

PD-ABP-850

**IMPLEMENTING POLICY CHANGE PROJECT, PHASE II**

**PROJECT PAPER**

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## Glossary

Action Research - An iterative cycle of data collection, situation analysis, diagnosis, planning, action, data feedback, analysis, diagnosis, planning, action, etc. It is a purposeful change process in which the analysis of data leads to diagnosis, a plan for change, and a testing of that plan by the ensuing action. Each planning step is based on a new hypothesis as to what the next action step will produce, and that hypothesis is then tested by action. It is a learning process throughout. Some might call it a sophisticated "trial and error" process of learning. In the international development arena, action research is always a collaborative process involving responsible host country individuals and persons engaged in collaborative assistance in the effort to accomplish some development goal which involves change in the pattern of doing things.

Facilitate - To help forward an action or a process (Dictionary). Within the context of this document, the term applies to provision of a service which makes it easier for others to perform needed tasks, the tasks being those essential to implementing a policy choice.

Facilitator - A person particularly skilled at creating an interactive environment in which people of diverse interests and motivations work together constructively to achieve a common purpose. In this document, that purpose is carrying out a policy choice. The facilitator never commands or orders, but seeks to make it easier for those who have the responsibility for action to receive support and voluntary cooperation so that desired actions are taken without the necessity of command. This is particularly important in many policy implementation situations in which individuals and organizations, including groups of people, are not subject to command of the responsible manager.

Framework - A series of steps to be taken in any policy implementation effort. The steps focus attention on the important and priority concerns essential to successful implementation. The steps are five\* in number and may involve a variety of subsidiary steps. The actions required and the analyses undertaken are open-ended, and while they are in a logical order, that order is not essential to their utility. Critical to the use of the framework is the learning and discovery process involving a highly participatory and collaborative endeavor on the part of all essential stakeholders in the policy implementation effort. The framework, as well as the learning process approach is described in detail in Louise White's paper which constitutes the technical analysis of this Project Paper and appears in Annex I. (\*Restated in 7 steps in 1995.)

Influence - "To cause a change in the character, thought, or action of; to have an effect upon" American Heritage Dictionary. Policy implementors often have to influence the actions of others

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because they do not want to control them or have no control over them, but their cooperation and participation is essential to achieving implementation objectives.

Learning Process - See Framework.

Manager - An individual responsible for organizing and allocating resources and ordering actions to achieve specific ends. A policy implementation manager, be he political leader or civil servant, is a person responsible for mobilizing resources and commanding actions to carry out a policy choice.

Ownership - The feeling on the part of an individual or group that a decision, plan, or action belongs to that individual or group. Ownership implies not only understanding and agreement, but active participation in the process of arriving at that understanding or agreement or in taking a particular action.

Policy - "A plan or course of action designed to influence and determine decisions, actions, and other matters." American Heritage Dictionary.

Policy Analysis - Analysis of the effect, or expected effect, of alternative policies when implemented. A broader definition involves such analysis with consideration given to the expected impact of policy alternatives on the political, economic, cultural, institutional, technical, and organizational environment when each alternative is implemented.

Policy Choice - Election among policy alternatives to achieve a desired goal. This is normally done after analysis of the expected consequences of the various alternatives. No choice is automatic; it requires an evaluative human intervention. No choice is self-implementing; to achieve a desired goal, implementing actions must follow the choice.

Policy Implementation - Taking the actions required to give effect to a policy choice. This can be as simple as the Central Bank director telling his subordinate officials to charge borrowers a higher interest rate, say 7 rather than 6 percent. At the other extreme are the literally millions of action steps required to put a man on the moon, once the decision to do so had been made. All these steps had to be strategically managed, the entire effort sequentially orchestrated, with a vast array of organizations involved. Many development policies are equally difficult to implement, not because they involve so many different steps or actions, but because they require changes in the patterns of human action or behavior, often in the face of political or cultural opposition

Stakeholder - Any individual or group having a direct interest in the outcome or consequences of a proposed course of action or policy choice. Stakeholders include those public officials making decisions as well as all the individuals and groups, public and

private, affected by those decisions.

Strategy - A plan, method, or series of actions for achieving a specific goal. Often identified with the military, it is distinguished from tactics, which is the use of a particular method or type of action to achieve a limited objective. Grand strategy suggests an overall plan with many sub-components or subordinate plans whose coordination is a key managerial task.

Strategic Management - "Orchestrating congruence" among many diverse activities all of which have to be prioritized and performed in the correct sequential relationship to achieve an important objective. In policy implementation, design of strategy is a major planning process often requiring the creation of a number of sub-strategies to obtain the desired actions by a variety of different groups and organizations in the policy environment. Some key elements may be under the manager's direct control, others may require a strategy of negotiation to obtain needed performance, still others may have to be influenced or persuaded rather than directed or negotiated into carrying out the desired action. Design and execution of the various strategies in the proper sequence to assure the successful achievement of the policy goal is the task of strategic management.

## IMPLEMENTING POLICY CHANGE II

(EPC II)

### 1. PROLOGUE: IPC I AND II

The IPC Project Paper, approved June 18, 1990, stated: "A ten year project is anticipated... Planning of Phase II of the project will depend upon the conclusions of a project evaluation in year four." This evaluation of IPC I, completed January 1994, strongly recommended continuing the project into Phase II.

Why was contract terminated?

The project was authorized in March, 1990; the last year for funding was FY 95 and the PACD December 1996. The five-year contract to implement the project was negotiated in September 1990. It is to terminate September 1995 -- more than a year before the PACD of this six-year project. The Action Memorandum which conveyed the IPC authorization projected a four-year second phase of the project to follow the six-year first phase and to complete the project's total ten years.

With this plan, there would have been an idle project year between Phases I and II when there is no active contract, Therefore the plan is to compete an implementing contract for IPC II in FY 1995, in time to accept buy-ins for work which can start October 1995. The PACD for this portion of the project is March 30, 2001.

### 2. PROJECT PURPOSE

#### 2.1 The project's purpose:

The project's purpose (realized in close collaboration with USAID missions) is to assist host country public and private organizations to manage policy implementation in a democratic and strategic manner.

As an element of G/DG's program of technical leadership and "field support," the project will develop, apply, monitor and analysis methods for strengthening the ability of "the customer" (host country organizations) to accomplish policy change.

Democracy/Governance Arena: The project will help both governmental and non-governmental organizations address the difficult "governance" and "civic organizational" aspects of putting new policies into practice. (The terms "democratic governance" or the democratic "management of public affairs" are intended here to mean the management of the public's business by non-governmental and governmental organizations and through the interaction between the two.) Policies addressed by this project are governmental policies but their implementation will often be greatly affected, if not determined, by the response, initiative, activities and outlook of private sector organizations. Conversely, public policies may be proposed, advocated, or

demanded by others, but ultimately the governments concerned bear responsibility for them, regardless of their origin.

Democracy/Governance Process: IPC's management approach emphasizes democratic processes. Development policies are implemented most effectively, and with greater promise of being sustained, when democratic processes of participation, inclusion, conflict resolution, and transparent deliberation, decision-making and accountability are used. In almost every instance, implementing development policy changes poses daunting tasks for civil society and government. The most effective strategies for implementing difficult policy changes must be discovered, and implementors are well advised to work them out in collaboration with those who have either a stake in the outcome or a pivotal role in implementation.

Democracy has a large stake in the effective management of policy designed to promote sustainable development. From the spectrum of sectoral and economic policies which can be addressed, IPC II will give priority to democracy/governance policy change. Also, it will continue to pursue the implementation of other sector policies, for example, ones which address conservation of resources or broad-based income growth with the understanding that they present excellent opportunities to foster democratic processes and to link democracy/governance with other development objectives.

*What does this mean*

Using facilitative methods, the project will help implementors and stakeholders apply to policy situations the collaborative and learning processes which are involved in strategic management. It will support their leadership and their ownership of the decisions and actions which follow, both important to successful, sustained implementation.

The principles of strategic management (developed from business) applied to policy implementation, serve as a guiding framework which calls attention to categories of issues, questions and tasks which must be addressed for successful implementation. This iterative process and framework -- whose applications are distinctly varied -- center on assessment, problem solving, planning, consensus-building, action, and results.

Host country policy managers and stakeholders can use the strategic management processes, along with relevant technical policy expertise, to: 1) assess a policy situation, its options and constraints; 2) develop strategic implementation plans; 3) involve people and groups who have a stake in the change, helping them to clarify and develop a consensus on the policy implementation issues which affect them; 4) shape, initiate and monitor implementation; 5) take actions and promote coalitions needed to carry implementation to a successful conclusion. Use of these processes creates their thoughtful mastery and

establishes norms of open, accountable governance, responsive to the needs and interests of the people.

