

Operational Key Performance Indicators (KPIs) – 2021 results

Unitaid/EB40/2022/14/Annex2

JUNE 2022

Operational KPI framework

Areas covered by the Operational KPIs

Finance

Grant Agreement Development

Grant Implementation

Human Resources

Purpose :

- Promote accountability, consistency and high-quality service delivery;
- Support prioritization of work and more effective allocation of resources; and
- Enable continuous improvement in organizational performance.

Overview of 2021 results

Operational KPI one by one

Forward look

KPI
Resource mobilization
People development
Grantee responsiveness
Speed of grant development
Audit status
Risk management
Grantee reporting timeliness
Secretariat satisfaction
Disbursement efficiency
Secretariat efficiency

Key messages: good overall performance, with some remaining challenges due to COVID-19 alongside an evolving organizational environment

Some areas show strong performance










- The adaptation of some Secretariat operational processes due to the COVID-19 pandemic has improved operational efficiency, despite various challenges posed by the pandemic. The results for **KPI D, E and F** are very good overall. Other compliance-oriented indicators (**KPIs G, H and I**) had good overall performance.
- The strong and stable performance for these KPIs over the strategic period reinforces the proposal to discontinue their monitoring within the Board-level KPI framework for the next strategic period.
- **KPI A** has demonstrated how the Secretariat has maintained a lean Secretariat. During the full strategic period, KPI A came within the 2% target each year, equivalent to USD \$12 million over a five-year period.*

Other areas will require continued focus

- Resource mobilization (**KPI B**) remains a challenge. The last two years has seen an increase in short-term, ad-hoc funding that has proved important to support the work of Unitaid, but against the backdrop of decreasing amounts of core funding, this has created a more uncertain funding predictability. Through ACT-A, Unitaid has managed to secure funding from several new donors. Securing more resources from existing and new donors will be key to support the implementation of the new strategy.
- Speed of grant development (**KPI C**) was below target for 2021, for three GADs in scope. This was partly due to COVID-19 related restrictions and uncertainties. There is scope to get core grant development processes back on track towards the target. Most grant development occurred through COVID-19 projects, with 16 projects developed in 1.4 months on average.
- Staff satisfaction (**KPI J**) remains an area of focus, being below target in the 2021 survey (70% satisfaction against a target of 75%). The effectiveness of onboarding was one factor driving the result. Subsequently, the Secretariat has taken immediate steps to strengthen its onboarding process, alongside adaptations to the current hybrid working environment.

Operational KPIs summary

■ Substantially above target
 ■ On target or moderately above target
 ■ Moderately below target
 ■ Substantially below target
 ■ No target or colour-coding

KPI	Target	Results 2017 ¹	Results 2018 ¹	Results 2019	Results 2020	Results 2021
 A- Secretariat efficiency	2%	1.95%	1.87%	1.74%	1.80%	1.75%
 B- Resource mobilization	+US\$100m (2021) 70% by 2021 2 by 2021	+US\$9.3m na na	+US\$69.1m na na	-US\$13.5m 97% 1 donor	+US\$37.7m 68% 1 donor ²	+US\$11.6m 55% 1+5 donors ⁵
 C- Speed of grant development	6 months	6.5 months	5.6 months	5.8 months	7.6months ³ 1.4m ⁴ COVID-19	9.5months ³ 1.4m ⁴ COVID-19
 D- Grantee reporting timeliness	80%	69%	89%	86%	80%	90%
 E- Disbursement efficiency	8 weeks	6.5 weeks	5.7 weeks	5.2 weeks	5 weeks	5.2 weeks
 F- Grantee responsiveness	80%	93%	94%	90%	82%	85%
 G- Audit status	100%	100%	100%	100%	91%	95%
 H- Risk management	100%	100%	100%	100%	100%	100%
 I- People development	100%	96%	100%	99%	98%	97%
 J- Staff satisfaction	75%	83%	na	64%	74%	70%

1 - Retroactively calculated based on new definitions and targets approved by the Executive Board in November 2019 / 2 - The result does not include Canada as a new donor, as the agreement was signed in January 2021, or Spain (considered as a "renewed" donor) / 3 - Result limited to only 2 GADs finalized in 2020 and 3 GADs in 2021 / 4 - Due to their nature, COVID related projects do not fit the definition for KPI C and the time it took to develop, approve and launch them had to be calculated separately / 5 - 1 core donor in 2019 (Japan) and 5 new donors in 2021 (Canada, Germany, Portugal, Italy, Wellcome)

