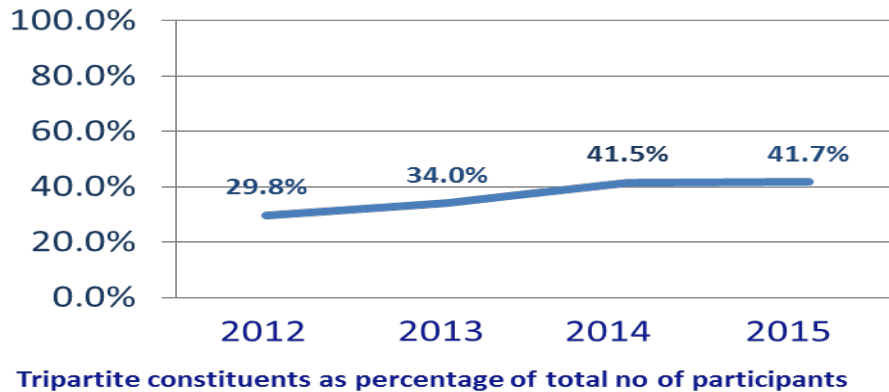
## Number of participants:

- significantly increased over 2014 levels
- the highest level since 2011
- 12,500 people
- 1,800 participants registered for e-learning

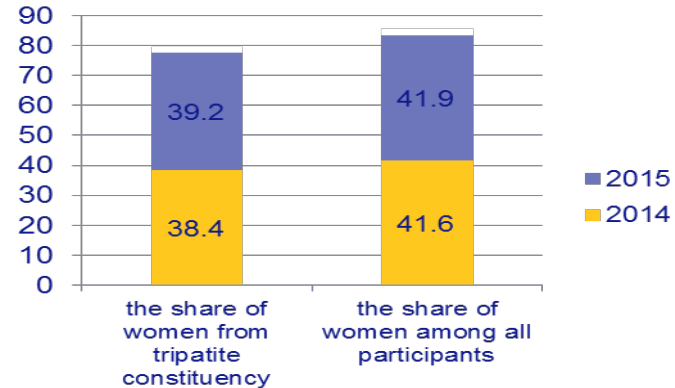


# 2015 HIGHLIGHTS

## Participation by ILO tripartite constituents



## Women participation



# 2015 HIGHLIGHTS

Centre's training income linked with ILO policy outcomes:

2015: **88%**      **threshold: 80%**      2012: 70%

Satisfactory level: **4.48**

4.48

4.5



Surplus: **€ 1.3 million**

# 2015 HIGHLIGHTS

## P1. A result-based framework aligned to the ILO Strategic Policy Framework 2010-2015

- Specific targets for 2015
- Outcomes, data, tools and indicators
- 2016-17 Programme and Budget



# 2015 HIGHLIGHTS

## P2. Reinforcing the governance role of the Board

- Reports
- Communication

# 2015 HIGHLIGHTS

## P3. Diversifying the resources base and increasing outreach

- 87 funding and technical agreements
- Collaboration with ILO, governments, academia and training institutions, UN system, finance and funding organizations

# 2015 HIGHLIGHTS

## P4. Reforming internal operating and administrative procedure

- Revised circulars
- A new streamlining project team
- A fully-fledged OSH system
- Newly introduced facilities

# 2015 HIGHLIGHTS

## P5. Upgrading the Campus facilities

- Conditions and campus security further strengthened
- Green Flag awarded
- Key services contracted

