

A night-time photograph of the Charminar in Hyderabad, India. The monument is illuminated with warm yellow lights, highlighting its intricate architectural details, including the two prominent minarets and the central archway. The sky is a deep blue, and the foreground shows blurred lights from a busy street, suggesting a long-exposure shot. The overall mood is serene yet vibrant.

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

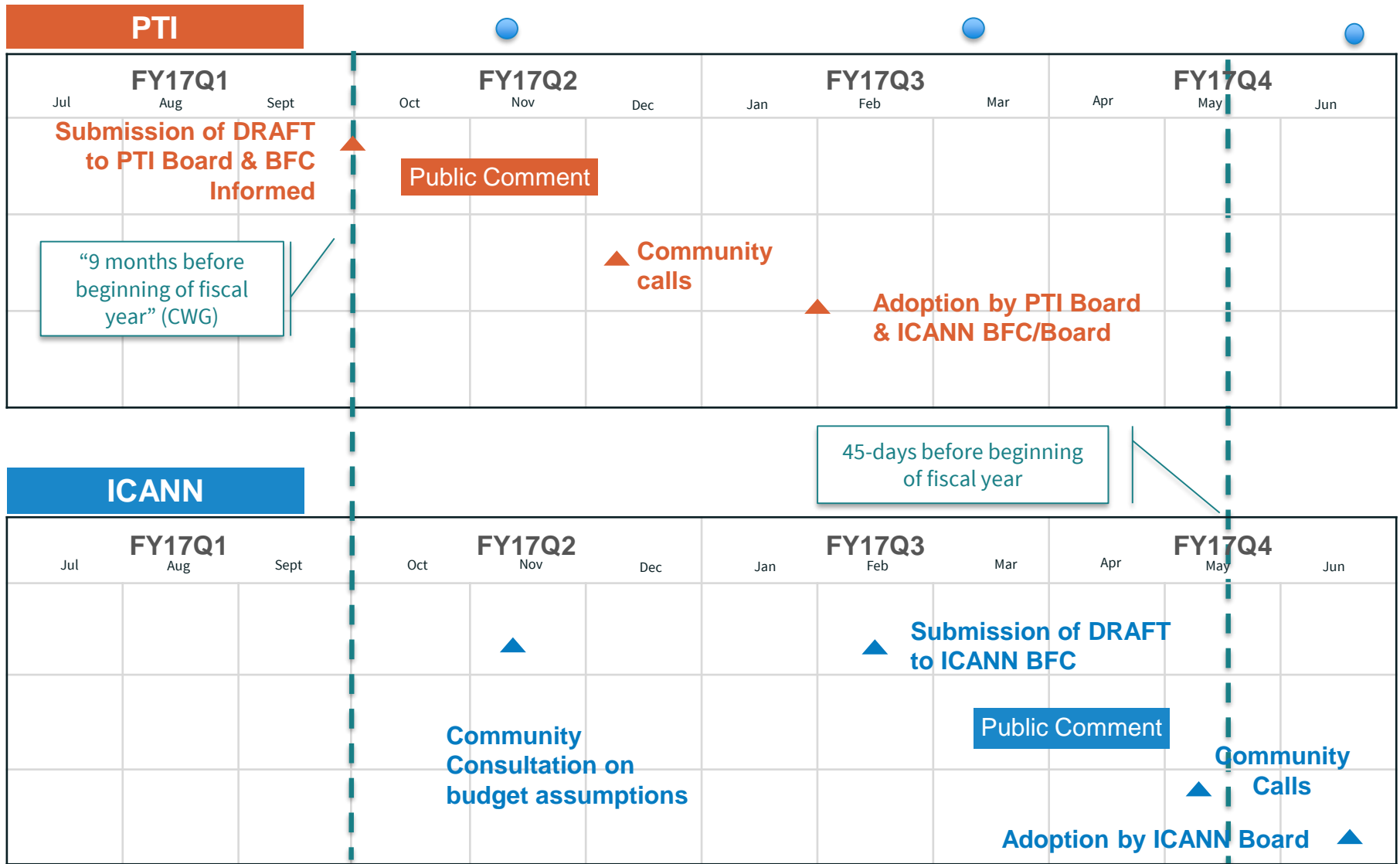
Planning & Budgeting Agenda Item #1

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



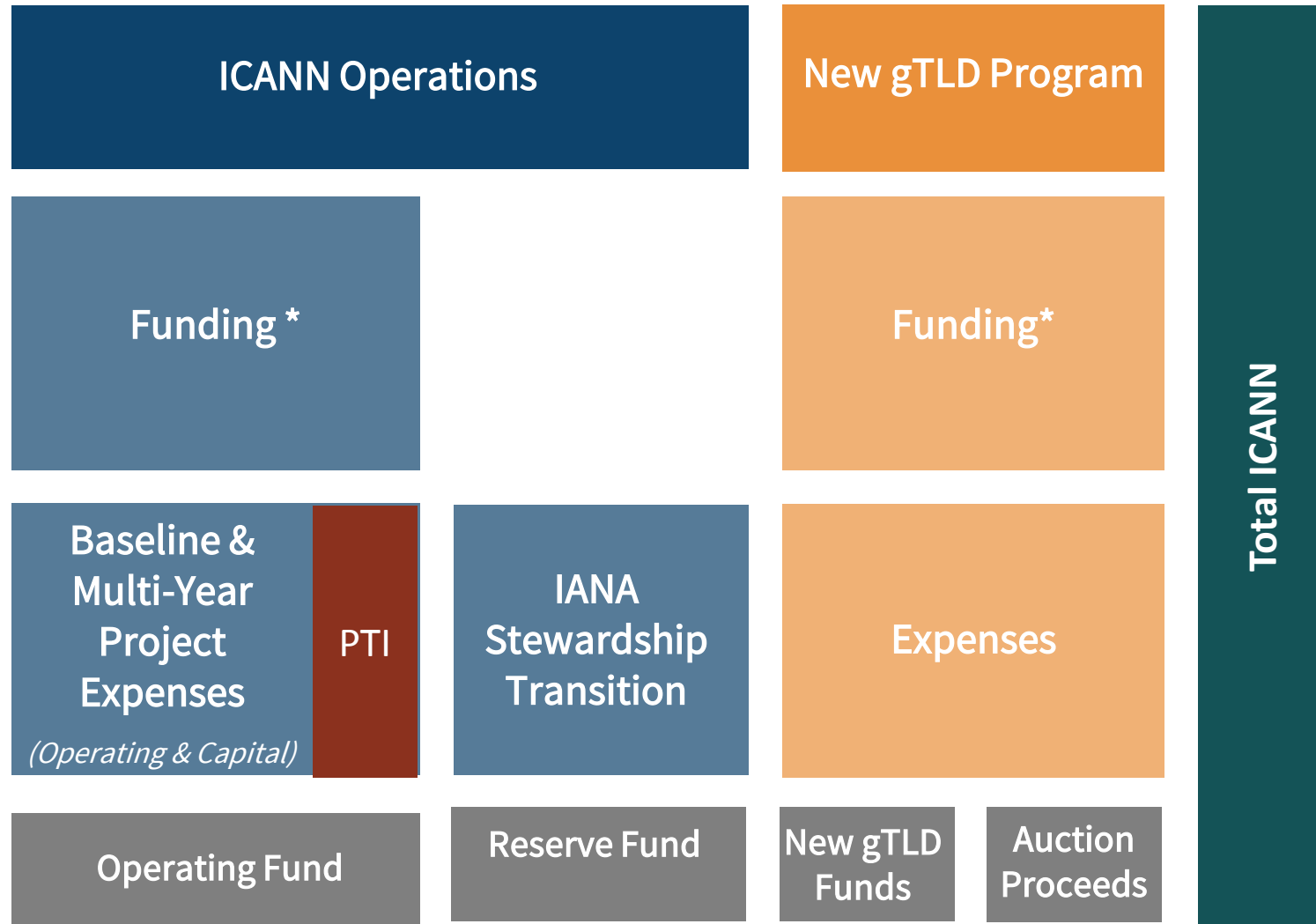
FY18 Planning Calendar – High Level



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

*Excludes bad debt and depreciation

