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# ***USAID FORWARD***

**Partnership.  
Innovation. Results.**



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## ***USAID FORWARD:***

- An opportunity to change the way we do business— focusing on impact with new levels of authority and accountability.
- An early outcome of Presidential Policy Directive on Development and QDDR.

The success of *USAID Forward* depends on the entire agency, working together.





## Today's Goal

- Deepen the dialogue on USAID Forward
  - Listen hard to each other
- Together figure out how to produce great results in FY11 and beyond
- Problem solve around practices, attitudes and obstacles
- Celebrate this opportunity



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## ***USAID FORWARD's Reform Areas***

- **Procurement Reform:** We must change our business processes—contracting with and providing grants to more and varied local partners, and creating true partnerships to create the conditions where aid is no longer necessary in the countries where we work. To achieve this, we are streamlining our processes, increasing the use of small businesses, building metrics into our implementation agreements to achieve capacity building objectives and using host country systems where it makes sense.
- **Rebuilding Policy Capacity:** Evidence-based development that is driven by country owned development strategies must be more than a notion—it must become our reality. To make smart, informed decisions, we have already created a new Bureau of Policy, Planning and Learning (PPL) that will work in partnership with Missions and bureaus to introduce 21<sup>st</sup> century country development strategies grounding our work in solid analytics and research. PPL seeks to be the intellectual nerve center for USAID by promulgating cutting-edge creative and evidence-based development policies, leveraging our relationships with other donors, utilizing our strength in science and technology, and reintroducing a culture of research, knowledge-sharing and evaluation.



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- **Strengthening Monitoring and Evaluation:** Learning by measuring progress is critical for high impact, sustainable development and therefore must be an integral part of our thought process from the onset of our activities. That requires us to do a much better job of systematically monitoring our performance and evaluating its impact. We will be introducing an improved monitoring and evaluation process as part of these reform efforts, and we will link those efforts to our program design, budgeting and strategy work.
- **Science and Technology:** USAID has a strong history of transforming development through science & technology – from the successful use of oral rehydration therapies to the green revolution. As part of our reform efforts, we will upgrade USAID’s internal S&T capabilities, supporting the expansion of technical expertise and through access to analytical tools like Geospatial Information Systems. We will also develop a set of Grand Challenges for Development, a framework to focus the agency and development community on key scientific and technical barriers that bar progress in development. Finally, we will build S&T capacity in developing countries through cooperative research grants, improved access to scientific knowledge, and higher education and training opportunities.
- **Innovation:** Leadership in any field requires constant innovation. It is time to see USAID’s successful innovations highlighted, celebrated and disseminated more rapidly around the world. Administrator Shah will put into place a structure for fostering innovative development solutions that have a broad impact on people; where-ever they may arise. As part of our reform efforts, we are creating opportunities to connect USAID staff to leading innovators in the private sector and academia to bring ideas together, and we are creating the Development Innovation Ventures Fund—where creative solutions can be funded, piloted and brought to scale.



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## ***USAID FORWARD's Reform Areas***

- **Talent Management:** We will explore ways to leverage the enormous talent that lies within the broader USAID family of foreign and civil service officers, and Foreign Service Nationals. To solve the world's biggest development challenges, we will deploy our most talented and innovative staff. We will improve or create systems and processes that allow OHR to quickly align our outcomes to support the agencies strategic initiatives, with better hiring and training tools and incentives. We must attract and retain the best people who reflect global diversity and who share one common trait: the ability to be innovative problem-solvers
- **Rebuilding Budget Management:** Reconnecting our budget to policy and strategy is essential to achieve programmatic goals that produce meaningful development outcomes. In consultation with State, we have created an Office of Budget and Resource Management in the Office of the Administrator that will provide increased responsibilities over execution of our budget. With these increased responsibilities in a time of constrained foreign affairs budgets, USAID will have to propose difficult funding tradeoffs to continue robust funding of key operational and program priorities.