# 2015 HIGHLIGHTS

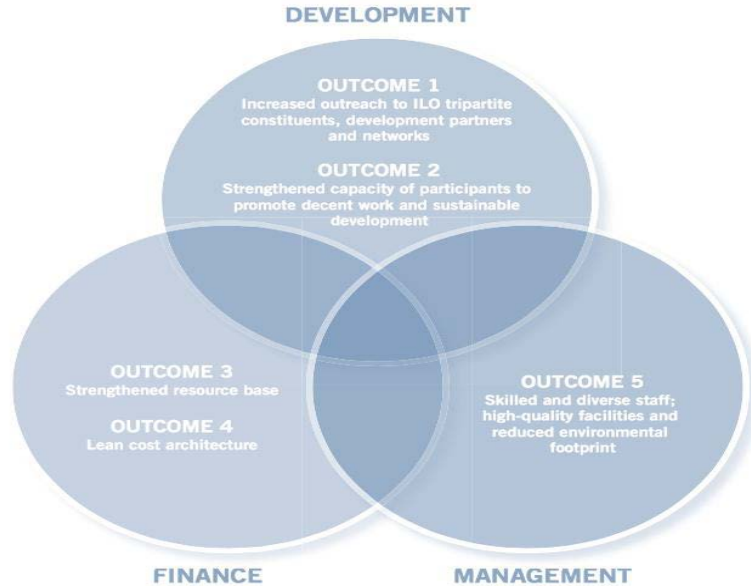
## Outcomes

- The institutional capacity
- Knowledge acquisitions
- Use of resources

- E-campus
- Innovation Fund
- BRICS outreach programme

# 2016 HIGHLIGHTS

## Interim Implementation Report



- **Collaboration with ILO**
- **Voluntary contribution by Italian government**
- **Maintenance**

# 2016 OUTLOOK



## Outcome 1: Increased training outreach

- Training outreach of the Centre continues to expand, driven by growth both in face-to-face training and distance learning
- The strategic partnership with the ILO has continued to deepen in 2016. More than half of all training activities at the Centre will be designed and/or delivered in collaboration with ILO Headquarters and its field offices
- The Centre continues to deepen its network linkages to national and international training institutions

# 2016 OUTLOOK



## Outcome 2: High training quality

- Four Level Quality Assessment
  - The first semester of 2016:
    - High customer satisfaction rates (4.48)
    - More than 90% acquired new knowledge during training
    - 70% moved on to implement the newly acquired knowledge after the treatment
- (→agenda item 2)



# 2016 OUTLOOK



## Outcome 3: Diversified income base

- 2016-17 : an income of approximately €81 million
  - €51 million is to be earned income from training activities and advisory services
  - As of October 2016, income from training was above target, while miscellaneous income is expected to be slightly below budget. Overall, the Centre maintains its income forecast for the biennium
- At the end of June: €250,000 from the City of Turin
  - finance additional extraordinary maintenance and repairs on the campus
- 2016-17 target of training income from large-scale contracts
  - €3.1 million out of a target of €5 million at 30 June.
  - non-traditional partners which already stood at 5 out of a target of 6 at the end of June.
- 2016-17 : establishing a more dynamic relationship
  - with established multi-bilateral partners;
  - expanding the portfolio of technical cooperation projects,
  - strategizing the competitive bidding operations
  - exploring the potential and increasing direct outreach to non-traditional development partnerships.

# 2016 OUTLOOK



## Outcome 4: Lean cost architecture

- One-stop shop
  - which has simplified the booking, facilities and transportation reservations process for training activities
- The procurement process review
  - more timely and accurate financial information for the Centre
- IT tools
  - e-Campus, MAP and e-recruitment are being either institutionalized or piloted to assist the learning and training activities
- Corporate overhead
- ISO 27001 certification
- A clean 2015 external audit opinion

# 2016 OUTLOOK



## **Outcome 5: Skilled and diverse staff, high quality facilities and a reduced environmental footprint**

- Management capabilities and the skills of the learning faculty
- An agreement on the Centre's contracts policy
- OSH
- Diversification
- Refurbishment
- Green Flag status

# ITEM 2 ON THE AGENDA

Independent evaluation of training and learning activities on the thematic area of “Strengthening Employers’ Organizations”

*Document CC 79/2*

*Submitted for discussion*

# BACKGROUND AND RATIONALE

- Review of ILO field operations and structure, and technical cooperation (2013)
- Annual independent evaluations introduced in 2014
- 2016 independent evaluation: cluster of activities linked to the theme of “*Strengthening employers’ organizations*”
- Sample: 15 activities implemented in 2015, incl. 12 activities undertaken by the Employers’ Activities Programme and three activities organized by other training programmes that had registered the participation of employers’ representatives

