

**FINAL REPORT ON THE CONSULTATIVE
MEETING
WITH COOPERATING AGENCIES**

Held at Drug Management Program,
Management Sciences for Health,
Rosslyn, Virginia, April 30, 1998

May 1998

**FAMILY PLANNING MANAGEMENT DEVELOPMENT
Management Sciences for Health**

**Cooperative Agreement No.: CCP-A-00-95-00000-02
Activity Code No.: A0300 TECTA**

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Executive Summary

The Family Planning Management Development (FPMD) Project of Management Sciences for Health (MSH) organizes an annual meeting with Cooperating Agencies as part of its mandate to increase management capacity of family planning and reproductive health organizations. The purpose of the one-day meeting is to update colleagues about our work in progress, to identify opportunities for collaboration, and to engage in a dialogue with participants to ensure that FPMD's work is helpful to colleagues.

Four FPMD management tools were presented at this year's meeting:

- The Cost Revenue Analysis Tool (CORE)
- The Management and Organizational Sustainability Tool (MOST)
- The draft External Sustainability Monitoring Tool (EXSUM)
- The draft Human Resource Development (HRD) Assessment Instrument

In addition, FPMD's Electronic Resource Center was presented, with two examples of FPMD's collaboration with colleague agencies highlighted: The Health and Family Planning Manager's Toolkit, a compilation of management tools developed in collaboration with Family Health International (FHI), to which several Cooperating Agencies (CAs) contributed; and FPMD's ongoing development of a Managing for Quality site in collaboration with UNICEF.

Thirteen CA representatives from eleven organizations and three USAID staff provided valuable feedback and recommendations for modifications to these tools. Opportunities for collaboration for further field testing of the instruments were also discussed. CAs shared information on various tools and materials which are available or are under development, some of which may be presented at the upcoming *Tools for Better Management: A Professional Exchange*, on September 15 in Washington, D.C. This "tool sharing" event is being organized by FPMD, Family Health International (FHI), and the Academy for Educational Development (AED) and will be held at the AED offices.

More detailed information on the FPMD tools, and the discussions and recommendations resulting from the meeting are contained in the body of this report. The following is a summary of follow-up actions agreed upon during the meeting.

Cooperating Agencies

- Direct feedback on the CORE tool as well as suggestions for organizations and countries in which the instrument may be further tested and applied to: Gerry Rosenthal at Grosenth@MSH.ORG.
- Direct feedback on the MOST tool and its User's Guide to Gerry Rosenthal.
- Inform FPMD of organizations where the MOST tool will be or has been applied, and provide feedback on the experience.

- Apply the EXSUM tool to organizations which are well known by a CA, and provide feedback to Gerry on the usefulness of the tool and the clarity of instructions and the indicators.
- Direct feedback on the ERC and Toolkit to Bea Bezmalinoc at: Beabez@MSH.ORG
- CAs, especially training CAs, are requested to field test the HRD Assessment Tool during May - August with organizations they support. Feedback on the HRD instrument as well as suggestions for organizations and countries in which it may be further tested and applied may be directed to: Sarah Johnson at SJohnson@MSH.ORG.
- Further information and descriptions of CAs' tools and materials mentioned at the meeting should be shared with FPMD. They may be directed to the attention of Alison Ellis at AEllis@MSH.ORG.

FPMD

- Distribute an announcement about the *Tools for Better Management: A Professional Exchange* event, now scheduled for September 15 at the AED offices in Washington, as well as information about the submission of tools for presentation.

CORE:

- Pursue current plans to field test CORE in the public sector.
- Explore adding new features to the tool, including "special circumstance" contexts, and visual features such as graphs.
- Pursue discussions with AVSC International concerning packaging of COPE and CORE, and initiate similar discussions with The Policy Project, FRONTIERS, and FHI concerning the client willingness to pay instrument.
- Distribute paper on the client willingness to pay instrument once a complete copy is received from The Policy Project.

MOST and EXSUM:

- Inform CAs when final versions of MOST and its User's Guide, and the EXSUM tool are available.

ERC and Toolkit:

- Initiate a discussion on new categories or topics for the Toolkit with CAs.
- Request ideas from CAs for marketing the ERC, the Toolkit, and new tools for the site.
- Disseminate a regular User's Report.

HRD Assessment Tool:

- Consider modifying the tool to account for organizations which have large volunteer

structures.

General discussion:

- Review the presentation of all MSH management tools to assure that the benefits of their application are clear and straightforward.
- Update CAs on progress in the finalization of various tools at the *Tools for Better Management: A Professional Exchange* event in September.

I. Introduction: Catherine Crone Coburn, Project Director, FPMD

The Family Planning Management Development (FPMD) Project of Management Sciences for Health (MSH) organizes an annual meeting with Cooperating Agencies as part of its mandate to increase management capacity of family planning and reproductive health organizations. The purpose of the one-day meeting is to update colleagues about FPMD's work in progress, to identify opportunities for collaboration, and to engage in a dialogue with participants to ensure that our work is helpful to colleagues. Each time we have had one of these consultative meetings we gain a great deal of insight about how the work we are doing both reflects and contributes to the work we all do together.

At the CAs meeting held in New York in February 1997, FPMD presented the Management and Organizational Sustainability Tool (MOST). FPMD also consulted CAs about performance management and supervision issues they were facing in field programs, a management area which CA colleagues had asked FPMD to focus on at the first FPMD meeting with CAs in December 1995. Since then, MOST has been field-tested and FPMD has developed a Human Resource Development Assessment Instrument. These tools and two others were shared with the CAs for input and feedback.

In collaboration with Family Health International (FHI) and the Academy for Educational Development (AED), FPMD will hold a one-day *Tools for Better Management: A Professional Exchange* event on September 15 at the AED offices in Washington.. The purpose is for CAs funded by the USAID Center for Health, Population, and Nutrition, and other colleague organizations, to share tools designed to address access, quality and sustainability of reproductive health and child survival services in order to raise awareness about these tools in the broader CA community and discuss their application to USAID population and health projects. An announcement about the event and invitation to CAs to submit tools are forthcoming.

II. Overview of FPMD mandate in the Center for Population and Health Review of management challenges from the USAID perspective:

Maria Busquets, Deputy Director, Communication, Management, and Training Division,
Office of Population, USAID

USAID's recognition of the importance of strengthening management in service delivery has grown within the past few years. Management is now recognized as the "missing link" at all levels of the service delivery system. Counterpart organizations as well as donors are increasingly turning to USAID and projects such as FPMD for tools, materials, case studies, and lessons learned to address management challenges in population and health projects. The improvement of management systems is one of the key components of USAID's development of Results Packages. Good and sound management is important to the success of the Office of Population's program, but management must be linked to reality and specific needs at the level of service delivery points. The overarching challenge for us is to continue the dialogue among

the CAs, complement each other's strengths, and communicate with the field.

III. Presentation of the Cost Revenue Analysis Tool (CORE):

Gerry Rosenthal, Senior Program Associate, Health Financing Program, MSH

The Cost Revenue Analysis Tool (CORE) is an analytical spreadsheet-based tool designed to help managers of family planning and health organizations to improve the efficiency, coverage, and financial viability of clinic services. CORE helps managers analyze the costs and revenues for current services and for possible future scenarios. When used by an inter-disciplinary group of managers, it can help create a common understanding of the inter-related roles which the different disciplines have in solving problems. Handouts in Appendix III provide additional information on CORE, including: how CORE can be used for decision-making and what types of questions CORE can assist managers to answer; who can use CORE; the hardware and software requirements for using CORE; what the steps are for obtaining information for CORE; and a sample of the spreadsheets. CORE and the accompanying User's Manual will be formally launched at the NCIH meeting in June.

Discussion and Recommendations

During a field test of CORE with Marie Stopes International (MSI) in Tanzania, MSI staff were able to easily input data on direct staff time with clients per service as its clinics had previously used the COPE (Client-Oriented Provider Efficient) tool developed by AVSC International. FPMD and AVSC are exploring the possibility of integrating or packaging COPE and CORE.

One of the impacts or "unintended benefits" of CORE is that it allows clinic and organizational managers to examine norms for the delivery of services as well as to reassess policy and practice concerning the allocation of human and financial resources. CORE's capacity to create "what if" scenarios is a also powerful feature of the tool.

FHI, The Policy Project of The Futures Group International (TFGI) and the FRONTIERS operations research project have developed a client willingness-to-pay tool and have field tested it in Latin America. The methodology allows managers to measure the elasticity of demand for services. It was suggested that a marriage among CORE, COPE, and this methodology be explored. Another suggestion was to explore the potential for linkages between CORE and the Spectrum Modeling Suite developed by The Policy Project, a tool geared for policy makers at the national level.

CORE has not yet been tested in the public sector. The Latin American Health Reform Initiative, a collaboration among MSH, the Partnerships for Health Reform (PHR), Data for Decision Making Project (DDM) and the Pan-American Health Organization (PAHO) includes plans to field test CORE in Ecuador. Another country suggested during discussions was Bolivia. Application of CORE in countries which have or are moving towards decentralization of health service delivery, including the transfer of financial resources and control to lower levels, present

another opportunity to field test CORE in the public sector.

Several suggestions were made regarding modifications to CORE:

- ▶ Clarify in the User's Guide that the spreadsheets are set up to allow managers to hold inputs, such as personnel, salaries, clinic rent, constant and under this scenario examine the impact on the mix of services as well as potential future impact if the mix of services offered varies.

Dr. Rosenthal notes that CORE cannot help a manager decide what should be done clinically, however, its scenario planning feature allows managers to explore options.

- ▶ CORE should be modified to include graphs visually presenting the results of data analysis. The cost information produced by CORE is of interest to policy makers as well as boards of directors. It would be helpful to be able to capture their attention and interest through a visual representation of data.
- ▶ Outreach activities are an important component of service delivery at the local level. CORE should include guidance on how to allocate these costs among services provided.
- ▶ CORE should include an addendum addressing various special circumstances, for example, application of the tool in the public sector, in a decentralized setting, in programs which have outreach service delivery components, and also service sites which provide post-partum and post-abortion family planning services.

For Action

Cooperating Agencies

- ▶ Direct feedback on the CORE tool as well as suggestions for organizations and countries in which the instrument may be further tested and applied to: Gerry Rosenthal at Grosenth@MSH.ORG.

FPMD

- ▶ Pursue current plans to field test CORE in the public sector.
- ▶ Explore adding new features to the tool, including "special circumstance" contexts, and visual features such as graphs.
- ▶ Pursue discussions with AVSC International concerning packaging of COPE and CORE, and initiate similar discussions with The Policy Project, FRONTIERS, and FHI concerning the client willingness to pay instrument.
- ▶ Distribute paper on the client willingness to pay instrument once a complete copy is received from The Policy Project.

IV. Presentation of the Management and Organizational Sustainability Tool (MOST), and of a draft organizational sustainability assessment tool for use by USAID:
Gerry Rosenthal, Senior Program Associate, Health Financing Program, MSH

The Management and Organizational Sustainability Tool (MOST) is a self-assessment process whose components enable an organization to:

- Assess its current status with respect to a basic set of management components;
- Identify changes that can be made to move forward to more effective management;
- Identify actions which can be taken to implement these changes.

MOST is designed so that, with the support of a facilitator, a cross-section of staff and board members representing all levels of the organization can carry out a highly participatory process, expressing their individual perceptions of the level of management performance and comparing and consolidating these individual assessments into a common organizational assessment and plan for development. The successful implementation of MOST is predicated on certain conditions which must be present, notably, the full support of the organization's director and senior management. MOST is an organizational consensus tool which focuses on the major players within an organization and builds a clear view of what we mean by management. It provides a basis for generating a set of strategies for improvement and to assign some priorities to each. MOST is not for everybody, particularly if senior management is resistant or uncomfortable. In such instances, another tool developed by FPMD, the Management Development Assessment methodology, published in FPMD's *The Family Planning Manager* (Volume V, Number 4) is more appropriate as it is designed to be applied via interviews, not in a workshop forum, and includes the objective verification of the existence or non-existence of documented management structures and systems.

A draft of MOST was shared with CAs at FPMD's last meeting in February 1997 -- it was then called the Organizational Development/Sustainability Status (ODSS) instrument. In the past year MOST has been refined through field testing in Africa and Latin America, and with assistance from some colleague CAs. Please see Appendix IV for a copy of the draft MOST User's Guide which was distributed to CAs in advance of the meeting for review and feedback.

Dr. Rosenthal also presented a draft tool called EXSUM -- the External Sustainability Monitoring Tool. This instrument is designed to obtain information which will assist in assessing the sustainability of international efforts to support the development and expansion of access to family planning/reproductive health services. Based on the same FPMD Institutional Development Framework as MOST, EXSUM has been developed by FPMD in conjunction with its participation in the Sustainability Task Force which is assisting USAID/Washington to prepare some common indicators for the three elements of sustainability -- programmatic, organizational, and financial -- and some common approaches to measurement. Please see Appendix V for a copy of the draft EXSUM tool.

Discussion and Recommendations

Maria Busquets clarified the purpose of the Sustainability Task Force and of the development of EXSUM. One of the challenges for USAID in reporting to Congress on the impact of its programs, and why such tools as EXSUM are important to USAID is that the agency can see how the organizations it supports have progressed in improving their capacity and sustainability. Tools such as EXSUM and MOST help to describe the management development process and to examine progress in key management areas. At the same time, however, USAID needs to be clear that the purpose of such tools is not to rank organizations or rate organizational performance, but instead to generate a clear map of where an organization stands and to show progress in the development of its management systems. Moreover, the results of the application of MOST by CAs and EXSUM by USAID personnel can be useful in convincing USAID Missions about the need for a different or broader set of technical assistance interventions. EXSUM provides a "snapshot" at one point in time of an organization's overall management capacity.

Dr. Rosenthal and other FPMD staff involved in the field tests of MOST elaborated on the organizational development and consensus building aspects of the tool. Because MOST is done internally and through a participatory process, it gives staff ownership of the management development process. It gets people from all levels of an organization -- board members, managers, field staff -- to agree about where they are and where they want to be. Changes are dictated internally. In this sense, it is an effective self and group education exercise. In field tests of MOST, organizations always found something they could do immediately to improve themselves. This is very self-empowering.

MOST is a sustainability assessment tool; it cannot tell you how good the quality of an organization's work or services are.

One suggestion for a modification to EXSUM was suggested: to add indicators on an organization's ability to problem solve, and at all levels of the organization.

For Action

Cooperating Agencies

- ▶ Direct feedback on the MOST tool and its User's Guide to: Gerry Rosenthal at Grosenth@MSH.ORG.
- ▶ Inform FPMD of organizations where the MOST tool will be or has been applied, and provide feedback on the experience.
- ▶ Apply the EXSUM tool to organizations which are well known by a CA, and provide feedback to Gerry on the usefulness of the tool, the clarity of instructions and the indicators.

FPMD

- ▶ Inform CAs when final versions of MOST and its User's Guide, and the EXSUM tool are available.

V. Presentation of the Electronic Resource Center, and the Health and Family Planning Manager's Toolkit:

Beatrice Bezmalinoc, Senior Manager, Electronic Materials and New Products, FPMD

FPMD's Electronic Resource Center (ERC), an electronic information and communications service for family planning and health professionals, was presented. The presentation oriented participants to the contents of the ERC (e.g., members database, electronic fora, etc.), current plans to redesign and develop modules for various management categories, and current partnerships with UNICEF and the National Association of Community Health Centers. The Health and Family Planning Manager's Toolkit was featured, an electronic compendium of management tools designed to help health and family planning managers with the effective implementation of management activities. A collaborative effort among FPMD, FHI, and other CAs, the Toolkit contains eight main management categories in which 29 management tools submitted by many CAs and MSH are currently available. Please see Appendix VI for handouts and further information on the ERC and Toolkit.

Discussion and Recommendations

Several recommendations were offered by participants:

- ▶ Ensure that all CAs are linked to the ERC, and the ERC to/from USAID.
- ▶ Expand the categories for the Toolkit, for example add sections for policy tools; or tools related to research for management improvement, to help managers with the utilization of data. FPMD should consider involving CAs in a discussion of appropriate topics or categories.
- ▶ The Toolkit contains a mix of assessment and response tools or "solution packages". It would be helpful to differentiate these categories of tools with an icon.
- ▶ User's reports, information on how many "hits" the Toolkit site receives, should be regularly shared with CAs which have tools on the site.
- ▶ FPMD should share what it has learned concerning formatting for the Web: how to make print materials look better on the Web, in an effort to make tools more accessible in the Web context.

For Action

Cooperating Agencies

- ▶ Direct feedback on the ERC and Toolkit to Bea Bezmalinoc at: Beabez@MSH.ORG.

FPMD

- ▶ Initiate a discussion on new categories or topics for the Toolkit with CAs.
- ▶ Request ideas from CAs for marketing the ERC, the Toolkit, and new tools for the site.
- ▶ Disseminate a regular User's Report.