This process also requires supporting structures, systems, processes and skills—some tactical, some strategic. IPC can assist the strategic manager to focus attention on those processes which have priority importance to implementation.

Because of the close relationship between policy choice and policy implementation, the project will also influence policy choice by assisting client organizations to assess the feasibility of proposed policies from an implementation perspective and by providing assistance in the process of policy adoption.

The purpose of the project will be achieved through a combination of technical assistance (TA) and analysis. Both are focused on developing increased understanding of the context and dynamics of policy implementation and of means for assisting those with implementation responsibility to address them. This "research and development" (R&D) approach -- with major emphasis on TA -- will continue IPC's work to develop the theory and practice for this kind of technical support which heretofore has not been well developed.

## 2.2 Components of the IPC purpose:

There are four components of the project's purpose (to assist host country public and private organizations to manage successful policy implementation consistent with democratic governance and strategic management):

These components are:

2.2.1 to assist participants to develop the analytic and managerial skills and processes (including coordination, collaboration, advocacy, negotiation, task management, resolution of conflicts, etc.) essential to implementation effectiveness.

2.2.2 to help government organizations utilize strategic approaches to a) modify their purposes, structures, activities, procedures and performance; and b) influence, enable, respond to and collaborate with other non-governmental organizations and groups in the policy environment (e.g., business and NGO groups) where some or all of these steps are necessary to successful policy implementation.

2.2.3 to help non-governmental organizations develop and carry out strategic plans to: a) clarify and develop consensus on the policy implementation issues that affect them; b) develop a constituency for policy change and an

understanding of its requirements and complexity; c) take those implementation initiatives which are in the province of the non-governmental sector; and d) influence governmental action.

2.2.4 to bolster momentum for democracy and democratic governance by: a) helping stakeholders affected by policy change to have a constructive influence on policies; b) helping governments to discharge their policy responsibilities in a democratic and effective manner; and c) promoting government/non-government interaction and collaboration to solve development problems of key importance to the society.

### 3. THE TRANSITION FROM PHASE I TO PHASE II

#### 3.1 Continuation of design with modifications:

IPC I has been highly successful in many respects, as recounted in the January 1994 evaluation. Its work in 27 countries addressed a spectrum of policy interests and was financed with almost \$4 million of Mission and Regional Bureau funds annually for the past three years. Some of its "intellectual products" have been widely disseminated and used.

The second phase project will continue the successful approach of the original project. The thrust of this PP closely follows the concepts in the original design. In response to the recommendations of IPC's January 1994 evaluation, to recommendations of USAID stakeholders and to fresh design analysis, some minor modifications and adjustments in emphasis are planned.

The main design features were proven sound and will be continued; these features included the use in both TA methods and in policy implementation of a structured approach with much flexibility and adaptation to address each unique opportunity. The technical underpinnings of IPC were strong, and need not be extensively reworked or changed for this PP. The original 1990 PP, its problem discussion and Technical Annex 1 remain useful for guidance and provide a more complete exposition of the technical approach.

The project's strategic management framework and learning process, its approach to technical cooperation, its focus on the need to manage policy change and on work with host country policy managers and stakeholders builds on the approaches established and on the experience gained in the course of the predecessor project -- and of prior Bureau for Science and Technology development management development projects.

### 3.2. Findings of the January 1994 evaluation:

Two excerpts from this evaluation confirm, on the one hand, that "the implementation of policies continues to be a key development issue for USAID" and its partner countries. On the other, it notes the difficulty of policy implementation. It states: "The IPC project is a complex project dealing with difficult issues in concept and execution (for the following reasons).

First...reinforced during evaluation, policy implementation is often extremely complex, highly politicized, and involves multiple actors. Second, as opposed to projects with "hard" results, IPC is concerned with process -- transfer of strategic management concepts and techniques to improving policy management. Thus the subject matter of IPC can be difficult to grasp and its impact difficult to measure. Third, people with the combination of strategic management, substantive policy and language skills and country-specific experience needed to carry out many of IPC's tasks are difficult to find. Finally, as an R&D project, IPC has had to negotiate the difficult tension between the need to maintain a coherent and consistent research focus and the requirement of meeting the technical assistance needs of Bureaus and Missions."

The judgements of the evaluation were that:

- a) USAID and contractor are successfully meeting the challenges posed by IPC;
- b) The underlying premises of the project have been validated;
- c) IPC had been carried out substantially in accordance with project design, except that assistance to host country management resource institutions was cut back due to limitations of core funding;

The evaluation recommended a number of improvements which were described as being "at the margin." The more significant ones can be summarized in the following points. It recommended that:

- Steps be taken to increase the sustainability of IPC's concepts and processes within USAID, as well as in the specific countries where IPC has been active;
  - IPC should affect the way all USAID project managers handle policy projects;
  - IPC should be extended to ENI Bureau; greater involvement in the LAC Bureau;
- Applied research should be accelerated and tightened to better draw lessons from IPC's field experience;
- IPC should improve dissemination of project experience and results within USAID;
- IPC should renew efforts to strengthen host country resource institutions in the use of these approaches.

### 3.3 USAID stakeholders' advice to G/DG:

In 1994 and 1995 meetings and memoranda, USAID officers recommended similar improvements:

- a) Regarding IPC R&D: The project's research program should specify more clearly what is known (in respect to IPC's research agenda), and priority questions around which it structures its investigations.
- b) Greater concentration should be given to dissemination and utilization of IPC approaches in partner country resource institutions.
- c) Proactive steps should be taken to advise USAID missions and offices of the nature and availability of the project. IPC should engage other Centers in the Global Bureau and regional bureaus in announcing and interpreting its availability. IPC should provide a world-wide annual announcement.
- d) IPC should track women's participation in IPC activities. If there are situations where women are not prominent, IPC should ensure their proper inclusion as leaders, stakeholders, clients, and specialists. (Women often led IPC's activities as clients and specialists, but their numbers and percentages were not systematically reported.)
- e) Additional note: Repeated calls have been made by USAID stakeholders, and by the evaluation, for IPC to exert more impact on Mission practice and approaches. Strong protests have been made by others to this recommendation. This latter view is that any greater concentration on USAID's practice will necessarily weaken IPC's focus on host country organizations and that this should not be allowed to happen.

Regarding this last issue, G/DG decided that the project's focus remains on host country organizations. IPC will continue to provide technical support to Missions in the process of collaborating on IPC's technical assistance to host country organizations. This support will entail reviewing with the missions alternative approaches, personnel, activities and budgets for assisting host country organizations and missions to meet their joint policy implementation objectives. In addition, IPC will continue to be available on request to assist missions to apply IPC concepts to other non-IPC programming. Reengineering guidelines might provide increased incentives for USAID staff to use IPC approaches.

This project paper includes modifications to address the above

recommendations.

### 3.4 G/DG strategies and program outcomes:

This project will further the strategic objectives of the Global Bureau's Center for Democracy and Governance, which are:

- a) Improved democracy programs in USAID priority areas (governance, electoral processes, civil society and rule of law);
- b) Increased mission capacity to carry out programs that will foster the creation and strengthening of sustainable democracies;
- c) Improved Agency response to opportunities for emerging and consolidating democracies.

The project addresses the following Program Outcomes:

a) improvement in democratic governance; b) more influential role of civil organization in the management of public affairs; and c) host country public and private organizations collaborate for sustainable developmental changes.

### 3.5 IPC in the Global Center for Democracy and Governance:

IPC I was developed in an interdisciplinary social science technical office (Bureau for Research and Development, Office of Economic and Institutional Development -- R&D/EID) as a "management of governance" dimension of the economic, rural development, environmental and democracy policies on which this office concentrated. The analytic work on which the project was based recognized that while it is important that partner countries and their donor collaborators concentrate on economic, political and sectoral policy objectives, unless host country organizations are able to manage the difficult changes which the achievement of these objectives require, the benefits of improved policies will not be realized.

The experience of IPC I reinforced the premise that the adaptation of a strategic management framework, employed as a learning process, is useful to host country organizations and leaders for managing the implementation of policy. It demonstrated that a significant portion of this strategic management framework is democratic process, featuring inclusion, participation, transparency and accountability. Those aspects of the framework which would not be considered "democratic processes" nevertheless concern the improved management of the public's business -- itself important to democracy.

For the first four of IPC's active years, its organizational context in R&D/EID was political, economic and sectoral policies,

but the project focused on "democratic governance" -- and other elements of the strategic management framework -- to achieve them. With the project's move to G/DG these "democratic governance" dimensions of the project remained the core concern as they will in Phase II.

In G/DG the IPC project will continue to address situations where desired new policies are difficult to put into effect through traditional organizational structures and management practice. While, as before, the project is open to addressing any policy area considered important to sustained development, with its incorporation into G/DG's program, democracy and governance policies will be given priority.

