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USAID/GEORGIA HUMAN AND INSTITUTIONAL CAPACITY DEVELOPMENT (HICD) PLUS PROJECT

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ACRONYMS

CPT	Certified Performance Technologist
CSO	Civil Society Organization
GEA	Georgian Evaluation Association
GISS	Georgian Institute for Strategic Studies
GOG	Government of Georgia
GOGC	Georgian Oil and Gas Corporation
GRASS	Georgia's Reform Associates
GSE	Georgia State Electrosystem
HICD	Human and Institutional Capacity Development
HICD PLUS	USAID/Georgia Human and Institutional Capacity Development (PLUS) Project
IDP	Internally Displaced Person
ISET	International School of Economics (ISET) of Tbilisi State University (TSU)
IQS	Indefinite Quantity Subcontract
KPI	Key Performance Indicator
M&E	Monitoring and Evaluation
MISO	Association of Development and Support of Microfinance Organizations of Georgia
MOE	Ministry of Energy of Georgia
MOEP	Ministry of Environment Protection of Georgia
MOLHSA	Ministry of Labor, Health, and Social Affairs of Georgia
MRA	Ministry of Internally Displaced Persons from Occupied Territories, Accommodation and Refugees of Georgia
NCEQE	National Center for Educational Quality Enhancement
PMES	Performance Monitoring and Evaluation System
PMP	Performance Monitoring Plan
PPS	Participant Processing Services
PSP	Performance Solutions Package
SMR	Office of the State Minister for Reintegration of Georgia
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

This report describes the second year of implementation of the USAID/Georgia Human and Institutional Capacity Development (HICD) PLUS project, implemented by Chemonics International. The purpose of the HICD PLUS project is to improve the performance of Georgian institutions that are important to both USAID and Georgia. The four-year project began on September 19, 2011.

The project had a busy and productive second year, helping 13 Georgian partner organizations increase their performance or reach an organizational development goal. These partners included eight public sector institutions, two associations, two think tanks, and a university.

The project's flagship activity continues to be the HICD program with Georgian State Electrosystem (GSE), the national electricity transmission and dispatch operator. GSE is a key piece of the Government of Georgia's economic development plans for the country, which emphasize the production and export of electricity generated by hydropower stations. The HICD program for GSE includes four components that will strengthen GSE's capacity to deliver on those expectations. Work during this year focused on the first – and overarching – component: improving GSE's performance planning and management approach. HICD PLUS worked closely with GSE and its stakeholders to draft a new strategic plan for the company to ensure it is properly oriented on its new role and is compliant with European Union integration requirements. GSE approved the new strategy in July 2013. HICD PLUS is currently working with GSE to develop key performance indicators and an operational plan to translate the strategy into specific tasks.

HICD PLUS also completed the HICD program for the Association of Development and Support of Microfinance Organizations of Georgia (MISO). USAID selected MISO as an HICD partner in 2011 because of the importance microfinance plays in Georgia's economy and MISO's potential to support and grow the entire sector. The HICD program resulted in the Association turning the corner in many respects

The Association has doubled its membership and is now seen as the representative of the microfinance

Main Accomplishments from Year 2

- Georgian State Electrosystem (GSE) adopted its new strategic plan
- Workforce development training was provided to 263 Georgian partners
- Participants in the project management training for GSE showed a 36% and 28% increase in knowledge amongst the two groups
- The Association of Development and Support of Microfinance Organizations of Georgia (MISO) doubled its membership, adopted a code of ethics, and institutionalized the Performance Monitoring and Evaluation System.
- Constitutional amendments passed by Parliament with unanimous votes
- 51 Exchange Visitors were processed this year; 100% satisfaction rate with project's services
- Developed a "Decision Framework" to guide HICD project implementation;
- The call center of the Ministry of Labor, Health, and Social Affairs cuts the rate of unanswered calls in half and the average call waiting time decreased from 44 to 28.6 seconds, below the international standard of 30 seconds.
- USAID and Chemonics jointly hosted the 11th Annual Conference of the International Society for Performance Improvement's Europe, Middle East, and Africa (ISPI EMEA) chapter.

sector in Georgia. Its members now have 250,000 borrowers (up from 143,000 at the start of the program), representing 75% of the total microfinance sector.

The project also responded quickly in the wake of the profound political changes that took place in Georgia after the October 1, 2012 Parliamentary elections. The new Government that was seated later in the month led to leadership and concomitant staffing changes across the Georgian government, including in several of HICD PLUS's partner institutions. HICD PLUS quickly met with new staff, explained the activities that were underway, and secured support. Project activities continued unaffected in nearly every situation and the new leadership expressed full support for project work.

The election also led to new programs and HICD PLUS quickly mobilized to meet urgent requests. One of the first came from the Parliament of Georgia in December 2012, which requested USAID support to help resolve what were widely viewed as troubling elements of the 2004 Constitutional reforms. The most pressing was that – at the time of the election - the Constitution still gave the President the power to dissolve the government and appoint his own if Parliament didn't approve a government after three votes. However likely or unlikely this move was, the mere fact that it could occur was of potential concern. In response, HICD PLUS deployed two American legal experts who helped the Parliament of Georgia draft and pass two Constitutional amendments with unanimous support in March 2013.

HICD PLUS also responded to a number of other urgent technical assistance requests from strategic Government of Georgia partners this year. For instance, the project helped the Ministry of Labor, Health, and Social Affairs improve its public outreach and the Ministry's call center is now beating international standards on some indicators. The project also provided much-needed human resource support to the Ministry of Environment Protection to enable it to conduct a rapid large-scale recruiting effort.

HICD PLUS also innovated by developing a “Decision Framework” to use as a basis for deciding which of several actions to take at critical stages in the HICD process. This effort came out of an initiative to determine when HICD support for partner institutions might be completed – often called “graduation” in other USAID programs. The new Decision Framework will help ensure that USAID, the HICD PLUS project, and the leadership of the partner institution may be confident that capacity development support is not withdrawn prematurely or extended beyond the required need. The Decision Framework fills a significant void, as no standardized, rigorous system has been developed to-date to make decisions such as these on USAID HICD projects.

Finally, Chemonics (with HICD PLUS) and USAID hosted the 11th Annual Conference of the International Society for Performance Improvement's Europe, Middle East, and Africa (ISPI EMEA) chapter. The conference, held in Tbilisi in September 2013, brought together more than 100 participants from 13 countries to share and learn around the theme of “Improving performance in emerging markets.” This was the first time the conference was held in the Caucasus.

The report below describes the primary activities from this second year and discusses lessons learned and recommendations. A Results Reporting Table and Financial Report are located in Annexes A and E, respectively.

SECTION I: PROJECT BACKGROUND

The USAID/Georgia Human and Institutional Capacity Development (HICD) PLUS project complements USAID/Georgia's assistance efforts in the democracy and governance, economic growth, energy and environment, and health and education sectors by developing the individual skills and institutional capacity of public and private organizations that play a strategic role in the Government of Georgia's (GOG) reform program and the Mission's development objectives. HICD PLUS also provides participant processing services to all of USAID's programs in Georgia.

HICD PLUS does not replace the Mission's existing technical assistance activities. On the contrary, it complements existing technical knowledge with organizational development expertise and provides advisory services in the areas of skills enhancement and systemic improvements to select organizations while developing the capacity of indigenous CSOs and private sector institutions to provide training and organization and management services.

The intended result of the project is a demonstrable, evidence-based improvement of the institutional capacity of the select partner institutions leading to an increased level of their efficient, effective, and sustainable performance.

HICD PLUS draws on both international and local service providers to achieve these results. Primarily, the project partners with local service providers to deliver HICD and other services, thereby continuing to build and improve local expertise in the field of organizational development. The project uses a pool of 28 Georgian organizations that were competitively selected in 2011. These organizations include consulting companies, research centers, think tanks, NGOs, associations, two software firms, and a university.