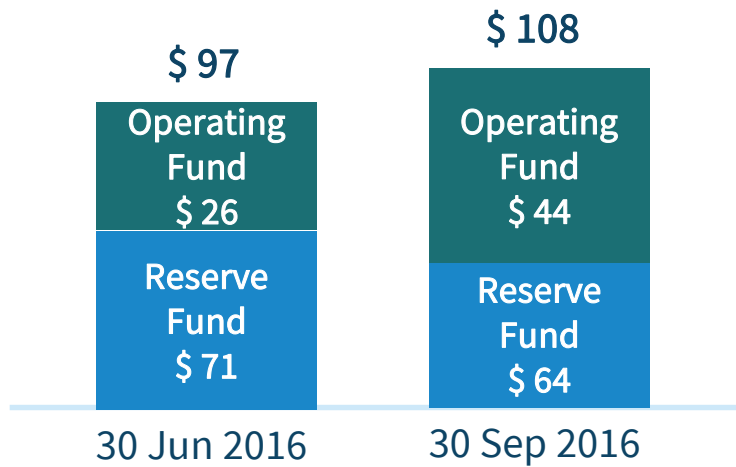
FY17 Q1 Funds Under Management Estimates

TOTAL ICANN

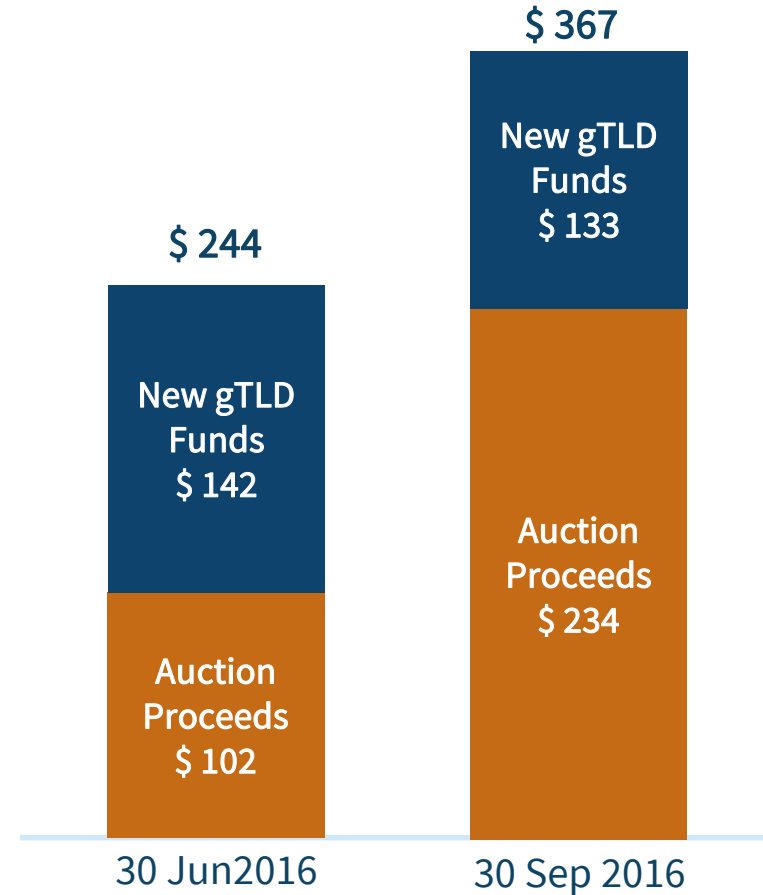
Full report



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



ICANN Operations




New gTLD Program



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 2nd 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