IPC's approaches provide mission and host country clients a more concrete means for adopting and adapting such essential but abstract values as transparency, accountability, participation and inclusion while linking "democracy/governance" to other principal "felt-needs" development objectives.

### 3.6 Special relationship to reengineering:

3.6.1 A laboratory project: The focus of the project on host country customers and its use of participation, teamwork, empowerment, and accountability to get results makes it useful as a model for USAID's Operations Reengineering reforms. IPC can share its experience as a laboratory with those applying reengineering reform principles. Ownership by the partner country managers of the collaborative and learning process involved in strategic management, and of the decisions made through their use, are of prime importance to successful policy implementation and IPC's approach to it.

The project's technical cooperation (TC) will continue to emphasize leadership by responsible partner country policy managers and stakeholders in its individual and group approaches to policy change. Interaction among host country organizations, mission, IPC, and other stakeholders will facilitate thoughtful mastery of the iterative assessment, analysis, planning, decision-making, implementation, and benefits-sustainability aspects of strategic management of policy change. Such interaction is a model for the emphasis on "end-users," "stakeholders," and on "partnerships" and "teamwork" in USAID's Operations Reengineering Guidelines.

3.6.2 A G/DG-managed project: Mission support by the central bureau has been an emphasis of both IPC I and the Operations Reengineering Guidelines. Teamwork between central bureau and the missions is required for IPC's operation and by the reengineering guidelines. IPC's objectives require that the central bureau oversee, stimulate, monitor and coordinate the project's R&D agenda and ensure that TA and R&D are mutually

reinforcing. IPC also requires national-level insight and knowledge, the province of the missions. It requires "field" and "center" collaboration.

Since some of the thought on which the reengineering guidelines were based was that the Global Bureau would contract only ready-to-use or individual-based (vs. corporate-based) technology, there was an assumption that Global Bureau projects would not need on-going project management from the center. Thus the Reengineering Guidelines did not propose that the field-center teamwork and global-field support be linked to a center-managed project. Therefore, the value and the cost of G/DG management of the project must be discussed. (Note: IPC I is managed by two project officers, one a direct hire and one a RSSA, who spend between them, at most 2/3 time each with some aspects of the project management.)

An assessment of the "value added" by G/DG management of the IPC project should be made in relation to: a) the value of the project to the Agency; b) the extent to which its value depends upon Washington management of the project; c) recognition of any synergistic values to the Agency of G Bureau management; and d) the opportunity costs of this arrangement.

The premise that the project addresses a major development issue has not been challenged. Its contributions to policy implementation solutions have been shown to be useful; they could prove to make a significant difference in the value of development investments. But how necessary is central USAID management to achieving project objectives?

The project applies general theory and methods to a wide variety of highly difficult and complex problem sets. Central project management is needed to ensure that these applications are sufficiently insightful, informed, flexible, adaptive and skillful -- and that they benefit from cross-learning between technical assistance activities. The process of "structured learning" from TA (informed by other research) is uncommon and holds some difficulties. The variety and complexity of these contractor tasks demand careful project management which monitors all activities with understanding and which becomes actively involved when dilemmas, difficult decisions and interim assessments demand support, collaboration or direction.

A large portion of project management is directed to supporting USAID Missions' use of the project. As with project management's working relations with the contractor, the requirements of the project officer's job in relation to colleagues in USAID Missions may vary from monitoring and support to very active engagement.

Assisting Missions to use IPC I has sometimes meant helping field

officers who already have a clear understanding of the project and its usefulness to their local situation to carry out the process of procurement, selection, team preparation, etc. At other times, it has required much interaction with the field mission on the concepts of the project and alternative ways it can operate to be useful to the host country situation. Although missions and contractors have shown they value the unique design of phase II of the project, many competing incentives exist which cause Mission and host country collaborators and contractors to dilute the time and attention which they give to the project's core concerns.

Experience shows that some missions appreciate at once the paradigms and potential of the project and the way its services might be structured. These missions may seek re-enforcement in design and administrative support. Most missions, for a variety of reasons, need technical support to develop strategies, scopes of work, choice of personnel, etc, which link host country client problems and concern with immediate and long term mission objectives and the TA available from IPC.

Experience also indicates that without dialogue with project management a large number of missions would request assistance which could be met as well by a more generic project and which would not be directed to assisting host country policy implementation. Contractors, in general, are poorly prepared to refuse TA contracts on the basis that the request "fits" poorly with project design. While IPC applications must be very flexible to be appropriate to varied situations and clients, its core structure and purpose must be constant in all field activity. If the project is to accomplish its objectives, it should not be diverted to purposes which do not lead to assisting host country organizations to implement policy change. The project officer ensures use of project resources for concerns key to this project's objectives.

Direct TA: With respect to synergy, from a different perspective, one objective of the reengineering is more direct technical assistance to missions from the Global Bureau. IPC project management provides a great deal of direct technical assistance to missions. This is available not only in personal TDY's, but also through assistance by E-Mail, fax and phone with the development of strategies, plans, scopes of work, personnel decisions with missions, assisting with technical oversight of the TA, and with "tactical management support" -- ensuring that funding, clearances, conflicts problems, etc. are handled well. This TA requires sharing perspectives, lessons, and experience of the project; assisting a mission with means for linking the interest of the host country clients with the mission's immediate and long-term objective and technical services available from the IPC contractor. This should "count" as TA value added.

Indirect TA--through contractors: IPC project management also provides a great deal of quality control or support which is important to a complex venture of this kind. Issues of TDY team qualifications, strategies, methods and approaches are monitored not only with the mission but also with the contractor, in mutual exploration and planning (including formal team planning). With the large number of field engagements and the variation in success, difficulty and acumen in this area, oversight varies from routine monitoring to collaborative development of solutions.

In a more indirect mode, IPC supports missions by overseeing the research and development aspects of the project and its distillations of lessons from IPC experience (guided by outside research). Since the objective of this is to inform the technical assistance and the dissemination and utilization mission programs benefit.

The personnel cost of IPC project management might be weighed against alternative uses G/DG might make of this personnel time. Other, non-IPC DG work is strengthened by experience with the project.

On the negative side, some may say, is the complexity for missions of working with G/DG on developing plans for IPC assistance. This support should be managed to be regarded as positive by most mission collaborators.

### 3.7 IPC's relationship to other USAID projects:

IPC and a number of other central projects deal with a set of common issues; yet IPC is distinct from them and complements them. The focus of these other projects is on policy objectives, one might say, whether they be institutional (e.g: political parties, incentive structures, local government) or sectoral (e.g: economic growth, trade, or natural resource management). IPC's emphasis is on ways host country organizations can manage the changes required to make use of insights which such projects can produce -- or how to implement policy change -- and how outsiders (USAID) can assist them to do that.

IPC 's chief concern with these common policy issues is their management, organizational, political and cultural implications. The project intends to bring quality, but not central, emphasis to these kinds of sectoral issues which are the focus of other projects. In this sense, there is some overlap between IPC and other projects. (IPC can assist host country clients to think through what assistance they need with sector issues and how to obtain and manage that technical assistance.)

Other projects' practitioners often recognize the importance of assisting host country organizations to manage the policy change

they support and often they bring significant skill to the task. In this sense they are similar to IPC.

Different from other projects, however, IPC's technical focus is on assistance to host country leaders for managing the organizational and political changes which most policy objectives require and on recognizing the risk and dedication they often demand. The IPC project assists implementors to address issues when they are of priority importance to implementation. Some of these are also the substance of other USAID projects. Because IPC's perspective on these common issues is that of management and democratic governance, it seldom duplicates the approach of other projects.

IPC does not so much tap into pre-existing sources of tested experience and knowledge as it builds on parts of experience and practice which hold good promise to be useful to policy implementation; it further develops concepts, approaches and methods through the medium of the project. It differs from many projects in that it is a "research and development" project.

More collaboration between IPC and USAID policy-oriented projects continues to be an aspiration.

Some more action-oriented projects can be compared to IPC in other ways. For example, some in-country training projects may be interactive and participatory; they share many methods with IPC -- perhaps even promoting the interaction of multiple organizations. However, if such projects are devoted to strengthening institutions or the skills of their staff, but are not doing so because these actions are of priority concern in implementing policy, they have a different orientation.

G/DG's new "results package" relates to IPC in these same ways. The products which this "package" undertakes and the activities which it organizes will be of complementary help to IPC. The reverse is also true. The lessons from IPC can enrich those activities to the total benefit of the G/DG program.

#### 4. THE PROBLEMS WHICH IPC ADDRESSES

Policy implementation is a key issue in development and in democratic governance.

Failure to implement democratic, sectoral or economic policies is a common cause of democratic and developmental disappointments and the ineffective use of development resources. This subject is discussed at some length in the Project Paper for IPC I and in its evaluation.

Policy implementation -- and effective efforts to affect or bring about implementation must be managed.