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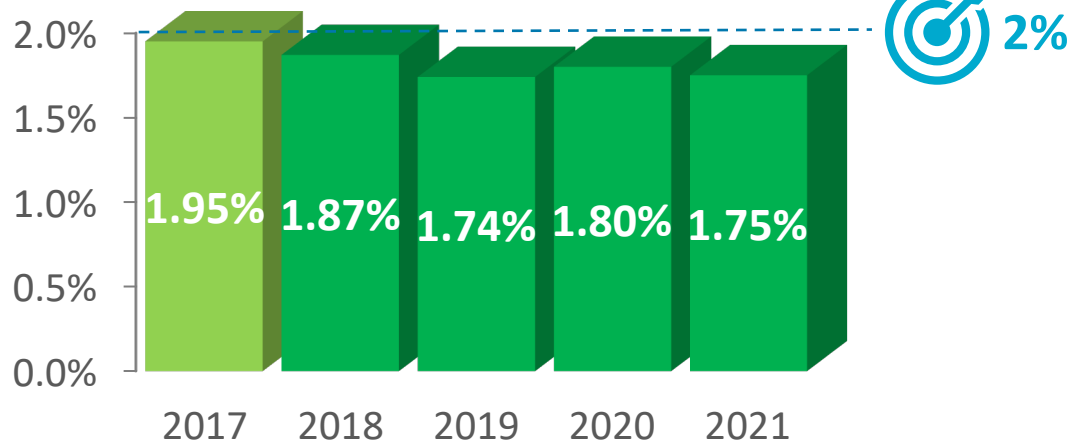
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KPI A – Secretariat efficiency

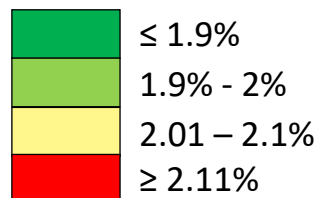
Definition: Unitaid Secretariat costs as a proportion of the total value of the Unitaid portfolio (in a given calendar year)

Performance measurement

Performance management



- Secretariat costs: US\$ 25.8 million
- Portfolio size: US\$ 1477 million



Key message: Unitaid’s Secretariat has managed a US\$ 1.5 billion portfolio efficiently

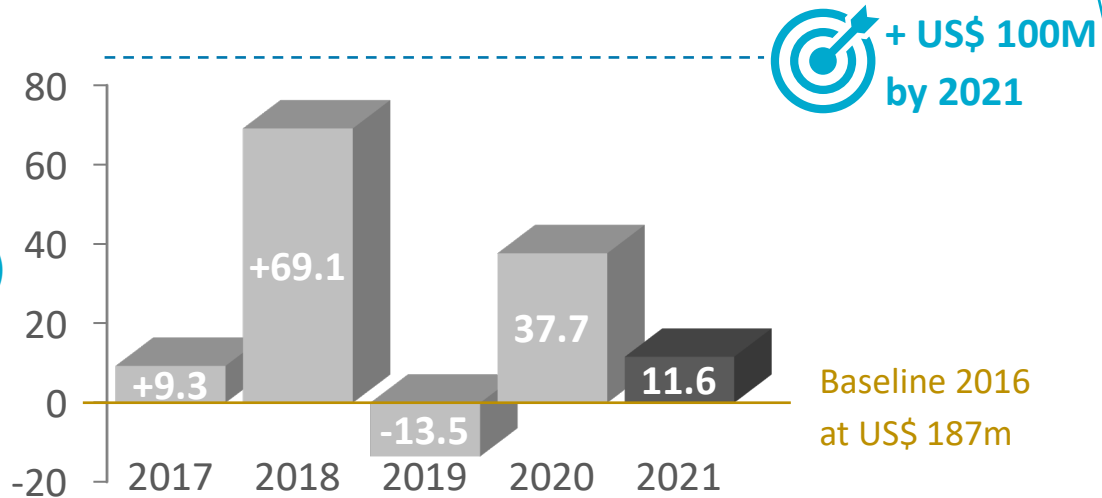
- Portfolio value increased at a faster rate than Secretariat costs: +72% vs +50% since 2016.
- Secretariat costs increased in 2021 (+9%), driven by staff costs.
- Portfolio has increased in value compared to 2020 (+13%), and also in size (+32% in number of projects managed compared to 2020, with 83 projects in 2021).
- During the full strategic period 2017-2021, KPI A remained within the 2% target each year, equivalent to USD \$12 million over five years.*
- **Going forward:** Unitaid will work to continue to maintain a lean and efficient Secretariat and proposes to retain the existing KPI A in the short-term, before reviewing KPI A in more details by end 2023.