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**GOAL: Supporting staff to do the best work they've ever done ...  
imagining possibilities and building opportunities, around the globe**

- 
- **STRENGTHENED LEADERSHIP AND LEARNING**
  - **POSITIVE WORK ENVIRONMENT SUPPORTING DEVELOPMENT ENTREPRENEURSHIP**
  - **STRATEGIC HIRING AND DEPLOYMENT OF TALENT**
  - DELIVERING EXCELLENCE ON HR BASICS**



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## Key Enabling Components

- Reorganization of Human Resources Office
  - Structure in Place: December 2010
  - Completion of Staffing: April 2011
- New Human Resource IT Platform
  - Assessment Completed: December 2010
  - New Shared Services Provider Chosen: June 2011
  - Common data warehouse (existing systems): June 2011
  - Migration Completed: September 2012





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## Key Objectives

- 1. Acquire and retain top talent (FS, CS, FSN, Other)**
  - Hire top talent, bring on-board quickly and error-free with tools to succeed immediately
  - Require and support state-of-art skill acquisition
  - Develop and implement retention strategy
- 2. Deliver exceptional service and performance on basics of HR**
  - Benefits
  - Employee Assistance
  - Employee Feedback and Performance that drives key outcomes
  - Career Planning and Development
- 3. Require leadership that inspires, supports and celebrates development entrepreneurship and delivery of results**
- 4. Deploy rapidly FS and CS Staff to Key Priorities**
- 5. Upgrade and Broaden Opportunities for Foreign Service Nationals**



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## GOALS FOR IMPLEMENTATION AND PROCUREMENT REFORM

Create the conditions where aid will no longer be needed in countries where we work by delivering assistance that strengthens local actors and institutions that are ultimately responsible for transforming their countries.



### Six Priority Objectives:

Strengthen partner country capacity to improve aid effectiveness and sustainability.

Strengthen local civil society and private sector capacity.

Increase Competition and Broaden USAID's partner base.

Use USG resources more efficiently and effectively.

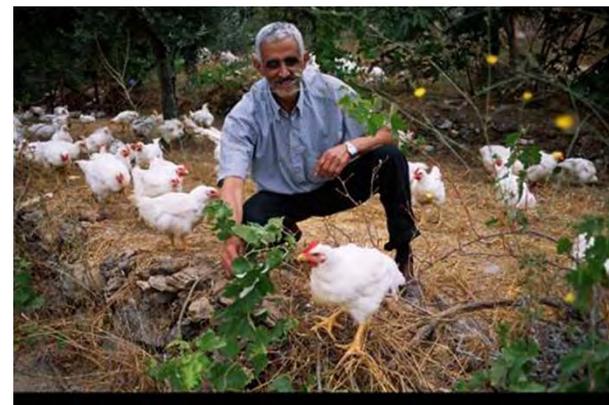
Strengthen collaboration and partnership with bilateral donors, multilateral and international organizations.

Rebuild USAID's internal technical capacity and rebalance the workforce.

## 2011 Benchmarks for Implementation and Procurement Reform

### Working with Partner Country Systems:

- An Assessment Tool for the use of partner country systems has been piloted in Liberia and will be piloted in Nepal, Peru and Rwanda over the next few months. This tool will then be refined and made available Agency wide.



### Working with Local NGOs and Local Private Businesses:

- Established five Local Capacity Development Teams in Peru, Egypt, Kenya, South African and the Philippines and will train all team members in Washington from 8-19 November 2010 and will do follow up training in country in spring 2011.
- Issuance of revised policy on the use of Fixed Obligation Grants in order to provide the field with an easier grant model to use with local NGOs. The new FOG will allow for advances or an upfront milestone payment and the eligibility requirements will be simplified.



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## **2011 Benchmarks for Procurement Reform**

### **Streamline our Contract and Grant Processes/Procedures**

- Review and revise Contract Review Board process.
- Review and revise RFP and RFA processes.
- Establish pilot program to give FSNs and TCNs warrant authority.
- Issue new policy and guidance on LWAs.
- Issue revised policy on grants to public international organizations.