Donor incentives and sanctions, insights from technical research, or popular demand are not sufficient for bringing about the multiple implementation changes required to make them operational and sustained. The process must be managed by those committed to the change.

Implementation of policies is often very difficult.

Commonly, new policies entail changed roles, incentives, benefits and costs for multiple organizations and individuals. Unaccustomed interaction, different concepts and ways of doing business are required. Conflicts of interest must be solved. Bringing about these changes poses intractable problems for host country leaders and managers of change. They are commonly challenged by the social, cultural, historic, political and economic factors that impinge upon their ability to bring about these required changes.

Host country leadership is required for policy implementation.

While donor resources can support these changes in many ways, the initiative, commitment, risk, knowledge, decision and action of host country organizations in managing these changes -- and overall, their leadership -- are indispensable to achieving real implementation change.

The theory and practice of managing policy change -- and for technical support to its implementation -- has not been well developed.

Host country organizations do not have ready access to technical support for the management of development change. International development specialists need special skills to assist.

Problems aside, policy implementation also provides host country organizations and donors with special opportunities for positively influencing the way in which basic decisions are made and implemented.

## 5. THE PROJECT'S INTERVENTIONS

IPC's interventions are of several kinds: a) support to missions and regional bureaus; b) support to host country organizations; c) technical leadership and knowledge development; and d) dissemination, utilization.

### 5.1 Interventions: Support to USAID Missions and Regional Bureaus:

Mission programs provide IPC technical support to host country organizations to strengthen their ability to manage policy change.

The project assists USAID Missions and regional bureaus to design approaches, strategies and plans for programs which support the management of policy change by host country organizations. This technical support is provided: a) in the process of arranging for and providing the IPC technical assistance (described in the next section); or b) through short-term assistance to Missions with program development, assessment and modification of their programs.

For the life of project, seven such short-term TDY assignments of program support to USAID missions are planned. (These are in addition to TDYs for planning IPC interventions to support host country organizations.)

## **5.2 Interventions: Support to host country organizations:**

IPC's central activity is assisting host country organizations which are seeking to manage policy change. Extended engagements are required to meet the objectives in the host countries, and in the learning agenda of IPC.

Using facilitative approaches as well as specialized knowledge, IPC specialists assist such organizations to accomplish the change which are required by new policies. These include achieving agreement on objectives and, with stakeholders, performing the assessments, coalition building, action mapping, problem-solving, decision-making and actions which are required to put policy into action -- and to periodically review and re-plan.

IPC teams may work with a wide variety of clients, policy objectives and countries. The following is a short list which illustrates the diversity of past activities. Applications of strategic management in these different situations are at once unique in each setting, yet similar in concept.

### **Examples:**

**Client:** The Cabinet Office, Zambia; **Policy:** Cabinet Office's support in management of policy by the Cabinet and line ministries.

**Client:** Multiple official and informal organizations in Mali, Burkina Faso and Ivory Coast; **Policy:** Implementation of a Livestock Marketing Agreement which entails many changes in public sector practice to remove constraints and facilitate this trade;

**Client:** Task groups of senior public sector and private sector actors comprise "The Forum" in Uganda; **Policy:** Increased vitality of the private sector.

**Client:** The West African Enterprise Network composed of independent, successful business-people in 8 countries;  
**Policies:** business climates nationally, including privatization; policies governing intra-regional trade.

**5.2.1 Extended Engagements:** In its continuing long-term work within a country, the IPC II's technical cooperation will aim at both short-term results and long-term systemic benefits. It will help governments or private sector clients deal with pressing decisions of the moment and also develop sustainable capacity for policy-oriented strategic management. To achieve these longer-term benefits, an extended engagement is important and a project priority.

An extended engagement will entail iterative visits by IPC technical teams for intermittent work - possibly four TDY's a year. In some cases, visiting teams will work alongside IPC resident advisors, as well as host country specialists. When project staff are assigned in-country, they will provide the same facilitative, consulting and training services as do visiting teams. Their residence will enable them to prepare for and follow up the work of visiting teams and to provide complementary consultancy, training, and research with greater scheduling flexibility.

The amount of time IPC II project teams spend with any partner country activity, as well as the size and composition of teams, will depend upon the nature of the implementation situation, the degree of interest and initiative taken by host country organizations, the interest of USAID Missions, and the availability of funding, among other factors. IPC teams may work with only one organization on one aspect of policy change, or they may address interrelated questions faced by more than one government implementing organization and by corresponding private sector and non-governmental organizations. They may work at several levels in the organizations and on multiple questions. They will devote substantial time to collaborative work with partner country or regional consultants.

**5.2.2 Number of "long term" engagements:** IPC will engage in long-term technical cooperation in eight more countries. "Long-term" refers to ongoing work in a single country accomplished by a series of iterative consultations over a period of years, or by the assignment of resident advisors.

**5.2.3 Number of short-term technical assistance:** It is anticipated that the project will also undertake short-term technical assistance to governments, policy stakeholders, and interest groups in twelve countries which do not develop into long-term engagements.

These short-term engagements are designed to serve an immediate purpose, and also to provide an opportunity for the following assessments to be made regarding extended TA. Is there the opportunity for IPC to work with committed clients who have sufficient influence to affect the implementation? Do the clients think that IPC could be useful to them in their implementation responsibilities? Does the mission have the interest and ability to support extended IPC technical support?

Short term TA may be structured around a number of possible activities, for example: reconnaissance, joint assessments or studies, workshops, individual consultation. Teams might assist the client to diagnose policy problems, to deal with a particular policy implementation constraint, for example, finances, to initiate a dialogue between stakeholders on an issue, to examine comparative approaches to a troubling issue. The short-term activity establishes the basis for further work between the project and host country officials. In many cases the short-term work will evolve into a longer-term policy implementation effort with stronger indigenous leadership.

Aside from direct assistant to Missions (i.e., trouble-shooting) which is intended to be short-term (discussed in 5.1), short-term assistance will be undertaken only if there exists, from the USAID perspective, the possibility of the project continuing with follow-up work in the country involved. That is, there must be both potential interest in supporting a continuation and the possibility of funding.

**5.2.4 Technical Team Methods:** Technical assistance teams will use individual consultation, group consultation, collaborative studies, workshops, joint analyses of implementation issues and problems, training exercises, study tours and joint action-research endeavors to assist host country implementing organizations to collaborate, analyze, plan, negotiate, reorient, and restructure (when necessary), in order to schedule and carry out implementation steps and procedures.

These activities will enable staff of implementing organizations to use the strategic management framework and learning process to develop the systems and skills, not only to perform their own choice and implementation functions, but also to involve successfully private sector organizations whose cooperation or response is required for a policy to be carried out. When the client is a non-governmental organization seeking change in the public sector, the same approach is used with modifications.

Implementors are to use the IPC Project framework to enhance their own ability to make judgments and to take practical steps in implementation. Therefore, IPC specialists must demonstrate to implementors that they can provide support in using this framework, and follow-through with appropriate assistance with

strategies, approaches and methods which support strengthened performance by client implementors. While the strategies and methods used may differ from case to case, they will all be designed to encourage iterative analysis and action and to facilitate mutual, cumulative learning through doing. These methods will avoid dependency and substitution relationships. They will employ both substantive knowledge and process skills to enable joint analysis of resources, constraints, information needs, and means of access to outside knowledge. They will clarify options and facilitate planning, organizing, and managing implementation tasks, while reinforcing skills development.

The project is organized around a strategic management framework and learning process which serve multiple IPC purposes. They:

- a) organize many of the lessons for implementing policy change drawn from the predecessor Performance Management Project and supplement and reinforce these lessons with reference to a wide range of additional works;
- b) provide a flexible structure through which host country organizations can plan and accomplish the specific tasks needed in each case of policy implementation, thus they: enable busy managers to acquire, assess, and use multiple kinds of data and indicators, including, for example, those identifying stakeholders, and any socio-political issues impinging on or obstructing policy change;
- c) assist managers to undertake unaccustomed roles which favor the implementation of policy change, such as liaison with private groups, collaborative assessments, etc.;
- d) provide a framework for managers to acquaint themselves with and analyze in the light of their own experience the problems encountered and solutions employed in other countries and other parts of the world; and
- e) provide an analytic structure for comparative research and for the examination of particular components of the substance and process of implementation.

Modification of the framework and learning process as a result of use and testing will provide increasingly valuable guidance to implementors, specialists, and donors.

