Summary of HU v. IBRD, Decision No. 713 [2025]

The Applicant joined the Bank in 2013 and served as a Grade Level GG Senior Investment Officer in Treasury on an open-ended contract. The Applicant's department was dissolved during a reorganization, and he was reassigned to Treasury Operations: Financial Technology. On 21 June 2023, the Director informed the Applicant verbally that he would "likely" receive a performance rating of 2 for FY23 and confirmed this via a 5 July 2023 email to the Applicant. On 6 September 2023, the Applicant had his performance discussion with the Manager and, on 18 September 2023, the Manager confirmed via email that the Applicant's FY23 performance was unsatisfactory and that he would be placed on an Opportunity to Improve Performance (OTI) plan. The Applicant received a performance rating of 2 for FY23 and was formally placed on an OTI in November 2023. Also in November 2023, the Applicant challenged his FY23 performance evaluation, rating, and the OTI through Administrative Review (AR). The AR found that due process was not afforded to the Applicant and that there was insufficient justification for the rating of 2. The Applicant also requested Performance Management Review (PMR) of his FY23 performance rating and the OTI. On 25 March 2024, the Applicant was informed that his employment would be terminated. On 26 March 2024, the PMR report was issued and recommended changing the performance rating to a 3 and modifying the performance evaluation text. The VP rejected the PMR recommendations. The Applicant challenged the termination decision, the VP's refusal to implement the PMR recommendations, and the OTI before the Tribunal. The Bank contended that the performance rating had a reasonable and observable basis, and that the termination decision was reasonable.

The Tribunal assessed whether the termination decision was an abuse of discretion. The Tribunal noted that the termination decision stemmed from the FY23 performance evaluation and rating and placement on an OTI, and reviewed these. The Tribunal found that the Applicant's performance evaluation was "almost entirely negative" and did not include positive feedback the Applicant received from feedback providers on his performance. The Tribunal found that, "given the complete absence of any reference to the documented positive feedback regarding the Applicant's FY23 Annual Review, the Tribunal is unable to determine the degree to which the Manager fulfilled his obligation to balance the positive and negative aspects of the Applicant's performance in a manner fair to the Applicant, or to deduce that he did so at all." The Tribunal concluded that the performance evaluation lacked a reasonable and observable basis and that the performance rating of 2 could not be sustained. The Tribunal found that the Bank failed in its due process obligations to the Applicant. Finally, the Tribunal found that the OTI could not stand because the performance evaluation and rating which triggered it were abuses of discretion, and further that the termination decision pursuant to this performance management course must be rescinded.

Decision: The Tribunal ordered that (1) the termination decision be rescinded; (2) the Bank shall reinstate the Applicant to his prior position or to a similar position, or, in the alternative, the Bank shall pay the Applicant three years' salary for the improper termination decision; (3) the Bank shall rescind the Applicant's FY23 performance rating and remove any references to it from his personnel file, and, if the Bank reinstates the Applicant, the Bank shall assign the Applicant a new performance rating for FY23 which cannot be 2 or below; (4) the Bank shall rescind and remove all records of the OTI from the Applicant's personnel file; (5) the Bank shall remove from the Applicant's personnel file all records relating to the termination decision and shall substitute them with a copy of this judgment; (6) the Bank shall pay the Applicant one year's salary for violations of due process; and (6) the Bank shall pay the Applicant's full legal fees and costs.