The project has four components:

- **HICD Interventions:** HICD is a USAID model of structured and integrated processes designed to identify fundamental causes of performance gaps in host country partner institutions, address those gaps through a wide array of performance solutions in the context of all human performance factors, and enable cyclical processes of continuous performance improvement through the establishment of performance monitoring systems. These are large, holistic activities that seek to improve the overall performance of the institution.
- **Technical Assistance and Sector Assessments:** Technical assistance and sector assessments are limited in scope and look at a specific section/role of the partner institution rather than the institution in its entirety, which is what the HICD interventions would do. Sector assessments and technical assistance may or may not be followed by further interventions, subject to Mission review and approval. Technical assistance activities are often used when a partner institution is not yet ready to absorb an HICD intervention or when such an intervention is not

necessary. Sector assessments may be an assessment or research of a specific technical sector, such as the banking sector or health care sector.

- **Participant Processing Services:** The participant processing services which the project provides to USAID programs in Georgia include services related to language testing, medical certification, health insurance enrollment, security risk inquiry, and visa processing as per ADS 252 and 253. This is a demand-driven service and is performed in response to requests from other implementing partners. Participants traveling to the US are termed “Exchange Visitors.”
- **Monitoring, Evaluation, and Graduation:** HICD PLUS has developed a web-based Performance Monitoring and Evaluation System (PMES) for use by each partner institution that receives an HICD intervention. The PMES will help the partner institution measure the impact of the HICD interventions and promote continuous change management. In addition, HICD PLUS also uses a project performance monitoring plan (PMP) to enable the project to measure the efficiency and effectiveness of each investment.

SECTION II: HICD INTERVENTIONS

Georgian State Electrosystem

HICD PLUS is implementing an HICD program for Georgian State Electrosystem (GSE). GSE is a profit-making institution wholly-owned by the Government of Georgia whose main functions include ensuring electric power transmission over the entire territory of Georgia and electric power dispatching. GSE has a critical role in the energy sector of Georgia – it is responsible for delivering safe, affordable, reliable, and environmentally-balanced electricity over the whole country. It is also linked to the GOG’s social and economic development goals to establish Georgia as a regional hub for electricity transmission and sales and to improve the international trade balance by exporting excess hydro energy.

Year 2 HICD Partner Organizations

- Georgian State Electrosystem
- The Association of Development and Support of Microfinance Organizations of Georgia
- Georgian Oil and Gas Corporation

HICD PLUS began the program in June 2012 with an institutional performance assessment that produced 14 performance improvement recommendations in four main areas: (i) performance planning and management approach; (ii) maintenance of stock with the focus on efficiency; (iii) reconfigured processes; and (iv) workforce readiness. Responsibility for implementing the recommendations was ultimately divided between HICD PLUS, GSE, and the USAID Hydropower Investment Promotion Project (HIPP).

HICD PLUS is implementing six recommendations, grouped into four components:

Component One

- Implement a performance planning and management approach;
- Introduce an organizational approach to project management;

Component Two

- Enhance skills of GSE personnel in procurements, pre-procurement research, developing tender documentation/specifications, and improve the procurement planning system within the company;

Component Three

- Facilitate the development of an internal audit function in compliance with international standards;

Component Four

- Establish a performance center within GSE to facilitate development of in-house capacities;
- Develop a performance-based grade/pay schedule for technical staff.

Grouping the interventions into components ensures that the implementation schedule is sensitive to GSE's absorptive capacity and that each successive component builds on prior ones.

Component One

HICD PLUS began implementing Component One in January 2013 following a competitive bidding process amongst the project's subcontractors. The Policy and Management Consulting Group (PMCG) consortium was selected as the successful implementer. Component One focuses on improving the performance planning and management strategies at GSE and introducing an organizational approach to project management. The 13-month program ends in February 2014. Key deliverables include:

- A comprehensive list of strategic objectives;
- A new GSE strategic plan;
- A working operational plan;
- Reconfigured processes (reviews and recommendations);
- A three-pronged project management training program;
- Reconfigured corporate operational procedures;
- New key performance indicators (KPIs).

The main deliverable during this reporting period was the new strategic plan for GSE, which GSE approved on July 30, 2013. Developing the new plan was a months-long process of discussion and collaboration among all levels of GSE and its key external stakeholders. As described above, the GOG is working aggressively to establish Georgia as a regional energy export and transmission hub and GSE must adapt to meet this challenge. It must also adapt to new European Union requirements and international reliability standards. GSE's six new strategic objectives help ensure the company is oriented and properly aligned to deliver its required results.

Delivering Results for GSE

"The team of Georgian consultants did a great job. We've spent substantial amount of time working together on the medium-term strategy for GSE and currently we are developing KPIs for our organization. We have also managed to organize intensive training programs in project management for our top and mid-level managers. Everything HICD has done for our organization was extremely helpful."

- **Mikheil Zibzibadze, Executive Manager
of HR and Organizational Development,
Georgian State Electrosystem**

The consulting team immediately began developing new key performance indicators (KPIs) as soon as the strategy was adopted. The KPIs will contribute to monitoring progress toward the needed results and support management's decision-making. As of the writing of this report, the team has developed 12 draft KPIs linked to the six new strategic objectives. We expect GSE to adopt the new KPIs in October 2013. The consulting team has likewise begun work on the new operational plan, which will detail the tactics of achieving the strategic objectives. Six operational planning teams consisting of GSE managers and key performers are currently working on developing the specifications needed to elaborate the new strategic objectives into the operational plan.



GSE managers attend project management training.

Another major deliverable during this reporting period is the three-pronged project management training program for GSE senior and mid-level managers. In April/May, 2013, 29 managers attended an introductory seminar on basic project management methodologies where they learned the differences between process and project management, identified project phases, and produced documents and communication tools. Tests taken before and after the training showed a 28 percent increase in participant knowledge.

In June, 18 additional managers completed a 24-hour project management course which emphasized project initiation, planning, execution, monitoring, budgeting, and risk management. Pre- and post-tests showed a 36 percent increase in participant knowledge.

Increasing project management skills

"The training was very interesting and engaging. I particularly liked that lots of practical examples were discussed and all of them were linked to the energy sector, which really helped us to conceptualize the received knowledge."

- **GSE manager commenting on the project management training**

In addition, two GSE senior managers completed an advanced (70-hour) project management training. Four other senior managers started the same course in September 2013 and will finish in November 2013.

Component Four

This component focuses on improving GSE's work force readiness. HICD PLUS has developed the scope of work for this activity and is currently recruiting the consultants necessary to conduct it. We expect implementation to begin in November 2013.

The Association of Development and Support of Microfinance Organizations of Georgia

HICD PLUS completed the HICD program for the Association of Development and Support of Microfinance Organizations of Georgia (MISO) this year. MISO was established in 2009 and works to support and develop the microfinance sector in Georgia, defend the legal rights of microfinance institutions, and help coordinate their activities. Microfinance is a crucial source of funding for farmers and entrepreneurs and MISO thus has an important role to play in supporting and growing the sector.

MISO approached USAID in late 2011 with a request for support, given that it was a relatively new institution with limited staff and lacked the experience and capacity necessary to develop management systems, and also administrative and financial structures to take it to the next level. It also articulated a need to address issues related to sustainability, such as developing its marketing products and services, addressing membership growth, and improving its communication and networking tools to better serve those members.

The goal of the HICD program was to develop and strengthen MISO's human and institutional capacity and better enable it to perform its core functions. The work focused on three key components: board and governance, management, and committee structure.

HICD PLUS completed the institutional performance assessment for MISO in June 2012 and recommended 11 performance improvement interventions:

1. Develop a structure for decision-oriented Board meetings;
2. Facilitate the first annual planning cycle including development of forms and templates;
3. Facilitate the first policy agenda setting;
4. Develop handbooks and process descriptions for committee work;
5. [REDACTED]
6. Facilitate the development of a membership profile and model (in close coordination with the business model);
7. Facilitate the development of member service offers and programmatic offers (in close coordination with the business model);
8. Facilitate a marketing strategy for member recruitment;
9. Facilitate the development of a three-tier business model including forms and templates for budgeting and budget control (in close coordination with the membership model and offer development);
10. Facilitate the first budget;

11. Facilitate the first year of monitoring performance to budget.

The consortium led by the Tbilisi Business Service Center (TBSC) was selected as the implementer for the HICD program and implementation of the 11 interventions began in October 2012 and concluded in May 2013.

