



# ICANN|57 HYDERABAD

Operations Update | November 2016

# Agenda

1

Planning &  
Budgeting

2

Financial Overview

3

Enterprise Risk  
Management

4

Organizational  
Excellence & KPI  
Dashboard

5

Human Resources  
Statistics &  
Development

6

Security Operations



# Introduction

# Organizational Excellence

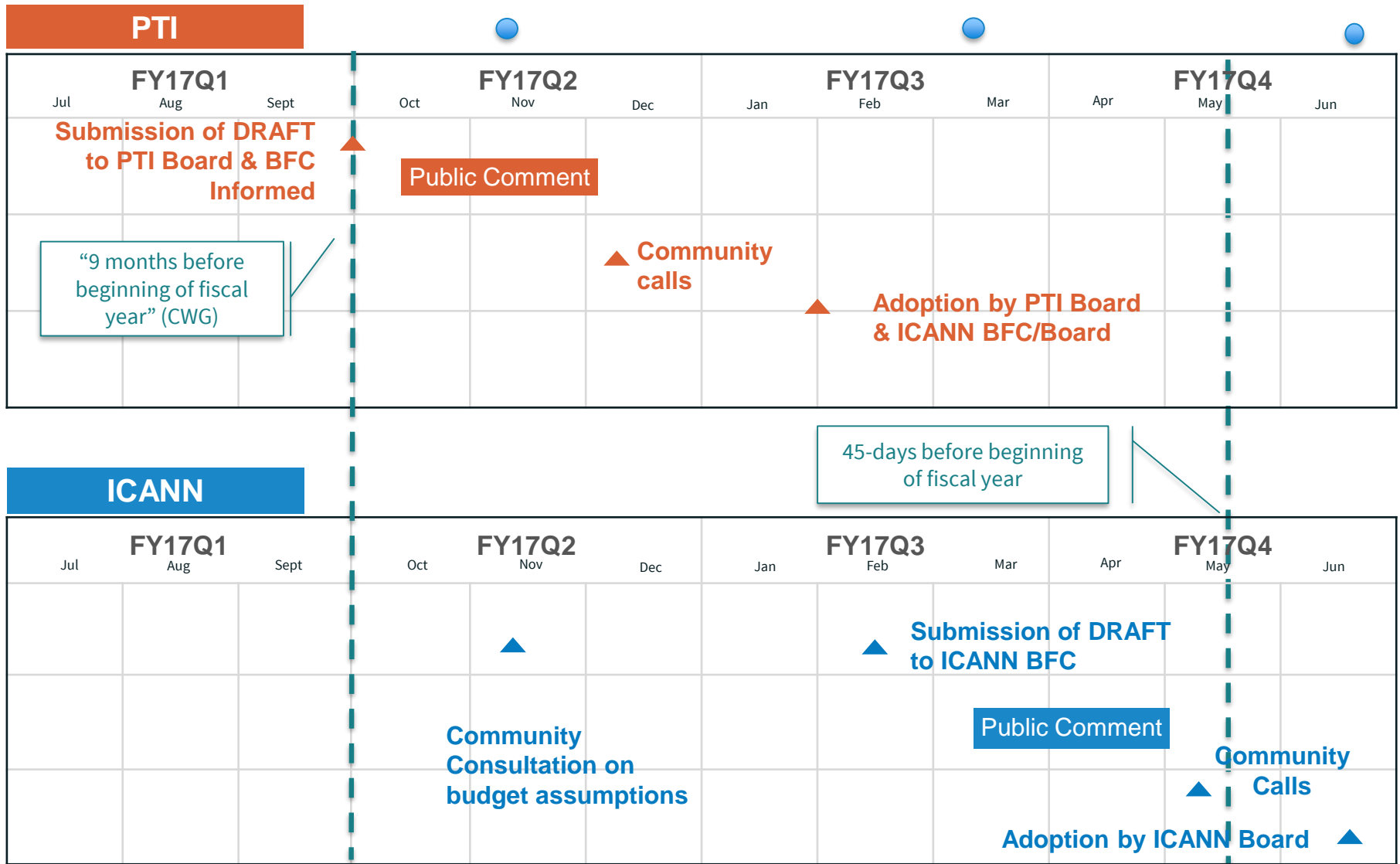
# Planning & Budgeting Agenda Item #1

# Planning Process Overview

- ICANN's objectives are described in its Strategic Plan for July 2015 – June 2020
- Work is identified and described in an accompanying Five-Year Operating Plan, which is reviewed and updated each year
- A fiscal year Operating Plan and Budget is developed each year
- Achievement and progress reporting happens throughout each year: using ICANN meetings, webinars, dashboards, and the portfolio management system



