

Background

The Area Staff Rules specify a normal working week at headquarters and the field offices of the Agency to be of 37.5 hours taken as an average throughout the year. Types of overtime are defined by the Personnel Directive/REV.1/Part III/Amend. 3 LOT. NO. 343 (PD) as Regularly Scheduled overtime; Unscheduled Occasional overtime; Call in overtime; Special overtime; and Night duty. The PD also specifies compensation (cash payment or compensatory time-off) for all categories of overtime for each group of staff categories: Grades 1 through 5, Grade 6 through 12 and Grade 13 through 20.

Human Resources Department, Headquarter Amman (HRD) issued an SOP to assist supervisors and managers in controlling and administering the overtime pay for staff. In addition, in June 2020, HRD issued a memo on submissions of requests for Exceptional Approvals and specified that for Grades 6-11 overtime could be considered only in very exceptional circumstances, subject to prior approval from DHR, while reiterating that for Grades 12-20 (professional post), overtime is not allowed and staff members in these grades are only eligible for CTO.

What DIOS did

Upon the request of HRD, DIOS conducted an advisory review to assess and advise on the process of approving exceptional overtime cash payment, which included various analysis and identification of trends in exceptional overtime cash payment.

Results of the assessment

Overall, despite the intended purpose for issuing the memo to all fields, in most cases exceptional approvals were still submitted after overtime had been incurred. Also, no further monitoring was in place after the approval, therefore diminishing the utilization of the approval. Consequently, HRD is advised to re-assess the need and the utilization of exceptional approval for overtime cash payment and consider delegation to the field while enhancing the monitoring and reporting mechanism instead.

Other observations are as follows:

- The framework for overtime management needs to be aligned as there are inconsistencies in applicability of the guidance on types of overtime, and on the delegated authority to approve cash payment.
- Overtime processed lacks relevant details to enable validation, and to differentiate other non-overtime payments such as daily paid workers' payments, other allowance, international staff overtime, and retroactive payment.
- Lastly, disproportionate overtime taken by staff at certain levels/functions needs to be addressed by conducting comprehensive analysis to assist management in exploring measures to control excessive overtime to enhance operational efficiency and safeguard the occupational safety and well-being of staff.

What management is doing to address DIOS recommendations

Management agreed with the recommendations, and moreover promptly took action prior to the issuance of the report

to address the identified need to appropriately record and monitor the use of exceptional overtime by creating specific wage types to use, and are in the process of developing further relevant measures.

Methodology, Approach and Disclosure

DIOS assessed the process of approving exceptional overtime cash payment by HRD and provided HRD with analysis on the cost of exceptional overtime cash payment. The scope of the assessment was agency wide with the sample selected from SFO, LFO, JFO and HQA. The fieldwork was conducted from April to end of May 2021.

The approach included review of control processes and relevant documents, selection of transaction samples for analysis and examination, enquiries and interview with staff, and other procedures deemed necessary.

The assignment was conducted in accordance with DIOS standards which are designed to conform to the International Standards for the Professional Practice of Internal Auditing. It was completed in conformity with the approved work plan and took into consideration the risk assessment exercise conducted prior to the assessment.

Pursuant to OD14, this summary of findings and recommendations including management action taken to address recommendations is made publicly available on the DIOS internet page upon issuance of the report on 26 September 2021.