KPI B - Resource mobilization

Definitions: (a) Net increase in annual commitments from 2016 baseline
 (b) Percentage of Unitaid contributions covered by multi-year agreements (in value) at the end of the strategic period
 (c) Number of new donors over the period 2019-2021 (cumulative)

Performance measurement

Performance management



Key message: overall contributions moderately higher than the 2016 baseline, but markedly below the 2021 target. Strong performance on securing ACT-A funding, but lower level, and predictability, of core funding in 2021

(a)

(b) 55% in 2021

(c) **1 core donor + 5 new donors:** 1 donor in 2019 (Japan) + 5 donors in 2021 (Canada, Germany, Portugal, Italy, The Wellcome Trust)

Target: 70% by 2021

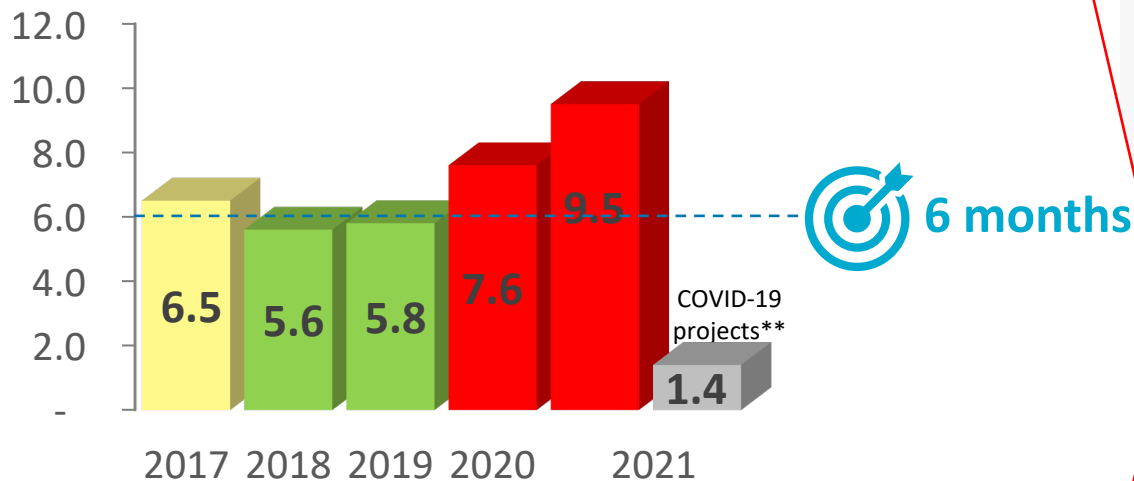
Target: 2 by 2021

- US\$ +11.6 million overall contributions compared to the 2016 baseline, below the target of US\$ +100 million by end 2021.
- Net decrease in core contributions compared to 2020 (-US\$ 17.3M), mainly driven by the absence of funding from the United Kingdom.
- US\$ 89.4 million secured in additional contributions under the ACT-A partnership, in particular towards Unitaid leadership role in Therapeutics & Oxygen. Significant support coming from new donors.
- New donors: 5 new donors in 2021, all contributing through ACT-A.
- **Going forward:** this is a headline organizational risk. The Secretariat is proactively working to renew multi-year and annual agreements for core funding from EB members and seek new donors to finance the increased ambition of the new Strategy, in line with its resource mobilization strategy.