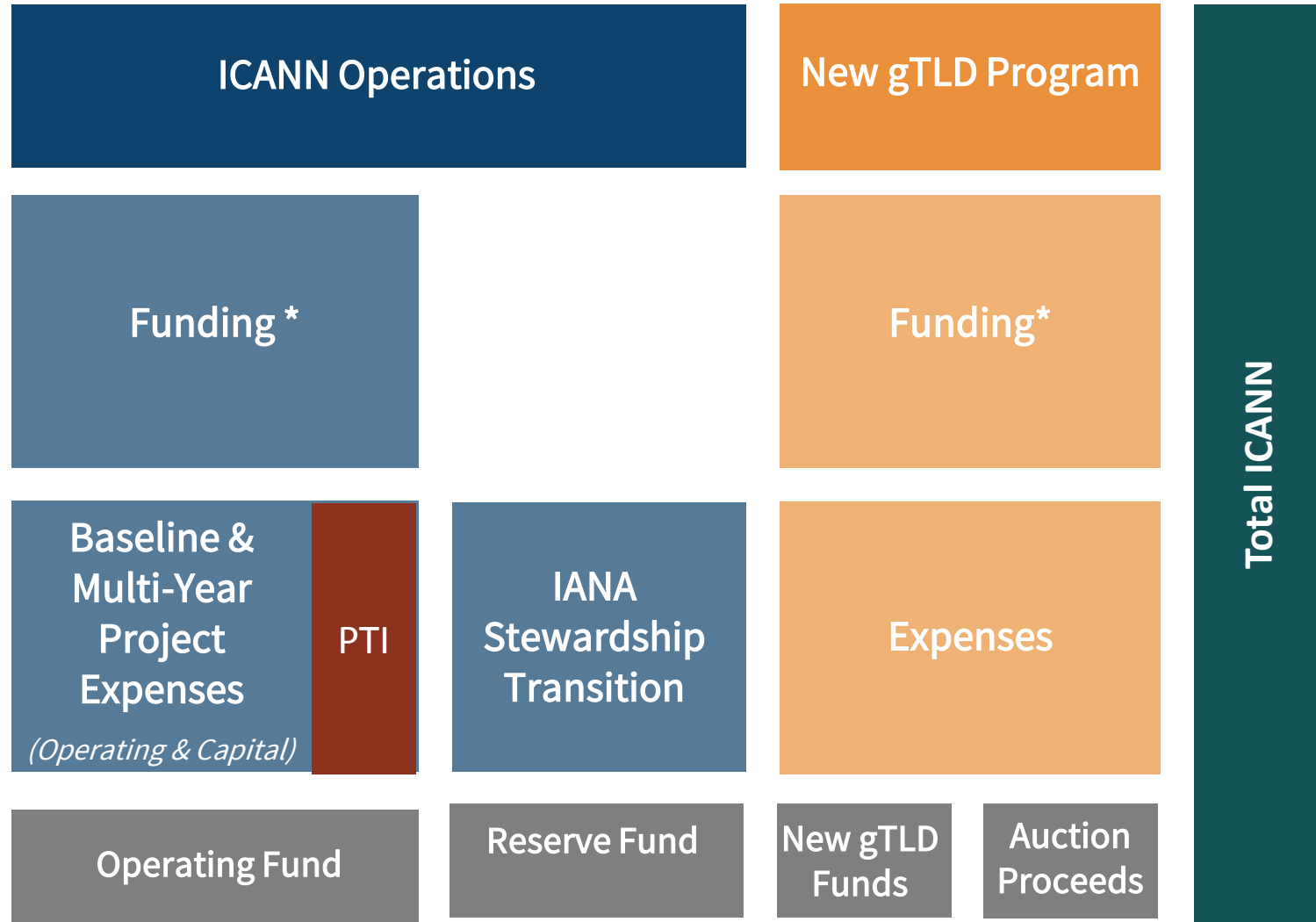
# FY18 Planning Calendar – High Level



# FY18 Documents Content

- ⦿ ICANN Operations Five-Year Operating Plan update (year 3)
  - Updated Portfolio KPIs, Dependencies, Phasing, and Five-Year Financial Model
- ⦿ ICANN Operations and PTI FY18 Operating Plan and Budget
  - Funding (including Registrar Fees)
  - Operating and Capital Expenses
  - Risks and Opportunities
  - Headcount
  - Multiyear view of New gTLD Program
  - Operating Plan and Budget by Objective, Goal, Portfolio and Project
  - SO/AC Additional Budget
  - Caretaker Budget