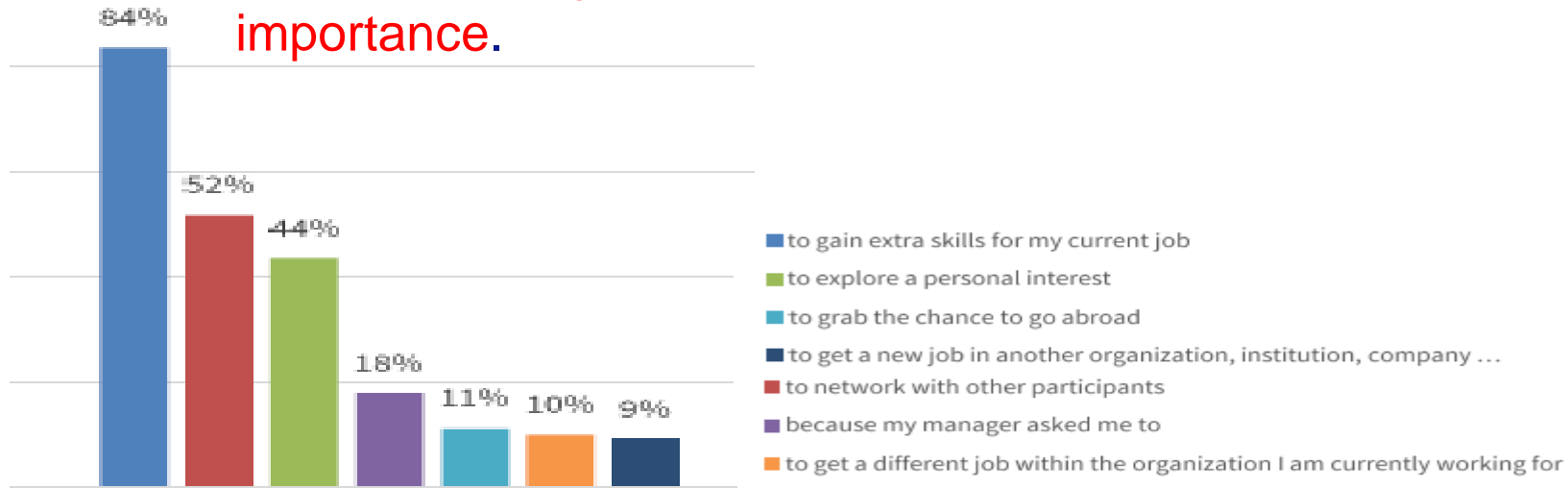
# METHODOLOGY

- Desk research
- Participants' survey (survey sample size: 330, no of responses: 135)
- Interviews with key informants in ITCILO and employers organizations reached with ITCILO training services

# FINDINGS

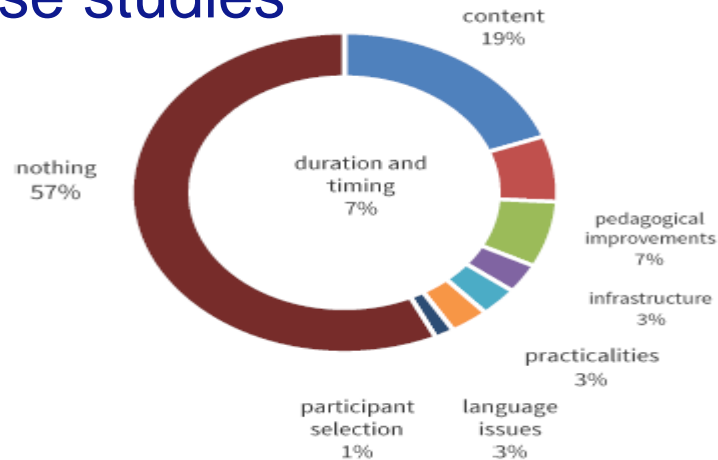
**Relevance and outreach of the activities** –Participants perceive the training activities to offer significant professional advantages.

Next to learning extra skills, ability to network is of prime importance.