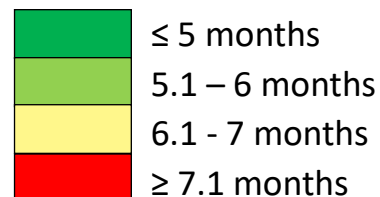
KPI C - Speed of grant development

Definition: Average time taken from GAD external kick-off to GAD submission to the EB

Performance measurement



- Median: 8.4 months
- Number of GADs in scope: 3



Performance management

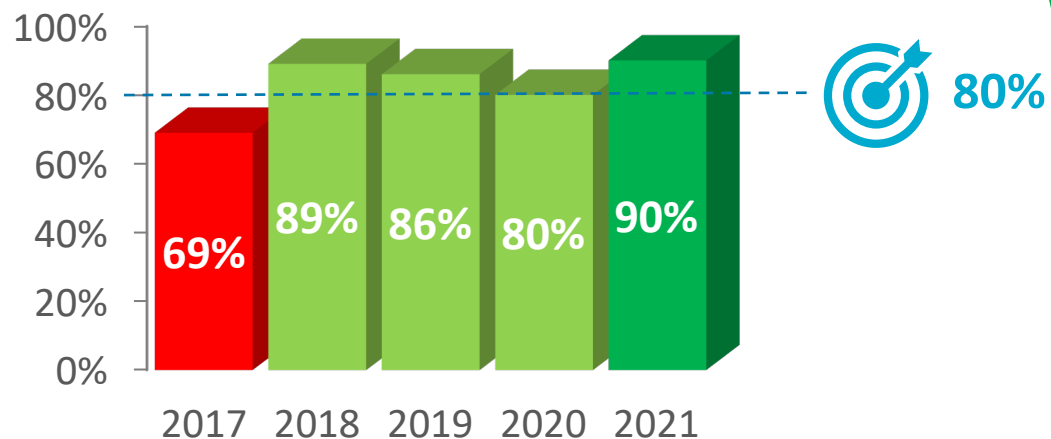
Key message: Despite the indicator being below target for core grant development, Unitaid demonstrated that it could design COVID-19 projects quickly, which is critical in a health emergency context.

- The result reflects the performance of three GADs submitted to the Executive Board in 2021: SP-IPTi+, VivAction and CUIDA Chagas. All 3 GAD timelines were impacted by COVID-19 related restrictions and uncertainties.
- The VivAction GAD was delayed several times. First as partners needed more time to conduct in-country work and to address the Joint Review Committee recommendations. Then it was officially paused for a period of 6 months when the COVID-19 pandemic started in March 2020. In total the active GAD process took 13.7 months over a 19.7-month period.
- 16 COVID-related projects developed in 2021.* These projects were developed, approved and launched in a matter of weeks (1.4 months on average), allowing for a timely response to a public health emergency. Building on its robust model and know-how, Unitaid continued to respond quickly and efficiently to emerging needs related to COVID-19.
- Unitaid Explore proved fit for purpose, with two successful calls in 2021, and projects developed in less than 3 months.
- **Going forward:** opportunity to consider steps to get core GAD processes back on track to deliver in 6 months on average, e.g. through the operating model review.

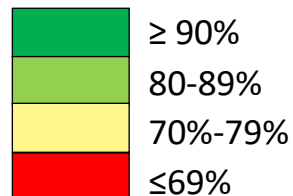
KPI D – Grantee reporting timeliness

Definition: Proportion of grants which have submitted their semi-annual and annual reports in a timely manner

Performance measurement



- 41 reports by 41 grant implementers
- 37 reports on time/early, 4 reports late
- All late reports submitted within 2 weeks of deadline