# FY18 Documents Format



\* Previously labelled as revenue



# FY18 Planning Process Status

## Draft FY18 PTI Operating Plan and Budget:

- ⦿ Published for Public Comment 24 Oct 2016
- ⦿ Six week Public Comment period closes 10 Dec 2016
- ⦿ On schedule for PTI Board adoption at the end of Jan 2017

Participate



## Draft ICANN Operations Five-Year Operating Plan update and FY18 Operating Plan and Budget:

- ⦿ Under development
- ⦿ On schedule to publish for public comment in Mar 2017

## Draft ICANN Operations FY18 SO/AC Additional Budget:

- ⦿ Process on schedule to begin in Dec 2016

Stay  
updated



# Financial Overview

## Agenda Item #2

# FY16 Year End Resource Utilization

ICANN OPERATIONS

Increase to Reserve Fund Year to Date due to Revenue ahead of target and Expenses below target.

Full report



	Actual	Budget	Var	% Var	LY	Var	% Var
Support & Revenue	\$ 126	\$ 113	\$ 12	11%	\$ 102	\$ 24	23%
Baseline Expenses (Operating*/Capital)	-\$ 100	-\$ 114	\$ 14	12%	-\$ 98	-\$ 1	-2%
Multiyear Projects and Initiatives Expenses	-\$ 24	-\$ 13	-\$ 11	-87%	-\$ 9	-\$ 16	-178%
Net	\$ 2	-\$ 13	\$ 15	114%	-\$ 5	\$ 7	138%

\*Excludes bad debt and depreciation

See also: [FY16 Audited Financial Statements](#)

# FY17 Q1 Resource Utilization Estimate

ICANN OPERATIONS

Increase to Reserve Fund due to  
Funding ahead of target and Expenses below target.

Full report



	Estimate	Budget	Var	% Var	LY	Var	% Var
<b>Funding</b>	\$ 32	\$ 32	\$ 0	3%	\$ 29	\$ 3	11%
<b>Baseline Expenses (Operating*/Capital)</b>	-\$ 24	-\$ 29	\$ 5	15%	-\$ 22	-\$ 2	-11%
<b>IANA Stewardship Transition Expenses</b>	-\$ 3	-\$ 2	\$ -1	-44%	-\$ 4	\$ 1	32%
<b>Net</b>	<b>\$ 5</b>	<b>\$ 1</b>	<b>\$ 4</b>	<b>n/a</b>	<b>\$ 3</b>	<b>\$ 2</b>	<b>n/a</b>

\*Excludes bad debt and depreciation

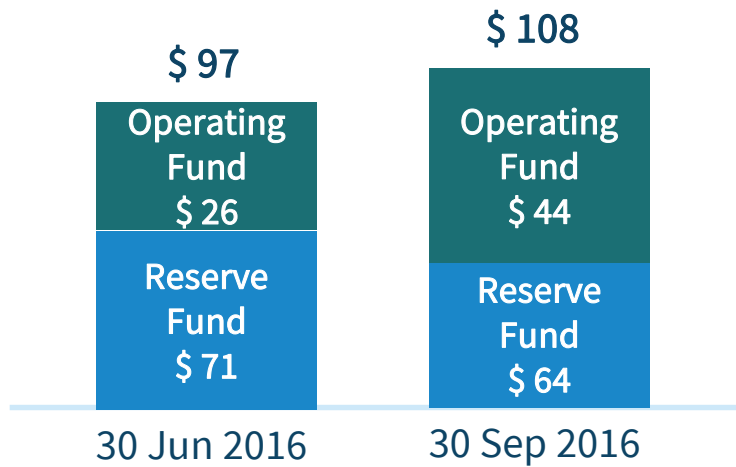
# FY17 Q1 Funds Under Management Estimates