**5.2.5 The strategic management framework:** The following steps compose a strategic management framework for policy implementation. (IPC I has used other versions which differ only to the extent particular steps are summarized or defined

separately.) It is to be used for guidance, monitoring, learning and revision. The actions required and the analyses undertaken are open-ended, and while they are in logical order, that order is not essential to their utility. Moreover, it is always important that specialists assisting with the process "start where the client is" no matter where an outside perspective considers the priority actions to be. At the outset, agreement should be obtained on the process to be used for strategic management. The steps are:

- a) reach agreement on a vision or goal and on what objectives are important to realizing that goal;
- b) involve stakeholders, in assessing and planning; particularly those who must play a part in policy implementation;
- c) reach a common understanding of the technical aspects of proposed policy changes and the information needed to support informed policy selection and effective implementation;
- d) map requirements for reaching policy objectives; develop agreement on what the constraints and incentives are to reaching objectives;
- e) address the position of those who lose and gain when the policy changes; resolve conflicts of interest which constrain solutions;
- f) develop agreement on preferred strategy; agree on priorities, roles and responsibilities and timing for carrying out strategies;
- g) identify programs, resources, practices and organizational changes necessary to carry out strategy and to reach objectives;
- h) initiate the action necessary to realize interim and long-term objectives; periodically review progress and modify plans as new insight and developments indicate.

(See Annex 1 to the original PP.)

**5.2.6 Team composition:** Each team will be selected to deal with the special circumstances applicable in the identified policy implementation situation.

Technical cooperation and assistance teams will be composed of:

- a) both US-based and host country or regional strategic management specialists;
- b) specialists in the functional, organizational, or policy area on which the team is concentrating (examples: democracy and governance, financial restructuring, trade, natural resource management, education policy);
- c) specialists in consultation methods which enable clients to lead and to "own" the collaborative activity while growing in their insight and skill in managing the implementation process;
- d) specialists in strategic management; and
- e) specialists in the

political, social, institutional, legal and historic issues of key importance to a particular policy implementation situation.

To the greatest extent possible, host country and regional specialists will be utilized as team members. The project will thus benefit from the expertise and insight of host country and regional resource people, while increasing the relevance and strengthening the quality of country and regional cadre for current and future support of policy implementation. Consultant cadre development represents a significant contribution of the project to sustainability of IPC approaches and methods in partner countries. (Some host country and regional specialists may be well-recognized as outstanding authorities in this field; others will have limited experience in it. In either case, the benefits accrue. Opportunity to learn through practice strengthens competence.)

5.2.7 Number of host country/regional consultant cadre: IPC II will attempt to include host country consultants on all teams (including trainers, analysts and other specialists with backgrounds in management or other relevant fields) in its technical cooperation and research.

5.3 Interventions in respect to research and development (R&D):

Because of the need for learning, testing, and guidance in the IPC agenda, the project achieves its objectives through the interaction of its technical cooperation and its R&D agenda. This agenda consists of structured learning from practical technical assistance situations, in light of academic research.

The objective is to advance understandings of: a) priority elements of the policy implementation situation; b) approaches and methods for addressing the problems and possibilities of this implementation; and c) intervention methods and tools available to outsiders for supporting host country managers to take the lead in the analytic and action components of implementation. A secondary, but important aspect of this component supports the application of these "lessons learned" to many donor-funded activities.

5.3.1 Action Research: When extended TA engagements begin, the project's action research comes fully into play. IPC seeks to engage the "strategic manager" in the monitoring and evaluation of each implementation step as to its utility and effectiveness. Implementation problems will arise that require development of political support, structural alterations, resolution of conflicts, rethinking procedures and processes, or new information systems. Special seminars may be required to guide personnel in new concepts, methods and procedures. This stage is a continuing and iterative process that can and should lead not only to successful implementation, but also to continuing

adjustments to improve efficiency, and continuing attention to requirements of sustainability (including sustained policy benefits and sustained finance).

Action-research is an iterative process of planning, action, evaluation, reflection, and replanning by the technical cooperation team participants, including host country implementation managers and specialists. This not only guides planning and action, but it also increases the learning and capability of both technical cooperation (TC) participants and outside facilitators. Subjects which implementors and their IPC teams will periodically assess when preparing for each new phase of work include: a) the progress and process of implementation, b) the knowledge and information generated, c) the usefulness of the IPC framework and learning process for implementation, and d) the effectiveness of IPC Project support in the implementation effort. The fundamental cycle of planning, action, measurement of results, evaluation, and replanning will be repeated again and again.

Both strategic management and action research imply a careful and ongoing monitoring of progress in relation to suitable performance indicators; the importance of prompt feedback and correction cannot be overstated. The framework includes a corrective mechanism to readjust strategy and tactics whenever those being employed do not achieve their objectives, produce unwanted outcomes, or fail to maintain suitable momentum. Failure to take corrective measures when needed can easily cause the framework and process to appear flawed.

In this description, it is clear that action research, from the client's perspective, is similar to the process described for managing a strategic management process in its iterative assessment and action. From the consultant, IPC's R&D agenda requires two additional dimensions: 1) periodic written assessments for the use of the IPC project and 2) analyses of the consultant-intervenor's role. Therefore, the project will assist clients in an action-research approach, and, in addition, the intervenor-specialists will file their own periodic action-research reports.

Core-funded staff will be responsible for strengthening action research approaches and methods, for preparing field teams for action-research, for assisting and monitoring action-research to ensure quality performance and learning, for improving frameworks, indicators and measures to assist action research, and for reporting on action-research components of country technical cooperation activities.

Critical to the conduct of action-research will be the early development in each case of baseline data and critical indicators or measures of implementation progress and achievement whereby

the effectiveness of policy implementation can be determined. In particular, the relationship between use of strategic management approaches by host country organizations and implementation achievements should be monitored. Project indicators are linked to success in fostering the use of strategic management.

### 5.3.2 Lessons from R&D activities:

#### Routine:

1. Specialists' TDY trip reports will reference components of the strategic management framework which were addressed in the TA.
2. A brief section in each semi-annual report will: a) highlight action research undertaken; b) summarize experience and lessons from trip reports; and c) relate them to the following categories of IPC II's inquiry. The project will maintain (beginning the first project year) a list of key implementation research issues divided into three sections: a) "known" lessons to be monitored in implementation; b) "hypotheses to be monitored;" and c) "knowledge gaps" or areas where new knowledge is needed. This list will be used as a reference and as assistance to structuring and targeting the project's reports. (The project is not intended to test or to prove hypotheses, but to structure learning from practice as systematically and objectively as is compatible with the TA.)

Nine-year IPC overview: A review and commentary on IPC's experience with assisting the implementation of policy change in approximately 25 countries (TA provided under both phases of the project) will be prepared. This comparative study will relate such issues as the nature of the policy and the policy situation, the nature and power of the "client", the nature of incentives and obstacles for change, and the opportunity for collaboration with relevant issues in the strategic management framework (as it may have been modified) and its approaches and methods. (The experience of IPC I will be obtained from its reports.)

During the second year of the contract, the contractor will participate in a decision by the USAID project officer and a committee of USAID/W stakeholders as to what additional material and data will be prepared and examined for the nine-year overview report to be produced in the fourth year of the phase two project.

Comparisons among TA activities may be made based on such factors as the nature and condition of the state, the economy, the policy content addressed and types of policy change undertaken, economic and other incentives operating, private sector and NGO roles, the implementing organizations involved, the degree and speed of

change entailed by the new policies, political and cultural factors at work, the role of leadership, and the different approaches to policy change with their corresponding implementation results.

Topical reports and monographs: At least three monographs and 15 topical reports will be produced by the project as called for and specified in annual workplans. The topical papers will represent useful lessons of experience from a substantive or process point of view, or both. At least one of the topical reports will cover experience with the interaction between business or other non-governmental advocates of policy change on the one hand, and political and governmental managers of policy change on the other.

The monographs will be based on the technical cooperation and research experience under the project and from adaptive research. These papers will be reviewed by peer specialists; they will be edited to approximately 50 pages for publication. Examples of candidate topics are:

Management of democratic policy changes: a comparison of IPC experience addressing democratic policies directly or as a means to sectoral objectives.

The problem of organizational complexity in strategic management of policy implementation by governments, including business and other non-governmental organization roles in implementation. Useful approaches to solution of the problem.

Weigh the relative impact of supporting private sector vis-a-vis public sector clients for managing policy change -- and their relative influence on effectiveness and accountability.

Creative approaches to incentive systems for motivating behavioral and attitudinal change among individuals and groups involved in policy change.

Final selection and formulation of these themes, and a schedule for producing papers will be agreed upon by G/DG and the contractor in consultation with a committee representing USAID/W offices who have a "stake in the project.

5.3.3 USAID mission or regional bureau-funded research: (With Mission or Regional Bureau funds) the project may conduct research which assists host country organizations to do the assessments or secure the information needed for policy implementation. In every case, the project will ensure that host country implementors take a leading role in setting the purposes and dimensions of the research and in securing agreement as to

how the research will be used. Wherever possible IPC will collaborate with host country researchers on these studies.