Performance management

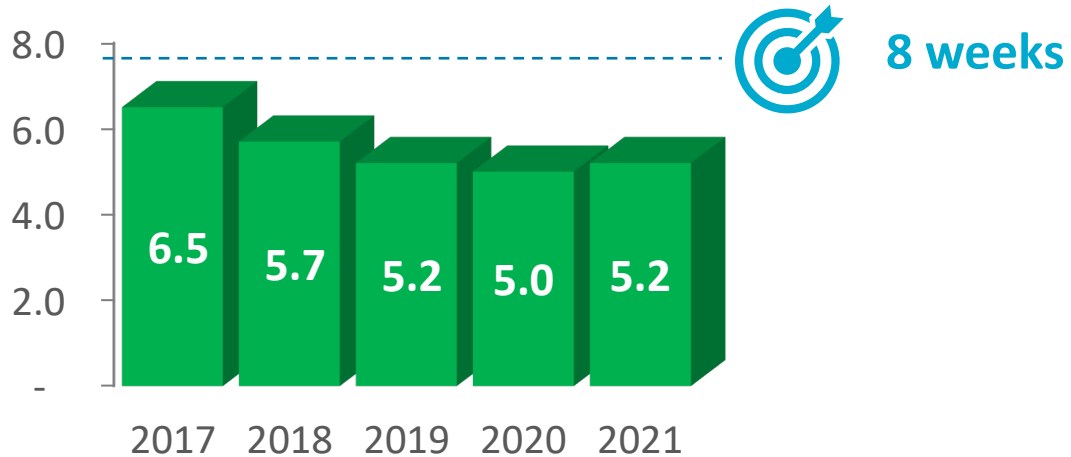
Key message: a robust process with very good performance across the portfolio

- Best performance over strategic period – the baseline was 69% in 2017. No report was submitted more than 15 days late (against 6 in 2020).
- A higher number of implementers (41 against 33 in 2020), but fewer reports received due to changes in the reporting process (a single reporting process was undertaken in 2021 compared to semi-annual and annual reporting in previous years)
- Reporting period* continues to shorten (-30 days vs 2017).
- **Going forward:** this KPI will not be Board-facing in the new strategy, but scope to retain as an internal KPI to maintain the strong operational performance reached over the last few years, as part of the efficient management of the portfolio.

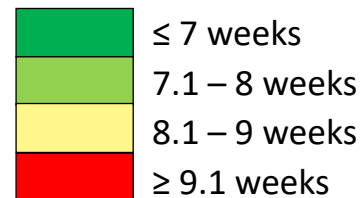
KPI E – Disbursement efficiency

Definition: Average time taken from the day a complete, final disbursement request is accepted by the Project Team to the day the disbursement is executed by the Secretariat

Performance measurement



- 39 disbursements
- 95% done within 8 weeks (against 87% in 2020 and 72% in 2017)



Performance management

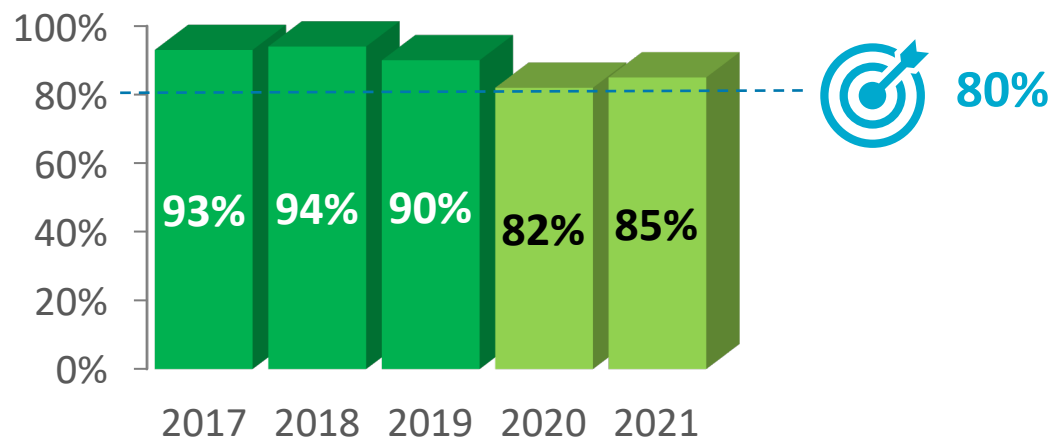
Key message: Consistent, strong performance against the target

- Timely disbursement is critical to operational efficiency and to support the implementation of projects.
- A new, expedited disbursement process was used to mitigate risks associated with the pandemic in 2020, drastically reducing the workload required to process disbursements.
- Performance effectively the same overall, but better performance on late disbursements (only 5% overall late*, compared to 28% in 2017)
- **Going forward:** this KPI is will not be part of the Board-facing performance management framework in the new strategy, but the good and stable operational performance reached over the last few years will continue to support the efficient management of the portfolio.