TOTAL ICANN

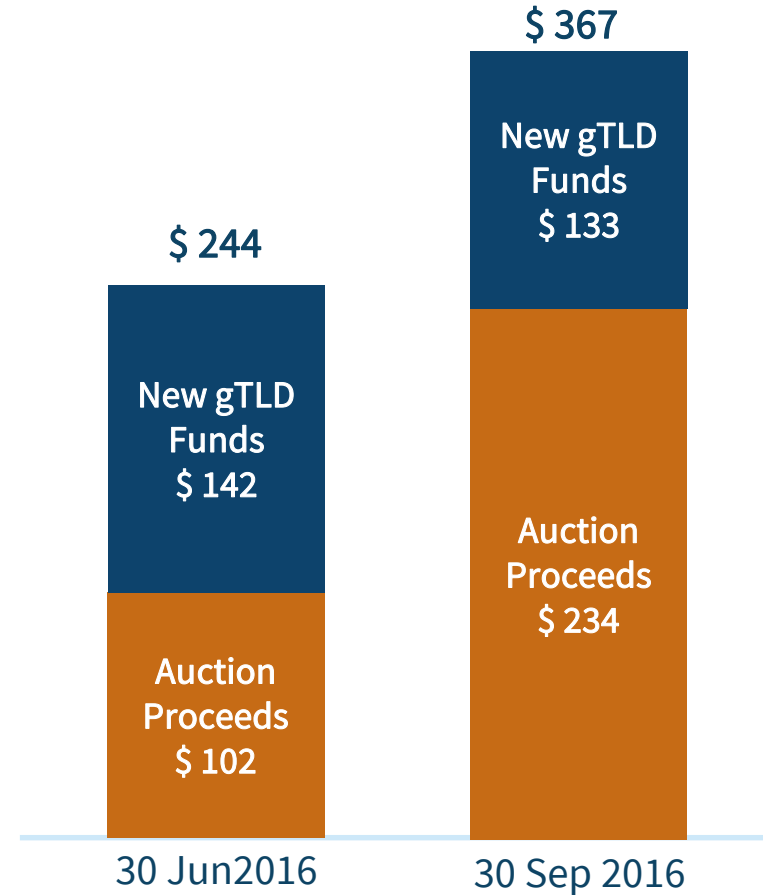
Full report



**Total Funds:** \$ 475  
**ICANN Operations:** \$ 108  
**New gTLD Program-related:** \$ 367



ICANN Operations



New gTLD Program


In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.



# Enterprise Risk Management

## Agenda Item #3

- ⦿ **Risk management** is part of the **fiduciary duty** of Directors and Officers (“Duty of care”)
- ⦿ Board completed an **update** of ICANN’s risk management strategy on:
  - policy
  - governance
  - culture
  - assessment
  - monitoring
  - reporting
- ⦿ **Community engagement** on risk management.



# Organizational Excellence & KPI Dashboard Agenda Item #4



# Organizational Excellence

- ⦿ Conducted 2<sup>nd</sup> annual ICANN-wide EFQM Internal Assessment in FY16
- ⦿ Departmental assessments added depth to the ICANN-wide assessment
- ⦿ Expanding the assessor team in FY17 to add more depth
- ⦿ Working towards an external assessment during FY18 or FY19

**EFQM**  **Member**  
Shares what works.



[efqm.org](https://www.efqm.org)

# KPI Dashboard Development

- ⦿ v2 launched
  - ⦿ Steady improvement in KPI quality and clarity of charts communicating performance
- ⦿ Started development of v3
  - ⦿ More trend performance data
  - ⦿ Explicit performance targets
  - ⦿ Drill down & filter functionality
- ⦿ Also deploying better internal management data systems using a “Data Warehouse” to automate reporting and support management decision-making

## Objectives & Overall Status

▸ 1 Evolve and further globalize ICANN	91
▸ 2 Support a healthy, stable and resilient unique identifier ecosystem	84
▸ 3 Advance organizational, technological and operational excellence	91
▸ 4 Promote ICANN’s role and multistakeholder approach	87
▸ 5 Develop and implement a global public interest framework bounded by ICANN’s mission	76



[icann.org/progress](https://icann.org/progress)