VI. Presentation of the draft Human Resource Development Assessment Instrument: Sarah Johnson, Senior Program Officer, FPMD

A draft Human Resources Development (HRD) Assessment Instrument for NGOs and government organizations was presented. The instrument is designed to provide users, either external or internal to the organization, with a tool to assess HRD capacity in essential areas, including planning, HRD data systems, personnel policy and practice, performance management, and training. As the instrument is in the relatively early stages of development and field testing, and since HRD or performance management was identified in the past by colleague CAs as a priority management area, FPMD presented this draft tool to obtain feedback, and to engage colleague CAs in field testing the tool. The tool was distributed and participants requested to field test and critique it over the next four months, May-August 1998, and provide feedback to FPMD. Please see Appendix VII for handouts and further information, including a copy of the draft Instrument.

Discussion and Recommendations

MOST is not a pre-requisite for field testing the HRD Assessment Instrument. It can be used alone or in conjunction with other tools.

The challenge in HRD is how to motivate interest in this area. It is a sensitive topic for most organizations and one which receives little attention, despite the fact that human resources usually constitute the biggest share of an organization's annual budget. CAs which apply the tool with organizations with which they work are requested to provide feedback to FPMD on any "hot button" or particularly sensitive areas covered by the tool.

It does take some time, some resources, and technical capabilities to apply the tool in full. Some areas are more difficult than others, for example, assuring that policies and practices are consistent with local labor laws. It may seem overwhelming, but in reality it is less so when the tool is used in a group setting. The instrument should be applied in a setting where the process is facilitated, and it can be applied in phases.

One special circumstance raised was projects which are being implemented by several separate partner organizations, whose HRD policies, practices, and systems may vary widely and may be at quite different stages of development. Such discrepancies may contribute to internal problems and difficult dynamics among the partner organizations. This is a new area for consideration in the further application of the tool.

It is important to combine assessment tools with response tools or "solution packages". CAs should not just be giving counterparts tools to identify solely the problems, but also means to identify and provide solutions. This is all part of developing "solutions packages" and to help Missions take a more holistic approach to organizational development, capacity building, and sustainability. One example of a response tool for the HRD Assessment Instrument is a Performance Planning and Review (PP&R) tool which FPMD is developing and testing.

It was suggested that the HRD Assessment Tool be modified to address those organizations which have a large number of volunteers, whether at the board level or at the community level.

Maria Busquets specifically requested the training CAs to field test the HRD Assessment Instrument.

For Action

Cooperating Agencies

- ▶ CAs are requested to field test the HRD Assessment Tool during May - August with organizations they support. Feedback on the HRD instrument as well as suggestions for organizations and countries in which it may be further tested and applied may be directed to: Sarah Johnson at SJohnson@MSH.ORG.

FPMD

- ▶ Consider modifying the tool to account for organizations which have large volunteer structures.

VII. Consultative Discussion:

- ▶ What are the priority management areas and challenges for Cooperating Agency programs?
- ▶ In what management areas should FPMD direct its focus over the next 2 years?
- ▶ What management approaches and tools would CAs like to share with the group?

Discussion and Recommendations

There was a general discussion about the need for better coordination among CAs at field and headquarters levels. In this way, duplication of effort, such as the development of similar tools

or approaches to address common problems, can be minimized. It was suggested that a retrospective examination of CA collaboration in Brazil be carried out to determine why it has worked so well in this country.

Stronger coordination could also help address the problem of language specific materials. The CA community needs to develop, collect, and prioritize the translation of language-specific materials. It was suggested that the Reproductive Health Materials Working Group could address this issue.

The challenge of applying tools and lessons at the broader sectoral level was mentioned. Tools developed for organizations are not necessarily applicable to institutions at the national or macro-level.

The need to test management tools in the public sector where it is much harder to use such approaches to bring about change was further emphasized. Informal or key informant approaches can be a first step. Both JSI/SEATS and AVSC International indicated their interest and plans to explore applying some of the tools presented at the meeting in countries where they are working with Ministries of Health (MOH).

It was noted that the CA community knows the public and NGOs sectors well. This is less true for the private-for-profit sector. Tools and approaches for this sector need to be developed. Such innovations may help MOHs with private sector compliance with national standards and practices. FPMD and the CA community should look at what has been done in the private sector, including management approaches developed from public-private sector partnerships.

Many of the CA participants mentioned tools they have developed or are in the process of developing:

BASICS: Two manuals are under development. One focuses on methods which BASICS has developed to improve the quality of care delivered by private providers. It is tentatively titled: "Improving Private Health Care: Case Management Practices for Childhood Illnesses". The other manual relates to government actions and is tentatively titled: "Government Roles and Private Practitioners."

IPPF/Western Hemisphere Region: It has prepared a series of self-assessment evaluation modules covering strategic planning, quality, sustainability, and youth programs. All modules are available in Spanish; the latter two are also available in English. Victoria Ward at IPPF is the contact.

CARE: It is developing a participatory learning and action manual for reproductive health which helps to identify priorities at the community level. The manual will be available in June.

POLICY: The Project has prepared a Strategic Planning manual for use at the sector level.

PCS: Guidelines for using advertising agencies are available. A Communications Strategic Planning manual is in process. In addition, PCS is collecting data for a series of self-assessment tools which can measure the decline of inter-personal communication skills among personnel who have been trained.

AVSC: The COPE Manual is being revised to focus more broadly on reproductive health. A manual on facilitative supervision will be available later this year. AVSC is also developing materials on "inreach", outreach within the hospital setting for use by managers, and to orient all service providers about RH services in the hospital setting.

Measure II: The Project is documenting methods to monitor FP services from a quality perspective for a tool on best practices.

It was suggested that a methodology for the development of referral systems is needed, which would include guidelines for referral, who should be referred, and referral up and down the health care system.

The CAs expressed interest in MSH's Technical Clusters. The Clusters are internal, cross-cutting groups that provide an organized forum for MSHers to exchange ideas, information, and experience on particular management development topics. Their mandate is to develop and field test management tools and TA approaches based on ideas from the field, MSH staff, other CAs, and donors; document lessons learned; and develop resource or "solution packages" and other materials to benefit client organizations, the CA community, and donors. There are currently nine clusters: Community-Based Services; Decentralization; Finances; Human Resources Development; Leadership Transition; Managed Care (or public/private partnerships); Quality; Strategic Planning; and Organizational Sustainability.

How to share information on the Clusters' activities with the CA community will be addressed at the next internal MSH meeting of Cluster leaders. In the meantime, CAs are encouraged to participate in electronic forums sponsored by selected Clusters (e.g., the ongoing decentralization and supervision forums).

Participants advised that a FPMD consultative meeting once a year was sufficient, however interested sub-groups of CAs and FPMD staff could organize themselves and meet more often. FPMD should make periodic updates on progress in the finalization of various tools and disseminate formal announcements when tools are available.

Finally, it was suggested that in order to effectively convince USAID Missions to take a more holistic approach to organizational development and to convince counterparts of the management tools' relevance and applicability, FPMD's presentation of tools should be simplified. Key words and specific benefits statements should be added to the tools' description and presentation to assure potential users' attention. Assessment and "solution packages" or response tools should be presented together and in a more user friendly manner.

For Action

Cooperating Agencies

- ▶ Further information and descriptions of the CA materials mentioned above should be shared with FPMD. They may be directed to the attention of Alison Ellis at: Aellis@MSH.ORG.

FPMD

- ▶ Update CAs on progress in the finalization of various tools at the *Tools for Better Management: A Professional Exchange* event on September 15.
- ▶ Review the presentation of all MSH management tools to assure that the benefits of their application are clear and straightforward.

APPENDIX I: AGENDA

FPMD CONSULTATIVE MEETING WITH COOPERATING AGENCIES

Date: April 30, 1998

Venue: Drug Management Program
Management Sciences for Health
1515 Wilson Boulevard, Suite 710
Arlington (Rosslyn), VA

- 9:30 Welcome, Introductions, Review of the Agenda:
Catherine Crone Coburn, Project Director, FPMD
- 9:45 Overview of FPMD mandate in the Center for Population and Health
Review of management challenges from the USAID perspective:
Maria Busquets, Deputy Director, Communication, Management, and Training
Division, Office of Population, USAID
- 10:00 Presentation of the Cost Revenue Analysis Tool (CORE):
Gerry Rosenthal, Senior Program Associate, Health Financing Program, MSH
- Discussion
- 11:00 Break
- 11:15 Presentation of the Management and Organizational Sustainability Tool (MOST)
and of a draft organizational sustainability assessment tool for use by USAID:
Gerry Rosenthal, Senior Program Associate, Health Financing Program, MSH
- Discussion
- 12:15 Presentation of the Electronic Resource Center, and the Health and Family
Planning Manager's Toolkit:
Beatrice Bezmalinoc, Senior Manager, Electronic Materials and New Products,
FPMD
- 12:30 Lunch
- Participants may explore the Electronic Resource Center during the lunch hour

1:30 Presentation of the draft Human Resource Development Assessment Instrument:
Sarah Johnson, Senior Program Officer, FPMD

Discussion

2:30 Consultative Discussion:

- ▶ What are the priority management areas and challenges for Cooperating Agency programs?
- ▶ In what management areas should FPMD direct its focus over the next 2 years?
- ▶ What management approaches and tools would CAs like to share with the group?

3:45 Break

4:00 Next steps

4:30 Closing

APPENDIX II: PARTICIPANTS

Name	Title	Organization
1. Maria Busquets	CTO	USAID
2. Sandra de Castro Buffington	Sr. Technical Advisor	G/PHN/POP/CMT
3. Gary Lewis	Chief, Research & Evaluation	JHU/PCS
4. Anne Pfitzer	Program Development Officer	JHPIEGO
5. Jim Lea	Director	INTRAH
6. Lisa Hare	Sr. Technical Advisor for Sustainability	SEATS/JSI
7. Tim Williams	Sr. Evaluation Advisor	SEATS/JSI
8. Jeff Jordan	Deputy Director	POLICY/The Futures Group
9. Catherine McKaig	Senior Program Advisor	CARE
10. Evie Landry	V.P. & Director Knowledge Management	AVSC, Int'l
11. Lynn Bakamjian	V.P. & Director Programs	AVSC, Int'l
12. Anne LaFond	Technical Advisor	Measure Evaluation, JSI

Name	Title	Organization
13. Tania Dmytraczenko	Health Economist	PHR, Abt Associates
14. Sydney West	Michigan Fellow	G/PHN/POP/CMT USAID
15. Danielle Grant	Contracts Manager	CEDPA
16. Rob Northrup	Medical Officer Technical Division	BASICS
17. Gerry Rosenthal	Sr. Health Economist	MSH/HFP
18. Shirley Ko	Sr. Program Assistant	MSH/FPMD
19. Catherine Crone Coburn	Project Director	MSH/FPMD
20. Sarah Johnson	Sr. Program Officer	MSH/FPMD
21. Barbara Tobin	Dep. Director, Field Support	MSH/FPMD
22. Alison Ellis	Dep. Director, Technical Unit	MSH/FPMD
23. Bea Bezmalinovic	Sr. Manager, Electronic Communications Unit	MSH/FPMD

Appendix III: CORE handouts

**COST REVENUE ANALYSIS TOOL
(CORE)**

Summmary of Presentation
by

Gerald Rosenthal
Senior Health Economist, Health Financing Program

THE FAMILY PLANNING MANAGEMENT DEVELOPMENT PROJECT

Management Sciences for Health 

COST/REVENUE ANALYSIS TOOL (CORE)

What Is CORE?

- A tool for managers of family planning and health organizations to improve the efficiency, coverage and financial viability of clinic services.
- CORE helps managers analyze the costs and revenues for current services and for possible future scenarios.
- CORE is best used as a periodic (e.g. annual) cost finding and projection tool and not as an extension of the accounting system.
- When used by an inter-disciplinary group of managers, it can help create a common understanding of the inter-related roles which the different disciplines have in solving problems.

How Can CORE Be Used for Decision Making?

CORE can be used to assist a management team to:

- Analyze the efficiency and cost-recovery levels of a clinic and entire or an organization, based on the current service delivery package, service fee levels, service volume, operating costs;
- Propose a variety of future scenarios by modifying the service delivery package, service fee levels, service volume, operating costs to improve efficiency and financial sustainability; and
- Make sound programmatic and management decisions on the basis of the most accurate and complete information available.

For cost information to be useful, managers must be able to use it to help answer questions, for example:

- How can we provide good quality services at the lowest cost?
- What are the financial implications of changing the mix of services?
- What are the unit costs of the services provided?
- How much of the costs can be covered from service revenues?
- How much potential income is waived to treat the poor or discounted to group contracts?

To make these decisions managers must be able to compare costs on a periodic basis with:

- Costs at other similar clinics;
- Costs of other service delivery mechanisms;
- Standard costs based on reasonable efficiency and quality;
- Service revenues and levels of external subsidies; and
- Projected costs and revenues under different scenarios of service mix and resource use.

Who Can Use CORE?

An analysis using CORE should be conducted jointly by an inter-disciplinary group of managers, including:

- Service delivery
- Finance
- Marketing
- Human resources
- Procurement

- CORE can be used to bring together managers in a joint exercise which emphasizes the relationship among the various components and shows the interdependencies among their activities.
- For example, service delivery and marketing managers must work together to determine the mix and volume of services and would be jointly responsible for achieving the targets.

CORE Can Be Used at Different Levels of an Organization

- Clinic managers who want to measure, monitor and predict performance at their own clinics;
- Financial management staff who want to analyze waste and inefficiency; and
- Senior institutional managers who want to compare performance across clinics and predict the impact of policy changes, such as adding new services or increasing fees.

What Are the Requirements for Using CORE?

Hardware and Software

- A 286 or higher IBM-compatible computer powerful enough to run an standard spreadsheet software program
- A spreadsheet program - Quattro Pro or Excel
- A compatible printer which can print on legal size paper

Skills

- for data entry - basic computer skills
- for adding or removing services - basic spreadsheet skills
- for modifying the tool - advanced spreadsheet skills and an understanding of the relationships between the different variables

Clinic Information

The Five “Pillars” of CORE

1. Service Types and Volume
2. Medicines/contraceptives (amounts used, unit costs)
3. Clinical supplies (amounts used, unit costs)
4. Labor inputs
5. Fixed operating costs and treatment of other costs

What Are the Steps for Obtaining Information for CORE?

A. List services

- Those currently provided
- Anticipated changes or additions

B. Identify categories of services as currently used by each clinic

- Types of clinics (by size, types of services provided)
- Modes of delivery (e.g., depot holders, CBDs, static clinics)
- Clusters of services (e.g., family planning, maternal/child health, curative)

C. Establish targets for each service provided

For each type of service, estimate a projected number of services to be provided for a specific period. This estimate may be obtained from a variety of sources, such as:

- actual service volumes from an organization's records from past periods;
- demand studies, based on demographic statistics and epidemiological patterns; and
- supply constraints within the clinic (human resources and space).

D. Identify all cadres of staff and external providers who are directly involved in providing services to clients

- Two types of labor:

those provided by clinic staff who provide direct services to clients

those provided on a fee for service or contract basis.

- E. Determine standard costs, based on quantity of staff, minutes per service, medicines/contraceptives, and clinical supplies that should be used to carry out each service:
1. Labor
 - a. Direct staff time per service
 - b. Commissions and fees of external service providers
 2. Medicines/contraceptives
 - a. Units of medicines/contraceptives used for each service rendered
 - b. Per-unit costs of medicines/contraceptives
 3. Clinical supplies
 - a. Units of supplies used for each service rendered
 - b. Per-unit costs of supplies

F. Determine fixed operating costs (based on budget)

G. Determine other costs

1. Clinic's share of central office costs (if appropriate)
2. Depreciation on special equipment
3. Waivers, discounts, and exemptions
4. Collection differences (bad debts)

CORE: COST REVENUE ANALYSIS TOOL

What is CORE and what does it do?

- ◆ Analytical, spreadsheet-based tool for determining clinic cost and revenues for current situations and under different scenarios.
- ◆ Can be used to analyze existing clinics or to determine feasibility of new clinics.
- ◆ Bottom-up tool used for and by individual clinics which can be aggregated up.
- ◆ Allows managers to construct “what-if” scenarios for planning.
- ◆ To be used periodically - e.g. every 3-6 months - by an inter-disciplinary group of managers (service delivery, finance, marketing, personnel).
- ◆ To be used at different levels - by clinic managers and network managers.
- ◆ Not a cost accounting system or a routine report (neither of which are usually feasible at the level of individual service costs).