The project was immensely successful in helping the association develop into a functional and effective institution. As a direct result of a new membership profile and marketing strategy developed by HICD PLUS, eight microfinance organizations have joined the association since the HICD program formally ended in May 2013, nearly doubling the association's membership. Several others are either ready to become members or are very interested in it. This increased membership will enable the Association to not only become more financially sustainable but also stronger by defending the rights of a larger share of the Georgian microfinance market players. This has already happened to some extent. For example, the Association recently met with the President of the National Bank of Georgia who clearly now looks towards the Association as the primary representative of the industry.

The total assets of MISO's members is 525 million GEL (\$318 Million USD), which represents 65% of the microfinance sector, and the number of borrowers is 250,000, which represents 75% of the total microfinance sector.

In September, 2013, the association's board approved a Code of Ethics for association members and started to establish three committees:

- Ethics and Social Performance Committee
- Public Relations Committee
- Legal Committee

Over the course of the project, and as a key project objective, the board learned how to hold decision-oriented meetings. This was a major improvement and the Executive Director now has the tools to run the Association and attract and admit new members. He now has a plan of what the Association aims to accomplish in the coming year. There is an approved tier-one budget, which enables the Association to operate.

In addition, HICD PLUS's monitoring and evaluation (M&E) specialist worked closely with MISO's staff to train them on the theory and practice of M&E while the HICD PLUS communications specialist worked with MISO staff to help them conceptualize various communications tools and activities.

While the implementation of the HICD program is technically over, HICD PLUS continues working with MISO to customize the web-based Performance Monitoring and Evaluation System (PMES) for MISO's use, coach MISO staff on M&E, and monitor MISO's performance. Project staff holds regular meetings with the association's

Executive Director and Chairman to discuss key performance indicators developed during the program as well as the next steps related to the PMES. The Association has institutionalized the PMES and is actively using it to monitor and evaluate its performance. We will continue to track MISO progress relative to its KPIs and other targets articulated in its annual plan. More details on the PMES can be found in Section V of this report.

Georgian Oil and Gas Corporation

HICD PLUS started a new HICD program for the Georgian Oil and Gas Corporation (GOGC) in May 2013. GOGC was established in March 2006 to advance the National Energy Champion business model by supporting Georgia's energy security and maintaining profitable growth of the company by participating in international energy projects. GOGC focuses primarily on the exploration and production of oil and gas resources as well as their transportation and sale. GOGC coordinates the secure operation of the existing oil and gas transportation infrastructure and also oversees the design of new oil and gas pipelines, their construction, and further development.

New leadership was appointed to GOGC in early 2013 and quickly approached USAID to request organizational development support. HICD PLUS selected the consortium led by GEC Development Corporation (GEC) as the successful implementer for the performance assessment. The HICD performance assessment is following the standard process and focuses on (i) helping GOGC define its desired and current performance and then (ii) recommending a series of interventions to close the performance gap.

The consulting team, led by an international Certified Performance Technologist (CPT), conducted in-depth interviews with GOGC's top management and key external stakeholders (USAID, the Ministry of Energy, BP Georgia, World Bank, etc.). The team analyzed GOGC's internal documents to explore issues related to GOGC's institutional context including governance, existing management systems, core business lines and processes, the distribution of functionality and performance of units, communication/interaction and cooperation between different layers of other organizations and outside stakeholders, overall strategy, and indicators of success.

The performance assessment team provided four priority recommendations to GOGC: (i) re-engineer and integrate core processes; (ii) implement an automated work flow and document management system based on integrated and streamlined processes; (iii) develop and implement a personnel development system; (iv) develop and implement a performance management system. GOGC and USAID are considering the recommendations as of the writing of this report. Based on USAID's approval, HICD PLUS may implement some or all of the recommended activities.

SECTION III: TECHNICAL ASSISTANCE AND SECTOR ASSESSMENTS

Assessment for the Ministry of Internally Displaced Persons from Occupied Territories, Accommodation, and Refugees

HICD PLUS conducted an assessment in the summer and fall of 2012 to assess the practices and capacity of the Ministry of Internally Displaced Persons from Occupied Territories, Accommodation and Refugees (MRA) to resettle Internally Displaced Persons (IDPs). The goal of the assessment was to help the MRA improve its ability to properly conduct temporary and final IDP resettlement and to support a planned USAID program to rehabilitate IDP housing. The program was conducted by a team of consultants from project subcontractors GEC Developments Corporation, the Centre for Effective Governance System and Technological Advancement of Regions, and the Business Consulting Group.

Year 2 Activities

- Assessment of IDP Resettlement Activities at the Ministry of Internally Displaced Persons from Occupied Territories, Accommodation and Refugees (MRA)
- Technical Assistance to the International School of economics in Tbilisi State University (ISET)
- Feasibility study of the Software Support for the National Center for Educational Quality Enhancement (NCEQE)
- Technical Assistance to Georgia's Reforms Associates (GRASS) and the Georgian Institute for Strategic Studies (GISS)
- Support for Constitutional Reform
- Institutional Assessment of the Office of the State Minister for Reintegration (SMR)
- Technical Assistance to the SMR
- Technical Assistance to the Ministry of Labor, Health, and Social Affairs (MOLHSA) #1
- Technical Assistance to the Ministry of Labor, Health, and Social Affairs (MOLHSA) #2
- Technical Assistance to the Georgian Evaluation Association (GEA)
- Technical Assistance to the Ministry of Environment Protection (MOEP)

 The assessment included a number of recommendations for the MRA's consideration, focused on planning, communication, and the quality of construction/renovation.

Given the significant changes that occurred in Georgia after the October 1, 2012 Parliamentary election – including a new government and new staffing and priorities at the MRA – HICD PLUS decided to update several portions of the report and perform an additional level of analysis on certain aspects of it. In April-May 2013, HICD PLUS engaged an international IDP expert who met with stakeholders including the MRA, the Municipal Development Fund, USAID, the Norwegian Refugee Council, the Danish Refugee Council, UNDP, UNHCR, KfW, and the EU Delegation to Georgia. The expert also interviewed IDPs, visited collective centers in Gori and Kutaisi, and attended a USAID/MRA focus group meeting with the USAID collective center rehabilitation program IDP beneficiaries.

HICD PLUS submitted the updated final report to USAID in June 2013.

Technical Assistance to the International School of Economics of Tbilisi State University

In December 2012, HICD PLUS began a program for the International School of Economics of Tbilisi State University (ISET) to improve ISET's performance in three areas: governance, programs and internal management procedures, and external communications. ISET is one of the leading graduate programs in Georgia and offers a two-year master's program in economics, serving students from Georgia, Armenia, and Azerbaijan. The program adheres to international academic standards with English language instruction by visiting and resident international Ph.D. faculty. Of 169 graduates to date, 51 work in the Georgian public sector, with many of these holding managerial positions, heading various divisions and/or departments.

HICD PLUS selected the consortium led by GEC Developments Corporation (GEC) to conduct this program. The consulting team began the program with an intensive assessment that included: document reviews; in-depth interviews with ISET staff, faculty, and students; focus groups with students, alumni, faculty, and employers; an online survey for alumni from outside Georgia; and 200 in-person surveys with prospective students and employers.

In January 2013, the consulting team and HICD PLUS presented the findings and recommendations to ISET's international faculty committee and governing board. The recommendations included a number of changes related to governance, internal procedures, financial management, and communications. Following a lengthy period of deliberation and discussion amongst its various boards and committees, ISET accepted many of the recommendations in February 2013 and the consulting team began to produce the deliverables necessary to actualize the recommendations.

The final deliverables produced during the program included new strategy documents, bylaws and constitutions, improved HR policies and procedures, an updated communications strategy, and a customized integrated financial management system. ISET's board approved the new governance structure and organizational chart in July 2013 and ISET reports that the new financial management system is much faster and less prone to errors, which is providing ISET's decision-makers with faster and more accurate information with which to make management decisions.