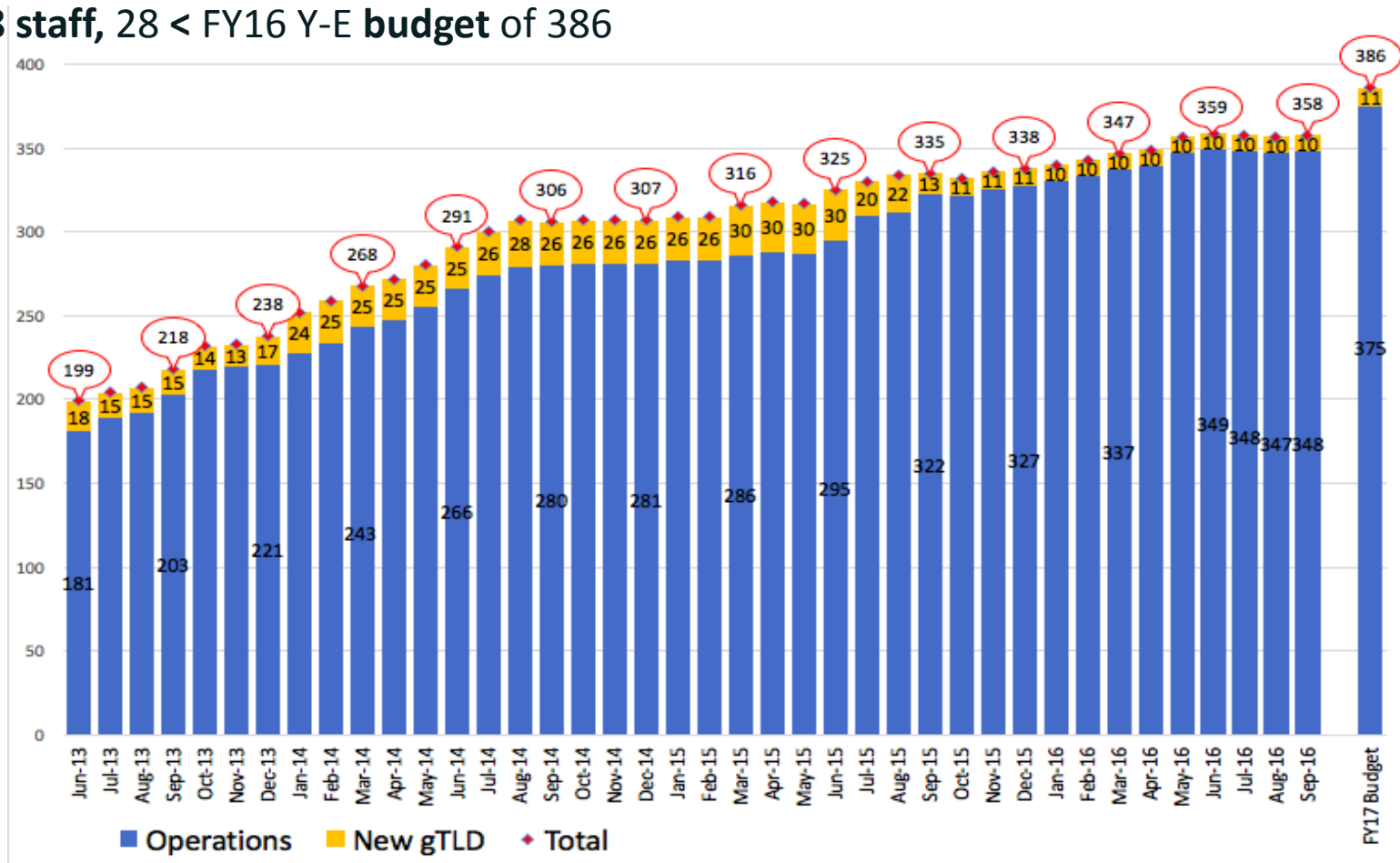


# Human Resources Statistics & Development Agenda Item #5

# Organization People – Trend

As of the **end of September 2016:**

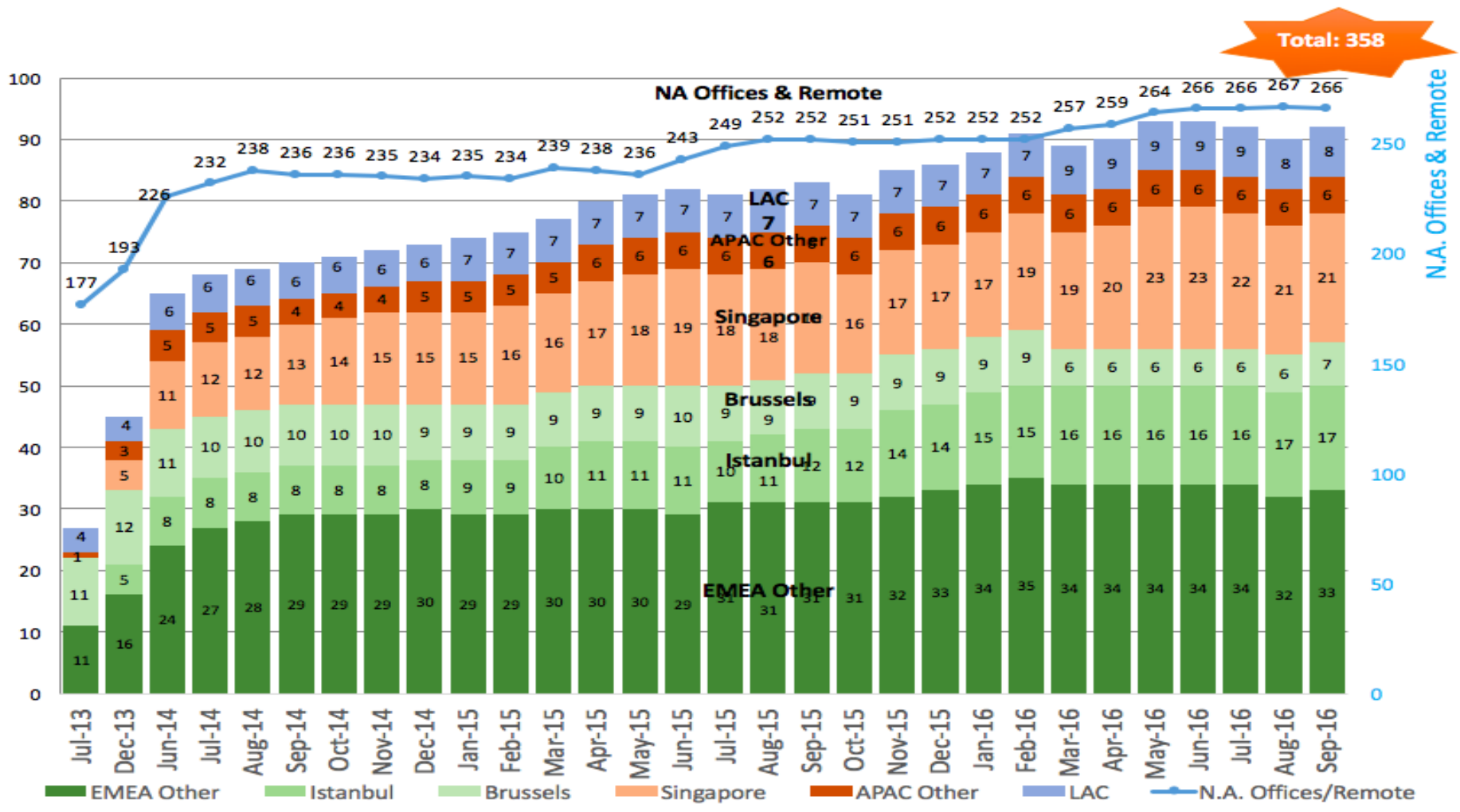
- **358 staff**, 28 < FY16 Y-E **budget** of 386



**Annual growth rates (from June to June):**

2013 to 2014 = 46%; 2014 to 2015 = 12%; 2015 to 2016 to-date = 10%