**5.3.4 Adaptive research; research by others:** The contractor will monitor ongoing and completed research by persons not related to the project which pertains to substantive or process problems or opportunities faced by implementors of policy change. The contractor will abstract those of more or particular importance to the project's activities, and use the ideas in the project's research. For example, research on means to handle organizational complexity may be monitored. Abstracts may be used to assist technical teams for adaption and testing in implementation situations and they may be made available directly to host country organizations.

**5.3.9 Summary of Core Research Outputs:** The contractor will provide the following as research and analysis outputs:

- a) TDY trip reports which relate an account of the implementation and consultancy experience to steps of the strategic management framework.
- b) A brief section in each semiannual report selectively treating research activities, progress and results achieved, problems encountered, solutions attempted, and lessons learned.
- c) Summaries or extracts of literature done by others for use in the project, and dissemination to clients and technical teams.
- d) Three monographs.
- e) 15 topical papers summarizing lessons of IPC II's experience.
- f) One nine-year IPC overview.

**5.4 Intervention: dissemination and utilization:** The project will designate contract staff for concentrated attention on the utilization of IPC methods and approaches by new contract employees, USAID offices and missions, and host country organizations. These objectives will be achieved by some or all of the following means:

**Team planning meetings:** TA teams will conduct team planning meetings to prepare for field and research work .

**Mission briefings:** TA teams will look for opportunities to share methods and approaches with mission staff in special briefings.

Policy change networks: The project will support or develop three "network-exchanges" in three regions or sub-regions consisting of managers and specialists for exchange of experience, concepts, lessons and opinion about policy analysis and implementation. Participants' adaptation of IPC approaches and techniques will be shared. These will center around periodic workshops seminars and conferences.

IPC will facilitate and support these activities with the leadership of host country clients and their correspondents in other countries who are interested in the application of strategic management (including collaborative and learning process) approaches and methods to policy implementation. An atmosphere which promotes frank discussion will be important to the usefulness of these fora.

(These networks for dissemination and exchange are distinguished from those networks -- of business people, or NGO's, for example -- who are managing a change process as clients of IPC, funded by Missions.)

IPC will participate in US networks on policy implementation and related subjects where research and experience can be exchanged with other specialists.

Host country resource institutions: USAID stakeholders called on IPC II to accomplish the host country resource institution strengthening objective which was laid out in the first project paper: "to cooperate with country or regional resource institutions such as universities, management institutes, and consulting firms to provide services, workshops, research or training..." In order to enable these organizations to make use of IPC approaches, the project will look for ways to relate field TA to host country resource institutions through means such as: assisting resource institutions to mount executive training to complement the TA (mission funding), and presentations to faculty when IPC technical teams are on TDY. Where appropriate and possible, the contractor may sub-contract with these institutions for service on IPC specialist teams.

## 6. PROJECT RESULTS

### 6.1 Results in respect to USAID Missions:

Missions' ability to achieve their strategic objectives is enhanced through IPC II's support to the "good governance" dimensions of the host country's program of policy change. USAID mission programs have improved ability to support "customers" (host country organizations) in their management of developmental and democratic policy change. Missions adapt IPC approaches for work where the project is not involved.

**Indicators:**

90% of missions assisted verify that IPC support contributed to mission strategic objectives.

**6.2 Results in respect to host country organizations:**

Although the contractor's assistance will be the key enabling instrument through which this result is to be achieved, only host country organizations can implement policy change or use strategic and democratic approaches to that end. The contractor can be responsible for building skills for effective use by host country organizations of strategic management and democratic approaches for policy change. It is the IPC project's responsibility to monitor the effect of its products to ensure that they continue to support the client's achievement of these outcomes.

The results in respect to host country organizations will be judged on the extent to which the project has enabled them to use one or more strategic management processes for policy change.

**Indicators:**

In 100% of technical cooperation activities (with host country clients) the project has identified client -- or client groups -- (or has assisted in their formation) who are interested in affecting policy change and have some ability to influence it. The project has begun planning with them. Information: trip reports and de-briefings.

In 90% of second visit TDYs (and more) clients have been strengthened in the use of one or two of the approaches listed below. Information: trip reports and de-briefings.

In 50% of technical cooperation activities (with host country clients) clients have been strengthened in the use of four or more of the approaches listed below. Information: contractor trip report and de-briefings.

**Reference for indicators; strategic management framework:**

The following steps compose a strategic management framework for policy implementation. (IPC I has used other versions which differ only to the extent particular steps are summarized or defined separately.) It is to be used for guidance, monitoring, learning and revision. The actions required and the analyses undertaken are open-ended, and while they are in logical order, that order is not essential to their utility. Moreover, it is always important for the specialist assisting with the process to "start where the client is" no matter where an outside perspective considers the priority actions to be. It is important to begin with obtaining agreement on the process to be used for strategic management.

- a) reach agreement on a vision or goal and on what objectives are important to realizing that goal;
- b) involve stakeholders, in assessing and planning; particularly those who must play a part in policy implementation;
- c) reach a common understanding of the technical aspects of proposed policy changes and the information needed to support informed policy selection and effective implementation;
- d) map requirements for reaching policy objectives; develop agreement on what the constraints and incentives are to reaching objectives;
- e) address the position of those who lose and gain when the policy changes; resolve conflicts of interest which constrain solutions;
- f) develop agreement on preferred strategy; agree on priorities, roles and responsibilities and timing for carrying out strategies;
- g) identify programs, resources, practices and organizational changes necessary to carry out strategy and to reach objectives;
- h) initiate the action necessary to realize interim and long-term objectives; periodically review progress and modify plans as new insight and developments indicate.

The project advances understanding and use of strategic management knowledge, approaches and methods in partner country policy change and USAID assistance.

**Indicators:**

1) Contractor's R&D outputs are widely judged lucid and helpful by host country, USAID, and third party users in operational, advocacy, TA, research, consulting, and evaluation roles. 2) Developed and tested approaches and methods for strategic management of policy change are available, transferred, and increasingly used by partner countries receiving USAID assistance. Information: user feedback, mission reports, project mid-term evaluation.

**7. PLAN OF ACTION**

**7.1 Collaborative Management:**

The IPC Project is designed for joint support and collaboration with USAID Missions, Regional Bureaus, other Centers and G/DG, as all have a critical need to help assure more effective policy implementation in partner countries. Collaborative relationships which meet the intent of all collaborators require particular attention not only in design but also during implementation. The following sections indicate the responsibilities of the USAID bureaus and missions involved.

**7.1.1 G/DG Coordination and Management Responsibilities**

**Oversight:** G/DG will have responsibility for oversight of all project activities. In particular, it will have responsibility for:

- a) overall planning for the project;
- b) technical work performed by the project;
- c) programming documents, reporting project activities and progress;
- d) linking and coordinating the project with other aspects of the Agency's work; and
- e) contract management, including contractor compliance with contract requirements.

**7.1.2 Enlisting and Incorporating Project Leadership:** G/DG also has responsibility for enlisting and incorporating project leadership from, and sharing project leadership with, other USAID offices, as appropriate, for purposes of:

- a) carrying out project oversight and assuring satisfaction by the different sources of IPC Project funding;
- b) making technologies which are marshaled by G/DG readily accessible to other USAID offices and encouraging their use;
- c) providing a supportive but "expert" role in relation to offices and missions responsible for operations;
- d) assuring that the IPC Project profits from the insights of outstanding USAID officials.

**7.1.3 To meet the foregoing responsibilities for oversight and leadership coordination, G/DG will:**

- a) convene committees and interact with appropriate regional bureau offices to collaborate and coordinate on: 1) contractor selection; 2) arrangement for technical assistance activities; 3) provision of technical direction to the contractor, particularly as respects research activities; 4) review of workplans and annual reports; 5) project evaluation;
- b) ensure that Regional Bureau personnel are invited to team preparation and de-briefing meetings, that they are informed of outstanding issues, and ensure that USAID Missions are offered briefings and de-briefings before and after each technical cooperation activity;
- c) oversee contractor's management of in-country activities as agreed upon with USAID Mission;
- d) organize arrangements for buy-ins or OYB transfers, and instruct other offices on Global Bureau aspects of

funding documents or prepare them in collaboration with the funding office;

- e) direct implementation of the technical cooperation, research, and utilization activities through written approval of contractor's annual workplan, of all overseas travel undertaken by contractor's staff, and of each technical thrust undertaken throughout the year to implement the workplan;
- f) maintain a data base of financing and expenditure, sign vouchers (with concurrence of funding office where this is requested), and organize funding and programming documents for Global Bureau funding;
- g) lead USAID participation with the contractor in planning, strategy development, technology development, and related programming, and encourage participation of other interested USAID personnel.
- h) engage the Regional Bureaus' support notifying missions of the nature and availability of the IPC project.