Feasibility Study of the Software Support for the National Center for Educational Quality Enhancement

In November 2012, USAID requested that HICD PLUS conduct a feasibility study for the National Center for Education Quality Enhancement (NCEQE). The NCEQE carries out institutional and program accreditation in higher, vocational, and general education institutions in Georgia.

In 2010-2011, the USAID/FORECAST project helped the NCEQE develop a database to manage certain information related to the management of the educational system.

Currently, the information within the database is electronically shared with different agencies, ministries, and other relevant centers. The NCEQE management has a vision to expand the database and make it more informative and easy to access, with expanded functionality and linkages to other institutions, which they believe will increase the quality and effectiveness of the whole educational sector in Georgia. The NCEQE developed a concept paper for the program and requested that USAID support the development.

At USAID's request, HICD PLUS performed a feasibility study to assess the NCEQE's concept and determine its viability, scope, sequencing, timeframe, and other details. The assessment was conducted by an international information technology advisor in December 2012. The final report recommended a specific software development methodology that was deemed the most suitable for the dynamics of Georgia, and included specific recommendations and estimates on the project's timeframe, budget, and required team member qualification and skills.

The NCEQE reported being very pleased with the report and they are currently in discussions with donors to fund the development effort.

Technical Assistance to Georgia's Reforms Associates and the Georgian Institute for Strategic Studies

In November 2012, USAID requested that HICD PLUS conduct an institutional assessment for two newly-established think tanks - Georgia's Reforms Associates (GRASS) and the Georgian Institute for Strategic Studies (GISS) - both of which were founded shortly after the October 2012 Parliamentary elections by former public officials. Both GRASS and GISS requested USAID support to become active and sustainable and to meet their organizational missions to promote democratic governance in Georgia and contribute to the policy debate.

HICD PLUS selected an experienced nongovernmental organization (NGO) capacity-building specialist for this assignment and mobilized her within two weeks. The assessment focused on four key areas: governance, finances, communications, and fundraising. The capacity-building specialist held key informant interviews with board members and founding members from GRASS and GISS to understand the vision and aspirations of the two think tanks and determine the administrative resources they currently possess. The specialist also met with potential funders.

The consultant produced a report for each think tank in January 2013 that included a prioritized list of action items and/or need

Helping grow think tanks in Georgia

"In 2013 GRASS grew from an idea of a think to an operational and viable organization. We now engage over 15 persons in various projects and the number of our volunteers exceeds twenty. Most importantly we have managed to find partners in over 10 states and received funding for close to ten projects. GRASS managed to launch its flagship project – FactCheck.ge, online news and information portal, which checks the accuracy of the statements by various politicians".

– **Sergi Kapanadze, Founder of GRASS**

areas for both organizations, with a particular emphasis on finance and accounting, communications, grant-writing/fundraising, and organizational structure.

The consultant also developed numerous tools customized for each organization, such as organizational charts, job descriptions, illustrative monitoring and evaluation plans, sample budgets, and codes of ethics. Not merely recommendations, these tangible tools helped launch both GRASS and GISS from concept to reality and set them on the path to deliver their mission.

Support for Constitutional Reform

In January 2013, at the request of USAID and the Parliament of Georgia, HICD PLUS began supporting the Parliament with the deliberation and planning process for a series of expected constitutional amendments. The proposed changes primarily dealt with Article 80 of the constitution, which contain the President's rights to dismiss the government. The initiators of the amendments considered the changes vital to ensuring the stable transition of power and the proper functioning of Parliament. Specifically, at the time, the Constitution still gave the President the power to dissolve the government and appoint his own if Parliament didn't approve a government after three votes. However likely or unlikely this move was, the mere fact that it could occur was of potential concern.



Professor Lawrence Lessig of Harvard Law School (second from left) meets with members of the Georgian Parliament to discuss planned constitutional amendments.

HICD PLUS contracted two distinguished American legal experts - Professor Lawrence Lessig of Harvard Law School and Professor Howard Fenton of the Ohio Northern

University School of Law. Between February and March 2013, the professors visited Georgia and also provided remote advice and consultancy. The experts engaged in extensive consultations with the Parliamentary majority and minority, the Prime Minister, and the Committee on Legal Issues of the Parliament. To support a transparent and inclusive process, they also met with representatives of different political parties, Georgian civil society organizations, media associations, and members of academia. The experts provided targeted recommendations to the Parliament to ensure the process, and amendments, reflected best international practice.

The proposed changes were adopted on March 25, 2013 with the unanimous support of Parliament. As a result of the changes, the President no longer has the power to appoint the Government without the consent of the Parliament. The President retains the power to dismiss the Government and form a new one, but if the President and Parliament cannot come to agreement on the new Government, the old “care-taker” Government will remain in force, as is common in Parliamentary systems around the world.

At Parliament’s request, Professor Fenton also produced two additional reports: one focused on administrative justice reform and freedom of information legislation, and another on potential civil service reforms.

Institutional Assessment of the Office of the State Minister for Reintegration (SMR)

After new leadership was appointed to the Office of the State Minister for Reintegration (SMR) in the wake of the October 2012 Parliamentary elections, USAID requested that HICD PLUS perform a rapid institutional assessment of the SMR to help its new leadership identify priority areas for institutional support. The overall goal of the program was to assist the SMR in strengthening its institutional capacity to enable it to better perform its core functions.

The SMR is a strategy and policymaking body charged with facilitating intra-governmental cooperation and coordination of all projects linked to the disputed territories of Abkhazia and South Ossetia. Its mission includes: (a) restoration of Georgia’s territorial integrity; (b) contribution to the dignified return of internally displaced persons and refugees; (c) civil integration of ethnic minorities; (d) interdepartmental cooperation within the GOG; (e) assistance to and coordination of other stakeholders’ projects, and (f) elaboration of the policy and strategic proposals toward the occupied territories.

HICD PLUS recruited an international performance improvement expert who also possesses the Certified Performance Technologist (CPT) designation to conduct the assignment. The expert conducted an in-country assessment in December 2012, meeting with a range of SMR leaders and staff, as well as representatives of other GOG agencies and international stakeholders. HICD PLUS submitted the final report to USAID and the SMR in January 2013 with the following four core recommendations:

1. Systematize the SMR's key work practices;
2. Establish a formal training management system.
3. [REDACTED]

After a series of consultations in February and March 2013, the SMR confirmed their interest in receiving HICD PLUS support to systematize key work practices and establish a formal training management system. [REDACTED]

[REDACTED] Implementing these recommendations is described below.

Technical Assistance for the Office of the State Minister for Reintegration (SMR)

As described above, the SMR's new leadership requested HICD PLUS support to systematize key work practices and establish a formal training management system. HICD PLUS selected the consortium led by GEC Developments Corporation (GEC) as the implementer for this activity.

From June-September 2013, the consulting team produced a package of deliverables including:

- New job descriptions;
- Process maps, and work aids, including:
 - A document management system;
 - An event management system;
 - An incident recording system;
 - Media monitoring tools;
 - A planning system;
- Recommendations on the SMR's newly established central database;
- A Training Needs Assessment Report;
- A Training Management System.

The consulting team led a workshop in September 2013 for the SMR deputy minister and senior managers to familiarize them with the key deliverables and discuss their adoption. The SMR management intends to issue a Ministerial order within the next month to require the SMR staff's usage of the new tools.

At the SMR's request, the consulting team also helped the SMR leadership discuss and plan a potential organizational restructuring, which the leadership is contemplating. The consultants developed several potential organizational structures and discussed the possible approaches to the reorganization. In so doing, the consultants were able to provide expert business process reengineering support to the SMR at a crucial time.

Technical Assistance to the Ministry of Labor, Health, and Social Affairs (#1)

HICD PLUS completed two technical assistance programs for the Ministry of Labor, Health, and Social Affairs (MOLHSA) during this reporting period. The first program, described in this section, originated with a request from the Minister of Labor, Health, and Social Affairs to USAID to help the Ministry improve the public outreach and citizen service activities of the Public Information Division by strengthening the operational effectiveness of the Ministry's unified call center, customer service hall, and 68 regional service offices. This division is in some respects the primary means for citizens to communicate with MOLHSA and MOLHSA sought to better inform the public about their rights and the health services available to them.