# Organization People – Global Reach

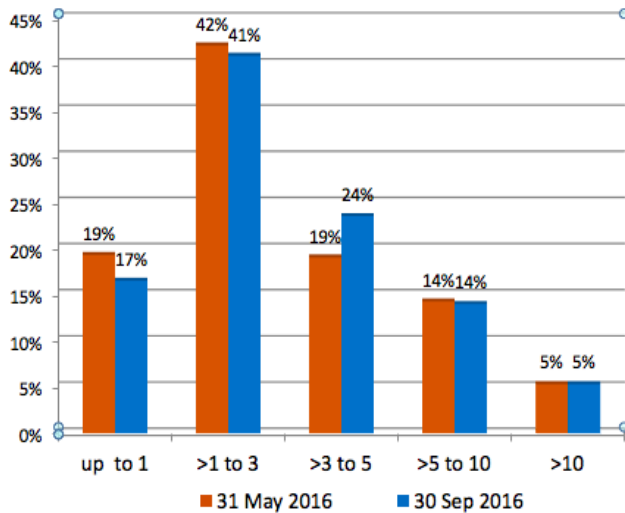


As of September 30 2016, **North America Offices & Remote** consists of 208 (78%) in Los Angeles office, 28 in Washington DC office, 29 work remotely in US, 1 work remotely in Canada, totaling 266 (74% of the total organization).