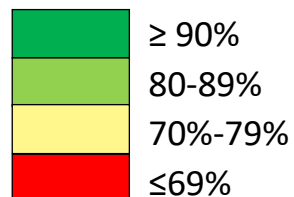
KPI F – Grantee responsiveness

Definition: Proportion of recommendations issued to grant implementers that are implemented in a timely manner

Performance measurement



- 40 grants and 184 management actions included in the analysis
- 4.6 actions per grant*



Performance management

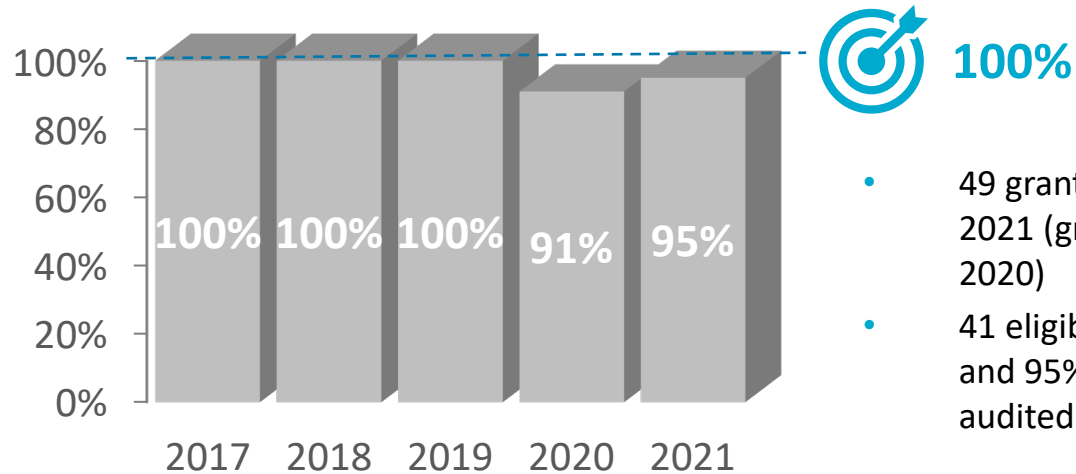
Key message: Good, on track performance, and a small improvement in result compared to 2020; some delays attributable to the COVID-19 pandemic

- Increased efforts have been made by project teams to guide grant implementers and maintain a step-by-step approach in grant implementation, to navigate the unpredictable and disruptive environment created by the pandemic.
- Over the last two years, recommendations were more targeted and operational than in previous years.
- **Going forward:** this KPI is will not be part of the Board-facing performance management framework in the new strategy, but the good and stable operational performance reached over the last few years will continue to support the efficient management of the portfolio.

KPI G – Audit status

Definition: Proportion of grants with an up-to-date financial audit by the end of the following calendar year

Performance measurement



- Audit of 2 grants (SC TRIPS and TIPTOP) were delayed, but all audits were finalized by January 2022
- 8 received a waiver, either because no audit was needed (5 are WHO), or because of special arrangements (EJAF), or because of the audit period (2 grants started mid 2020: UNICEF ACTA and Vayu Explorer. The first audit will take place in 2022)
- No qualified opinions

- 49 grants in scope in 2021 (grants active in 2020)
- 41 eligible for an audit, and 95% of them were audited in 2021 (39)