**7.1.4 Responsibilities of All Regional Bureaus:** All Regional Bureaus will appoint one or more members as "point people" for liaison with the project, or concur with G/DG selection of such members, based on relevance of each person's work to that of the project. Designees will participate in review of annual workplans and annual reports, and provide relevant guidance. Regional Bureau representatives will serve on the contractor selection team, provide feedback and assessment of technical cooperation activities, clear G/DG cables to USAID Missions, participate in briefings and de-briefings of technical cooperation teams, and advise G/DG of Mission and Regional Bureau programs, needs, and analyses. (With the assistance of the contractor and G/Dg) Regional Bureaus will issue a periodically up-dated announcement of the availability and the nature of the IPC project and the services available from it.

**7.1.5. Responsibilities of USAID Missions:** All collaborative work with host country organizations under the IPC Project will require the participation of USAID Missions, with whom rests the major responsibility for all work performed under Mission auspices. Mission responsibilities are of two kinds, depending upon whether work is exploratory or an ongoing, iterative undertaking.

**Exploratory Field Work**

Determination rests with the Mission as to whether it is interested in supporting the implementation of any given host country policy. Missions might consider some of the following

**avenues for initiating IPC activities:**

- a) Mission consultation with host country officials on the possibility of collaborative work with IPC is followed by exploratory consultation with project specialists and host country actors;
- b) IPC might follow-up on dialogue or activities Mission has already begun;
- c) a short-term implementation-related activity, complete in itself, such as a workshop, may serve also the function of assessing the usefulness of extended work on implementation.

In any case, Missions and G/DG must reach agreement on scopes of work, timing, personnel required, and duration of a short-term, introductory visit. Both Mission and G/DG sign PIO/T's for Mission funding of IPC services.

**When Agreement Has Been Reached**

When host country officials, the USAID Mission, the contractor and G/DG have reached agreement that long-term technical collaboration is promising and possible, the Mission will have the following responsibilities:

- a) negotiation with host country organization of a plan of work for as long a time as funding is available and the general plan is clear;
- b) negotiation with G/DG of a plan for technical oversight, technical back-up, and management support;
- c) preparation of PIO/T, with G/DG assistance and clearance;
- d) determination of which project management activities will be performed by Mission rather than Global Bureau or contractor, (including review and signing of vouchers) and negotiation of appropriate agreement with G/DG on these matters;
- e) participation with host country, contractor, and G/DG in considerations of field activity expansion, reduction, redirection, or termination; authorization of changes of this sort as are agreed upon.

**7.2 Project management:**

The G/DG project officer will spend one-half time managing the project and will be assisted by a senior USDA RSSA who will also spend half time on the project, and a full-time mid-level USDA-funded RSSA specialist. These RSSA costs will be funded by the project. This arrangement provides project officer coverage at all times (which the busy IPC I project demonstrated is necessary). It frees time for the project officer and the senior

RSSA to take on other DG responsibilities not associated with IPC but perhaps benefiting from IPC experience.

### 7.3. Contractor:

A competitively chosen contractor will be the principal instrument for IPC Project implementation. The contractor will be responsible for both a core contract and a requirements contract. The contractor may be a management consulting firm, a not-for-profit, or a university. However, the contract group which can demonstrate some kind of linkage with a university whose faculty is interested in policy implementation will be accorded points for this in the contractor selection process. A minority contractor on the proposal will receive additional consideration in the contractor competition. The contract will be awarded to and negotiated with a primary responsible entity, which, in turn, will sub-contract with and oversee the work of other entities to produce needed services and products.

Because of the great variance in specific objectives, in levels of resources allocated by host countries, USAID, and other donors, and in-country circumstances that IPC II will encounter in its field work, it is not feasible to structure the contract predominantly in terms of pre-specified performance. USAID will therefore utilize a level of effort approach, supplemented by a serious continuing effort to identify, articulate, and monitor key performance measurements and indicators which will enable USAID and the contractor to know with more certainty what results are being achieved.

In consultation with the USAID/G/DG Project Officer the contractor shall submit an annual workplan and proposed budget for G/DG approval before the beginning of each successive Federal fiscal year of the project. The workplan will constitute an important management device of the project in that it will convert the project's general plan into specific annual targets and work plans for each project component. It will serve as a means for securing the project officer's approval of activities to be funded by project resources. The contractor will present the activities and the budget by component. The workplan will include accounts of the status of work underway and activities which have been approved. When modifications are made in specific activities covered in the general scope of the contract, the annual workplan will prevail. The project officer can request action plans for specific activities covered by the general scope, but not elaborated in an annual workplan to supplement the annual workplan. The annual workplan can be modified by a memorandum agreed to by the project officer.

Contractor shall submit an annual report to the Project Officer approximately one month before submitting annual workplan to address project progress against targets in the previous

workplan, discuss what was accomplished under both contracts, and what changed as compared to the workplan for the previous year. It will synthesize "lessons learned." The annual report shall attach a proposal of workplan objectives and targets for the coming year.

The annual report shall include a financial report which presents total money received to date, expenditures by project component, by source of funds, by federal fiscal year and for the life of the project, and pipeline. Amounts for the current fiscal year shall include an estimate of expenses for that fiscal year which are not yet vouchered. A semi-annual meeting will be held to review progress against workplan objectives. A financial report as described above will be prepared for each semi-annual meeting.

**ILLUSTRATIVE IMPLEMENTATION SCHEDULE**

**Contract Year**

	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5</u>
A) PROJECT MANAGEMENT, PLANNING, REVIEW Project Evaluation*	X	X	X X	X	X
B) TECHNICAL ASSISTANCE					
Collaborative assessment, mainly for new activities	X	X	X	X	
Collaborative TA	X	X	X	X	X
TA backstopping, monitoring	X	X	X	X	X
C) APPLIED RESEARCH					
Review cross-cutting res. issues to inform TA and products	X	X	X	X	
Use, monitor, modify strat. mgt. frmwk	X	X	X	X	X
Write short topical notes	X	X	X	X	X
Produce monographs or other products as specified in annual workplans (publish 3 commercially)	X	X	X	X	
Nine year IPC overview: Draft book in peer review				X	
Accepted for publication					X
D) UTILIZATION					
Disseminate research products	X	X	X	X	X
Collab. work w/host country mgt. support institutions and tech. specialists	X	X	X	X	X
**Host country or regional workshops for institutional strengthening	X	X	X	X	X
**US and USAID workshops or training	X	X	X	X	X
**NGO and govt. policy change exchange workshops	X	X	X	X	X

\*Project evaluation not included in contract.

\*\*Most of these activities are to be funded through buy-ins anticipated from regional bureaus and missions.

## 8. EVALUATION

IPC II will last for five years, completing a ten-year project sequence. A third-year evaluation will consider any needed changes for the final two years of the project, and whether a follow-on project is desirable.

## 9. FINANCE

IPC II will be financed from three sources. G/DG will finance most core costs. USAID Missions or regional offices will "buy in" to the project's requirements contract or contribute to core costs to finance technical cooperation, studies, or regional exchanges-networks.

G/DG will finance central project R&D and the analytic and comparative reports which stem from it and contribute to it. USAID Missions will finance action research in connection with long-term TC. Missions or regional bureaus will fund regional, baseline, or other special studies or research which particularly concern them.

IPC II BUDGET PROJECTIONS

CONTRACT LOE BY STAFF LEVEL AND FUNDING SOURCE

(Person-months)	CORE CONTRACT		REQ.	Total Months
	G/DG	Regional Bureaus	CONTR Field	
Sr US-based SM Specialists	90	66	420	576
Sr Local Strat Mgt Spec	6	3	191	200
Mid-Level SM/Proj Mgt Spec	156	66	229	451
Admin Support Staff	<u>30</u>	<u>30</u>	<u>39</u>	<u>99</u>
Total Mos by Funding Entity	282	165	879	1,326

G/DG ANNUAL BUDGETS

[Assume 5% inflation]

	<u>Contract</u>	<u>RSSA</u>	<u>Total</u>	<u>Evaluation</u>	<u>Life-of-project</u>
Yr. 1	\$ 624,000	\$126,000	\$ 750,000		
Yr. 2	655,000	132,000	787,000		
Yr. 3	688,000	140,000	828,000	\$100,000	
Yr. 4	711,000	146,000	857,000		
Yr. 5	<u>758,000</u>	<u>153,000</u>	<u>1,011,000</u>		
LOP	\$3,447,000	697,000	4,144,000	100,000	\$4,244,000

REGIONAL BUREAU FUNDING

[Assume 5% inflation]

Yr. 1	\$386,000
Yr. 2	405,000
Yr. 3	426,000
Yr. 4	447,000
Yr. 5	<u>469,000</u>
LOP	\$2,133,000

MISSION BUY-INS TO REQUIREMENTS CONTRACT

[Assume 5% inflation]