A team of local and international experts from the GEC consortium began the program by assessing the operations of the call center, service hall, and regional offices. They interviewed hundreds of customers to collect information about the call center, service hall, and regional offices and their capabilities for serving customers, and also conducted "mystery customer" and "mystery caller" activities to assess service quality. The team also held in-depth interviews with MOLHSA staff, mapped key processes, and assessed the physical and information technology resources in the call center and service hall.

To improve the customer service skills of MOLHSA staff, the consulting team also provided customer service (ServicePlus) training to 152 staff (80% of whom were female) from the call center, service hall, and regional offices. Call center staff also received specialized call center training, and a group of 10 staff received a training-of-trainers module to support the sustainability of the new knowledge and skills. In total, the consulting team delivered 15 trainings with an overall duration of 136 hours. Post training surveys revealed that more than 95% of trainees were satisfied with the program. Many trainees reported that the trainings helped them develop professional skills directly applicable to their work realities, including verbal and nonverbal communication skills and conflict management skills. The trainees also noted that they learned new tools which will help them be more polite and sociable to clients and better serve them.

Call center experts also coached the call center management and supervisors in how to use modern call center techniques to improve the unit's performance. This hands-on coaching led to measurable improvements. For instance, the call center specialists helped the call center management implement new shift scheduling which reduced unanswered calls from 30.3% to 6% in less than five weeks. There are sometimes 5,000 calls to the call center per day so this reduction means that nearly 1,200 more calls can be answered (and customers served). The shift scheduling also led to a reduction in the call waiting time from 44 seconds to 28.6 (the global best practice is 30 seconds).

The assessments culminated in an action plan for both the call center and the service hall that contained all of the tools and templates MOLHSA needed to transform both units, including new management models, organizational charts, job descriptions, service and quality level standards, monitoring and evaluation tools, and workforce management tools such as forecasting, scheduling, and real time adherence.

As with many of HICD PLUS's other GOG partners, MOLHSA had leadership changes during the program as a result of the October 2012 parliamentary elections. HICD PLUS held a series of meetings with MOLHSA's new leadership in November and December 2012 to present the action plans and discuss their implementation. The new Minister subsequently approved the action plans and instructed the public relations department to implement the recommendations.

HICD PLUS staff carefully tracked the progress of the process. In the months after the program ended, MOLHSA steadily implemented the key recommendations, particularly for the call center. They established a liaison mechanism between the back office and the call center to share new information in a timely manner, developed an electronic program to synthesize citizen data in one place, developed codes of ethics for call center staff, and started to track data through the automated call center equipment. Thousands of Georgians benefit each day from the improved call center.

Technical Assistance to the Ministry of Labor, Health, and Social Affairs (#2)

At the request of USAID and MOLHSA, and after the successful completion of the program for MOLHSA's call center and service hall described above, HICD PLUS implemented a second technical assistance program for MOLHSA, this time focused on its Health Department.

MOLHSA began a ministry-wide restructuring in the fall of 2013 and requested USAID support with the restructuring of the Health Department. The Health Department is one of the key strategic units within the Ministry and MOLHSA requested support in recommending the optimal structure, staffing levels, and qualifications of the department to enable it to conduct evidence-based programming and results-oriented planning of health programs and services.

HICD PLUS recruited an international health management expert who worked with MOLHSA leadership and staff in August 2013 to conceptualize the Department's mission, mandate, structure, staffing levels, and position configuration. HICD PLUS submitted the final report with findings and recommendations in early September 2013.

Technical Assistance to the Georgian Evaluation Association

At USAID's request, HICD PLUS also conducted an institutional strengthening program for the Georgian Evaluation Association (GEA). The GEA was founded in 2008 and focuses on promoting the use of evaluation in decision-making. It seeks to establish an institutional system of evaluation, promote the professional growth of members, develop and institutionalize evaluation standards, establish an evaluators' Code of Ethics, enhance public awareness of the process of evaluation, and increase public support for the evaluation process.

The GEA's main challenge at present is to increase its membership base. The Association is run almost single-handedly by its founder and she has not made a systematic attempt to



USAID
FROM THE AMERICAN PEOPLE

HICD PLUS
HUMAN AND INSTITUTIONAL CAPACITY DEVELOPMENT

SNAPSHOT

Improved Call Center Helps Georgian Citizens Receive Better Health and Social Services

Through the help of HICD PLUS, the call center now operates based on global best practices.



Photo: Maia Kereselidze

The USAID HICD PLUS project works to improve the capacity of key Georgian organizations in the public, private, and NGO sectors.

Telling Our Story

U.S. Agency for International Development
Washington, DC 20523-1000
<http://stories.usaid.gov>

Maia Kereselidze is a call center specialist at the Ministry of Labor, Health, and Social Affairs of Georgia (MOLSHA). The Ministry's call center receives up to 3,000 calls per day and is one of MOLSHA's primary means of keeping the public informed about health insurance and other social programs. Maia has worked in the call center for two years and says that the lack of integrated data and service standards used to cause significant problems for callers. "Upon receiving a call, we had to search multiple databases and several websites to find information. Obviously, this increased call waiting time causing frustration and disappointment for the customers."

In 2012, nearly 45% of incoming calls went unanswered and MOLSHA felt the overall quality level of the center was unsatisfactory. MOLSHA approached USAID and requested support. USAID's Human and Institutional Capacity Development (HICD) PLUS project worked with MOLSHA to transform the call center into a modern operation. The HICD PLUS team first worked with call center staff to introduce shift rescheduling to ensure the center was appropriately staffed at key times. The team then developed service level standards and a quality monitoring system based on global best practices, and provided customer service training to all of the call center staff.

The impact was quick. The rate of unanswered calls was cut in half and the average call waiting time decreased from 44 to 28.6 seconds, below the international standard of 30 seconds. MOLSHA implemented one of USAID's key recommendations and developed an integrated IT system which allows call center staff to quickly retrieve a caller's personal information and provide faster and more accurate information. The call center even adopted a code of ethics at their own initiative.

Maia says that her work has never been as fulfilling as it is today, and she has seen a dramatic change in the call center's performance. "We used to work under constant anxiety and stress. A new one-stop-shop database unifies the data of the civil registry agency, insurance programs, medical clinics, state benefits, disabled registry, etc. It allows rapid search and is much more comfortable and user friendly." Thanks to Maia and her colleagues, thousands of Georgians benefit each day from the improved call center.

recruit dues-paying members. Many organizations have collaborated with the GEA over the years and the Association was able to recruit many high-profile representatives of international agencies to serve on its Advisory Board, but the lack of dues-paying membership will impede the Association's development.

As such, HICD PLUS's activity focused on helping the GEA conceptualize and design a membership recruitment effort. Over the course of several weeks in August 2013, an HICD PLUS association development specialist worked with the GEA to understand the Association's vision, goals, and potential. The project's consultant also met with more than a dozen consulting companies who work in the field of evaluation to understand their perceptions of the evaluation field in Georgia. Given that these organizations are potential GEA members, soliciting their feedback helped the consultant understand what sort of membership profile and recruitment strategy would work best for the GEA.

HICD PLUS prepared a final report for the GEA in September 2013 that included:

- Recommendations on a new mission statement, potential new members, and membership benefits, policies, and procedures;
- A five year plan;
- Database management principles;
- A proposed membership campaign;
- A sample budget;
- Recommendations on how to harness social media;
- Sample bylaws.

The GEA's Executive Director has pledged her intention to implement most if not all of HICD PLUS's recommendations. If enacted, we believe they will enable the Association to become seen as a necessary and valuable organization and directly contribute to a significant growth in its dues-paying membership. HICD PLUS will track the GEA's progress in the coming months.

Technical Assistance to the Ministry of Environment Protection

In early June 2013, HICD PLUS began a program to help the Ministry of Environment and Natural Resources Protection of Georgia (MOEP) properly and transparently conduct a large recruitment process.

Following the October 2012 Parliamentary elections, the change in government, and subsequent restructuring of the MOEP, the Ministry started a program to recruit 1,200 - 1,300 new staff in different departments/units. Given the size of the recruiting effort and the speed with which it had to be completed, HICD PLUS was called upon for support.