Features of CORE:

- ◆ Excel spreadsheet, which can be modified by staff to fit an individual clinic’s situation, including current and planned services.
- ◆ Uses data which are usually available or can be easily calculated or estimated.
- ◆ Calculates unit costs based on standards (i.e., supplies and staff time) which can be determined by managers and staff.
- ◆ Can include human resources paid in different ways (i.e., salary, commission, fee for service, fee for session).
- ◆ Incorporates and allocates fixed costs(e.g. electricity, depreciation).

DEVELOPMENT OF CORE TOOL

- ◆ Originally developed by MSH/FPMD in Zimbabwe to compare costs of different service delivery mechanisms (static clinics, mobile clinics, CBDs); jointly developed by accountant and a nurse/midwife.
- ◆ Adapted for NGOs in Mexico, Guatemala, and Tanzania to help them assess their financial self-sufficiency and make decisions to improve that level.
- ◆ Currently field testing the CORE Guide in preparation for a general launch in June. Feedback has been requested by April 1.

SOME QUESTIONS MANAGERS CAN USE CORE TO HELP ANSWER

- ◆ What is our current level of financial self-sufficiency?
- ◆ What are our most and least “profitable” services?
- ◆ What level of prices for each service will allow us to break even?
- ◆ What is an appropriate mix and volume of service for our clinic?
- ◆ What is the best use of human resources (i.e., staffing pattern)?
- ◆ What is the most cost-efficient type or combination of human resource payment mechanism?
- ◆ What level of fixed costs -- rent, electricity etc. -- can we afford?
- ◆ Where should we focus our marketing?
- ◆ How many of the poor can we serve and how much should be charged?
- ◆ If we are not charging, how many clients can we serve with our existing grant?

COLLECTING INFORMATION NEEDED TO USE CORE

Services:

1. List current and planned services at each service delivery point.
2. Categorize services (optional).
3. Determine volume for each service, current and planned.

Personnel:

4. Identify all service delivery point staff, with compensation data.
5. Determine percentage of time spent by staff on service/non-service.

Service Unit Cost Components:

6. Determine personnel time, materials, and contraceptives used in each service.
7. Determine values for the components that make up unit costs.

Revenues:

8. Determine fees charged for each service, current and planned.
9. Determine factors which reduce gross revenue.

CORE COMPONENTS

Spreadsheets

- ◆ **Service Delivery Point spreadsheet**
 - ▶ Data entry, analysis, and scenario-building for the individual Service Delivery Point (SDP).

- ◆ **Organizational spreadsheet**
 - ▶ Aggregation of individual service delivery points, analysis, and comparisons between service delivery points.

- ◆ **Service delivery practices spreadsheet**
 - ▶ Data collection for each service for input into the SDP spreadsheet.

CORE Guide

- ◆ **Introduction to CORE**
 - ▶ Explain how to use CORE, identify and collect needed information, and assemble team and needed skills.

- ◆ **Using the CORE Spreadsheets**
 - ▶ Provide line by line tour of spreadsheet and presentation of spreadsheet mechanics.

- ◆ **Using CORE to Make Management Decisions**
 - ▶ Highlight ways to use CORE to make management decisions.

ORGANIZATION OF THE CORE SERVICE DELIVERY POINT SPREADSHEET

- ◆ A: Summary of Key Information
- ◆ B: Service Volume
- ◆ C: Unit Costs
- ◆ D: Revenues
- ◆ E: Direct and Indirect Service Staff Costs
- ◆ F: Other Fixed Operating Costs

A	SUMMARY OF KEY INFORMATION	Formula applied using CORE line reference	TOTAL	FAMILY PLANNING			
				PILLS FIRST VISIT (3 cycles)	IUD INSERTION	NORPLANT INSERTION	TUBAL LIGATION
A 1 SERVICE VOLUME							
A 2	Volume of services this period	(B3)	4,440	3,600	240	300	300
A 3	Service mix	(A2/TOTAL OF A2)	100%	81.08%	5.41%	6.76%	6.75%
A 4 UNIT COSTS							
A 5 VARIABLE COSTS							
A 6	Commission	(C3)		0	0	0	0
A 7	Professional fees per service	(C4)		0	0	0	0
A 8	Medicine	(C5)		0	0	0	5
A 9	Contraceptives	(C6)		630	360	15,000	0
A 10	Clinical supplies	(C7)		0	1,062	1,622	4,708
A 11	TOTAL VARIABLE COSTS	SUM(A6-A10)		630	1,422	16,622	4,713
A 12 FIXED COSTS							
A 13	Direct service staff costs	(C17/B3)		78	156	98	924
A 14	Indirect service staff costs	(C18/B3)		132	264	3,961	9,757
A 15	Depreciation on special equipment	(C20/B3)		0	0	0	1
A 16	Other fixed operating costs	(C21/B3)		2,641	5,887	62,370	21,026
A 17	TOTAL FIXED COSTS	SUM(A13-A16)		2,852	6,308	66,429	31,708
A 18 REGIONAL/CENTRAL SUPPORT COSTS							
A 18		(C26)		5,230	3	10,153	4,846
A 19	TOTAL UNIT COSTS	SUM(A11+A17+A18)	37,729	8,712	7,733	93,204	41,267
A 20 REVENUE PER SERVICE UNIT							
A 21	Net revenue per service	(D10)	1,475	500	1,500	2,500	1,400
A 22	Surplus/(loss) per service	(A21-A19)	-36,254	-8,212	-6,233	-90,704	-39,867
A 23 REVENUE AND COST RECOVERY FOR SERVICE CATEGORIES							
FAMILY PLANNING							
A 24	Total Net revenue	(D9)	3,330,000	1,800,000	360,000	750,000	420,000
A 25	Total variable, fixed and support costs	(C27)	50,252,200	12,539,430	1,855,908	24,925,641	10,931,221
A 26	Total surplus/(loss)	(A24-A25)	-46,922,200	-10,739,430	-1,495,908	-24,175,641	-10,511,221
A 27	Percentage of costs recovered	(A24/A25)	7%	14%	19%	3%	4%
MCH/OBSTETRICS							
A 28	Total Net revenue	(D9)	#REF!				
A 29	Total variable, fixed and support costs	(C27)	#REF!				
A 30	Total surplus/(loss)	(A28-A29)	#REF!				
A 31	Percentage of costs recovered	(A28/A29)	#REF!				
CURATIVE							
A 32	Total Net revenue	(D9)	#REF!				
A 33	Total variable, fixed and support costs	(C27)	#REF!				
A 34	Total surplus/(loss)	(A32-A33)	#REF!				
A 35	Percentage of costs recovered	(A32/A33)	#REF!				
A 36 TOTAL REVENUE AND COST RECOVERY FOR THE SDP							
A 37	Total net revenue	(D9)	3,330,000				
A 38	Total variable, fixed and support costs	(C27)	50,252,200				
A 39	Total surplus/(loss)	(A37-A38)	-46,922,200				
A 40	Percentage of costs recovered	(A37/A38)	7%				
A 41 STAFF UTILIZATION FOR DIRECT SERVICE DELIVERY							
A 42	Medical Officer	E14(TOTAL)/E14(MIN AVAIL.)	10%				
A 43	Nurse/Counselor	E15(TOTAL)/E15(MIN AVAIL.)	41%				
A 44	Lab Technician	E16(TOTAL)/E16(MIN AVAIL.)	2%				
A 45	Receptionist	E17(TOTAL)/E17(MIN AVAIL.)	1%				
A 46	0	E18(TOTAL)/E18(MIN AVAIL.)	0%				
A 47	0	E19(TOTAL)/E19(MIN AVAIL.)	0%				
A 48	Other _____	E20(TOTAL)/E20(MIN AVAIL.)	0%				
A 49	_____	E21(TOTAL)/E21(MIN AVAIL.)	0%				
A 50	_____	E22(TOTAL)/E22(MIN AVAIL.)	0%				
A 51	_____	E23(TOTAL)/E23(MIN AVAIL.)	0%				
A 52	_____	E24(TOTAL)/E24(MIN AVAIL.)	0%				

B	SERVICE VOLUME	Formula applied using CORE line reference	TOTAL	FAMILY PLANNING			
				PILLS FIRST VISIT (3 cycles)	IUD INSERTION	NORPLANT INSERTION	TUBAL LIGATION
B 1	Actual volume of services from previous period	(Reference only)	3,890	3,200	185	225	280
B 2	Maximum demand for services for this period	(Reference only)	6,700	5,000	550	600	550
B 3	Volume of services for this period		4,440	3,600	240	300	300

C	UNIT COSTS	Formula applied using CORE line reference	TOTAL	FAMILY PLANNING			
				PILLS FIRST VISIT (3 cycles)	IUD INSERTION	NORPLANT INSERTION	TUBAL LIGATION
C 1 VARIABLE COSTS TO DELIVER ONE SERVICE							
C 2	Commission % (based on gross revenue)	INPUT (SERVICE COL)		0%	0%	0%	0%
C 3	Commission	(C2*D4)		0	0	0	0
C 4	Professional fees per service	INPUT (SERVICE COL)		0	0	0	0
C 5	Medicine used	INPUT (SERVICE COL)		0	0	0	5
C 6	Contraceptives used	INPUT (SERVICE COL)		630	360	15,000	0
C 7	Clinical supplies used	INPUT (SERVICE COL)		0	1,062	1,622	4,708
C 8	VARIABLE UNIT COSTS TO DELIVER ONE SERVICE	Sum(C3 C7)		630	1,422	16,622	4,713
C 9 TOTAL VARIABLE COSTS							
C 10	Commission	(B3*C3)	0	0	0	0	0
C 11	Professional fees per service	(B3*C4)	0	0	0	0	0
C 12	Medicine used	(B3*C5)	1,500	0	0	0	1,500
C 13	Contraceptives used	(B3*C6)	6,854,400	2,268,000	86,400	4,500,000	0
C 14	Clinical supplies used	(B3*C7)	2,153,919	0	254,880	486,660	1,412,379
C 15	TOTAL VARIABLE COSTS	SUM(C10 C14)	9,009,819	2,268,000	341,280	4,986,660	1,413,879
C 16 TOTAL FIXED COSTS							
C 17	Direct service staff costs	(E38)	625,354	281,250	37,500	29,448	277,156
C 18	Indirect service staff costs	(E51)	6,246,646	475,759	63,435	1,188,338	2,927,114
C 19	Sub-total service staff costs	SUM(C17 C18)	6,872,000	757,009	100,935	1,217,786	3,204,270
C 20	Depreciation on special equipment	INPUT (SERVICE COL)	340	0	0	0	340
C 21	Other fixed operating costs (Total column from F33)	(C21total* (C15+C17))	35,941,041	9,509,191	1,412,922	18,711,043	6,307,885
C 22	TOTAL FIXED COSTS	Sum(C19 C21)	41,221,381	10,266,200	1,513,857	19,928,829	9,512,496
C 23 TOTAL VARIABLE, FIXED, AND SUPPORT COSTS							
C 24	Total variable costs	(C15)	9,009,819	2,268,000	341,280	4,986,660	1,413,879
C 25	Total fixed costs	(C22)	41,221,381	10,266,200	1,513,857	19,928,829	9,512,496
C 26	Regional/central support costs	INPUT (TOTAL) (C26total*(C25/C25total))	21,000	5,230	771	10,153	4,846
C 27	TOTAL VARIABLE, FIXED AND SUPPORT COSTS	Sum(C24 C26)	50,252,200	12,539,430	1,855,908	24,925,641	10,931,221

D	REVENUES	Formula applied using CORE line reference	TOTAL	FAMILY PLANNING			
				PILLS FIRST VISIT (3 cycles)	IUD INSERTION	NORPLANT INSERTION	TUBAL LIGATION
D 1	GROSS REVENUE						
D 2	Volume of services	(B3)	4,440	3,600	240	300	300
D 3	Unit fee/price	INPUT (SERVICE COL)		500	1,500	2,500	1,400
O 4	TOTAL GROSS REVENUE	(D2*D3)	3,330,000	1,800,000	360,000	750,000	420,000
D 5	WAIVERS, DISCOUNTS AND CASH DIFFERENCES						
D 6	Waivers and discounts %	INPUT (SERVICE COL)		0%	0%	0%	0%
D 7	Waivers and discounts amount	(D4*D6)	0	0	0	0	0
D 8	Cash differences	INPUT (SERVICE COL)	0	0	0	0	0
D 9	TOTAL NET REVENUE	(D4-(D7+D8))	3,330,000	1,800,000	360,000	750,000	420,000
D 10	NET REVENUE PER SERVICE	(D9/D2)		500	1,500	2,500	1,400

E	DIRECT & INDIRECT SERVICE STAFF COSTS	Formula applied using CORE line reference	TOTAL	FAMILY PLANNING			
				PILLS FIRST VISIT (3 cycles)	IUD INSERTION	NORPLANT INSERTION	TUBAL LIGATION
E 1	DIRECT MINUTES PER SERVICE						
E 2	Medical Officer	INPUT (SERVICE COL)		0	0	5	23
E 3	Nurse/Counselor	INPUT (SERVICE COL)		10	20	0	78
E 4	Lab Technician	INPUT (SERVICE COL)		0	0	7	0
E 5	Receptionist	INPUT (SERVICE COL)		0	0	0	3
E 6		INPUT (SERVICE COL)		0	0	0	0
E 7		INPUT (SERVICE COL)		0	0	0	0
E 8	Other _____	INPUT (SERVICE COL)		0	0	0	0
E 9	_____	INPUT (SERVICE COL)		0	0	0	0
E 10	_____	INPUT (SERVICE COL)		0	0	0	0
E 11	_____	INPUT (SERVICE COL)		0	0	0	0
E 12	_____	INPUT (SERVICE COL)		0	0	0	0
E 13	TOTAL DIRECT MINUTES						
E 14	Medical Officer	(E57*60) 86,400 (E2*B3)	8,400	0	0	1,500	6,900
E 15	Nurse/Counselor	(E58*60) 155,520 (E3*B3)	64,200	36,000	4,800	0	23,400
E 16	Lab Technician	(E59*60) 138,240 (E4*B3)	2,100	0	0	2,100	0
E 17	Receptionist	(E60*60) 138,240 (E5*B3)	900	0	0	0	900
E 18	0	(E61*60) 172,800 (E6*B3)	0	0	0	0	0
E 19		(E62*60) 120,960 (E7*B3)	0	0	0	0	0
E 20	Other _____	(E63*60) 0 (E8*B3)	0	0	0	0	0
E 21	_____	(E64*60) 0 (E9*B3)	0	0	0	0	0
E 22	_____	(E65*60) 0 (E10*B3)	0	0	0	0	0
E 23	_____	(E66*60) 0 (E11*B3)	0	0	0	0	0
E 24	_____	(E67*60) 0 (E12*B3)	0	0	0	0	0
E 25	TOTAL DIRECT MINUTES	812,160 SUM(E14.. E24)	75,600	36,000	4,800	3,600	31,200
E 26	DIRECT COSTS						
E 27	Medical Officer	Note: Cells E57 ((E57/60)*E14)	109,375	0	0	19,531	89,844
E 28	Nurse/Counselor	-E67 refer to ((E58/60)*E15)	501,563	281,250	37,500	0	182,813
E 29	Lab Technician	"AVG SAL. PER ((E59/60)*E16)	9,917	0	0	9,917	0
E 30	Receptionist	HR" column ((E60/60)*E17)	4,500	0	0	0	4,500
E 31	0	((E61/60)*E18)	0	0	0	0	0
E 32	0	((E62/60)*E19)	0	0	0	0	0
E 33	Other: _____	((E63/60)*E20)	0	0	0	0	0
E 34	_____	((E64/60)*E21)	0	0	0	0	0
E 35	_____	((E65/60)*E22)	0	0	0	0	0
E 36	_____	((E66/60)*E23)	0	0	0	0	0
E 37	_____	((E67/60)*E24)	0	0	0	0	0
E 38	TOTAL DIRECT COSTS	SUM(E27 E37)	625,354	281,250	37,500	29,448	277,156
E 39	INDIRECT COSTS						
E 40	Medical Officer	(E40 Tot*E27/E27 Tot)	2,140,625	0	0	382,254	1,758,371
E 41	Nurse/Counselor	(E41 Tot*E28/E28 Tot)	848,438	475,759	63,435	0	309,244
E 42	Lab Technician	(E42 Tot*E29/E29 Tot)	806,083	0	0	806,083	0
E 43	Receptionist	(E43 Tot*E30/E30 Tot)	859,500	0	0	0	859,500
E 44	0	(E44 Tot*E31/E31 Tot)	1,200,000	0	0	0	0
E 45	0	(E45 Tot*E32/E32 Tot)	392,000	0	0	0	0
E 46	Other: _____	(E46 Tot*E33/E33 Tot)	0	0	0	0	0
E 47	_____	(E47 Tot*E34/E34 Tot)	0	0	0	0	0
E 48	_____	(E48 Tot*E35/E35 Tot)	0	0	0	0	0
E 49	_____	(E49 Tot*E36/E36 Tot)	0	0	0	0	0
E 50	_____	(E50 Tot*E37/E37 Tot)	0	0	0	0	0

