

PD-AAZ-321
61351

**FINAL REPORT
ON
CONTRACT NO. AFR-0000-C-00-5043
ADMINISTRATIVE AND LOGISTICS SUPPORT SERVICES**

Submitted To:

**USAID/CHAD
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

Submitted By:

**Development Management Systems, Inc.
Mark Heffernan**

December 29, 1988

DMS

**Development Management Systems, Inc.
1700 N. Moore Street, Suite 720 • Arlington, Virginia 22209
Telephone (703) 525-1489 • Telex 287117 DMSCO**

I. Contract AFR-5043 Closeout (AFR-9002 Start-up)

During the first part of my TDY in N'Djamena, we addressed a number of routine, administrative matters related to the closeout of the old contract and the start-up of the new one, including such DMS "in-house" actions as the setup on DMS lotus files of the new budget, new personnel, wage and salary tables, and cash reconciliations for the DMS/NDJ local currency account. We also installed a new set of lotus spreadsheets designed to produce monthly financial status reports and billings.

As I mentioned in the course of our meeting, DMS maintains a monthly chart which records both the level of effort of DMS personnel assigned to the DMS/USAID Chad contract, as well as the severance pay liability which DMS accrues each month for these employees in accordance with local labor law. Since DMS has not billed the Mission for any portion of this liability (which now stands at CFA 5,380,000 - approx. \$17,900), we will be carrying this amount forward and adding it to the severance pay liability to be incurred under the new contract.

We also performed a review of the actual charges incurred for FY88 under the contract cost allocation system and established new billing rates for the new contract. This exercise, which distributes DMS contract costs, by service, against different parties receiving DMS support, will be especially important to maintain in view of the proposed participation of the technical assistance team under the new Roads Project contract.

Lastly, we made arrangements for the final DMS billings to be submitted against the old contract. As discussed with Kat LeBlanc, once all final expenses are recorded for accrued costs, DMS will be submitting two final vouchers for this contract; the first will be for final local currency expenses, the second will be for U.S. dollar expenses and will reflect a credit of approximately \$13,000 to USAID/CHAD as a result of a further drop in DMS' overhead rate for the 1988 fiscal year.

In accordance with Kat's request, DMS' billing format for the new contract was adjusted to reflect a more accurate breakdown between U.S. dollar and local currency expenses and total contract charges.

II. DMS Property Management Services

As you and Kat pointed out in our meeting, there are a number of improvements which could be made relative to the performance of DMS' property management functions. Among the examples cited were problems with year-end reports for the the Director's house

and the Mission vehicle fleet, the need for a more structured reporting format, and the inability of the GSO to produce a regular expendable supply catalog. We also discussed the long-standing problem which DMS has had with the implementation of the automated property management (MTS) system.

To review various aspects of the DMS property management procedures and to look into the issues noted above, I spent several entire days with Ron Morant and his staff at his office and the warehouse. My overall impression is twofold: (1) that the basic information gathering procedures are in place and are being implemented fairly well - (2) but that "management" of this information is clearly inadequate.

Regarding the first point, the various steps to the property accounting cycle are being accurately and properly recorded on the whole, i.e., that for both expendable and non-expendable property, Receiving and Inspections Reports are promptly compiled, appropriate entries are made onto Individual and Composite Property Record Cards, physical inventories are performed, property disposals are recorded, and project property records are separately compiled.

Regarding point number two, the information is not being presented to anyone in a timely nor organized fashion, which effectively prevents the Mission from making adequate use of it for management purposes.

The example of the "Supply Catalog" is revealing of the property management problems on the whole. Upon looking into the matter, I learned that indeed numerous hours are spent by the secretary inputting fairly extensive lists of available expendable supplies into the Wang PC. But, somehow, it never quite gets finished before the stock figures which it is supposed to reflect, in fact, change. The catalog thus goes back again to the supply clerks for revision in order that, once more, a futile attempt can be made to input the new figures before the inventories change again. And so the cycle goes on and on.

The problem here is that DMS staff are confusing (1) the need for detail - with (2) the need for a report which describes the current stock of expendable supplies with an acceptable level of accuracy. In pursuit of an unnecessary level of detail and unattainable level of accuracy, in this case, we are achieving neither. I went to great lengths to explain to Ron that all accounting reports are essentially a "snapshot" in time of an ongoing process. In the case of such a report as the "Supply Catalog", the need is for a timely report which is reflective of current items and stocks levels, in order to provide Mission staff with an understanding of the materials available to support their daily work.