A series of discussions revealed that the MOEP needed urgent help in terms of planning and conducting all aspects of the recruitment process. HICD PLUS hired two highly-experienced human resource (HR) consultants to assist the Ministry with the recruitment

process. Specifically, the consultants helped the MOEP develop interview questions and score sheets, coach and mentor the members of the MOEP interview panels, and provide other support as needed.

The HR experts developed more than 20 individual interview sheets that were used when interviewing candidates for positions in various departments (water, air, land, analytical, legal, finance, etc). They also coached MOEP staff on proper interviewing techniques, observed several rounds of interviews, and then provided follow-up advice and recommendations. They also delivered training on interviewing methodologies and techniques for nearly 60 MOEP staff who served on the interview boards.

In addition, HICD PLUS procured space in a Tbilisi hotel for the MOEP to use to conduct the many thousands of interviews they held between June-August 2013.

HICD PLUS is now assisting the MOEP by supporting the development of five training modules which are being designed for nearly 1,000 of the new staff the Ministry is hiring. HICD PLUS's main counterpart for this activity is the Environmental Information and Education Center (EIEC), which is a separate legal entity within the MOEP and which exists to support the training and development needs of MOEP staff. HICD PLUS is currently designing a training-of-trainers (TOT) program to (i) train the EIEC staff in how to develop and deliver trainings, and then will (ii) help them develop the actual training materials with the assistance of local subject-matter experts. This approach will help build the EIEC's capacity in training development and delivery and better enable it to fulfill its mandate, while also providing quality training materials to be used for nearly 1,000 new MOEP staff across the country.

SECTION IV: PARTICIPANT PROCESSING SERVICES

HICD PLUS provides Participant Processing Services (PPS) to all USAID implementing partners in Georgia. These services include language testing, medical certification, health insurance enrollment, security risk inquiry, J-1 visa processing, pre-departure orientation, and participant data reporting.

100% Customer Satisfaction

The project continues to enjoy a 100% satisfaction rate (based on surveys that Exchange Visitors complete) after processing 78 Exchange Visitors to-date.

HICD PLUS processed 51 exchange visitors (EVs) traveling to the United States this year, on behalf of seven USAID implementing partners. The project also supported the Management Sciences for Health (MSH) Leadership, Management, and Governance Project to process two exchange visitors for the “Leadership Training on International Disability Rights and Independent Living.”

From the beginning of the project, HICD PLUS started a practice of holding in-person pre-departure orientation sessions for every EV before they leave. HICD PLUS held 11 such sessions in year 2. During these sessions, project staff provide the EVs their passports with valid J-1 visas, DS 2012 forms, invitation letters, health and accident coverage insurance IDs, and related documents. The project also developed a tip sheet on important points to remember that is also distributed during the orientations.

SECTION V: MONITORING, EVALUATION, AND GRADUATION

Decision Framework

During this year, HICD PLUS developed a “Decision Framework” to use as a basis for deciding which of several actions to take at critical stages in the HICD process. This effort came out of an initiative to determine when HICD support for partner institutions might be completed – often called “graduation” in other USAID programs. HICD PLUS’s new Decision Framework will help ensure that USAID, the HICD PLUS project, and the leadership of the partner institution may be confident that capacity development support is not withdrawn prematurely or extended beyond the required need. The Decision Framework fills a significant void, as no standardized, rigorous system has been developed to-date to make decisions such as these on USAID HICD projects.

The term “graduation” as used within USAID usually denotes a point at which the client partner has achieved the development goals. Therefore, they no longer require American government support. This can be the case of an institution for a contractor program or an entire country for a USAID mission (as was the case in Eastern Europe as they moved forward as candidates to the European Union). Graduation is sometimes related to funding availability as Agency strategic objectives are realigned over time.

During HICD program support in a number of countries over the past few years, decisions concerning further support of an institution (i.e. graduation) were usually taken informally at the end of the implementation of a performance solution package. At that time, the implementing contractor - who had been jointly monitoring progress with the institution - assessed the success of the local partner institution at reducing the identified performance gaps and improving targeted results. As a portion of this analysis, if funding were still available, further assessment of the remaining gaps might be done. This analysis focused on whether another follow-on (but limited) set of performance solutions could make a significant difference, particularly in having further effect on delivery of the mandate to clients. It was also influenced by whether the local partner still maintained commitment to take on another round of solutions.

Based on this analysis, the HICD contractor might make the case for continued USAID funding support. Thus, this decision was based on an informal assessment of performance data partly from the performance monitoring system, relationships and commitment on the part of the local partner leadership, and an informed “judgment” call on whether continued investment would provide better value than funding other options within the Mission portfolio. In most cases, given the wide portfolio of opportunity within the Mission’s strategic focus, once the performance solution package and budget was implemented the local partner was graduated. So, no formal criteria for local partner institution graduation from HICD were used.

HICD PLUS sought to develop an evidence-based tool with which to make informed decisions. The result is the Decision Framework. The Framework assesses data in three pillars:

- Strategic Importance
- Impact of HICD Engagement
- Budget Allocation

After analysis and dialogue with USAID and the partner institution, three options reveal themselves:

- HICD Continuation (partner institution progress is being made as projected; move forward with the next round of interventions)
- HICD Completion (the partner institution has achieved program objectives within funding limits; graduation from support)
- HICD Suspension (investment in intervention support is not achieving objectives; disengage support so funds may be re-programmed within the portfolio)

Although ample evidence will be available to measure HICD support impact, the criteria are not designed to be purely quantitative measurements. Rather, they provide both a qualitative and quantitative frame of reference for a systemic review for ongoing and future HICD investments. The criteria have to be analyzed looking at each institution in the context of the complete Mission strategic objectives and portfolio. There may be cases where an institution is strategically critical enough that continued HICD support is advised despite strong indications for either HICD Completion or Suspension. The Decision Framework is contained in Annex B.

HICD PLUS developed a reporting tool (Annex C) based on the Decision Framework that will be completed at relevant milestones in the HICD process to monitor the progress of HICD interventions. HICD PLUS expects the first HICD partner institution (the Association of Development and Support of Microfinance Organizations of Georgia) to reach the decision point during the next quarter.

Performance Monitoring Plan

The project's performance monitoring plan uses a combination of output and outcome indicators to track the efficiency and effectiveness of project interventions and includes a Results Framework and Indicator Reference Sheets. Please see the Results Reporting Table in Annex A below for the status of each indicator.

Performance Monitoring and Evaluation System

In early 2012, HICD PLUS completed the performance monitoring and evaluation system (PMES). The PMES is a custom-designed, web-based system that enables the project's partner institutions to regularly and easily monitor their institutional performance by tracking the change over time of key indicators. The indicators are selected by the partner institution and are useful metrics by which the institution can measure their performance.

The system is based on open-source technology so that the partner institutions have complete ownership of the system and do not have to pay licensing fees.

One of the criteria included in the Decision Framework described above is whether or not the partner institution has institutionalized the PMES. This is an important factor because it points to the extent to which the organization has embraced the need for monitoring and evaluating its performance. HICD PLUS therefore works closely with each HICD partner to institutionalize the PMES into their daily operations. Depending on the sophistication of the partner, this may also include training to build the M&E capabilities of key partner staff.

During program year 2, the project's monitoring and evaluation (M&E) specialist worked with the Association of Development and Support of Microfinance Organizations of Georgia (MISO) to institutionalize the PMES for them. This included, but was not limited to, working with MISO to finalize primary and secondary data collection methods for MISO's KPIs; data entry for the KPIs in the PMES; and ongoing training for MISO's HICD Champion on data collection methods and data quality assessment techniques.

The PMES is considered institutionalized if the partner institution meets the criteria set in the assessment tool that is completed at the end of the HICD intervention. The assessment tool is a five-item instrument completed by the M&E specialist which captures how recipients are using the PMES as a management tool and measures the frequency and accuracy of data entry, data analysis, and/or evidence of revised procedures or practices resulting from analyzed data. The project determined that MISO had met the criteria for institutionalizing the PMES in the fall of 2013.