Yr. 1	\$ 3,535,000
Yr. 2	\$ 3,712,000
Yr. 3	\$ 3,897,000
Yr. 4	\$ 4,092,000
Yr. 5	<u>\$ 4,297,000</u>

TOTAL \$19,533,000

**LIFE-OF-PROJECT FUNDING ESTIMATE**

	In Millions
TOTAL MISSION FUNDING	\$ 19.5
TOTAL REGIONAL BUREAU FUNDING	\$ 2.1
TOTAL G/DG FUNDING	\$ 4.2
TOTAL LIFE-OF-PROJECT FUNDING	\$ 25.8

**G/DG FUNDING FOR IPC II**

**Estimated Budget for Average Year for G/DG Funding to Core**

**(a) Personnel**

(Note: Personnel figures represent professional time paid by G/DG funds rather than full-time positions. For example, the project director may perform technical assistance or research with regional bureau or mission funding as well as provide management services through core funding)

Senior strategic management specialists engaged in project direction, research, technical assistance and utilization; 1.5 person-years at an average annual salary of \$89,000 . . . . \$134,000

Senior HC country or regional consultants/specialists engaged in technical assistance, research and utilization; .1 person-year at an average annual salary of \$78,000 . . . . . 8,000

Mid-level strategic management/project management specialists engaged in research, technical assistance, utilization, and project management; 2.6 person-years at an average annual salary of \$38,000 . . . . . 99,000

Administrative support staff; .5 person-year at \$29,000 . . . . . 15,000

Total, personnel . . . . . 256,000

(b) Overhead, fringe, fees @110% . . . . . 281,000

(c) Travel and per diem . . . . . 45,000

(d) Other direct costs . . . . . 42,000

TOTAL CONTRACT, BASE YEAR . . . . . \$ 624,000

**RSSA**

**RSSA: Senior Management Specialist**

Strat. mgt./governance specialist at \$65,000	. \$ 65,000
Fringe benefits at 25 percent	. . . . . 16,000
Travel and per diem	. . . . . 20,000
Other direct costs	. . . . . <u>2,000</u>
Sub-total	. . . . . 103,000
Overhead at 32%	. . . . . 33,000
<b>TOTAL RSSA</b>	. . . . . <u>\$ 136,000</u>

**RSSA: Mid Level Management Specialist**

Strat. mgt./governance specialist at \$32,000	. \$ 32,000
Fringe benefits at 25 percent	. . . . . 8,000
Travel and other direct costs	. . . . . <u>4,000</u>
Sub-total	. . . . . 44,000
Overhead at 32%	. . . . . 14,000
<b>RSSA Mid Level Spec. Total</b>	. . . . . <u>\$58,000</u>

Note: RSSA senior management specialist is expected to work approximately 1/2 time on DG governance activities related to, but not integral to, the project with funding for half of that RSSA support to come from a source other than the IPC project.

**Evaluation (Separate contract)**

During the third year of the project an evaluation will be funded and carried out. Estimated costs during FY 97 are as follows (line items rounded to nearest \$1000):

3 technical specialists for 44 days ea. (3 x 31 x \$360.00 = \$ 33,500), and 1 administrative support person, 20 days (1 x 20 x \$150.00 = \$ 3,000)	. . . . . \$ 36,000
Personnel Overhead & fees @ 110 %	. . . . . 40,000
Travel and per diem	. . . . . 19,000
Other direct costs, incl. workshop	. . . . . 5,000
<b>TOTAL, Evaluation (FY 97 only)</b>	. . . . . <b>\$ 100,000</b>

ESTIMATED BUDGET FOR FIELD OPERATIONS AND SUPPORT (MISSIONS)

(a) Personnel	
Two US-based senior specialists @ \$342 daily, one mid-level US-based specialist @ \$146 daily, 1 partner country senior specialist @\$250 daily, for 24 days each	
*Note: missions expected to authorize a 6-day work week . . . . .	\$ 27,000
(b) Overhead:	
110% of personnel costs . . . . .	30,000
(c) Per diem	
Three US-based consultants x 22 days each = 66 days x \$170/day . . . . .	
	11,000
(d) Air fare	
Three round-trips by US-based consultants at \$4600 ea. . . . .	
	14,000
(e) Other direct costs	
International communication, supplies, trans- portation of materials, local transportation, visas, insurance, rent, etc. (All persons.)	
	10,000
(f) Home office administrative support @ 15% of personnel costs (\$57,000 x 15%) . . . . .	
	9,000
Total . . . . .	\$101,000

Estimated Travel and Other Direct Costs Per Year

(Base year)

35 TDY's for 3 US-based personnel with 24 days per diem per trip @ avg. cost of \$170/day and estimated round trip air fare at \$46,000 each: \$25,000 x 35 teams . . . . .	
	\$875,000
Other Direct Costs to include insurance, medical exams, local transport, exit taxes, communications, postage, excess baggage, printing, xeroxing, meeting room rental, translation . . . . .	
	\$374,000

**IMPLEMENTING POLICY CHANGE II (IPC II)—LOGICAL FRAMEWORK**

<b>Logical Framework</b>			
<b>Goal</b>	<b>Measures of goal achievement</b>	<b>Means of verification</b>	<b>Important assumptions</b>
Implemented policies further democracy and sustainable development	In eight countries the democratic and developmental effects of implemented policies are demonstrated	Economic and impact data of countries, USAIDs and other donors: USAID and project reports.	a. Policies are implementable; b. Sufficient political stability and political will; c. Continuity in political direction
<b>Purpose</b>	<b>OVI: End of Project Status</b>	<b>Means of verification</b>	<b>Important assumptions</b>
Host country public and private organizations manage policy implementation in a democratic and strategic manner.	Host country gov'ts and private organizations in eight countries have demonstrated use of strategic management and democratic approaches for policy implementation; they adopt new roles, improve communications, processes, and performance. They influence and collaborate with other organizations to facilitate implementation. Knowledge and its use by HC and USAID expanded.	HC stakeholder interviews; USAID reports, contractor reports. Documents: project produced baseline data, annual reports, half year reports from each long term TC, donor and country records.	a. Sufficient continuity in managerial direction to enable individual and organizational learning; b. sufficient resources are available from the HC; c. donor support is continuous at an adequate level; d. strategic management process is applicable with modifications in all countries.
<b>Outputs</b>	<b>OVI: s</b>	<b>Means of verification</b>	<b>Important assumptions</b>
a. Employing strategic management approaches and behavior, HC managers/stakeholders orchestrate resources, incentives, systems, technology, skills, and coalitions to carry out priority implementation tasks democratically. b. HC consultants learn and apply strategic management concepts, practices; help implementation managers/stakeholder learn and apply them. c. Application of IPC technical framework generates knowledge and experience which are fed back to modify, refine, and improve the approach. d. Research findings and guidance material are prepared, disseminated, and used.	a. Outputs in respect to policy implementation are achieved in eight countries. b. 70 per cent of IPC teams include HC consultants; 10 per cent of HC consultants work on more than one IPC delivery order. c. Framework is modified based on applied and action research and lessons of country experience; d. Research guidance products widely used and useful in TC activities: • Fifteen topical notes, three monographs, one nine year overview, semi-annual reports which include lessons from experience and field activities are prepared; • Technical products conveying approach and methods are used in training and education; • A training session is delivered to local resource institutions in three partner countries on IPC approach and guidance.	USAID reports, contractor reports, project reports; documents: project produced baseline data, semi-annual reports, donor and country records.	Congruence between (a) USAID funding and interest in the TC process (b) concerned HC implementors, (c) managerial authority, (d) public support. In hostile environments, sufficiently numerous and timely rewards from implementation can be mustered to assure continued commitment. Sufficient number of qualified HC cadres are available and interested.

Inputs	Level of expenditure/effort	Means of verification	Conditions precedent to project implementation
<p>1) Long-term Technical Cooperation with local leadership in 8 countries;                      2) Short-term TA, analysis or training in 12 additional countries;                      3) Applied, adaptive, and action research conducted, appraised; useful findings extracted, used for briefings, dissemination, training, education;                      4) Local consultants included in technical teams;                      5) Marketing and dissemination of approaches and methods (ten briefings, three workshops, three training sessions, five newsletter articles);                      6) technical and financial support for professional or representational policy implementation networks in three regions;</p>	<p>Aggregate funding phase II (five years)                      \$ 26.9 million of which                      3.9 million G Bureau                      3.0 million Regional Bureaus                      20.0 million USAID Missions and Regional Offices</p>	<p>Annual work plans, annual and quarterly reports; research and TC reports, conference proceedings, news letters and program documents.</p>	<p>The project is able to establish a mutual relationship of confidence with HC implementors and USAID Missions where resources are available for extended work. Effective linkages can be made with complementary projects in relevant sector and economic policy analysis areas.</p>