Virtually all of the property management functions are performed by clerks, who are fairly well trained to perform certain clerical tasks, but who have little or no idea of why they are

performing these tasks nor do they know how their work relates to other property management functions. This lack of understanding of the ultimate objective of their work is one of the reasons why the Property Management Unit has such difficulty in coordinating its information and producing any coherent reports from it. Unfortunately, DMS' ability to make improvements in this area is limited by the constant "day to day" demands on both Kevin Guild and Ron, leaving little time available to focus on more long-term management issues such as this.

One possible solution, which DMS is anxious to explore, is to arrange for a 3-4 week TDY in order to devise a Mission Property Management Procedures Manual. Such a manual would include descriptions of task performance by each position and for each step in the property management cycle, on both an automated and manual basis. The act of recording task procedures firmly in writing (in both French and English) would serve not only to standardize operating procedures, but it would also serve to link a number of presently disparate functions. The result would be a clear, coherent set of property management objectives for the Mission, coupled with a concise set of operating procedures for local personnel.

My other major concern in the area of Property Management has been the difficulties we have been experiencing with the automated property management program (MTS), which is designed to perform all required accounting and inventory functions for non-expendable property at post. As you are probably aware, we have experienced a continuous stream of problems with the program ever since its purchase. Although the system is up and running, we have repeatedly uncovered numerous corrupt files in the data base, which have seriously hampered our ability to keep the system up to date. Last June, DMS assigned Kevin Wiedmann, for a period of close to 4 weeks, to investigate the structure of the database and program, check the MTS procedures manual for inconsistencies, and review DMS personnels' operating procedures. Patrick Rene and I have also spent a number of hours attempting to correct some of the system's operating problems.

We are all in essential agreement that, while capable of providing the information and reporting which we need to perform our work, the program does not contain sufficient safeguards to protect the database against operator error. Given the lack of previous computer operating experience of DMS local hire personnel, together with Ron Morant's failure to master the basics of the program, we cannot expect the program to function accurately enough to meet our needs without a disproportionate investment of time and effort to maintain it.

Fortunately, M/SER/IRM has recently announced that a new automated property management system, known as the "Guatamala System", has been developed and approved for worldwide AID use. Furthermore, IRM stated that they will provide assistance to

those Missions with the MTS system (who evidently experienced problems similar to ours with the program) in converting over to the new "Guatamala System". Such assistance includes transferring the existing data base files onto the new system, as well as reprogramming the EPROM chips on the hand-held bar code readers. DMS, thus, plans to convert to the new system as soon as it becomes available. Furthermore, we strongly urge that USAID/Chad approve of our request to send Kevin Guild to the next M/SER/MS sponsored Property Management Course. This course, to be held sometime this winter, will include two weeks of personal property management training, as well as additional hands-on training with the new Guatamala System described above.

The last property management issue which we worked on during my TDY was the establishment of written procedures for the shipment of contractors' personal and household effects from post following completion of duty. As you are probably aware, contractors are not authorized to utilize the services of the STATE Despatch system. Complications have arisen with prior contractor shipments upon their arrival in the States due to the difficulty in ensuring "door to door" delivery from Chad. Shipments have therefore been held up in U.S. ports or at U.S. customs while waiting for appropriate arrangements to be made. We have now devised a set of procedures which should provide for the services of a U.S.-based freight forwarder who can make all necessary arrangements for delivery from U.S. ports of entry to the residence of U.S. contractors.

III. DMS Maintenance Services

The level of effectiveness of our maintenance services has always been a function of a delicate balance of the limited resources, time, and personnel available to DMS under the contract against a set of changing long- and short-term Mission priorities. While the contract established a level of effort and budget designed to focus on regular, ongoing maintenance and repair requirements, the growth of the USAID/CHAD presence, coupled with a seemingly endless stream of major and urgent projects, forced us to devote more and more resources towards substantial and unforeseen projects. The interior reconstruction of an entire wing of the AID Building, the complete construction of a GSO complex, the construction of a parking lot, installation of an entire set of residential and office generators, and the installation of an automatic UPS system for the AID building are the most visible examples of the heavy demands placed on the DMS Facilities Maintenance Office (GSO - Maintenance) over the last several years.

Unfortunately, in directing DMS towards this diversion of resources, the Mission has paid a certain price in the form of a decrease in the quality and timeliness of routine maintenance and repairs. Moreover, while these major projects have made

wonderful use of Gerard Rene's advanced technical skills (and in most cases would have been impossible to perform without him), they discouraged both him and Kevin from focusing on the need to better organize the various day to day operations of the GSO - Maintenance. While we have been trying for some time to improve the quality of Gerard's managerial skills, I would never, in Chad at least, trade Gerard's superior level of technical capability for a higher level of management capability. Nonetheless, both Kevin Guild and I are determined to make some deliberate attempts at strengthening the efficiency of maintenance operations.