The project's M&E specialist also worked closely with HICD partner GSE to start customizing the PMES for their institution.

SECTION VI: SPECIAL FOCUS ON LOCAL CAPACITY BUILDING

USAID's new strategy for high-impact development, "USAID Forward," calls for implementers to invest in country-owned models of inclusive development and build sustainable capacity in the countries where USAID works. Through this strategy, USAID places a renewed emphasis on local capacity building so that American assistance strengthens the actors and institutions responsible for transforming their countries. HICD PLUS is committed to USAID's goal of strengthening local capacity and incorporates this vision into the project in several ways.

Building Implementation Capacity

One of the main ways HICD PLUS supports local capacity building is by engaging Georgian subcontractors to deliver the majority of the capacity-building and technical assistance services the project provides to its Georgian partner institutions. HICD PLUS selected 28 Georgian organizations as subcontractors in 2011; these organizations include consulting companies, research centers, think tanks, NGOs, associations, two software firms, and a university. These subcontractors have primary responsibility for designing and implementing the various interventions under the close supervision, mentorship, and coaching of HICD PLUS. We also often pair the Georgian subcontractors with international experts to further their learning.

Subcontractor Evaluations

HICD PLUS takes seriously its role to develop the capacity of Georgian service providers and takes extra steps to provide them feedback and learning opportunities. One example of this is by providing them written debriefs when their proposals to HICD PLUS are unsuccessful. These debriefs – modeled on the debriefs USAID provides to its implementing partners – provide clear feedback to the organization on their proposal's strengths and weaknesses, thus enabling them to gain a better understanding of donor perspectives and expectations.

Another example arose this year when HICD PLUS developed Subcontractor Evaluation Forms that we ask each of our partner organizations to complete. These forms enable the partner to document their experience with the service provider and note particular successes or challenges. This feedback is useful for the service providers as they seek to improve their performance. The Subcontractor Evaluation Form template is in Annex D.

The 11th Annual Conference of the International Society for Performance Improvement's Europe, Middle East, and Africa Chapter

From September 26-28, 2013, Chemonics and USAID served as local co-hosts for the 11th annual conference of the International Society for Performance Improvement's Europe, Middle East, and Africa (ISPI EMEA) chapter. This was the first time the conference was held in the Caucasus. The conference included more than 100

participants from 13 countries across Europe, Central Asia, the Middle East, Africa, the Caucasus, and the US.

Founded in 1962, the International Society for Performance Improvement (ISPI) is the leading international association dedicated to improving productivity and performance in the workplace. ISPI's mission is to develop and recognize the proficiency of its members and advocate the use of Human Performance Technology. The ISPI Europe, Middle East, and Africa Chapter started in the early 2000s and works to promote performance improvement across EMEA.

The theme of the conference was “Improving Performance in Emerging Markets.” Chemonics had three primary motivations for bringing this conference to Tbilisi:

- Helping to raise knowledge and awareness amongst the Georgian audience about performance improvement and human performance technology;
- Helping expose international performance improvement consultants to the realities of operating in emerging markets and the opportunities provided in markets like Georgia;
- Enabling Georgian participants to forge relationships with international experts they may not otherwise have the opportunity to meet.

We believe the conference met all three objectives. Georgian attendees included representatives from public sector institutions (such as the Office of the State Minister for Reintegration, the Ministry of Justice, and the Georgian Oil and Gas Corporation), universities, NGOs, and private sector consulting companies. Over three days, these participants took part in highly-interactive sessions focused on how to improve human and institutional capacity.



HICD PLUS’s partners reported finding the conference highly-valuable for their organizations and many consulting companies confirmed that they made new contacts with international consultants; contacts that they plan to use on current and future performance improvement work

Selected quotes from ISPI EMEA Conference Participants

“The ISPI conference was quite valuable for me personally and as a representative of the Ministry of Justice. I think this is the first time I’m attending a very interactive conference. Lots of models and theories were presented at the conference and some of them were very practical and very generic that can be applied to any type of organization and I will use in the Ministry of Justice.”

– **Tamar Jinchveladze: Head of the HR Department, Ministry of Justice of Georgia**

“This is my first ISPI EMEA conference and I think this is great for the Georgian market and I’m really impressed with the group of people that are here. Recipients of this information are providers of this kind of consulting services, so the real challenge I think, is how do we in the business community, NGOs, Government organizations, have a better idea of taking advantage of the resources that this conference is bringing together not just from Georgia but from globally around the world.”

– **Michael Cowgill: President, Georgian American University**

“I think this is a tremendous opportunity for Georgia and Georgian organizations both public and private. This is a growing industry in Georgia and there are very useful services that can be offered by different consulting firms.”

– **Nodar Tangiashvili: Head of International Organizations and Legal Provision Department, Office of the State Minister for Re-integration**

“This is the first time I’m attending the ISPI conference. This is very interesting and valuable event first of all because it brings together so many professionals from almost all over the world. For me it’s very interesting to network with them and to share experience....The experience shared by one presenter was very close to what we are going through and the steps they have taken are so relevant to our reality that I could directly take things and apply in my organization.”

– **Salome Shelia: Deputy Head, National Center for Educational Quality Enhancement**

SECTION VII: LESSONS LEARNED AND RECOMMENDATIONS

Navigating elections and maintaining buy-in. The October 1, 2012 Parliamentary elections led to a new Government in Georgia as well as leadership and staffing changes across the Georgian government, including in several of HICD PLUS's partner institutions. HICD PLUS quickly meet with new staff, explained the activities that were underway, and secured their support. In nearly every situation, project activities continued unaffected and the new leadership expressed full support for project work.

Staffing changes are a constant reality in any transitional country, particularly amongst the politically-appointed leadership ranks of Government institutions. Frequent and earnest communication is a key to building and maintaining support, as is ensuring that any capacity-building program reflects the partner organization's institutional goals. True capacity-building is not something that can be done *to* an organization. To be successful and sustainable, it must be done *with* them.

Continuous follow-up and engagement. Making meaningful performance improvements in an organization takes time. While some actions (such as automating a previously manual process) can yield quick results, institutional-level changes are often not seen until weeks, months, or sometimes even years later, as the changes put in place filter throughout the organization. Organizations also often need continuous support as they roll-out changes and deal with the inevitable questions and problems that arise.

Both of these realities mean that the partner organizations need engagement after the conclusion of our formal projects with them. For instance, the design of several HICD PLUS activities is such that we deliver action plans or recommendations to our partner organization, and the impetus is upon the partner organization to implement them. In those cases we do not simply walk away. We stay engaged with the organization to ensure that the solutions we proposed are indeed working and to provide technical assistance when necessary. In so doing we help ensure the sustainability of USAID's investment. This engagement is also necessary to capture the impact that often happens as the solutions start to produce measurable performance improvements.