### **Mitigate Pain Points in Administration of Contracts and Grants**

- Issue interim guidance on source/origin/nationality rules to allow expanded procurement in cooperating countries and revise regulation over the next few months.



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## GOALS FOR Building Policy Capacity



- Reestablish USAID as the policy leader on development issues within USG and among international donors
- New PPL Bureau will lead the Agency's policy planning efforts and shape the Agency's overall strategic planning process, while streamlining overall planning and reporting requirements
- Support USAID's evolution as a learning organization that is results-oriented and fosters interchange among policy, planning, evaluation, research, innovation, and knowledge-management activities across the Agency.
- Promote active engagement with and learning from our national and global development partners



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## **2011 Benchmarks for Building Policy Capacity**

1. USAID Global Development Strategy completed January 2011
2. Four policies/strategies completed by January 2011, covering COIN/CT, Education, Global Climate Change, and Evaluation
3. Country Development Cooperation Strategies approved for 20 countries representing 40% of USAID's budget by June 2011
4. Mission planning and reporting requirements decreased by 20 percent by April 2011
5. Project Design Training and Support to Missions in 2011
6. USAID Donor Engagement strategy approved February 2011
7. USAID's development perspective reflected in US-EU summit, G-20 summits and December 2011 High Level Meeting in Busan on Aid Effectiveness



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## GOALS FOR Monitoring, Evaluation and Transparency

- Greater use of evidence for decision-making, including program and strategy design
- Sufficient capacity to design and conduct high-quality program evaluations, following clear guidelines
- Collection, reporting and use of meaningful information about program performance
- Greatly increased transparency of Agency information about budget, expenditures and performance





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## 2011 Benchmarks for Monitoring, Evaluation & Transparency



1. Approved agency-wide policy on evaluation – January 2011
2. Evaluation training opportunities for program managers and evaluation specialists – starting January 2011
3. Suite of on-line evaluation tools, and mechanism to access technical expertise for rigorous impact evaluations – April 2011
4. Evidence summits – 4 -- by June 2011
5. Aid transparency pilots completed – April 2011



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## GOALS FOR INNOVATION

- Create conditions for innovation to be fostered, evaluated and scaled throughout USAID and the countries in which we operate
  - Focus on innovations that produce breakthrough results
- Be the place that world thought leaders and practitioners in development want to partner



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## 2011 Benchmarks for Innovation

- Mechanism in place that systematically identifies, vets and scales innovations throughout the Agency
- Mechanism to attract and gain the participation of development thought leaders and practitioners
  - USAID Innovation Fellows
  - New Partnerships that Leverage Access, Capability and Resources
- Solicit new approaches and ideas for accelerating achievement of development goals
  - Solution Seeking and Matchmaking Sessions
  - Development Innovation Ventures



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## Examples of Progress to Date for Innovation

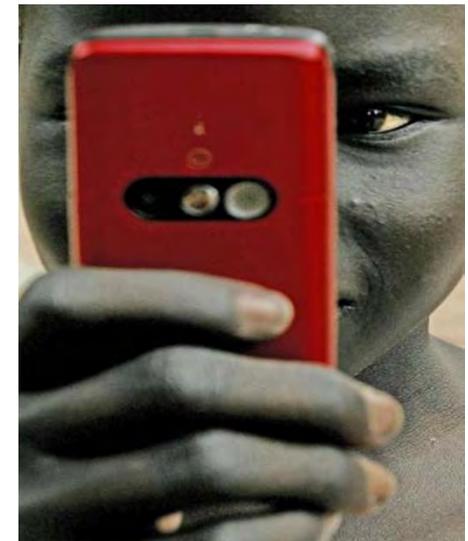
- Appointment of Chief Innovation Officer
- Launch of Development Innovation Ventures
  - Eight Awards
- Hiring of World-Renowned Economist/Social Entrepreneur
  - Michael Kremer
- Agency-wide Detail Opportunity
- USAID Fellows
  - First set identified; invitational seminars began
- New Partnership
  - Eastern Congo Initiative