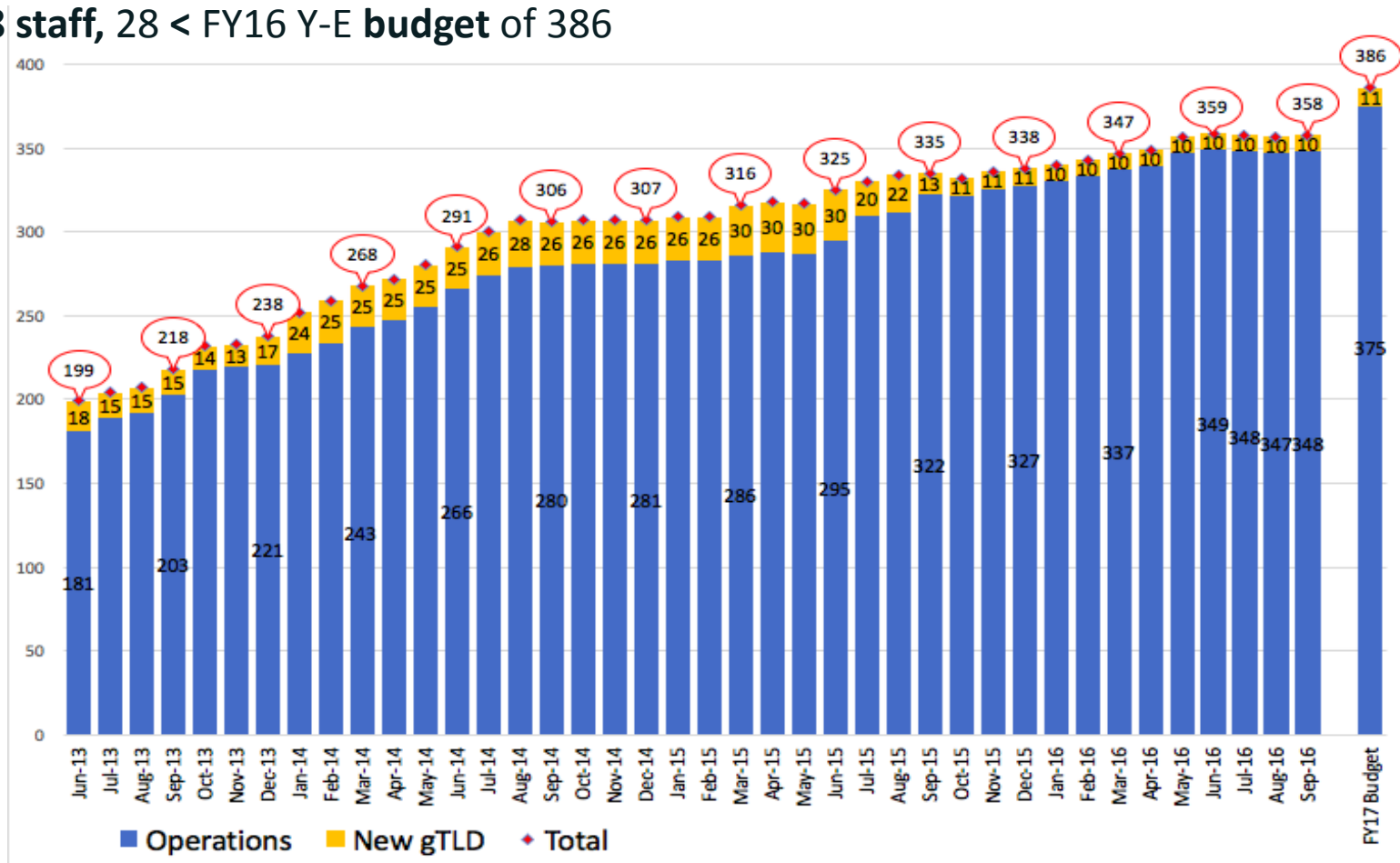


Human Resources Statistics & Development Agenda Item #5

Organization People – Trend