E 52 DIRECT SERVICE STAFF SALARIES							
E 53	AVAILABLE WORK HOURS PER YEAR AT FACILITY		2880				
E 54	AVAILABLE WORK DAYS PER YEAR AT FACILITY		240				
E 55	HOURS PER SHIFT AT FACILITY		12				
E 56	DIRECT SERVICE STAFF COSTS			AVERAGE DIRECT SALARY	AVAILABLE WORK DAYS PER YEAR	AVAILABLE WORK HOURS PER YEAR	AVERAGE SALARY PER HOUR
	NAME OF DIRECT SERVICE STAFF	ANNUAL SALARY	DIRECT SERVICE TIME (PERCENT)	DIRECT SERVICE SALARY			
E 57	Medical Officer Dr A	4,500,000 0	0 50 0 00	2,250,000 0	2,250,000	120 1,440	781 25
	Subtotal	4,500,000	0 50	2,250,000			
E 58	Nurse/Counselor Dr B	1,500,000 0	0 90 0 00	1,350,000 0	1,350,000	216 2,592	468 75
	Subtotal	1,500,000	0 90	1,350,000			
E 59	Lab Technician Ms D	1,020,000 0	0 80 0 00	816,000 0	816,000	192 2,304	283 33
	Subtotal	1,020,000	0 80	816,000			
E 60	Receptionist Mr F	1,080,000 0 0 0	0 80 0 00 0 00 0 00	864,000 0 0 0	864,000	192 2,304	300 00
	Subtotal	1,080,000	0 80	864,000			
E 61	0	1,200,000 0	1 00 0 00	1,200,000 0	1,200,000	240 2,880	416 67
	Subtotal	1,200,000	1 00	1,200,000			
E 62	0	560,000 0	0 70 0 00	392,000 0	392,000	168 2,016	136 11
	Subtotal	560,000	0 70	392,000			
E 63	Other: Name Name	0 0	0 00 0 00	0 0	0	0 0	0 00
	Subtotal	0	0 00	0			
E 64	Name Name	0 0	0 00 0 00	0 0	0	0 0	0 00
	Subtotal	0	0 00	0			
E 65	Name Name	0 0	0 00 0 00	0 0	0	0 0	0 00
	Subtotal	0	0 00	0			
E 66	Name Name	0 0	0 00 0 00	0 0	0	0 0	0 00
	Subtotal	0	0 00	0			
E 67	Name Name	0 0	0 00 0 00	0 0	0	0 0	0 00
	Subtotal	0	0 00	0			
E 68	TOTAL DIRECT STAFF SALARIES			6,872,000			

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F OTHER FIXED OPERATING COSTS				TOTAL
F 1	Administrative Service Staff Salaries	(F41)		2,614,000
F 2	Staff Welfare			600,000
F 3	Staff Training			1,200
F 4	Rental of Premises			4,488,000
F 5	Accountancy/Legal			0
F 6	Advert/Promotion			740,000
F 7	Health Education			0
F 8	Insurance			140,000
F 9	Leaflets			0
F 10	Office Supplies			696,000
F 11	Transport			1,200,000
F 12	Post/Telephone			600,000
F 13	Cleaning/Laundry			696,000
F 14	Utilities			360,000
F 15	Uniforms			500,000
F 16	Government Levy			0
F 17	Leave Passage			830,000
F 18	Fuel/Vehicle Maintenance			1,680,000
F 19	Renovations			720,000
F 20	National Provident Fund (Social Security)			480,000
F 21	Office/Equipment Maintenance			480,000
F 22	Bank Charges			120,000
F 23	Donations			0
F 24	Total depreciation expense		6,000	
F 25	Less depreciation on special equipment	(C20)	340	5,660
F 26	Total cost of medicines purchased		3,000,000	
F 27	Less direct cost of medicines used	(C12)	1,500	2,998,500
F 28	Total cost of contraceptives purchased/donated		18,000,000	
F 29	Less direct cost of contraceptives used	(C13)	6,854,400	11,145,600
F 30	Total cost of clinical supplies purchased		7,000,000	
F 31	Less direct cost of clinical supplies used	(C14)	2,153,919	4,846,081
F 32	Other:			
F 33	TOTAL OTHER FIXED OPERATING COSTS			35,941,041

F 34 ADMINISTRATIVE SERVICE STAFF SALARIES (FIXED COSTS)				
	NAME OF ADMINISTRATIVE STAFF	ANNUAL SALARY	ADMINISTRATIVE TIME (PERCENT)	ANNUAL ADMIN. SALARY
F 35	Clinic Manager			
	Ms. G	1,300,000	0.20	260,000
	Subtotal	1,300,000	0.20	260,000
F 36	Clinic Staff			
	Dr. B	2,400,000	0.10	240,000
	Dr. C	2,000,000	0.10	200,000
	Mr. F	1,080,000	0.20	216,000
	Ms. H	950,000	0.20	190,000
	Ms. J	950,000	0.20	190,000
	Ms. L	560,000	0.30	168,000
		0	0.00	0
	Subtotal	7,940,000	1.10	1,204,000
F 37	Driver			
	Mr. M	450,000	1.00	450,000
		0	0.00	0
	Subtotal	450,000	1.00	450,000
F 38	Security Guard			
	Mr. N	300,000	1.00	300,000
		0	0.00	0
	Subtotal	300,000	1.00	300,000
F 39	Attendant			
	Ms. O	400,000	1.00	400,000
		0	0.00	0
	Subtotal	400,000	1.00	400,000
F 40	Other:			
		0	0.00	0
		0	0.00	0
	Subtotal	0	0.00	0
F 41	TOTAL ADMINISTRATIVE SERVICE SALARIES (TO LINE F1)			2,614,000

A. COST RECOVERY SUMMARY BY SERVICE CATEGORY		LINKED DATA FROM THE SDP SPREADSHEET						
SERVICE CATEGORIES	CORE Line Reference	TOTAL ORGANIZATION	SDP 1	SDP 2	SDP 3	SDP 4	SDP 5	SDP 6
Family Planning	A27	13%	13%	0	0	0	0	0
MCH/Obstetrics	A31	120%	120%	0	0	0	0	0
Curative	A35	103%	103%	0	0	0	0	0

B. KEY INFORMATION SUMMARY		LINKED DATA FROM THE SDP SPREADSHEET						
KEY INFORMATION	CORE Line Reference	TOTAL ORGANIZATION	SDP 1	SDP 2	SDP 3	SDP 4	SDP 5	SDP 6
Volume of Services This Period	A2	23,420	23,420	0	0	0	0	0
Average Unit Costs	A19	15,991	15,991	0	0	0	0	0
Average Net Revenue per Service	A21	12,437	12,437	0	0	0	0	0
Average surplus/(loss) per service	A22	-3,554	-3,554	0	0	0	0	0
Average percentage of cost recovered	A40	64%	64%	0	0	0	0	0
Total Net Revenue	A37	36,162,000	36,162,000	0	0	0	0	0
Total Variable, Fixed and Support Costs	A38	56,198,200	56,198,200	0	0	0	0	0
Total Surplus/(Loss)	A39	-20,036,200	-20,036,200	0	0	0	0	0

C. STAFF UTILIZATION SUMMARY		LINKED DATA FROM THE SDP SPREADSHEET						
STAFF CADRES	CORE Line Reference	TOTAL ORGANIZATION	SDP 1	SDP 2	SDP 3	SDP 4	SDP 5	SDP 6
Medical Specialist (OB/GYN)	A42	31%	31%	0	0	0	0	0
Medical Officer/Assistant Medical Officer	A43	29%	29%	0	0	0	0	0
Medical Assistant	A44	0%	0%	0	0	0	0	0
Nurse/Counselor	A45	25%	25%	0	0	0	0	0
Lab Technician	A46	106%	106%	0	0	0	0	0
Receptionist	A47	71%	71%	0	0	0	0	0
Other:	A48	0%	0%	0	0	0	0	0
	A49	0%	0%	0	0	0	0	0
	A50	0%	0%	0	0	0	0	0
	A51	0%	0%	0	0	0	0	0
	A52	0%	0%	0	0	0	0	0

SERVICE DELIVERY PRACTICES WORKSHEET

File: WKSH-V1

April 27, 1998

Service Delivery Practices Worksheet
Template

PROCEDURE	Cadre One	Cadre Two	Cadre Three	Cadre Four	Cadre Five	Cadre Six	Total
1. _____							0
2. _____							0
3. _____							0
4. _____							0
5. _____							0
6. _____							0
7. _____							0
Total staff time	0	0	0	0	0	0	0

MEDICINE	Unit	Unit Cost	Total
1. _____	_____	0	0
2. _____	_____	0	0
3. _____	_____	0	0
Total Medicine			0

CONTRACEPTIVES	Unit	Unit Cost	Total
1. _____	_____	0	0

CLINICAL SUPPLIES	Unit	Unit Cost	Total
1. _____	_____	0	0
2. _____	_____	0	0
3. _____	_____	0	0
4. _____	_____	0	0
5. _____	_____	0	0
6. _____	_____	0	0
7. _____	_____	0	0
8. _____	_____	0	0
9. _____	_____	0	0
10. _____	_____	0	0
11. _____	_____	0	0
12. _____	_____	0	0
13. _____	_____	0	0
Total Supplies			0

Appendix IV: Draft MOST User's Guide

**MANAGEMENT AND ORGANIZATIONAL SUSTAINABILITY TOOL
(MOST)**

A USER'S GUIDE

THE FAMILY PLANNING MANAGEMENT DEVELOPMENT PROJECT

Management Sciences for Health

AN INTRODUCTION TO MOST

The Management and Organizational Sustainability Tool (MOST) is a self-assessment process whose components enable an organization to:

- Assess its current status with respect to a basic set of management components;
- Identify changes that can be made to move forward to more effective management;
- Identify actions which can be taken to implement these changes.

MOST is designed so that with the support of a facilitator, a cross-section of staff and board members, representing all levels of the organization, can carry out a highly participatory process, expressing their individual perceptions of the level of management performance and comparing and consolidating these individual assessments into an common organizational assessment and plan for development.

MOST is predicated on a strong belief that the better an organization is managed, the more likely it is to be able to keep doing what it is doing in a changing world, particularly as funders change priorities and revenues are reduced. A well-managed organization can maintain a strong and flexible structure (organizational sustainability) and marshal its resources (financial sustainability) to keep delivering effective programs and services (programmatic sustainability) for the foreseeable future.

Given that current successes lead to future sustainability, the developers of MOST have asked the basic question: what marks a well-managed organization? They agreed that an organization succeeds because of *what it does* (a shared commitment to something of consequence) and *how it does it* (the way it functions, decides, evaluates, adapts, and delegates). These two elements of successful management are the at the heart of MOST.

THE MOST PACKAGE

The MOST package contains everything an organization needs to carry out this self-assessment:

- Descriptions of the process, potential users, and purpose of MOST, and of the instrument that focuses the initial individual assessments and structures the consensus;
- An explanation of the role of the facilitator;
- A rationale for linking effective management and sustainability;
- A discussion of the management components that are used in the MOST assessment;
- Suggested agendas, objectives, and summary descriptions of the three workshop modules;
- More detailed module plans for facilitators to use in planning the workshop;
- Standard forms for consensus development exercises, summary of assessments, and final workshop products.

As you use this package to carry out the MOST process, you may come up with questions, issues, or new perceptions. MSH strongly encourages you to share them with us, not only to assist you in your task but to enrich our understanding of the process and add your insights to the growing MOST experience.

WHO CAN USE MOST?

Regardless of its focus, complexity, or experience, any organization can use MOST if it meets two criteria:

- Leadership that fully understands and is committed to open self-assessment and participatory decision-making;
- A willingness to acknowledge that, despite constricting factors, there may be some actions the organization can take to improve its management.

The first criterion implies that the leaders of the organization read this guide carefully, feel comfortable with the process it describes, and express their full commitment to the staff and board members who are about to engage in the process. This verbal commitment to openness will help allay the understandable fears many staff and board members feel about voicing an honest opinion that could be viewed as critical of their boss and their colleagues, or as an admission of their own imperfections. To make MOST effective, organizational leaders should not only *say* that they support openness in the process, but should *demonstrate* this support throughout, no matter what opinions are expressed by the participants. In this way, the initial reticence will fairly quickly give way to the honest expression of differing viewpoints.

The second criterion opens the door to the empowerment of staff and board, and the MOST process contributes greatly to that empowerment. Of course we recognize that many actions which might support improved management are NOT within the control of the organization carrying out the assessment. This is true for all organizations; public and private, non-profit and for-profit, central offices and branch units. Most organizations operate within a legal and operational context which limits the ability to modify certain aspects of the management components. For organizations operating as part of larger institutions, such as public health clinics, family planning clinics affiliated with national or international organizations, or Ministries operating within national political and legislative authorities, many aspects of effective management will be determined outside of the organizational unit. For example, basic elements of mission and structure may be specified for the organization; legal requirements may determine human resource policies; centrally operated systems may be established for financial management, management information, and logistics.

Yet, even within the limits of these external policies and programs, experience has shown that managers, staff, and board members have the ability to effect significant improvements in management and program effectiveness that can influence overall organizational management and performance. MOST is intended to help groups build on a common assessment of current

experience and a collective commitment to improve, to identify those actions that are within the capacity of the organization, recognizing that some might require technical support and/or additional resources.

THE PURPOSE OF MOST

MOST provides a framework and starting point for an ongoing organizational discussion about crucial management practices. The initial MOST workshop is often the first opportunity for staff and board members at different levels and in different domains to talk to each other about issues that can powerfully affect their daily work and to compare and examine their perceptions. Within a highly structured and focused environment, workshop participants are strongly encouraged to express their views, to listen carefully to the views of their colleagues, and to seek consensus on management goals. MOST, then, actually serves four purposes:

- To show an organization how it is performing in key management areas at any given time;
- To identify directions and strategies for improving management performance, with sustainability as the ultimate goal;
- To set priorities for the management development effort;
- To create a sense of teamwork, where common goals are agreed to and the contributions of each participating staff and board member are validated.

THE MOST INSTRUMENT

The MOST instrument, presented on the following two pages, is a matrix with four elements:

1. A list of 12 *management components* considered essential to effective management;
2. Four *stages* along a continuum of organizational development;
3. For each component, *reference criteria* (characteristics) that mark each stage of organizational development;
4. Blank space in which participants define one or two *indicators* for each set of reference criteria.

The MOST instrument is based on the Institutional Development Framework developed by the Family Planning Management Development (FPMD) project of Management Sciences for Health (MSH). Since its inception in 1989, this framework has been frequently drawn upon and adapted to different settings and purposes. All versions of the framework are based on the determination of key components of some aspect of management and the identification of characteristics that mark each component at different stages along a continuum of improving performance. The reference criteria in this instrument provide a broad assessment of a management component at each stage; similar instruments have been or are being developed that offer the organization a closer look at the many factors that make up the management systems introduced here: collection and use of information, supply management, financial management, management of revenues, planning, and human resources.

Instructions for Completing the MOST Instrument

This instrument contains general statements (*reference criteria*) about an organization's characteristics for each of 12 essential *management components*. For each management component, please circle the number of the statement that applies **totally** to the present status of your organization. If only part of the statement applies, circle the number of the previous statement. This number represents the *stage of development* of the organization for that management component. In the *Indicators* box below the stages of development and reference criteria, please cite the observations that led you to select the stage you circled, and that you think other observers would consider strong evidence that the organization is at that stage of development. When specifying indicators, be as specific and concrete as possible

Stages of Development and Reference Criteria				
Management Components	1	2	3	4
Mission: Knowledge	No formal mission statement exists specifically for the organization; mission statement exists but is outdated.	Mission is known by senior staff only.	Mission has been shared with staff but is rarely referred to in planning sessions or day-to-day decisions.	Mission is known and understood by staff, board, and clients through one or more channels: <ul style="list-style-type: none"> • presented and explained during orientation of new staff and board; • posted prominently in offices and facilities; • featured in brochures, flyers, and other documents.
Indicators?				
Mission: Application	Program activities and priorities routinely defined without reference to mission.	Mission sometimes referred to during activity planning and priority setting but has no actual influence on decisions.	Mission often referred to during activity planning and priority setting and used as the broad framework for decisions.	Activities are always selected or rejected and priorities established with respect to the mission.
Indicators?				