# FINDINGS

**Validity of the design** – Participants are highly satisfied with the quality of training. Some participants suggest an extension of the duration of their course and ask for more focus on examples and case studies



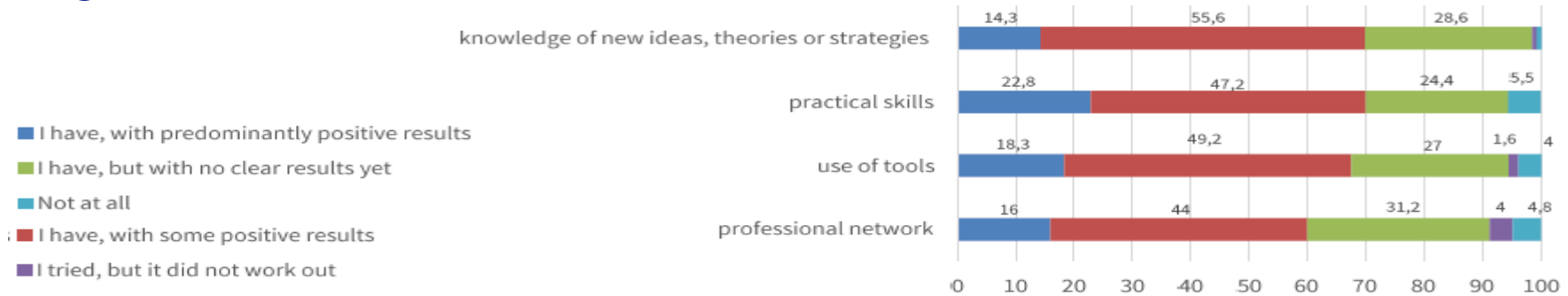


# FINDINGS

- **Efficiency** – The roles of Programme officials were found to be clearly defined, understood and appreciated throughout the service delivery cycle. The evaluation noted, though, that the Programme does not systematically assess results and progress of employers' organizations after the course
- **Effectiveness** – 85% of all participants claim that their training provided them with knowledge of new ideas, theories or strategies to strengthen their employers' organization

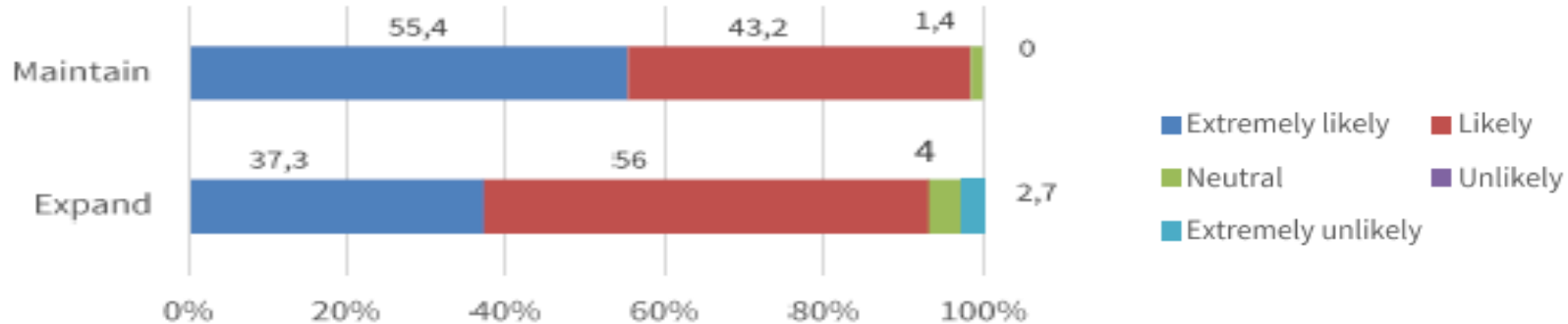
# FINDINGS

**Impact** – 70% of participants claim that they personally used the knowledge they acquired and have achieved positive results while doing so. This effectively strengthened their employers' organization.