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## GOALS FOR SCIENCE & TECHNOLOGY

- Identifying Grand Challenges for Development: Transforming Development Through Science & Technology
- Leveraging Federal Science Agencies to Build Capacity for our developing country partners through Research & Training
- Upgrading Internal USAID S&T Capabilities





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## 2011 Benchmarks for S&T

### Grand Challenges for Development

- Articulate Grand Challenges for Development that will focus USAID the international community on obstacles to achieving the MDGs and other major development goals.

### Cooperative Science Research

- Leveraging \$148 billion of federal research funding to overcome key scientific and technological barriers, particularly unaddressed multidisciplinary problems (e.g., climate & health), in cooperation with developing countries.
- Providing 50% of African universities with access to digital science literature & knowledge sharing capabilities equal to that provided at a major U.S. research

### Building Internal S&T Capacity

- New centralized GIS capacity in USAID Washington and in 25% of its missions to improve program design, coordination & evaluation, including the creation of a global development base map to help with crisis management.
- Development of a senior technical career track, and tools and incentives to reward maintain scientific and technical excellence.
- Increase in the number of AAAS science fellows in the Agency to the historic highs of the program, and get 10 fellows in missions overseas.



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## Examples of Progress to date for S&T

### Grand Challenges for Development

- The “Transforming Development through Science, Technology & Innovation” conference July 13-14, 2010 brought together over 65 external experts from the federal agencies, academia, the private sector, non-profits and NGOs

### Cooperative Science Research

- The PPL/ST office is with the NSF to develop an implementation mechanism to support developing country scientists by funding a joint research grant program
- USAID, NASA, Department of State, and NIKE joined together to form LAUNCH ([launch.org](http://launch.org)).
- This showcases the Agency as a leading innovator supporting scientific and technological work that could catalyze development transformation.

### Building Internal S&T Capacity

- The Office of Science & Technology, headed by the S&T Adviser to the Administrator was created within the new Policy Bureau.
- As of Fall 2010, 23 AAAS fellows work with USAID - up from 2 fellows in 2007.
- Central funding was secured for AAAS Fellows, to support, in particular, the Overseas Fellowship program, which was reinstated to place former USAID fellows at Missions.





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## GOALS FOR BUDGET AND RESOURCE MGT

- Build a USAID corporate budget capacity to successfully implement expanded budget formulation and execution authorities.
- Successfully execute the FY 2011 USAID budget under expanded authorities.
- Redeploy USAID resources in FY 2011 and 2012 from lower to higher priorities.
- Use the FY 2013 budget formulation process to align USAID resources with corporate and country strategies.





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## **2011 Benchmarks for Budget and Resource Mgt**

1. Fully staff the Office of Budget and Resource Management with permanent staff and detailees – October 2010
2. Develop FY 2011 budget execution procedures with State/F that increase USAID programming flexibility and provide funding earlier in the fiscal year – November 2010
3. Develop FY 2013 budget guidance that links requests to mission and initiative strategic priorities on a pilot basis – December 2010
4. Finalize and submit to Congress a FY 2012 budget that funds key staffing and other USAID priorities – February 2011
5. Submit a comprehensive USAID budget proposal to the Secretary of State – June 2011



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## Examples of Progress to date for Budget



- Agreement with State/F on increased programming flexibility for USAID (below the strategic objective level) and earlier allotments of funding in FY 2011.
- Support from State for a FY 2012 USAID budget request to OMB that prioritizes USAID staffing (140 FS and 140 CS positions) and funding for innovation, evaluation, and science and technology.
- Agreement with State/F to submit a comprehensive USAID budget proposal for FY 2013 to the Secretary to be integrated into a combined State/USAID budget request.



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