Stages of Development and Reference Criteria				
Management Components	1	2	3	4
Strategy: Links to Mission	Strategic plans are developed without reference to the mission.	Mission statement is referred to during strategic planning, but strategic directions and long-term targets are more often developed in response to funders' requirements, individual preferences, and other mandates and inputs.	Mission serves as a general guide to the development of strategic plans.	All components of strategic plans and targets are checked to be sure they conform to the mission.
Indicators?				
Strategy: Links to Markets	Funders' priorities, staff preferences, and habit guide strategies and targets without concern for client perspectives.	Market and client perspectives are discussed during strategic planning, but there is no systematic assessment of these factors.	Markets for expanded and targeted services and products have been defined and client needs and desires assessed; these single assessments are used repeatedly over time to guide the development of strategies and targets.	The needs and desires of clients and the demands of the market are frequently re-assessed to identify changes over time and provide the basis for developing strategies and targets.
Indicators?				
Structure: Allocation of Responsibility	Because staff and board roles are not clearly defined, responsibilities are distributed on an ad-hoc basis or according to the perceived needs of the moment.	Roles and job responsibilities of staff and board are defined on paper, but actual assignments do not always conform to the written descriptions.	Responsibilities are clearly assigned to different staff and board levels, but do not consistently reflect the background, training, or capabilities found at each level.	Responsibilities are clearly assigned and consistently reflect the background, training, and capabilities of staff and board; board sets policy, staff implements.
Indicators?				

	Stages of Development and Reference Criteria			
Management Components	1	2	3	4
Structure: Delegation of Authority	The Director makes all significant decisions for every part of the organization.	Some decisions are made by senior staff, but there are no clear criteria for consistent, systematic delegation of authority.	There are clear criteria for delegation, but they are not always consistently observed when critical decisions must be made under pressure.	A formal system of delegation is established based on job responsibilities and is incorporated into position descriptions and management practice, regardless of the pressures of the moment.
Indicators?				
Systems: Collection and Use of Information	There is no system for the collection and reporting of routine data.	Standard formats for record-keeping and reporting exist, but data are often inaccurate and are rarely submitted on schedule; those who submit the data do not regularly get feedback.	Records are generally kept and reports submitted as required by funders, and regular feedback is given to those who submit the data, but information is rarely used for management decisions.	Information acquired from routine data collection is consistently used to support management functions and policy decisions.
Indicators?				
Systems: Supply Management	There is no logistics system in place.	The logistics system allows the organization to record the inflow and outgo of stock.	The logistics system allows the organization to link supplies to utilization and to reduce losses caused by outdated or unused supplies.	The fully functioning logistics system is used to project future requirements and reduce gaps in inventory.
Indicators?				

Stages of Development and Reference Criteria				
Management Components	1	2	3	4
Systems: . . . Financial Management	Financial accounting is single-entry only; costs are allocated by budget line items (e.g., inputs: salaries, utilities, materials).	Financial accounting is double-entry; costs are still allocated by inputs; financial reports are not used for costing analysis.	Financial system produces income/revenue data and cash flow analysis; costs are allocated by cost centers (e.g., products/outputs: service units, sets of services); financial reports are sometimes used for costing analysis.	Financial reports are consistently used for management decisions.
Indicators?				
Systems: Revenues (Sources of Funds)	Organization operates with a single source of revenues, usually one large funder, whose mandates shape strategies and programs.	Organization has devised, but not yet implemented, a strategy for building a local constituency and obtaining some revenues from diverse sources.	Organization has built a local constituency which results in significant revenues from clients and the local community, as well as obtaining funds from other new sources.	Organization has a long-term revenue-generating strategy, balancing diverse sources of funding; programmatic strategic plans are congruent with projected revenues and revised to conform to actual revenues.
Indicators?				

	Stages of Development and Reference Criteria			
Management Components	1	2	3	4
Systems: Planning	Plans exist for specific projects; goals and objectives are primarily set by funders.	Project plans are integrated into a larger annual organizational plan; goals and objectives concur with organization's mission.	Strategic plan has been developed for 3-5-year period; plan is rarely referred to between strategic planning exercises; each new strategic plan is usually developed with only superficial reference to prior plan.	Strategic plan is followed and monitored; it serves as the framework for annual plans; development of each new strategic planning exercise begins with careful analysis of successes and failures in adhering to prior plan.
Indicators?				
Systems: Human Resources	Organization does not have job descriptions; there are no written personnel policies and procedures (for hiring, orienting, training, monitoring staff performance, handling grievances).	Job descriptions have been written for key personnel; personnel policies and procedures are being developed.	Job descriptions have been written for all levels of staff; personnel policies and procedures have been written and disseminated to all staff.	Job descriptions are regularly reviewed and revised to maintain accuracy and relevance to actual work; all managers use the same policies and procedures for hiring, orienting, training, monitoring staff performance, handling grievances; planning and review systems are used to motivate performance
Indicators?				

SOURCES OF INFORMATION FOR MOST USERS

MOST is a consensus-development process to which each participant brings his or her perspective and experience within the organization. The analysis is generated from the synthesis of these individual perspectives and experiences; therefore, no preparatory information-gathering activities are required.

We recognize that, because they work in different parts of the organization, participants almost always differ in their initial assessments of the current state of management components. The purpose of group discussions is to draw on the range of perceptions to develop a consistent, shared view which accurately reflects the status of development of each management component. Negotiating these varied perceptions to reach consensus may require more information from outside the group's experience. Many such information sources are available: service statistics, external evaluations, written reports, financial statements, minutes of organizational and community meetings, to mention only a few.

It is important, however, that the quest for supplementary information does not hamper or limit the participation of individuals in the MOST group process. For this reason, the participants should agree on the appropriate information sources and, when the information is acquired, interpret it together.

ROLES OF THE FACILITATOR AND PARTICIPANTS

The Facilitator

At first glance, the MOST process sound simple. The instrument is, to some extent, self-explanatory; the implementation modules follow a logical sequence of steps; and the forms are designed to enable MOST participants to set agendas for the assessment, develop consensus on key issues, summarize their assessments, and develop an action plan. But, despite this apparent simplicity, our experience in diverse settings has convinced us that, in the initial stages of the process, a skillful, perceptive facilitator can make all the difference between a superficial MOST experience and one that motivates and guides organizations as they move to new levels of management.

The facilitator's task will be to ask the right questions, probe the responses, help participants to negotiate areas of dissension, and guide them in identifying relevant, feasible strategies for improving management. It is part of her/his job to be alert to areas of confusion and clarify them, often more than once. Our

What is an Indicator?

An indicator is a measure or observation that offers evidence of a general status or condition. It answers the question, "What can we see that tells us something is true?" In the MOST process, participants define indicators that give evidence that the organization meets certain reference criteria. For example, an indicator of the existence of a formal mission statement might be a copy of the statement displayed in the main office; an indicator of personnel policies might be the existence of a policy and procedures manual.

past experience has shown us that one such area is *indicators*. It may be useful to conduct a mini-exercise around indicators—to provide several examples and draw more from the group, both in the MOST context and from unrelated areas (indicators of wealth, or education, or power, for example). The results of this exercise could be posted on a flip chart for the duration of the workshop, to serve as ongoing reinforcement of the participants' understanding.

Because different groups work at different paces, the facilitator should be sensitive to how each small group and individual participant is functioning, lending support where necessary. It is very useful to check in with the participants at the end of each day, or more often if needed, to hear about their achievements and frustrations in carrying out the workshop exercises and to make minor adjustments in the schedule if needed.

One of the facilitator's biggest challenges may be to help an organization meet the second criterion for participating in MOST: to recognize that they have the power to make changes—that, despite any limits imposed by their role within a larger entity, they can make many choices that will support ambitious but realistic management improvements. An important part of this confidence-building exercise will be to assist them in working together as a team to fully understand the elements of MOST and master the process so they can undertake it on their own in the future.

The Participants

Despite the valuable role played by the facilitator, it is the *participants* who do the work. This is the feature that distinguishes MOST and other self-assessments from external assessments—even those in which the opinions of staff and board members are solicited by skillful evaluators. The MOST process not only draws on the insights of staff and board members; it compels them to listen carefully to each other, consider the merits of differing viewpoints, and reach common ground on the basis of evidence that they can all accept. Their energy, involvement, and mutual respect are the cornerstones on which the MOST process is built.

THE MANAGEMENT COMPONENTS

The MOST management components fall into four broad categories: mission, strategy, structure, and systems.

1. Mission

An organization's mission is its purpose, the reason it exists. The mission provides the context within which the organization operates; it provides guidance, consistency, and meaning. It is the glue that helps staff and board members stick to what they know and do best, but it also motivates them to stretch their capacity and take on new challenges. It answers the question, "*Why do we do what we do?*"

MOST helps the organization look closely at its mission in two dimensions; assuming that a mission exists, is it known to and understood by staff and board members at all levels? Is it used to plan, select, and evaluate activities?

	Stages of Development and Reference Criteria			
Management Component	1	2	3	4
Mission: Knowledge	No formal mission statement exists specifically for the organization; mission statement exists but is outdated.	Mission is known by senior staff only.	Mission has been shared with staff but is rarely referred to in planning sessions or day-to-day decisions.	Mission is known and understood by staff, board, and clients through one or more channels: <ul style="list-style-type: none"> • presented and explained during orientation of new staff and board; • posted prominently in offices and facilities; • featured in brochures, flyers, and other documents.
Mission: Application	Program activities and priorities routinely defined without reference to mission.	Mission sometimes referred to during activity planning and priority setting but has no actual influence on decisions.	Mission often referred to during activity planning and priority setting and used as the broad framework for decisions.	Activities are always selected or rejected and priorities established with respect to the mission.

2. Strategy

Organizational strategy is comprised of the approaches that help the organization define its activities to fulfill its mission and meet its goals. It answers the question, *"How will we get where we want to go?"*

Through the MOST process, the organization can determine whether its broad strategy is consistent with the mission and well-rooted in the market. Organizational strategy should be frequently re-visited to test its continuing relevance to the external environment. Do performance benchmarks indicate that the strategy is still effective? Is it still guiding our choice of activities? Is it helping us achieve the results we had hoped for? If not, what adjustments do we need to make?

Stages of Development and Reference Criteria				
Management Component	1	2	3	4
Strategy: Links to Mission	Strategic plans are developed without reference to the mission.	Mission statement is referred to during strategic planning, but strategic directions and long-term targets are more often developed in response to funder requirements, individual preferences, and other mandates and inputs.	Mission serves as a general guide to the development of strategic plans.	All components of strategic plans and targets are checked to be sure they conform to the mission.
Strategy: Links to Markets	Funders' priorities, staff preferences, and habit guide strategies and targets without concern for client perspectives.	Market and client perspectives are discussed during strategic planning, but there is no systematic assessment of these factors.	Markets for expanded and targeted services and products have been defined and client needs and desires assessed; these single assessments are used repeatedly over time to guide the development of strategies and targets.	The needs and desires of clients and the demands of the market are frequently re-assessed to identify changes over time and provide the basis for developing strategies and targets.

3. Structure

The structure of the organization is its framework, the skeleton on which the implementation of projects and programs hangs. Structure addresses organizational policies, sources of authority, and distribution of responsibility. A well-defined structure need not cripple individual initiative; with policies and lines of authority that are known and adhered to by everyone, staff can be free to make important decisions that pertain to their own work. The structure of the organization answers the question, *"What is the framework within which we operate?"*

The MOST process helps the organization determine whether its structure is congruent with the organizational mission and strategy. Are board and staff roles well defined? Are lines of authority and accountability clear to all staff? Is significant decision making delegated to all appropriate levels?

Stages of Development and Reference Criteria				
Management Component	1	2	3	4
Structure: Allocation of Responsibility	Because staff and board roles are not clearly defined, responsibilities are distributed on an ad-hoc basis or according to the perceived needs of the moment.	Roles and job responsibilities of staff and board are defined on paper, but actual assignments do not always conform to the written descriptions.	Responsibilities are clearly assigned to different staff and board levels, but do not consistently reflect the background, training, or capabilities found at each level.	Responsibilities are clearly assigned and consistently reflect the background, training, and capabilities of staff and board; board sets policy, staff implements.
Structure: Delegation of Authority	The Director makes all significant decisions for every part of the organization.	Some decisions are made by senior staff, but there are no clear criteria for consistent, systematic delegation of authority.	There are clear criteria for delegation, but they are not always consistently observed when critical decisions must be made under pressure.	A formal system of delegation is established based on job responsibilities and is incorporated into position descriptions and management practice, regardless of the pressures of the moment.

4. Systems

Systems are the separate but interdependent parts that make up the organization. Each system usually represents a specific organizational function; the MOST instrument addresses six systems: the collection and use of information, supply management, financial management, sources of funds, planning, and human resources. Organizational systems answer the question, *"How does our organization carry out its activities?"*

The MOST process helps the organization assess its key systems. Are data routinely collected and analyzed? Is the resulting information used to support management functions and policy decisions? Does the logistics system function without external technical support? Is key financial information regularly used to plan and monitor programs and projects? Are revenue sources dependable over the long term? Is there a strategic plan which is monitored and revised periodically? Does the human resource system provide useful job descriptions, consistent rules and procedures, effective supervision, and a means of staff performance planning and review?

Stages of Development and Reference Criteria				
Management Component	1	2	3	4
Systems: Collection and Use of Information	There is no system for the collection and reporting of routine data.	Standard formats for record-keeping and reporting exist, but data are often inaccurate and are rarely submitted on schedule; those who submit the data do not regularly get feedback.	Records are generally kept and reports submitted as required by funders, and regular feedback is given to those who submit the data, but information is rarely used for management decisions.	Information acquired from routine data collection is consistently used to support management functions and policy decisions.
Systems: Supply Management	There is no logistics system in place.	The logistics system allows the organization to record the inflow and outgo of stock.	The logistics system allows the organization to link supplies to utilization and to reduce losses caused by outdated or unused supplies.	The fully functioning logistics system is used to project future requirements and reduce gaps in inventory.
Systems: Financial Management	Financial accounting is single-entry only; costs are allocated by budget line items (e.g., inputs: salaries, utilities, materials).	Financial accounting is double-entry; costs are still allocated by inputs; financial reports are not used for costing analysis.	Financial system produces income/revenue data and cash flow analysis; costs are allocated by cost centers (e.g., products/outputs: service units, sets of services); financial reports are sometimes used for costing analysis.	Financial reports are consistently used for management decisions.
Systems: Revenues (Sources of Funds)	Organization operates with a single source of revenues, usually one large funder, whose mandates shape strategies and programs.	Organization has devised, but not yet implemented, a strategy for building a local constituency and obtaining some revenues from diverse sources.	Organization has built a local public constituency which results in significant revenues from clients and the local community, as well as obtaining funds from other new sources.	Organization has a long-term revenue-generating strategy, balancing diverse sources of funding; programmatic strategic plans are congruent with projected revenues and revised to conform to actual revenues.
Systems: Planning	Plans exist for specific projects; goals and objectives are primarily set by funders.	Project plans are integrated into a larger annual organizational plan; goals and objectives are set by organization, to concur with its mission and vision.	Strategic plan has been developed for 3-5-year period; plan is rarely referred to between strategic planning exercises; each new strategic plan is usually developed with only superficial reference to prior plan.	Strategic plan is followed and monitored; it serves as the framework for annual plans; development of each new strategic planning exercise begins with careful analysis of successes and failures in adhering to prior plan.

Stages of Development and Reference Criteria				
Management Component	1	2	3	4
Systems: Human Resources	Organization does not have job descriptions; there are no written personnel policies and procedures (for hiring, orienting, training, monitoring staff performance, handling grievances).	Job descriptions have been written for key personnel; personnel policies and procedures are being developed.	Job descriptions have been written for all levels of staff; personnel policies and procedures have been written and disseminated to all staff.	Job descriptions are regularly reviewed and revised to maintain accuracy and relevance to actual work; all managers use the same policies and procedures for hiring, orienting, training, monitoring staff performance, handling grievances; planning and review systems are used to motivate performance

THE MOST WORKSHOP

Workshop Description

MOST is applied through a structured workshop in which a cross-section of the organization's staff and board participate. Over 3-to-3 ½ days, the facilitator helps participants pool their individual and collective experience and knowledge to achieve the products of the workshop: a better picture of the current management status of their organization and a plan for moving further along the management development continuum in each management category.

The objectives of the workshop are for the participants to:

1. Use the MOST self-assessment instrument to understand the essential management components and their stages of development.
2. Carry out a collaborative analysis of the present status of development of management components in their organization.
3. Identify target indicators to serve as measures of progress toward a higher stage of development.
4. Identify strategies and activities to support this progress, and develop an action plan for their implementation.

Ideally, the workshop should include between 16 and 25 participants. Fewer than 16 participants limits the richness of organizational experience; more than 25 requires more time for integrating small-group products into consensus outputs and strains the the 3-3 ½ day format. The participants must include key senior staff and a mix of other stakeholders; for example, board members, regional staff, and service providers.

The workshop is divided into three modules, detailed on pages 19-21. An illustrative workshop agenda is found on page 18. The general sequence of the workshop is:

OPENING

- Facilitator summarizes the workshop content, anticipated outcomes, and process. S/he introduces and participants discuss the concepts of management and sustainability; the relationship of the MOST process to these concepts; and the .
- Facilitator explains and demonstrates the MOST instrument, with emphasis on the meaning and importance of indicators.