ANNEX A: RESULTS REPORTING TABLE

Performance Indicator Name	Baseline	Year	Program Year 1 2011-2012				Program Year 2 2012-				Program Year 3 2013-2014				Program Year 4 2014-2015			Notes
			Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Components 1 & 2: HICD Interventions, Technical Assistance, and Sector Assessments																		
1.1.1: # of civil society (other) organizations using USG assistance to improve internal organizational capacity	0	Target				12				15				18			20	Numbers for Year 1 & Year 2 include CSO participants in the Leading through HICD (LTHICD) program, modules 1 through 10. Each CSO is counted only once. Additionally, 6 counterparts (MISO, GARB, GISS, GRASS, ISET and GEA) are included under 1.1.1.
		Actual	n/a	11	19	19	22	22	23	23								
1.1.2: # of persons completing USG-funded workforce development programs	0	Target				42				64				72			77	Numbers for Year 1 include participants in the Leading through HICD program.. Numbers for Year 2 include two participants of the Private Equity and Venture Capital Training for the Partnership Fund, 152 participants from the Ministry of Labor, Heath, and Social Affairs, 49 participants of the project management training from Georgian State Electrosystem, and 60 interview panel members from MOEP.
		Actual	n/a	43	54	59	213	213	261	322								
1.1.3: # of public/government institutions receiving HICD or TA assistance	0	Target				4				8				12			14	Results to-date include GSE, SMR, MRA, MOLHSA, NCEQE, Legal Issues Committee under the Parliament of Georgia, MOEP, and GOGC
		Actual	n/a	1	3	4	5	8	8	8								
1.1.4: % of HICD partner institutions meeting HICD PLUS's graduation criteria	0	Target				n/a				100%				100%			100%	This indicator measures the % of partner institutions that receive an HICD intervention and that successfully meet the pre-defined criteria to terminate the HICD assistance. The intervention with The Association of Development and Support of Microfinance Organizations of Georgia (MISO) is complete and we expect MISO to meet the graduation criteria next quarter.
		Actual	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a							
2.1.1: % of local service providers completing the HICD PLUS training program	0	Target				80%				n/a				n/a			n/a	This is not a Life of Project indicator. The score is calculated one time (Q4) of Pr.Y.1
		Actual	n/a	n/a	n/a	83%	n/a	n/a	n/a	n/a								
2.1.2: Change in capacity of local service providers	n/a	Target				10%				n/a				n/a			n/a	The average % change in capacity is based on Modules 1 through 10 of the LTHICD
		Actual				20%	n/a	n/a	n/a	n/a								
2.2.1: % of HICD recipients that have institutionalized the PMES	0	Target				n/a				100%				100%			100%	The PMES is considered institutionalized if the partner institution meets the criteria set in the assessment tool that is completed at the end of HICD intervention. MISO met the graduation criteria.
		Actual	n/a	n/a	n/a	n/a	n/a	n/a	n/a	100%								
Component 3: Participant Processing Services																		
3.1.1 # of persons processed through PPS	0	Target				40				80				120			160	To-date: 38 male, 40 female.
		Actual	n/a	20	n/a	26	46	61	68	78								
3.1.2 Satisfaction with PPS services	0%	Target				80%				80%				80%			80%	
		Actual	n/a	100%	n/a	100%	100%	100%	n/a	100%								

Note: Annual targets and actuals are cumulative

ANNEX B. DECISION FRAMEWORK

HICD Partner Ongoing Institutional Support Criteria

HICD Partner “Continuation” <i>Three Pillars</i> Strategic Importance <ul style="list-style-type: none">• The institution remains important for achievement of USAID objectives• The institution has a supportive role for national government reforms <p style="text-align: center;">AND</p> Impact of Engagement <ul style="list-style-type: none">• Institutional leadership remains stable and committed to performance improvement• Momentum for change is ongoing; intervention progress markers and milestones are met• Upstream / downstream stakeholders report improvements• Internal champion and HICD capacity is strengthening• A performance measurement system is in place with KPIs identified and tracked <p style="text-align: center;">AND</p> Budget Allocation <ul style="list-style-type: none">• Funding remains available for continuing support• Institution offers cost share or internal resources	HICD Partner “Completion” <i>Three Pillars</i> Strategic Importance <ul style="list-style-type: none">• Institution achieves momentum of improved results; still aligned with USAID or national government objectives <p style="text-align: center;">AND</p> Impact of Engagement <ul style="list-style-type: none">• Institutional leadership encourages continuous performance improvement in institution• Planned performance interventions completed; all progress markers met• Internal performance improvement capability in place to react to new challenges• Upstream / downstream stakeholders report satisfaction• Institutional leadership tracks and responds to key performance indicators for strategic decision-making <p style="text-align: center;">OR</p> Budget Allocation <ul style="list-style-type: none">• Funding not available for continuing support• Alternative donor funding available for future strengthening	HICD Partner “Suspension” <i>Three Pillars</i> Strategic Importance <ul style="list-style-type: none">• Institution is no longer relevant to USAID strategic objectives or in a supportive role for national government reforms <p style="text-align: center;">OR</p> Impact of Engagement <ul style="list-style-type: none">• Institutional leadership no longer remains committed to performance improvement• Momentum for change declines; intervention progress markers and milestones delayed substantially or missed• Upstream / downstream stakeholders report continued low performance• Internal champion is lacking; limited internal HICD capacity• Lack of evidence of systematic measurement of KPIs <p style="text-align: center;">AND</p> Budget Allocation <ul style="list-style-type: none">• Further funding not likely to achieve improvements in performance
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ANNEX C. HICD DECISION FRAMEWORK REVIEW

HICD Decision Framework Review # [insert number] for [insert partner institution]

TO: [Name, position]
USAID/Georgia

FROM: [Name, position]
USAID/Georgia HICD PLUS Project

DATE: XX

RE: Findings of HICD Decision Framework Review # [insert number] for [insert partner institution]

I. Executive Summary

The HICD PLUS “Decision Framework for Partner Institution Support” is a tool to help USAID, HICD PLUS, and the partner institution evaluate the progress of an ongoing HICD program and to make decisions regarding continuing investment(s) in the program. The criteria for use in support of this decision process are based on the following categories (or pillars) of evaluation:

1. Strategic Importance
2. Impact of HICD Engagement
3. Budget Allocation

As HICD assistance is provided to the partner institution, it is important that these elements are constantly tracked and the results evaluated. This is especially true during moments in the HICD support cycle where major progress milestones are to be completed or at the conclusion of a round of performance solutions interventions. These occasions serve as decision points concerning continuing investment(s) with the institution. These informed decisions may have three outcomes:

1. HICD Continuation: progress is being made as projected; move forward with the next round of interventions;
2. HICD Completion: the partner institution has achieved program objectives within funding limits; graduation from support;
3. HICD Suspension: investment in intervention support is not achieving objectives; disengage support so funds may be re-programmed within the portfolio.

This is review number [insert number] for [insert partner institution]. The review was based on the criteria contained in the Decision Framework (included as Annex I). The findings are described in detail below.

As a result of this review, HICD PLUS recommends that the HICD program be [continued, completed, or suspended].

II. Background on the HICD Program for [insert partner institution]

[Short description of the goals, objectives, and activities completed to-date within the HICD program.]

III. Category One: Strategic Importance

- *Is the institution still aligned with USAID strategic objectives?*
- *Does the institution still play a supportive role in the Government of Georgia's reform program?*

IV. Category Two: Impact of Engagement

- *Is the institution's leadership stable and committed to performance improvement activities in the institution?*
- *Is momentum for change within the institution still evident?*
- *Are progress markers/milestones being met?*
- *Is a performance management system in place with key performance indicators identified and tracked?*
- *Is there a visible HICD Champion within the institution?*
- *Is the institution strengthening its internal performance improvement capacity to react to new challenges?*
- *Do both upstream and downstream stakeholders report improved performance of the institution?*

V. Category Three: Budget Allocation

- *Does funding remain available for continuing support? If not, does the institution offer a cost-share or is there alternate funding available (i.e., from another donor)?*
- *If funding remains available for continuing support, is further assistance likely to achieve improvements in performance?*

VI. Recommendation

Based on the review above, HICD PLUS recommends that the HICD program for [insert partner institution] be [continued, completed, or suspended].

APPROVAL

HICD PLUS COR

[Name, position]
USAID/Georgia

Date

ANNEX D. SUBCONTRACTOR EVALUATION FORM TEMPLATE

<u>Subcontractor Evaluation Form for Partner Institutions</u>
Partner Institution Name: Project/Activity Name: Subcontractor Name: Sub-task Order Number: Sub-task Order Period: Evaluation Date:
Quality and timeliness of work: Subcontractor's work was of sufficient quality and met your expectations. Subcontractor's work added value. Tasks were completed in a timely manner. Reports were clear, concise, accurate, well structured, easily comprehended, and submitted on time. Reports contained actionable recommendations which could be successfully implemented.
Comments:
Quality of personnel: Subcontractor provided personnel who were technically qualified and who fostered a positive work environment. Personnel communicated clearly and diplomatically. Subcontractor personnel maintained open, direct, and responsive communications channels. Response were rapid, helpful, accurate and without undue delay.
Comments:
Notable Strengths of Overall Performance
Comments:
Notable Weaknesses of Overall Performance
Comments:
Problems
Comments:
Would you recommend this subcontractor: Please enter Yes or No, and include an explanation of why.

Comments:

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