To help establish a more disciplined and efficient system of follow-up for maintenance work orders, we are developing a simple database program to track work order progress and costs. The program will act as a management tool in monitoring the progress of outstanding work orders, and will also act as an accounting tool in tracking maintenance costs by location, type of repair, parts used, etc. Similarly, following Gerard's return from R&R, we will begin a system of daily timesheets (rather than monthly) at the maintenance office to more closely track the direct labor hours of maintenance personnel.

Lastly, we are attempting to identify a certain number of Gerard's specific responsibilities and duties which can be delegated to Edouard Kemba, his Maintenance Foreman, on a trial basis. The purpose will be to demonstrate that by relieving Gerard of direct control over some maintenance activities, we can succeed in increasing the quality of his control over all activities.

IV. General Administrative Support

The provision of general administrative support services to both permanent Mission staff and TDY personnel appears to be the strongest element of DMS' services to the Mission. The administrative office's duties include the organization of secretarial services, radio communications, switchboard and messenger services, reproduction and photocopying, vehicle dispatching, and travel services. The office also handles all personnel administration and financial accounting duties for the contract.

Based on observations from repeated trips over the years, plus feedback from Mission staff and TDY personnel, the office appears to be well organized and responsive to USAID/Chad's needs. The staff is capable, well trained, and courteous. They handle their day to day tasks with little supervision and appear ready to pitch in when the unexpected comes up. One of my few recommendations for improvement would be to formalize some of the support procedures and to provide some means of communication of these procedures to AID personnel in order that everyone have a better understanding of what support service are available and how to gain access to them.

One of the most significant events affecting the delivery of DMS' administrative support services over the past several years has been the introduction of computers and the automation of so many of the Mission's functions and clerical tasks. As recently as 1986, the Mission had only eight PC's at post with a few more on order. With the arrival of nine more computers on order USAID/Chad will soon have 26 PC's, a variety of peripherals, a central UPS system, and an ever growing number of users. Such an explosive growth carries with it an increasing need to not only maintain the equipment, but to organize the entire operating requirement within which it operates - to provide information systems management.

One of the goals of my trip and of the new contract was therefor to help Kevin to provide more structure to the position of Systems Manager, held by Patrick Rene. Patrick is bright, hardworking, and appears to have more than adequate experience with computer systems and programming to meet the relatively basic needs of the Chad Mission. He has already been quite active in monitoring equipment procurement and maintenance needs, as well as in developing a number of short, simple application programs for a variety of uses. He does not, however, possess much previous work experience and certainly is not very familiar with the day to day operations of an AID office. In order for him to be more than just a "troubleshooter" who lends a hand here and there, I felt very strongly that he should be more closely supervised and that the his duties and responsibilities be more clearly defined.

Patrick, Kevin, and I therefor drew up a position description which summarizes the basic purpose of the position, defines the scope of his responsibilities, and lists specific duties in the areas of procurement, installation, training, operation, and maintenance for both hardware and software. We also agreed that he would begin the publication of a monthly newsletter which would inform Mission staff of the activities and resources of the Automation Office and help to disseminate computer news and information throughout the user community.

V. Conclusion

The implementation of the recommendations and solutions identified in this report will be DMS' top priority during the initial phase of the new contract. I realize that much of the burden of effecting these management improvements will fall on the shoulders of DMS Chief of Party, Kevin Guild. Kevin is a very capable administrator and has been doing an outstanding job. As you are well aware, however, he already has an extremely broad set of responsibilities and puts in very long hours on a regular basis. Thus, if we are to succeed in our efforts at improved management, we must find ways for Kevin to delegate some of his routine tasks, in order that he find more



time to focus on long-term issues and to provide more management oversight to the other senior DMS staff. Kevin and I have spoken at length on this subject and are attempting to identify several of his more time consuming tasks which could be assigned to members of the local staff.

In summary, it is worth noting that I have deliberately adopted a frank, critical focus with this report in order to identify potential areas of improvement for DMS' services. Based on your comments, as well as my own observations, I have tried to point out what I consider the major weaknesses in DMS' performance and have presented specific recommendations for addressing these issues. I would like to emphasize, however, that the overall DMS performance under our contract has, in my opinion, been excellent and far superior to the level of services received by other AID Missions in this part of the world.

We are looking forward to continuing to provide support services to USAID/Chad over the next three years and will do everything possible to ensure that the quality of our services continues to improve.

1'