MODULE I

- Each participant uses the instrument for an initial individual assessment, scoring each management component according to the reference criteria for each stage of development, and specifying indicators to justify each choice.
- Small groups share individual assessments, negotiate a consensus score for each management component, and agree on indicators to support their decision. In plenary, small groups share their results, and the entire group comes to consensus on the current stage of development for each component: a snapshot of the organization's management status at this time.

MODULE II

- In plenary, participants review stages of development and indicators.
- Small groups identify target indicators for each component that will provide evidence of progress towards a higher level of management development. In plenary, small groups share their work, and the entire group agrees on one or two target indicators for each component.
- Small groups generate the actions that will help the organization reach the target indicators.

MODULE III

- In plenary, participants review small-group activities and consider the resources needed to carry out each.
- Participants divide into new groups to develop an action plan for each set of activities. They then pool their proposed plans and come up with an organization-wide action plan.
- In plenary, participants propose follow-up activities that could help them maintain and enhance the MOST process.

Workshop Products

At the end of the workshop, the participants will have produced:

- A collective assessment of the current status of development of the 12 key management components;
- An agreed-upon set of target indicators which would represent improvement for each component;

- A set of activities for reaching the target indicators, categorized as:
 - Activities which the organization can implement without additional assistance or significant resources
 - Activities for which the organization would need outside technical support
 - Activities for which the organization would need additional resources;
- An action plan for implementing the selected activities;
- A list of possible activities for following up on the MOST workshop.

SUGGESTED AGENDA: MANAGEMENT DEVELOPMENT ASSESSMENT WORKSHOP

Hour	Wednesday	Thursday	Friday	Saturday
<p>9:00-12:30</p> <p>(10:15-Break)</p>	<p>OPENING Introduction of participants Vision-objectives--expectations for workshop</p> <p>MODULE I Why interest in management? Essential components, functions and importance, link with sustainability</p> <p>Measuring organizational progress: stages of development: criteria/indicators</p> <p>MOST process: achieving consensus as vs. voting</p>	<p>MODULE I, continued Continuation of assessment Small group work Plenary--Presentations from small work groups</p> <p>Identification of consensus indicators and scores for each management component</p> <p>MODULE II Identification of target indicators for next level of development</p>	<p>MODULE III Action Plan</p> <p>Plenary--Identification of resources needed for each activity; discussion of implications for organization; agreement on activities to be implemented within a given time frame</p> <p>Small group work-- Preparation of action plan for activities</p>	<p>Development of follow-up activity plans (if necessary)</p>
12:30-1:30	Lunch	Lunch	Lunch	
<p>1:30-4:00</p> <p>(2:30-2:45 Break)</p>	<p>Application of MOST management assessment instrument</p> <p>Individual work; small group work: consensus on scores and indicators</p> <p>Plenary--Review progress and discuss problems</p>	<p>Small group work</p> <p>Determination of strategic options/activities which would move organization to the next stage of development</p> <p>Plenary</p>	<p>Plenary--Presentation and synthesis of action plans</p>	

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THE WORKSHOP MODULES

MODULE I: WHERE ARE WE?

ASSESSING THE STATE OF DEVELOPMENT OF KEY MANAGEMENT COMPONENTS

Objectives

At the end of this module, participants will have :

- Explored the meaning of the 12 essential components of management;
- Recognized the relationship between effective management and sustainability;
- Generated consensus on the organization's current status in relation to each management component;
- Formed an effective team that cuts across organizational divisions and draws on the contributions of each member.

Suggested Duration: 1-1.5 days

Summary

To reach these objectives, each participant, working independently, uses the MOST instrument to generate an initial assessment of the organization's status along the development continuum in relation to the 12 management components. These individual assessments include a score for each component and one or two indicators to support that score. The participants then engage in a series of small-group and plenary discussions in which they negotiate and reach consensus on the development stage and indicators that most accurately reflect the organization's current status vis-a-vis each management component.

MODULE II: WHERE ARE WE HEADED?
**DETERMINING TARGET INDICATORS, STRATEGIC OPTIONS, AND POTENTIAL ACTIVITIES FOR
MOVING TOWARDS THE NEXT STAGE OF DEVELOPMENT**

Objectives

At the end of this module, participants will have :

- Agreed on one or two target indicators for each management component;
- Determined the activities needed to reach the target indicators.

Suggested Duration: 1 day

Summary

The participants review the scores and indicators produced in Module I. They then work in small groups to identify one or two target indicators for each management component: indicators that will provide convincing evidence of progress towards a higher level of development. (The emphasis is on small but clearly visible changes—changes which do not always produce a higher numerical score but which may strengthen the current score by adding to the existing reference criteria.) Still in small groups, the participants propose activities that are needed to reach the target indicators.

**MODULE III: HOW WILL WE REACH OUR TARGETS?
DEVELOPING AN ACTION PLAN FOR CARRYING OUT THE ACTIVITIES NEEDED FOR
MANAGEMENT IMPROVEMENT**

Objectives

At the end of this module, participants will have :

- Identified the internal and external resources needed to carry out each activity agreed on in Module II;
- Prepared a simple action plan;
- Identified possible activities for following up on the MOST workshop.

Suggested Duration: 1 day

Summary

In plenary, the participants review the activities proposed by the small groups and reach consensus on the activities they will undertake as an organization to reach their target indicators. In coming to the final list of activities, they carefully consider the resources needed to carry out each activity and the extent to which these resources exist or can be found within or beyond their organization. They classify activities as:

- Those which the organization can implement without additional assistance or significant resources
- Those for which the organization would need outside technical support
- Those for which the organization would need to seek additional resources.

The rest of the module is devoted to the development of an action plan that delineates the relevant management component; target indicator and strategy; activities; human, financial, and material resources required to carry out activities; people responsible; and approximate time for undertaking and completing the activities. Finally, the participants consider follow-up activities that could help them maintain and enhance the MOST process. Typical follow-up activities might include:

- Sharing MOST findings with relevant stakeholders within and beyond the organization;
- Monitoring progress on the action plan and revising the plan if needed;
- Seeking more information and conducting intensive self-assessments on specific management components that are of concern to the participants;
- Conducting another MOST workshop a year or so later to assess the status of the organization vis-a-vis the target indicators and, if appropriate, to select new target indicators, strategies, and activities for the following year;
- Obtaining technical assistance as desired for any of these activities.

Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>Measuring Management Development: the MOST Instrument</p> <p>1. Presentation of the structure of the MOST instrument:</p> <ul style="list-style-type: none"> - The essential components of management - How do organizations progress?--Stages of development - How can we measure progress?--Using reference criteria, specifying indicators. <p>2. Understanding the MOST instrument.</p> <p>3. More about indicators</p>	<p>Distribute MOST instrument.</p> <p>Distribute and discuss handouts with definitions and descriptions of each management component.</p> <p>Walk the group through the instrument.</p> <p>Define indicators, give examples, provide handouts. Conduct mini-exercise on indicators, drawing examples from the group, first from unrelated areas (indicators of wealth, or education, or power, for example) and then related to the MOST reference criteria and. Post the examples on a flip chart and display it for the duration of the workshop, to serve as ongoing reinforcement of the participants' understanding.</p>	<p>MOST instrument for each participant</p> <p>Handouts on components</p> <p>Overheads or flip charts if desired</p> <p>Handouts on indicators taken from page 9 of this Guide</p>	

Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>Application of MOST</p> <p>1. Introduction to the exercise.</p> <p>2. Independent work: Each participant completes the MOST instrument in reference to the current status of the organization, deciding on the appropriate score (phase) for each management component and identifying one indicator for each decision.</p>	<p>Explain: This is a staged exercise directed at giving all participants the experience of applying MOST individually to their organization and building on that experience to develop a shared sense of the current stage of development of key management components in the organization.</p> <p>Clarify: The "score" shows that the organization meets all the reference criteria for a given phase. Assure participants they can skip areas where they have no knowledge. Provide any guidance needed, answer questions.</p>	<p>MOST instrument for each participant</p>	

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Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>3. Small group work #1: In groups of 4 or 5, participants review individual scores and indicators proposed by each group member. Together they discuss any divergent scores and begin to seek a consensus score and indicators for each component.</p> <p>4. Plenary discussion #1: Participants reassemble and discuss the problems they encountered in scoring, specifying indicators, and deriving consensus scores for each management component.</p>	<p>To expose participants to varied perceptions, form new small groups that include persons from different parts of the organization. Circulate among groups, offering guidance and clarification where necessary.</p> <p><i>Note:</i> Emphasize that the consensus score is achieved by listening, discussing, sharing evidence, and reaching agreement on what is the truth about each component. Consensus is not a vote: all members of the group must concur.</p> <p>Bring participants back into plenary after they have had enough time to experience the frustrations of seeking consensus, particularly on the selection of indicators. Use this session to clear up areas of confusion, returning to the discussion of indicators if necessary.</p>		



Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>5. Small group work #2: New small groups return to the task of seeking consensus scores and indicators. They complete the Assessment Consensus Form.</p> <p>6. Plenary discussion #2: Participants review new sets of indicators and scores; they negotiate and agree on indicators and scores for each component.</p>	<p>Reconfigure small groups so that each participant is working with a new group. Again, circulate and offer guidance as needed.</p> <p>Guide discussion to help participants negotiate their differences and reach consensus. Remind participants that the results of this process will provide the input for the work of Module II.</p>	<p>Assessment Consensus Form for each group</p> <p>Flip chart</p>	

MODULE II

Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>Target Indicators</p> <ol style="list-style-type: none"> 1. Plenary review of current indicators and scores produced in Module I. 2. Small group work: Referring to current indicators, each group identifies one or two target indicators for each management component: indicators that will provide convincing evidence of progress towards a higher level of development. <p>Activities</p> <ol style="list-style-type: none"> 1. Small group work #3: Identification of all key activities required to reach target indicators. 	<p>Guide small groups in thinking through each activity, identifying and sequencing all the steps involved in carrying it out.</p>	<p>Flip chart</p>	

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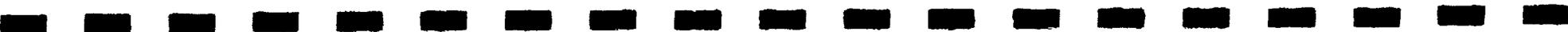


MODULE III

Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>Action Planning</p> <p>1. Plenary discussion of resources needed for activities.</p> <p>2. Plenary agreement on activities to be undertaken.</p>	<p>Prepare list of all proposed activities for each component and guide participants in carefully considering the resources—human, material, and financial—needed to carry out each set of activities and classifying activities as:</p> <ul style="list-style-type: none"> - Those which the organization can implement without additional assistance or significant resources - Those for which the organization would need outside technical support - Those for which the organization would need to seek additional resources. <p>Assist participants to reach consensus on the activities they will undertake as an organization to reach their target indicators.</p>	<p>Flip chart</p>	

Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>3. Small group work: Preparation of action plans.</p>	<p>Divide participants into new groups and allocate agreed activities among groups.</p> <p>Assist each group in preparing an action plan that includes: the relevant management component; target indicator; activities; human, financial, and material resources required to carry out activities; people responsible; and approximate time for undertaking and completing the activities.</p>	<p>Blank action planning forms</p>	

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Workshop Activity	Facilitator's Role	Resources Required	Facilitator's Notes/Comments
<p>MOST Follow-up</p> <p>Plenary discussion of activities for following up MOST workshop.</p>	<p>Guide participants in deciding on the degree and kind of follow-up they think they will need. Typical follow-up activities might be:</p> <ul style="list-style-type: none"> - Sharing MOST findings with relevant stakeholders within and beyond the organization - Monitoring progress on the action plan and revising the plan if needed - Seeking more information and conducting intensive self-assessments on management components that are of concern to the participants - Conducting another MOST workshop in a year or so to assess status of the organization vis-a-vis the target indicators and, if appropriate, select new target indicators, strategies, and activities for the following year; - Obtaining technical assistance as desired for any of these activities. 		

GLOSSARY¹

Institutional Development

A process of implementation of organizational and management changes which increases the ability of the institution to continue effective performance in the face of changes in its operating context. Changes of importance would include loss of a major source of revenue, market shifts, changes in leadership, etc.

Sustainability

The ability of an organization to continue effective performance in the face of changes in its operating context. For purposes of the current application, reduced dependency on the support of funders is of critical interest.

Stages of development

Positions on a continuum of progress toward sustainability for which unique (not applicable to other defined positions) institutional attributes can be unambiguously described and observed.

Management Components

The basic elements used to analyse the way an organization functions. The four basic management components are mission, strategy, structure, and systems.

Reference Criteria

Descriptions of attributes of management components (or subcomponents) which are explicitly and uniquely associated with a specific stage of development. The reference criteria define the properties of the stages.

Indicators

Observable attributes of an organization which demonstrate that the institution meets a specific reference criterion

¹The above definitions relate to the Organizational Development/Sustainability Status (ODSS) assessment instrument. They are consistent with the more general definitions in *Family Planning Management Terms: A Pocket Glossary in Three Languages*. Family Planning Management Development Project, Management Sciences for Health. Boston 1995

The Instrument

A document which specifies the reference criteria associated with each of the management components at each stage of development. The instrument is used by entering or mapping the current status of each institution with respect to each of the management components and specifying the indicator used to make that determination.

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Mission

A formal declaration of the reason for the existence of the organization which explains the

Strategies

Principle-lines of action used by the organization to support carrying out of the mission.

Structure

The organizational arrangements with respect to the distribution of authority, responsibilities associated with different positions, and communications.

**MANAGEMENT AND ORGANIZATIONAL SUSTAINABILITY TOOL (MOST)
ASSESSMENT CONSENSUS FORM**

Management Component	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Consensus Score
Mission: Knowledge						
Indicators?						
Mission: Application						
Indicators?						
Strategy: Links to Mission						
Indicators?						
Strategy: Links to Markets						
Indicators?						
Structure: Responsibility						
Indicators?						
Structure: Delegation						
Indicators?						
Systems: Information						
Indicators?						
Systems: Supply Management						

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Management Component	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Consensus Score
Indicators?						
Systems: Financial Mgt						
Indicators?						
Systems: Revenues						
Indicator?						
Systems: Planning						
Indicator?						
Systems: Human Resources						
Indicator?						

Appendix V: Draft EXSUM tool

**EXTERNAL SUSTAINABILITY MONITORING TOOL
(EXSUM)**

**Draft for Comment
April 1998**

THE FAMILY PLANNING MANAGEMENT DEVELOPMENT PROJECT

Management Sciences for Health 

FPMD External Sustainability Monitoring Tool (EXSUM)

This instrument is designed to obtain information which will assist in assessing the sustainability of international efforts to support the development and expansion of access to family planning/reproductive health services. Efforts to measure the sustainability of the programs and outcomes achieved through these efforts are being developed using available information. However, these data do not provide information on the development of the organizations whose activities contribute to the program. This instrument has been designed to respond to this need.

The External Sustainability Monitoring Tool (EXSUM) provides a consistent basis for assessing and tracking the status of development of key management components of an organization. Based on the Institutional Development Framework utilized by the Family Planning Management Development (FPMD) project, its goal is to provide a simple means for mapping the relative stage of development of an institution's management components and using these results for planning development and monitoring progress. The instrument identifies levels of management performance with the first stage reflecting the weakest performance (with respect to each specific management component) and higher numbered stages indicating better performance. In this sense, progress through the stages implies better management which equates with improved sustainability, defined as the ability to continue to perform in the face of various changes in the operating context--one of which is the loss of donor funding.

EXSUM is designed to provide a general overview (a "snapshot") of the relative stage of development of key management components at a given moment for specific organizations. This information will be used to develop indicators of the general level of organizational sustainability within programs and to track changes in these levels over time.

The management components selected are common to all organizations and the stages of their development can be described in general terms that are appropriate to all institutions. These general terms serve as reference criteria for which different indicators will be appropriate in different types of institutions. The stages, therefore, reflect functional capacity and not forms. In particular, we want to make sure that progress from stage 1 reflects improved performance with respect to the management component, not simply more complexity.

For example, for all service providing institutions, the ability to assure supply of commodities is equally critical. However, appropriate organizational indicators of assured long-term adequacy of commodity supplies might include the presence of a complex system of procurement, storage, delivery, and tracking in a large multi-setting organization while the same level of performance could be obtained in a small single site service delivery organization with a simple acquisition and storage procedure.

The argument is that all organizations need to carry out similar management functions and as the organization develops, these functions will be carried out at a more advanced although not necessarily more complex level. We want to measure each stage in ways that are applicable to

the type of setting being assessed. While the functions of the stages are general, the indicators to be applied need to be specific to a given type of organization. The current version is applicable to service delivery organizations.