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

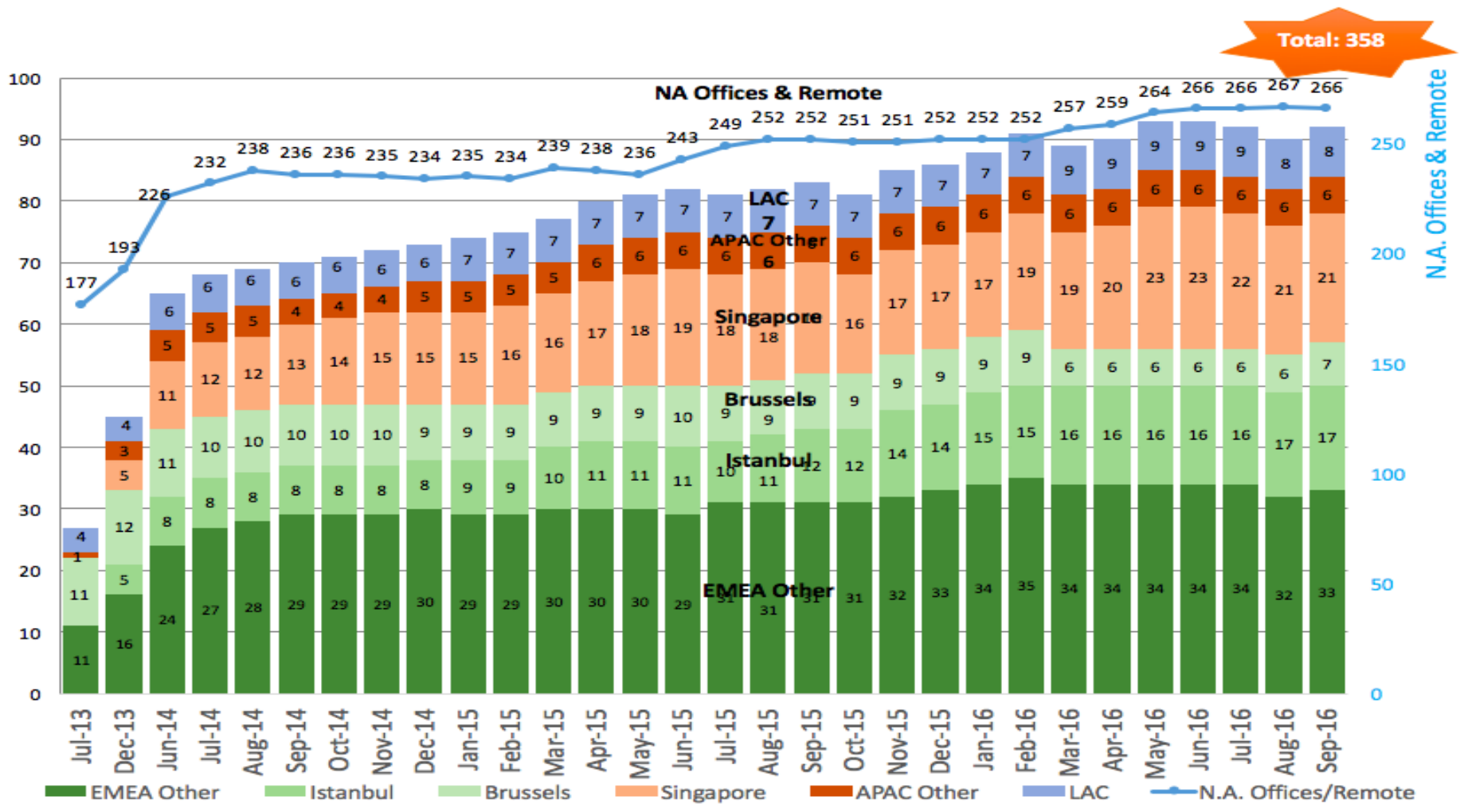
- **358 staff**, 28 < FY16 Y-E **budget** of 386