Performance management

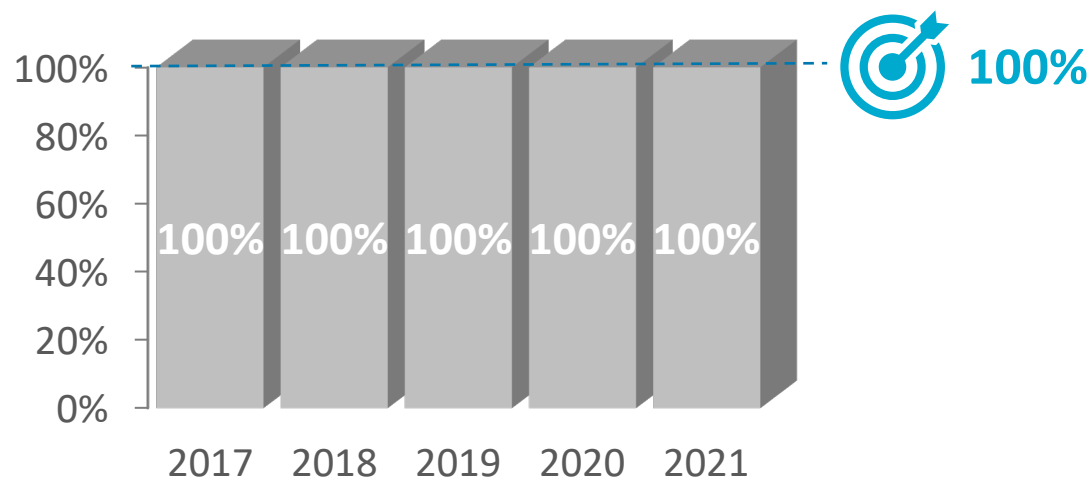
Key message: Good compliance with minor time delays

- Most audits complete within calendar year
- Delays in audit completion (44% completed on time vs 42% the previous year) due to COVID-19 travel restrictions.
- Increased rigour of auditors to make sure that quality assurance is maintained. There has been no gap in quality assurance.
- **Going forward:** this KPI is will not be part of the Board-facing performance management framework in the new strategy, but the stable performance reached over the last few years will continue to be tracked and maintained.

KPI H – Risk management

Definition: Proportion of grants with an up-to-date risk review

Performance measurement



- In 2021 all active grants in the Unitaid portfolio had an up-to-date risk review, achieving the target of 100%

Performance management

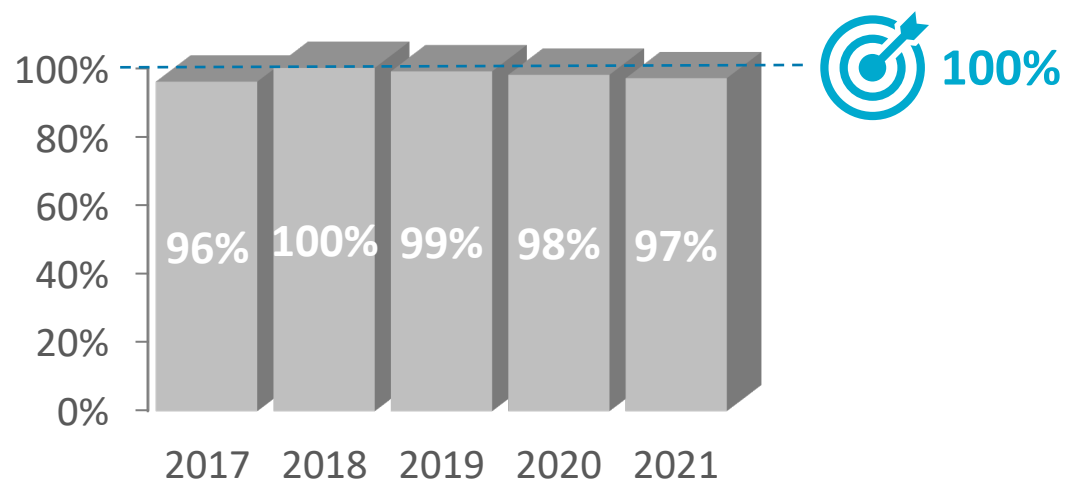
Key message: continued strong performance, on target for the fifth year in a row

- Unitaid continues to place strong emphasis on risk management
- Further emphasis on risk management due to COVID-19.
- **Going forward:** this KPI is will not be part of the Board-facing performance management framework in the new strategy. An external assurance audit is in progress which may provide recommendation to strengthen risk management of the portfolio in the new strategic period.

KPI I – People development

Definition: Proportion of Unitaid Secretariat staff PMDS reviews completed on time (by end of March)

Performance measurement



- 94 PMDS (in-scope) at 31 March 2022.
- 91 were completed on time; 3 were not.