How to use the instrument

The EXSUM is organized in three sections:

1. A general description of the organization, its history, its operating scale, and its current geographic and activity focus;
2. a mapping of the stages of development of key management components using indicators specific to the type of organization (e.g. service delivery, training, etc.); and
3. A form for recording additional information about the relationship of the organization to the national program where this is applicable.

Each form applies to a single organization and is designed to be used by persons with general familiarity with the organization without requiring much additional data gathering. It would be expected that project officers, regional staff, and program support staff within and outside of the organization could utilize the form without requiring additional information.

**External Sustainability Monitoring Tool (EXSUM)
Form for Service Delivery Organizations**

This form is used to record information about the stage of development of key management components as well as general characteristics of service delivery organizations at a specific point in time.¹ It is designed to be applied by external reviewers and to draw on information likely to be familiar to users who work regularly with the organization such as staff of IPPF regional offices, CAs, and external donors and international organizations. However, additional information sources can be used as necessary.

1. General Information:

Name of Institution: _____

Address: _____

Founding Date: _____

Type of Activity: (circle all that apply)

Service delivery	FP/RH	Other health
Training	Other _____	

Number of Settings: _____

Number of Staff	Full-time	Part-time
Paid	_____	_____
Volunteers	_____	_____

Annual Budget (\$1000) _____

Revenue Sources:		<5%	5-15%	15-30%	30-60%	>60%
Clients/Users		_____	_____	_____	_____	_____
IPPF		_____	_____	_____	_____	_____
Donors		_____	_____	_____	_____	_____
Public Funds		_____	_____	_____	_____	_____
Other (_____)		_____	_____	_____	_____	_____

¹. An effective internal self-assessment tool based on the same management development framework is MOST which is available from MSH directly or through the Electronic Resource Center Toolkit. (www.msh.org)

2. Management Characteristics

Recording Form

Please record scores based on the indicators on the following pages:

Management Component	1	2	3	4
Mission: Knowledge				
Mission: Application				
Strategy: Links to Mission				
Strategy: Links to Markets				
Structure: Allocation of Responsibility				
Structure: Delegation of Authority				
Collection and Use of Information				
Supply Management				
Financial Management				
Management of Revenues				
Planning				
Human Resources				

EXTERNAL SUSTAINABILITY MONITORING TOOL

INDICATORS FOR SERVICE DELIVERY SETTINGS

Note: The indicators proposed below can be assessed by several methods: personal observation during site visits, interviews with organizational staff and/or board members, interviews with program officers or technical staff who have recently visited the organization, and review of written documents.

Mission: Knowledge	Is the mission known and understood by all who can affect organizational performance?
1	<ul style="list-style-type: none"> • Staff/board report absence of any mission statement. • No mission statement can be found in organizational documents or on the premises. • Mission statement exists but hasn't been reviewed for more than 3 years.
2	<ul style="list-style-type: none"> • Staff below senior level are unable to articulate mission.
3	<ul style="list-style-type: none"> • Staff/board can articulate mission but report that mission is not referred to in planning sessions.
4	<ul style="list-style-type: none"> • Mission statement is disseminated through two or more channels: <ul style="list-style-type: none"> - orientation sessions for new staff and board - policy manual - posting in offices and facilities - brochures and flyers.
Mission: Application	Is the mission used consistently to plan activities and set priorities?
1	<ul style="list-style-type: none"> • Staff/board report that program activities and priorities are routinely defined without reference to the mission.
2	<ul style="list-style-type: none"> • Staff/board report that the mission statement is sometimes referred to in planning activities and setting priorities, but has no actual influence on decisions.
3	<ul style="list-style-type: none"> • Staff/board report that the mission statement is generally reviewed during activity planning and priority setting and used as the broad framework for these exercises.
4	<ul style="list-style-type: none"> • Specific program activities are selected or rejected and priorities established according to their conformity to the mission.

Strategy: Links to Mission	Do organizational strategies and the way they are developed consistently reflect the mission?
1	<ul style="list-style-type: none"> • The written strategic plan does not refer to the mission.
2	<ul style="list-style-type: none"> • Some elements of the strategic plan are inconsistent with the mission.
3	<ul style="list-style-type: none"> • The strategic plan refers to, and is generally consistent with the mission.
4	<ul style="list-style-type: none"> • All key elements of strategic plan are specifically linked to elements of the mission.
Strategy: Links to Markets	Do organizational strategies and the way and they are developed consistently reflect the realities of the market? Do the planners incorporate the needs and desires of their clients in their strategies?
1	<ul style="list-style-type: none"> • Staff/board cannot cite any market surveys that have been conducted to obtain feedback from clients and potential clients. • Staff/board report that the most recent strategic plan was developed without any consideration of the needs and desires of clients or potential clients.
2	<ul style="list-style-type: none"> • Staff/board report that, despite the absence of market surveys, assumed perspectives of clients and potential clients were considered in the most recent planning exercise.
3	<ul style="list-style-type: none"> • Ad hoc market surveys have been periodically conducted but are not part of routine, ongoing organizational activities. • The most recent strategic plan refers to and builds on the results of a market survey.
4	<ul style="list-style-type: none"> • A formal system exists to conduct market surveys of clients and potential clients at prescribed intervals. • Market surveys are considered an essential element of every planning exercise.

Structure: Allocation of Responsibility	Are responsibilities clearly assigned? Are they consistent with the capabilities and training of staff and board members?
1	<ul style="list-style-type: none"> • Staff/board cannot provide consistent, clear descriptions of their own and others' responsibilities. • Policy manual does not clearly define responsibilities of different cadres of staff, or of board. • There is often reported or observed duplication and confusion between staff and board responsibilities.
2	<ul style="list-style-type: none"> • Policy manual broadly defines responsibilities of staff and board, but frequent confusion and duplication are reported or observed. • For any given cadre of staff, there are many reported or observed discrepancies between descriptions of responsibilities and day-to-day assignments.
3	<ul style="list-style-type: none"> • Policy manual clearly spells out responsibilities for every cadre of staff and for board members. • Staff generally are assigned tasks consistent with their stated responsibilities, but performance reviews show that some staff members are unable to carry out their assigned responsibilities satisfactorily.
4	<ul style="list-style-type: none"> • Reports and observation show that staff and board have received the training and support needed to carry out their assigned responsibilities. • Performance reviews show that staff nearly always carry out their assigned responsibilities satisfactorily. • Board members set policy and do not become not involved in day-to-day operational decisions, which are the responsibility of the staff.

Structure: Delegation of Authority	Are decisions delegated to the most appropriate level of staff? Is the system of delegation maintained without regard to the pressures of the moment?
1	<ul style="list-style-type: none"> • Reports and observation show that the Director makes all significant decisions for every part of the organization. • Staff cannot cite any significant decisions they have made.
2	<ul style="list-style-type: none"> • Staff can cite some significant decisions that they have made, but many have later been overturned by their superiors. • The policy manual lacks clear criteria for consistent, systematic delegation of authority.
3	<ul style="list-style-type: none"> • Staff can cite some critical decisions they have made which have been accepted and supported by their superiors. • The policy manual cites clear criteria for delegation, but these criteria are not always observed in day-to-day management practice when critical decisions must be made under pressure.
4	<ul style="list-style-type: none"> • A formal system of delegation, based on job responsibilities, is fully defined in the policy manual, incorporated into job descriptions, and known throughout the organization. • Reports and observation show that the criteria for delegation are always observed in day-to-day management practice, regardless of the pressures of the moment.

System: Planning	Is there a systematic process to review and modify key elements of mission, strategy, and structure in the light of changing conditions?
1	<ul style="list-style-type: none"> • Staff/board report that there is no integrated planning process for the entire organization. • Plans exist only for specific projects, with goals and objectives set by funders.
2	<ul style="list-style-type: none"> • An integrated 1-year organizational plan exists. • The stated goals and objectives reflect the organization's vision and mission.
3	<ul style="list-style-type: none"> • A 3-5-year strategic plan exists but is not linked to annual operational plan. • Staff/board report that: <ul style="list-style-type: none"> - the strategic plan is rarely referred to in making key management decisions; - strategic planning does not usually take into account the results of the former plan.
4	<ul style="list-style-type: none"> • Annual operational plans derive from and are fully consistent with the strategic plan. • The strategic plan is closely monitored and the results reviewed before each new planning exercise.
System: Human resources	Is there an open and equitable process for selecting, supporting, developing, and evaluating staff?
1	<ul style="list-style-type: none"> • Staff/board reports and observation fail to reveal explicit and consistent job structures. • There are no written personnel policies or procedures.
2	<ul style="list-style-type: none"> • Job descriptions exist for some cadres of staff. • Personnel policies and procedures are being developed.
3	<ul style="list-style-type: none"> • Job descriptions exist for every staff level but are not regularly reviewed. • A policy manual has been produced and disseminated to all staff.
4	<ul style="list-style-type: none"> • All staff take part in periodic performance planning and review sessions which include reviewing job descriptions and revising them to reflect changing responsibilities. • Staff and board can point out relevant sections in the policy manual. • Personnel policies are carried out consistently across the organization.

3. Links to Program Characteristics (Where applicable)

(for FP/RH organizations, this refers to the National Population Program)

1. Which of the following describes the relationship of the organization to the national program operations? (Indicate "yes" or "no.")

	Yes	No
Receives materials from national program	_____	_____
Provides routine data to national program	_____	_____
Staff participates directly in national program activities	_____	_____
Organization leadership has national planning role	_____	_____
Organization has national leadership role	_____	_____

2. Which of the following best describes the organization's role with respect to each of the following national program attributes:

<u>Attribute</u>	<u>Description</u>
Market Characteristics:	Organization serves small, local market Not major provider in any market Significant provider in single location Major regional service provider Major national provider
Quality:	No national quality improvement effort Organization has no link to national program Participates in national quality assurance activities Sets/reinforces standards for high quality Serves as reference site for national program
Target Population Priority	No national target population priorities specified Not serving national program target population Target population not major priority Target population organizational priority but not primary market Target population is primary market

2. What other linkages are there between the organization and the national program? (Please record any general comments which might indicate the role of the organization in achieving national program objectives.)

Systems: Collection and Use of Information	Is information consistently collected and used to improve performance?
1	<ul style="list-style-type: none"> • No system for collecting and reporting routine information has been developed beyond that required by funders.
2	<ul style="list-style-type: none"> • Routine reporting on all organizational activities is required, but observation shows that reports are often submitted late and that the data are often inaccurate. • Those who provide the data state that they do not receive any regular feedback on their reports.
3	<ul style="list-style-type: none"> • Observation shows that routine reporting is generally timely and accurate, but raw data are not converted to usable information. • Staff/board state that key organizational decisions are generally made without reference to routinely collected and reported data.
4	<ul style="list-style-type: none"> • Data collected through routine reporting are converted to useful information and fed back to those who submitted the data. • Information from routine reporting is consistently used to make policy and management decisions.
Systems: Supply Management	Does the logistics system ensure that needed supplies are available in a timely and dependable way?
1	<ul style="list-style-type: none"> • No formal system exists for recording supplies received and dispensed.
2	<ul style="list-style-type: none"> • A paper record is kept of supplies received and dispensed.
3	<ul style="list-style-type: none"> • At any point in time, staff responsible for managing supplies can use the logistics record to tell exactly what is in the inventory and, for time-sensitive supplies, what is at risk of expiration.
4	<ul style="list-style-type: none"> • The fully functioning logistics system is used to project future requirements and reduce gaps in inventory.

System: Financial Management	Is financial information collected and maintained in a way that supports effective and efficient production?
1	<ul style="list-style-type: none"> • System records costs by budget lines and/or cash receipts and expenditures.
2	<ul style="list-style-type: none"> • System uses double-entry accounting, with costs allocated to budget (input) categories. • System has never been used to produce a costing analysis.
3	<ul style="list-style-type: none"> • System produces income and revenue data and can allocate costs to particular service units (outputs). • System has been used to conduct at least one costing analysis.
4	<ul style="list-style-type: none"> • Staff/board reports and observation show that system is consistently used to link resources to their uses. • Financial and cost information is routinely used to make management decisions.
System: Management of Revenues	Is the organization taking actions to minimize the risks of significant reductions in revenues from current sources?
1	<ul style="list-style-type: none"> • Staff/board cannot cite any efforts at revenue projection or generation.
2	<ul style="list-style-type: none"> • Staff/board report that organization is exploring ways to diversify its revenue sources and build support within a local constituency.
3	<ul style="list-style-type: none"> • Organization has a formal, written strategy for generating revenues from clients and the local community. • Organization receives support from more than one funding source.
4	<ul style="list-style-type: none"> • Organization's most recent strategic plan incorporates revenue projections. • Revenue-generating strategy has resulted in three or more revenue sources. • The local community is consistently contributing to the revenue through financial or in-kind contributions and scaled client fees.

Appendix VI: ERC handouts

Electronic Resource Center Content Development Strategies

*Collaborating to Create Content
for Health Professionals*

April 30, 1998



MANAGEMENT SCIENCES FOR HEALTH
FAMILY PLANNING MANAGEMENT DEVELOPMENT

FUNDED BY US AGENCY FOR INTERNATIONAL DEVELOPMENT



Introduction

What is the ERC?

Who are we trying to reach?

How are we working with others?



Development Strategy

Stimulate Interest

- FPM EC Issue
- Presentations
- Panels and Papers

Develop Technologies

- ERC E-mail
- ERC on the WWW
- Document Management
- Interactive Databases
- Distance learning

Create Content

- FPMD Materials
- ERC Partner Materials
- ERC Member Materials
- Interactive Publications
- Courses at a Distance

- ICT to support TA
- Micronetworks

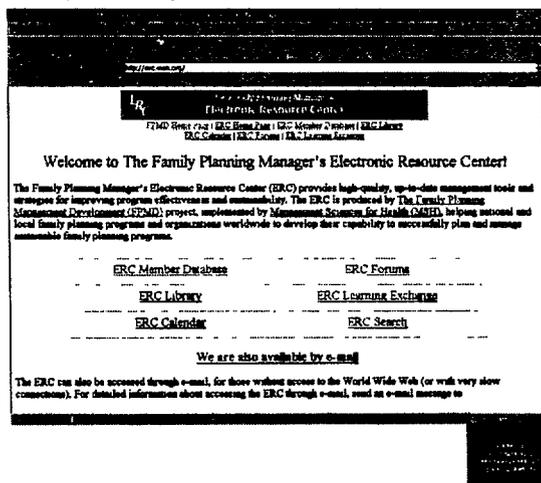
Apply ERC in the field

4/29/98

<http://erc.msh.org> or erc@msh.org

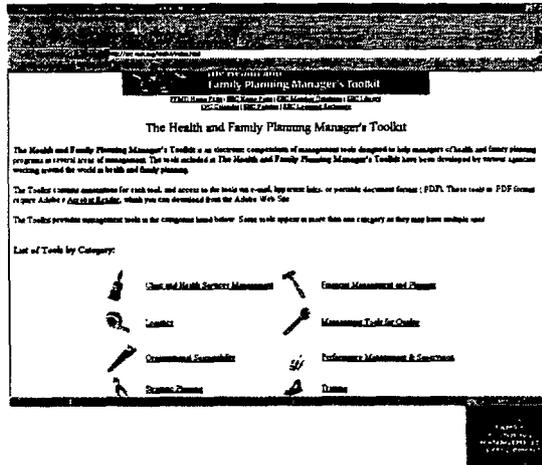
The Electronic Resource Center (ERC)

- A premiere information service for health professionals
- E-mail and web accessible
- A collaborative effort



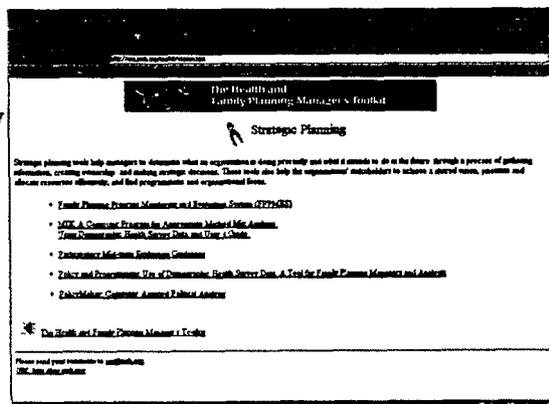
The Health and Family Planning Manager's Toolkit

- A collaborative effort between MSH, FHI and other CAs
- E-mail and web accessible
- Tools and links



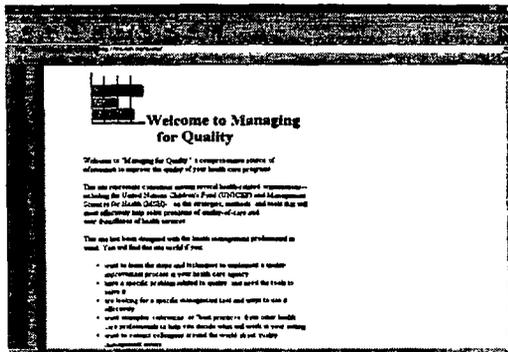
The Health and Family Planning Manager's Toolkit

- Eight main categories
- 30 tools currently available
- Popular part of site



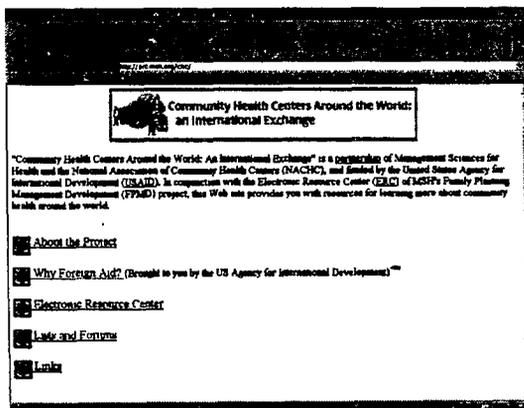
Managing for Quality

- Partner - United Nations Children's Education Fund
- Develop an electronic resource for improving quality



Community Health Centers around the World: An International Exchange

- Partner - National Association of Community Health Centers (NACHC)
- Encouraging exchange between health professionals



ERC Strategic Collaborations

- Collaborate - to maximize resources
- Collaborate - to reach new audiences
- Collaborate - to get synergistic use of technology



Appendix VII: HRD handouts



Human Resources Development Assessment Instrument For NGOs and Public Sector Organizations



Prepared for the FPMD Consultative Meeting with
Cooperating Agencies, Washington, DC - April 30, 1998

Sarah Johnson
Management Sciences for Health
Boston, Massachusetts

What is Human Resources Development?