# FINDINGS

**Sustainability** – Virtually all projects initiated as an outcome of a training activity will be maintained. As they are perceived as successful, the vast majority of initiatives is expected to be up-scaled. However, a high turnover of trainees might hinder capacity- building within employers' organizations.



# RECOMMENDATIONS

- The Employers Activities Programme could **establish a more intense contact with its target** group by running post training sample surveys and by setting up an alumni online forum
- The Employers' Activities could further stimulate impact indirectly by **adapting the format of its training activities**. It can build on a number of innovations with which the Programme has already experimented and that could be partly responsible for the high impact measured in the survey

# RECOMMENDATIONS

- The Employers Activities Programme could reserve **more time for case studies, field trips and practical exercises**. Respondents highlight the **benefits of interactive sessions** such as discussions, role-plays and team assignments
- Another approach to generating impact would be to reduce the impact of the high turnover rate, by **stipulating that several participants from the same employers' organization take part in a training activity**
- One practical issue warranting some attention is to **increase the time frame of the local installation and training workshop during a CRM project**

# MANAGEMENT RESPONSE

- The Centre welcomes the findings of the evaluation and acknowledges that these good results have been driven by the hard work and the commitment of the staff of the Employers' Activities Programme
- The Centre will support the Employers' Activities Programme to further deepen the existing customer relationships with employers' organizations worldwide through the establishment of online learning platforms
- The Centre will support the Employers Activities Programme to bring to market in 2017 its first Massive Open Online Course (MOOC)

# MANAGEMENT RESPONSE

- The Centre will support the Employers' Activities Programme to pilot the concept of post-training customer panels
- The Employers' Activities Programme will increase the time allotted for CRM training
- The Employers' Activities Programme will expand the use of training courses built on the concept of multi-step learning journeys, where several learning contacts are made with participants face-to-face and via distance learning modalities

*The Board is invited to provide comments and guidance*

# ITEM 3 ON THE AGENDA

## Financial Statements and External Auditors Report for 2015

*Document CC 79/3/1*

*Submitted for information*

## Report of the meeting of the Officers of the Board

*Document CC 79/3/2*

*Submitted for information*



# ITEM 3 ON THE AGENDA

Proposed allocation of the remaining part of the 2015 surplus

*Document CC 79/3/3*

*Point for decision: paragraph 5*

# ITEM 3 ON THE AGENDA

## Plan for the Audit of the 2016 Financial Statements

*Document CC 79/3/4*

*Submitted for information*

# AUDIT PLAN



## ILO International Training Centre Financial Year 2016

## About the Audit Plan:

- Lays out our audit trajectories based on the results of our initial audit engagement conducted in June 2016
- Presents our audit objectives that are based on the mandated functions
- Guides our audit work which is based on our audit approach and methodology
- Defines our audit milestones
- Provides the basis in the management of audit resources.

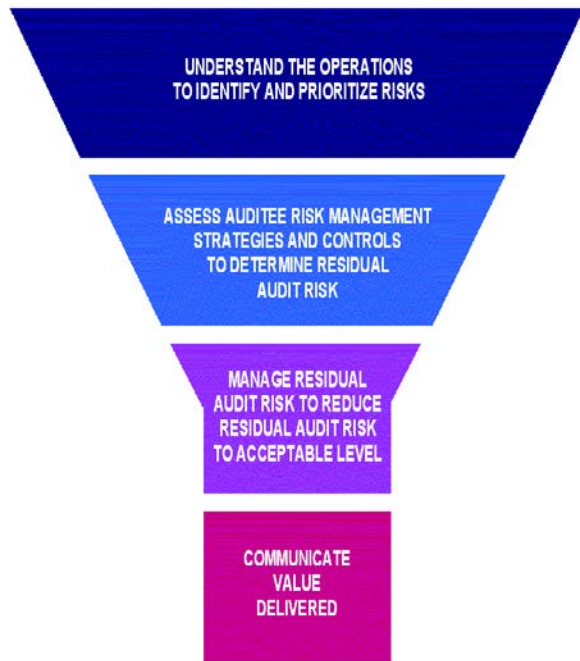
## Mandate and Scope of Work

- ❑ External Auditor of the Centre for the financial years 2016-2019, commencing on 1 April 2016
- ❑ The Centre's Financial Regulations, Chapter IX, and the additional TOR define the terms of reference governing the external audit
- ❑ Also, they require us to report to the Board on the audit of the financial statements of the Centre and on other such matters that need to be brought to its attention.