Performance management

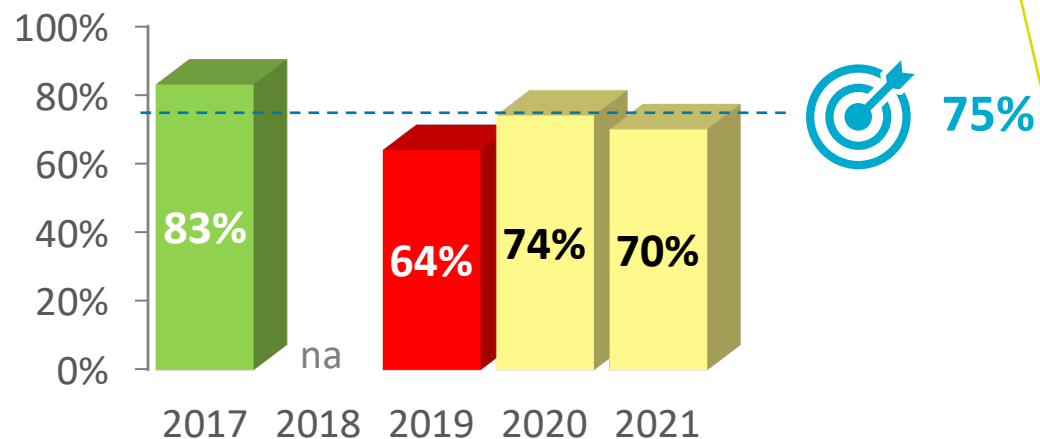
Key message: overall good adherence to the performance management development system (PMDS) process and deadlines

- In early 2022, a “Giving & Receiving Feedback” and “Negotiation & Conflict Resolution” training courses were provided to all staff.
- The Secretariat will continue to ensure that the PMDS review process is used to support staff development.
- **Going forward:** this KPI is will not be part of the Board-facing performance management framework in the new strategy, but PMDS performance will remain a part of supporting staff development at Unitaid.

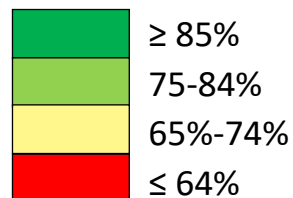
KPI J – Staff satisfaction

Definition: Level of Unitaid Secretariat staff satisfaction reported in the biennial staff survey

Performance measurement



- 86% participation (against 96% in 2020)
- Results based on 6 questions



Performance management

Key message: reasonably good performance with issues of onboarding related to COVID-19 related restrictions

- The question about onboarding* received its lowest score in 5 years at 60% (against 71% in 2020), possibly due to COVID-19 related restrictions (teleworking) and the difficulties to onboard new staff while working remotely.
- The Integrating New Talent Project was launched in December 2021 to reshape and uniformize the onboarding system, provide better support and onboarding tools to new staff, and adapt it to a new hybrid working environment.
- Average of all questions in “staff engagement” category (based on Willis Towers Watson categories) remains very good (80% of favourable answers against 82% in 2020).
- **Going forward:** Revised definition of KPI in the new performance framework. The Secretariat is focused on maintaining and strengthening staff satisfaction in the coming years.















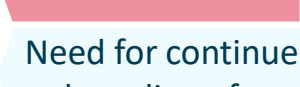
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Forward look: proposed transition of the current operational KPIs into the new strategy

KPI	Key actions for coming months (2022)
 A- Secretariat efficiency	<p>Make sure the Secretariat is right-sized to appropriately deliver on its core and emerging priorities, which is connected to resource mobilization outcomes</p>
 B- Resource mobilization	<p>Secretariat to continue engaging with existing and new donors to capture funding opportunities and explore resource mobilization prospects to strengthen funding for the new strategy</p>
 C- Speed of grant development	<p>Despite a lower performance in the last 2 years, the Secretariat will work on strengthening GAD processes to meet the 6-month target. Can be considered as part of the review of the operating model</p>
 D- Grantee reporting timeliness	
 E- Disbursement efficiency	
 F- Grantee responsiveness	
 G- Audit status	
 H- Risk management	
 I- People development	
J- Staff satisfaction	<p>Need for continued monitoring and management of staff engagement, particularly in relation to workload and onboarding of new staff</p>

KPIs not continued in the next strategy. Even though these will not be a focus of the organizational KPIs anymore, they remain important building blocks of the Secretariat operational efficiency. Scope to retain KPIs as internal KPIs going forward.

+ new KPIs will be added to the KPI framework to reflect the priorities of the new strategy.