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

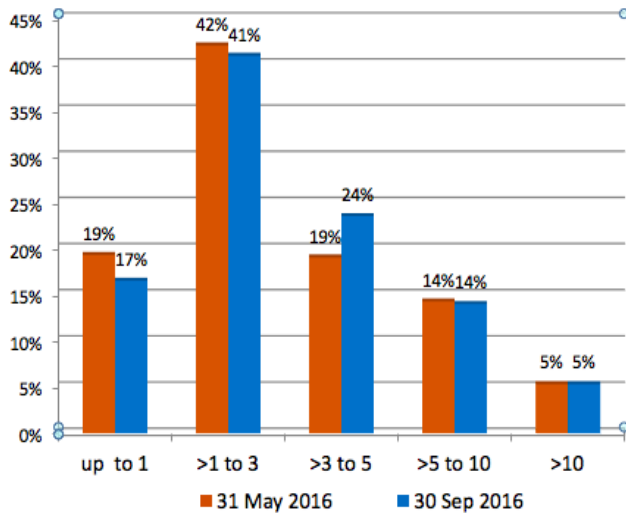


As of September 30 2016, **North America Offices & Remote** consists of 208 (78%) in Los Angeles office, 28 in Washington DC office, 29 work remotely in US, 1 work remotely in Canada, totaling 266 (74% of the total organization).

Organization People – Diversity

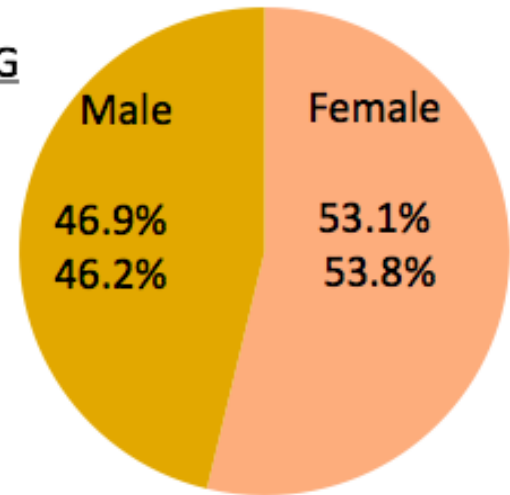
Years of Service

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



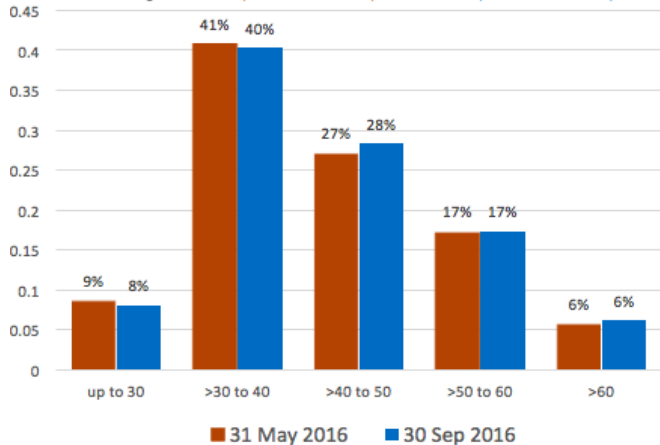
ICANN ORG

Sep-16:
May-16:



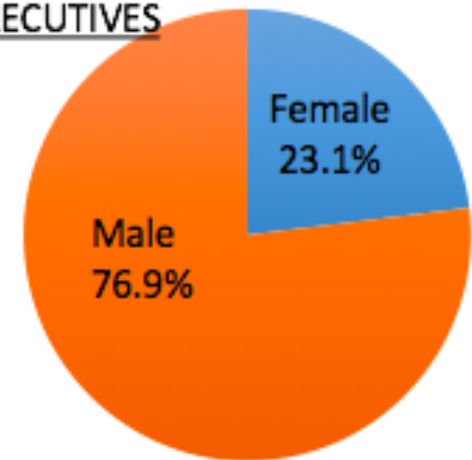
Age

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



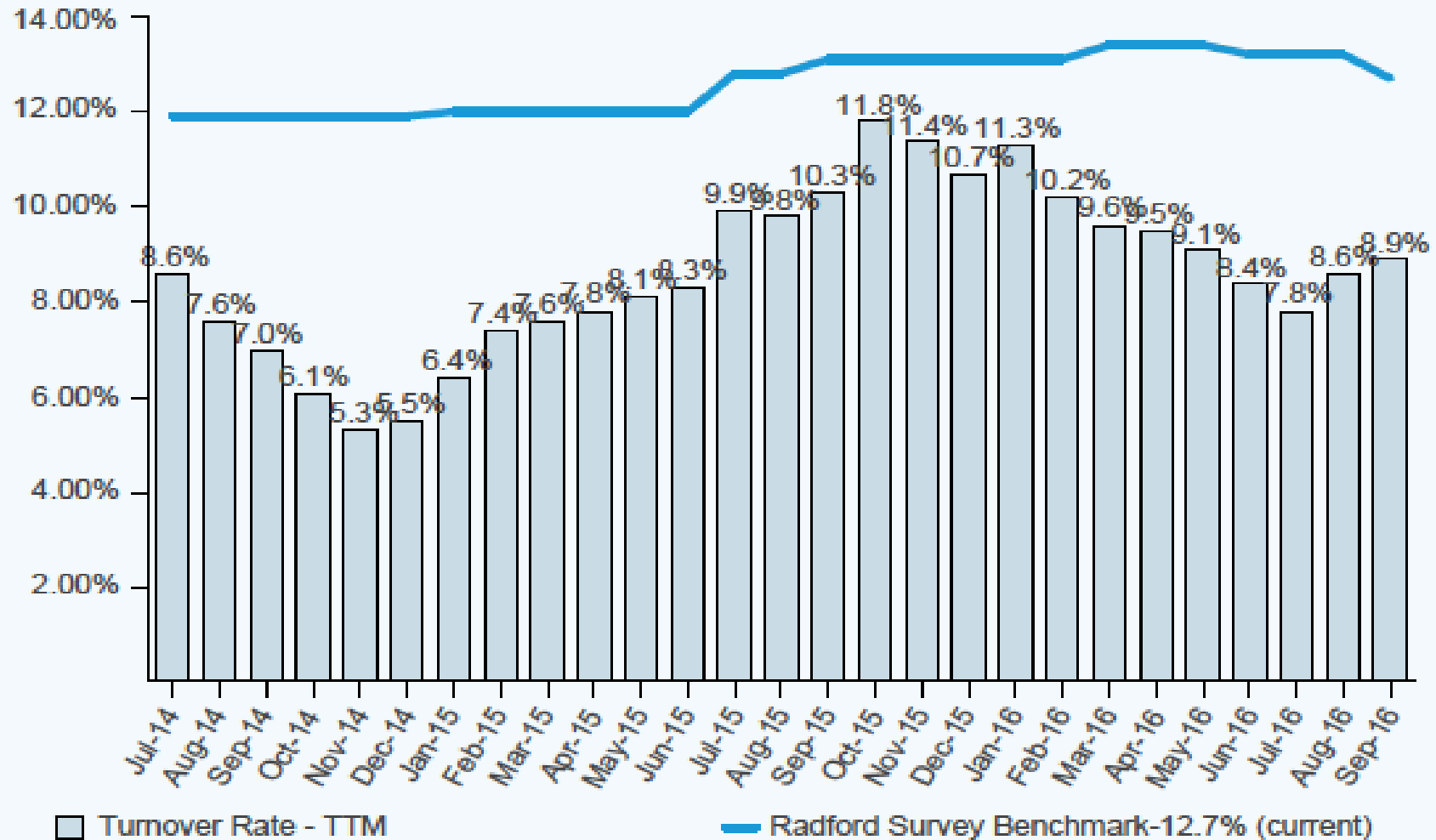
ICANN EXECUTIVES

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

Welcome Your Input & Questions



Thank You!