## Our Overall Audit Objectives

- ❑ express an independent opinion on the fair presentation of the Centre's financial statements as at 31 December 2016
  
- ❑ make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and in general, the administration and management of the Centre (The Centre's Financial Regulations, Chapter IX).

# Audit Approach and Methodology



- Utilize the Risk-Based Audit Approach
- Based on International Standards of Auditing
- Allows us to align more closely with the needs of the Centre to enhance its governance and operations
- Affords us with a more efficient and effective audit of the Centre's Financial Statements
- Aligns to the accountability goals of the Centre

# Initial Risk Perspectives

- ❑ Relevant factors and changes within the Centre's operations identified during the initial audit engagement in June 2016 defined our current audit trajectories.
- ❑ These factors and changes will enable us to define and clarify entity-level risks commencing from the first interim audit and ultimately draw up the Centre's risk topology from our audit perspective such as the Centre's Governance Arrangements including Accountability, Enterprise Risk Management and Internal Control as well as training programme, procurement and the publication services' sustainability.



# Working Audit Materiality

Amount used to evaluate the significance of uncorrected misstatements (*past* adjustments and reclassifications) noted during the audit.

	Basis	Amount
Overall Materiality	2% of the average total expenses of the Centre from the last two biennia	<b>€759,710</b>
Unadjusted and adjusted items in excess of this amount will be reported to management	5% of overall materiality	<b>€ 37,986</b>

# Significant Deliverables

- ❑ Independent Auditor's Report
- ❑ Report of the External Auditor to the Centre's Board
- ❑ Management Letters to the Centre's Management
- ❑ Audit Observation Memorandum to the Centre's Management



# Significant Dates

Activity	Date
Initial audit engagement	June 2016
Presentation of Audit Plan	27-28 October 2016
Interim Audit	24 October to 16 November 2016
Year-end Audit	13 February to 08 March 2017
Signed Audit Opinion	3 <sup>rd</sup> week of March 2017
Presentation of Audit Results to the Officers of the Board	May 2017



# Audit Management

## External Audit Quality Assurance

- ❑ Our audits undergo a three-level review commencing with review performed by the Director of IARO and assisted by the Technical Support Group.
- ❑ The second level review emanates from the International Audit Oversight Committee that performs a set of quality assurance procedures to ensure that audit information and reports are of a high level of integrity before these are escalated to the third and final level of review.
- ❑ The Chairperson, Commission on Audit, Philippines performs the final review of our outputs and is also consulted on sensitive, complex, and/or difficult issues.

**Thank  
you!**

# ITEM 3 ON THE AGENDA

Report of the Chief Internal Auditor for  
the year ending 31 December 2015

*Document CC 79/3/5*

*Submitted for discussion and guidance*

# ITEM 3 ON THE AGENDA

Follow-up to the recommendations of the  
Chief Internal Auditor for the year ending  
31 December 2015

*Document CC 79/3/6*

*Submitted for information*

# ITEM 4 ON THE AGENDA

## Human Resources Questions

*Document CC 79/4/1*

*Submitted for decision*

*Point for decision: paragraph 12*

*Document CC 79/4/2*

*Submitted for decision*

*Point for decision: paragraph 7*



# ITEM 5 ON THE AGENDA

## Administrative Questions

*Document CC 79/5*

*Submitted for information*

# ITEM 6 ON THE AGENDA

Reports of the  
Trade Union Training Committee  
and the  
Employers' Training Committee

*Document CC 79/5*

*Submitted for information*

# ITEM 7 ON THE AGENDA

## Date and place of the next session of the Board

The 80<sup>th</sup> Session of the Board will be held in Turin on **26 and 27 October, 2017** just before the 331st Session of the Governing Body of the ILO