# Organization People – Diversity

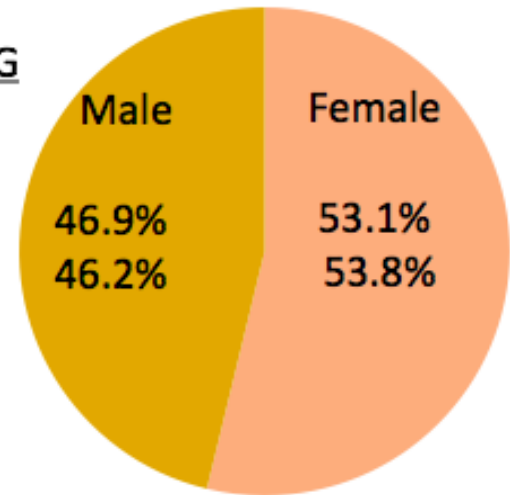
## Years of Service

Average: 31 May 2016 = 3.4 years, 30 Sep 2016 = 3.6 years



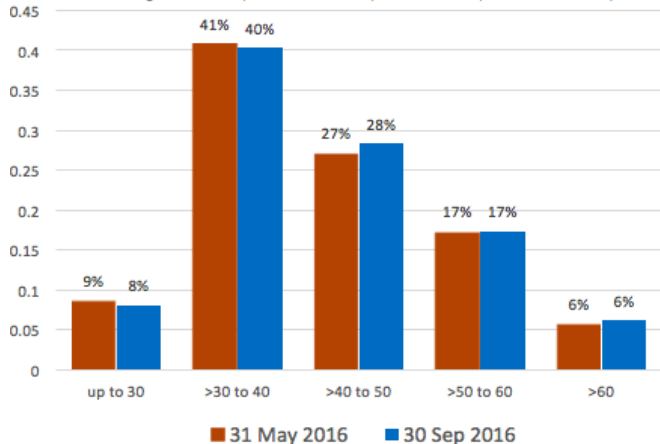
## ICANN ORG

Sep-16:  
May-16:



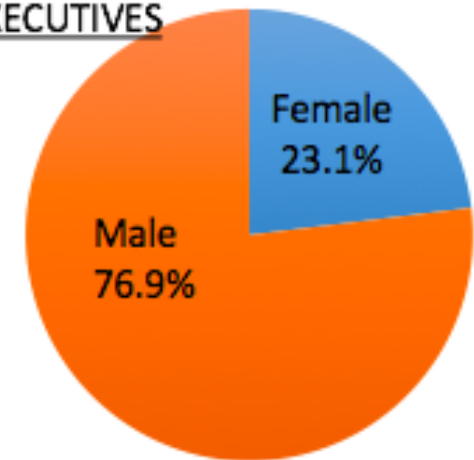
## Age

Average: 31 May 2016 = 41.3 years, 30 Sep 2016 = 41.5 years



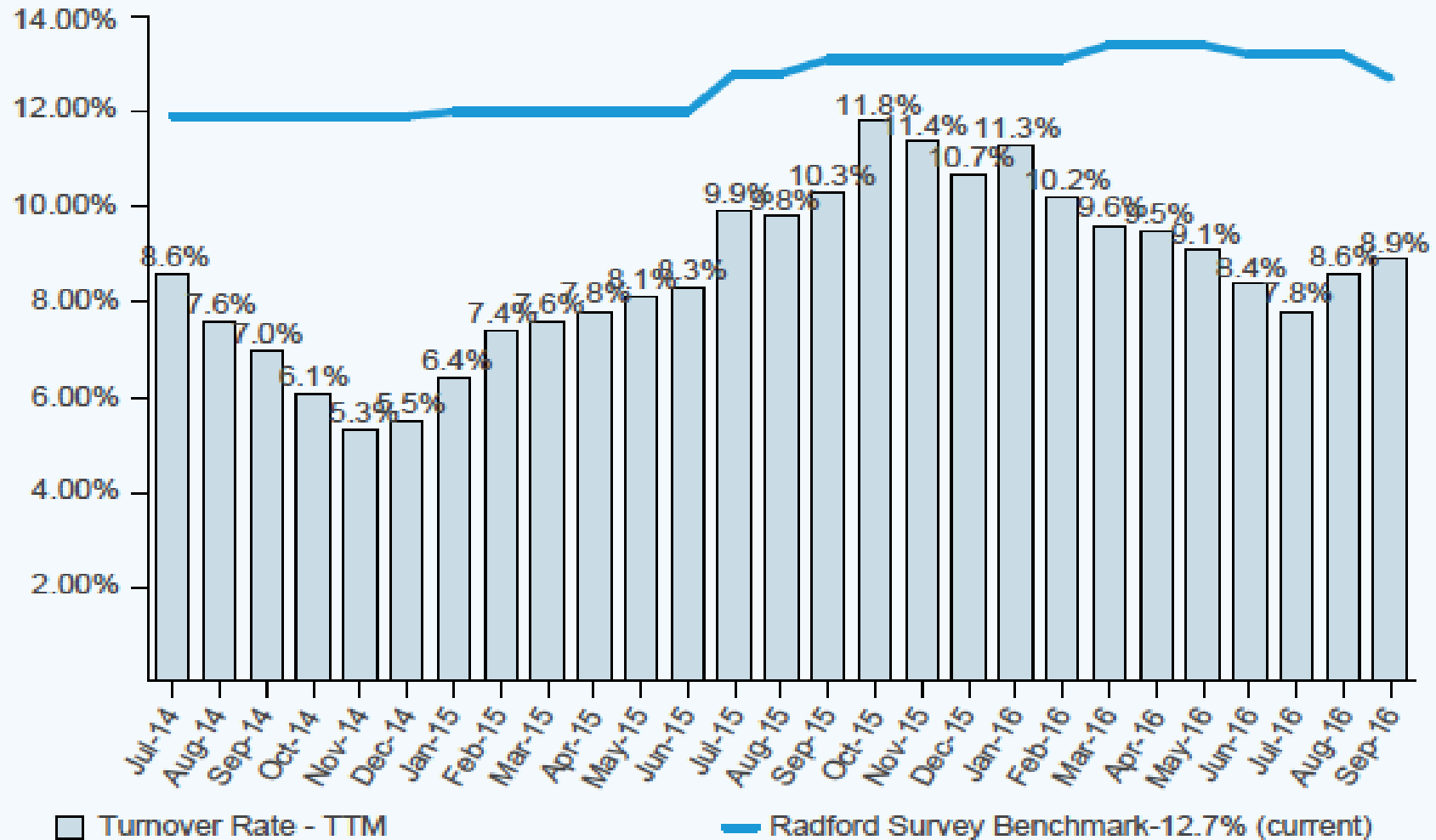
## ICANN EXECUTIVES

Sep-16 &  
May-16



# Organization People – Turnover

% of staff voluntary turnover trailing-twelve-month trend (TTM) - September 2016



# Global HR Functions

## Employment

Talent Acquisition  
Onboarding  
Policies & Guidelines  
Employee Relations  
Org. Compliance  
Immigration  
Status change  
Exit interviews

## Total Rewards

Compensation  
Benefits  
At-Risk Rewards  
Health/Financial  
Wellness  
Mobility

## Organizational Development

Performance  
Management  
Staff/Leadership  
Development  
Change Management  
Succession Planning  
&  
Talent Management  
Org Strategy

## Operations/ HRIS

Payroll (in partnership  
with Finance)  
Compliance Reporting  
HR Systems  
Management  
Reporting  
HR Process re-  
engineering

HR Business Partner Function





# Security Operations Agenda Item #6

# Security Operations - 1

1

## Current Status

Global health and safety risks have been escalating and are fast-changing.

2

## Priority

Properly protecting the health and safety of ICANN Community while they are conducting ICANN work is a top priority of ICANN.

3

## Main Aspects

The three main aspects of the health and safety of ICANN Community conducting ICANN work include:

3(a)

## Meetings

Three ICANN meetings per year (ICANN Public Meetings), Board meetings, and other meetings member(s) of the ICANN Community attend for ICANN work

3(b)

## Travel

During travel for ICANN work – on any means of transportation, during transit, and staying in hotels

3(c)

## Facilities

Working in ICANN Facilities

# Security Operations - 2

Health, Safety & Security at ICANN meetings has had major enhancement since ICANN55 in Marrakech and continues to improve:



# Welcome Your Input & Questions



**Thank You!**