- Human resources development, as assessed by this instrument, is defined as the integrated use of systems, policies and practices to recruit, maintain and develop employees in order for the organization to meet its desired goal.
- HRD is most effective in an organization when its authority is located at the senior management level.

Why is Human Resource Development Important in Health and Family Planning Management?

- Human resources in a NGO or public sector organization consume a large % of the budget.
- The performance of human resources in the organization is key to organizational goals and sustainability.
- In the face of multiple organizational changes (new services and products provided by organizations, decentralization, public/private partnerships, emphasis on organizational sustainability, new technology, etc.), attention to HRD is critical.

Features of the FPMD/MSH Human Resources Development Assessment Tool

- A self-evaluation organizational assessment tool designed to be used internally in a group setting by the organization's senior staff and board members, preferably with the assistance of an outside facilitator.
- Allows for rapid assessment of HRD system in the organization.
- Easy-to-use and participatory.
- Can be used alone or in conjunction with other management tools such as MOST.
- Organized around two key dimensions: the institutional framework for development and the components of a HRD system.

The Institutional Framework for Development

- Four stages in institutional development labeled simply 1, 2, 3, 4.
- The importance of these levels is the progression toward greater management development capacity and sustainability.

Components of a HRD System

- **HRD Capacity**
 - ⇒ Budget
 - ⇒ HRD staff
- **HRD Planning**
 - ⇒ Mission and Goals
 - ⇒ HRD Planning

- **HRD Data**
 - ⇒ Employee Data
 - ⇒ Computerization of Data
 - ⇒ Personnel Files

- **Performance Management**
 - ⇒ Job descriptions
 - ⇒ Supervision
 - ⇒ Performance Planning and Evaluation

- **Training**
 - ⇒ Staff training
 - ⇒ Management/Leadership Development
 - ⇒ Links to External Pre-Service Training

- **Personnel Policy and Practice**

- ⇒ Job Classification System
- ⇒ Compensation and Benefits System
- ⇒ Recruitment , Hiring, Transfer and Promotion
- ⇒ Orientation Program
- ⇒ Policy Manual
- ⇒ Discipline, Termination, Grievance Procedures
- ⇒ Incentive Systems
- ⇒ Union Relationships
- ⇒ Labor Law Compliance

Human Resources in the MOST Instrument

- Human Resources is one of the 12 essential management components in the tool.
- MOST gives a 'snapshot' of the organization's human resources system.

The HRD assessment tool: Provides a structured mechanism for a detailed assessment of human resources if the application of MOST reveals the need for management development in this area.

HRD Assessment Tool Application

- Group assesses each HRD component on the grid.
- Discussion of results.
- Formulation of an action plan that includes specific actions for areas requiring strengthening.

This organizational self-assessment should be complemented with a review of agency documents, policies and procedures.

Participation of Cooperating Agencies in the HRD Assessment Tool

- Critique and discussion.
- Testing the instrument.



Suggestions for Testing

- Let us know where, when and with whom you will be testing the instrument.
- If possible, conduct the test in the next four months (May-August 1998).
- Report results to Sarah Johnson, FPMD at MSH (sjohnson@msh.org).
- We will gain immeasurably from your cooperation in testing the tool and record your experience in summary form on the Health and Family Planning Electronic Tool Kit

**HUMAN RESOURCE DEVELOPMENT (HRD)
ASSESSMENT INSTRUMENT FOR
NGOs AND GOVERNMENT ORGANIZATIONS**

**- DRAFT -
APRIL 17, 1998**

**Developed by
Family Planning Management Development**

**A project of
Management Sciences for Health
165 Allandale Road
Boston, MA 02130**

**FAMILY
PLANNING
MANAGEMENT
DEVELOPMENT**



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DRAFT April 17, 1998

HUMAN RESOURCE DEVELOPMENT (HRD) ASSESSMENT INSTRUMENT FOR NGOs and GOVERNMENT ORGANIZATIONS Developed by Management Sciences for Health

INTRODUCTION

In the management of health and family planning non-governmental organizations (NGOs) and public sector health organizations, Human Resource Development (HRD) plays a critical role in creating and sustaining high performance organizations. A large percentage of the operating budgets of NGOs and Health Ministries is devoted to staff salaries and wages. In an era of health sector reform, HRD issues must be addressed if organizations are to successfully manage decentralization, public/private partnerships, downsizing and expansion as well as the drive toward organizational sustainability. As more and more NGOs and government organizations face these challenges, they are looking for HRD technical assistance and support. This instrument is designed to assist organizations assess their HRD capacity. It can also serve as a basis to develop improvement strategies to make the HRD system as effective as possible.

Benefits Of Human Resource Development To Your Organization:

- ▶ Systematic planning to support organizational mission
- ▶ Increased capacity to achieve the organization's goals
- ▶ Clear definition of each employee's work responsibilities
- ▶ Greater equity between compensation and level of responsibility
- ▶ Defined levels of supervision and management support
- ▶ Increased level of performance and utilization of employees skills and knowledge
- ▶ Cost savings through improved efficiency and productivity
- ▶ Increased ability to manage change

Management Sciences for Health (MSH), an organization dedicated to providing management development assistance and training to health and family planning NGOs and public sector health organizations, has developed a series of organizational self-assessment tools which focus on various management issues. While HRD is a management issue, MSH defines it from the more positive perspective of "development". In other words: how can your organization develop a set of policies, practices and systems which advance the skills and motivation of staff in order to achieve the highest possible level of performance over time? The answer to this question is within your organization, in both the dynamics, knowledge and level of commitment there, as well the established HRD system, policies, and procedures.

Human Resource Development is important in all organizations regardless of their size, purpose and degree of complexity. The components assessed by this tool are relevant in any organization from small and medium-sized NGOs to large Government bureaucracies.

PURPOSE OF THE ASSESSMENT INSTRUMENT

The HRD assessment instrument is intended to provide users with a rapid assessment tool to identify the organization's characteristics with respect to the core functions of a Human Resource Development system. The instrument is organized according to these HRD components in a matrix with four levels of indicators. There is no scoring involved. Each level describes an organizational phase of development and provides information that is useful in developing a plan of action for your organization to improve those HRD areas which need strengthening.

For newly formed organizations, the instrument can serve as a guide to developing an optimal HRD system. For established organizations facing changes (i.e. contracting out services, decentralization, downsizing or expansion), the tool can serve as a reference for the types of HRD issues which must be addressed in order to manage change successfully. For optimal benefit to the organization, it is important that this assessment be supported by the executive director of the NGO or top decision makers in a Government organization. Units within an organization can also benefit from using this instrument as a guide to improving HRD functioning in those components which they can influence directly. This instrument can also serve as a basis for focusing discussions, brainstorming and strategic planning.

USE OF THE INSTRUMENT

This instrument is best administered by a committee of staff internal to the organization (e.g., Executive Director and representatives from Senior staff, Board of Directors) and an external consultant facilitating the process. It can also be administered by an internal committee only.

Organizational Self-Assessment

Together the group will assess each HRD component on the attached grid beginning on page 4. After each HRD component in the organization has been assessed, the group will discuss the results and formulate an action plan that includes specific actions with a time line to address those areas which require strengthening.

It is important that the results are reviewed and analyzed by a variety of staff and board members, and a general consensus is received on HRD areas within the organization that should be targeted for improvement. The criteria specified for each component in this HRD Assessment will provide the organization with data on which to base improvement action plans. The tasks required for improvement are not necessarily costly, but whatever the amount of time and resources required, an investment in HRD will reap many benefits for your organization.

Complementing the Self-Assessment with a Review of Documents

In each case, the assessment work should be complemented by direct observation of the organization's HRD practice and a review of all relevant HRD and personnel documents. The following documents are recommended for review:

- Personnel Files
- Job Descriptions
- Financial/Payroll Records
- Labor Law

CONTENT OF THE INSTRUMENT

Working Definition of HRD:

Human Resource Development, as assessed by this instrument, is defined as the integrated use of systems, policies and practices to recruit, maintain and develop employees in order for the organization to meet its desired goals. HRD is most effective in an organization when its authority is located at the senior management level.

HRD components assessed by this instrument include:

HRD Capacity: Budget HRD Staff	HRD Data: Employee Data Computerization of Data Personnel Files
HRD Planning: Mission and Goals HRD Planning	Performance Management Job Descriptions Supervision Performance Planning and Evaluation
Personnel Policy and Practice: Job Classification System Compensation and Benefits System Recruitment, Hiring, Transfer and Promotion Orientation Program Policy Manual Discipline, Termination, Grievance Procedures Incentive Systems Union Relationships Labor Law Compliance	Training Staff Training Management/Leadership Development Links to External Pre-Service Training

HRD ASSESSMENT TOOL FOR NGOs AND PUBLIC SECTOR ORGANIZATIONS

INSTRUCTIONS

For each of the HRD components on the grid below, circle the statement that best applies to the current status of the organization. If only part of the statement applies, circle the previous statement. In the "comments" box beside each HRD component, please record the indicators which led you to select this box and any additional key information related to this component. Refer to the glossary attached at the end of the tool for definitions of key terms used in the grid.

HRD COMPONENT	1	2	3	4	Comments
HRD Capacity					
HRD Budget	There is no budget allocated for HRD staff or HRD activity within the organization	There is limited money available to fund an HRD position or to conduct HRD activities, e.g., training, systems development, performance planning and evaluation	Budget is allocated for HRD staff and related activities. Allocation is irregular and cannot be relied on for any useful long range planning or the development of HRD systems	Money for HRD staff and related activities is a permanent budget item, reviewed annually and adjusted if possible.	

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HRD COMPONENT	1	2	3	4	Comments
<u>HRD Staff</u>	There are no staff specifically charged with responsibility for HRD functions.	There are HRD staff in the org., but they have limited experience related to this field (personnel, recruitment, management) and/or have other functions in the organization as well as HRD.	There are trained HRD staff in the org., but only at a level to maintain basic procedures and record keeping functions.	There are experienced HRD staff in the org. who maintain HRD functions. They participate in long range planning for the organization.	
<u>HRD Planning</u>					
<u>Organization Mission/Goals</u>	No formal mission statement or org. goals exist.	Mission/goals exist but are not formally linked to HRD planning, e.g. staffing, job classifications.	Mission/goals linked in a formal way to HRD planning, e.g., staffing plan, training.	Mission/goals linked to annual HRD planning and also for forecasting long range staffing and recruitment needs.	
<u>HRD Planning</u>	No annual HRD plan exists.	Annual HRD plan exists, but it is not based on a formal assessment of the mission, organizational goals, staffing needs, training outputs or existing employee data.	Annual HRD plan exists, based on org. goals, staffing needs, training, and employee data, but it is not further evaluated for effectiveness.	Annual HRD plan based on org. goals and training outputs exists. It is implemented, evaluated, and used for long range strategic planning.	

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HRD COMPONENT	1	2	3	4	Comments
HRD Data					
<u>Employee Data</u> No. of staff Location Skill/Ed. levels Gender/age Year of hire Salary level	None of this data is collected on any kind of systematic basis	Most of this data is collected, but not maintained or kept up-to-date.	All of this data is available and up-to-date, but data is not formally used in HRD planning or forecasting.	All of this data is available and up-to-date. Systems are in place. Data is formally used in HRD planning and forecasting.	
<u>Computerization of Data</u> Note: (this component is more relevant for larger organizations)	There are no computers or data systems available to the organization, externally or internally	There are computers in place, but no resources to develop systems for data management	Computers and data management systems are available, but staff not trained and data files are incomplete	Computers and data management systems are in place and data files up to date, staff receives training	
<u>Personnel Files</u> Individual Employee Records	No individual employee records exist.	Limited employee personnel files are maintained, but not regularly updated.	Personnel files for all employees are maintained and kept up to date, but there is no policy for employee access or use of this data.	Updated personnel files for all employees exist and also policies for appropriate use, e.g. confidentiality, employee access.	

HRD COMPONENT	1	2	3	4	Comments
Personnel Policy and Practice					
<u>Job Classification System</u> title/qualifications for : professional clinical technical support staff	No formal system exists to classify jobs and the skills and qualifications required for each classification.	There is some attempt to classify jobs, but it is uneven and incomplete.	A job classification system exists, but it is not used as a basis for other HRD functions: e.g. job descriptions, hiring, salary/benefits.	A job classification system exists and is used in a formal manner for other HRD planning and staffing functions.	
<u>Compensation and Benefits System</u>	No formal system exists for determining the salary scale and benefits provided to each job classification.	A formal system exists, but it not used in a routine manner.	A formal system exists, is understood by all employees and used in a consistent manner.	A formal system exists and used consistently. It is also used to determine salary upgrades and merit awards.	
<u>Recruitment, Hiring, Transfer and Promotion Procedures</u>	No formal process exists for recruiting, hiring transfer and promotion according to job descriptions	There are systems for hiring, etc. but they are not followed.	There are formal systems, based on established criteria, but they are not used consistently.	There are formal systems, monitored and used in all hiring, transfer and promotion decisions.	

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HRD COMPONENT	1	2	3	4	Comments
<u>Orientation Program</u>	There is no formal orientation program for new employees	There is a program, but it is not implemented on a regular basis	Orientation is offered in a routine manner, but does not emphasize the mission, goals, performance standards expected by the organization.	Orientation is offered to all new employees, emphasizes the mission, goals, and performance standards expected and also makes people feel welcomed and valued.	
<u>Policy Manual</u> <u>Terms and</u> <u>Conditions of</u> <u>Employment</u> Org. Chart Work hours Time sheets Performance Review Discipline Grievances Benefits Legal Travel	No policy manual exists.	Policy manual does exist, but it is out-of-date and does not include all of the relevant information.	A current policy manual does exist but it is not available to all employees and is not always used as a basis for personnel decisions.	An up-dated policy manual does exist and is available to all employees. It serves as a reference guide to all questions about the terms and conditions of employment in the organization and is reviewed and updated regularly.	
<u>Discipline,</u> <u>Termination and</u> <u>Grievance</u> <u>Procedures</u>	No formal procedures exist.	Formal procedures do exist, but they are not clearly related to performance standards.	Formal procedures based on performance standards exist, but they are not followed in any consistent manner.	Formal procedures based on performance standards are known to all employees and used consistently.	

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HRD COMPONENT	1	2	3	4	Comments
<u>Other Incentive Systems</u> Rewards for high performance, generally money	Other than salary and benefits, there are no additional monetary or non-monetary incentives for awarding good performance.	There are some additional incentives, but they are not tied to specific performance standards and are awarded on an ad-hoc basis.	A satisfactory range of additional incentives, tied to performance standards exist but are often not awarded regularly.	A satisfactory range of additional incentives, tied to performance standards exist and are awarded regularly.	
<u>Relationship with Unions</u> (if appropriate)	There is no link between HRD, management and the union.	Links exist between HRD, management, and union, but roles are not clear.	Management involves HRD in union issues, but on an irregular basis.	Management, HRD and the union work together to resolve issues and prevent problems.	
<u>Labor Law Compliance</u>	There is no review of HRD policies to ensure compliance with local and/or national labor law.	There is some effort to review labor law, but it is not done on a regular basis.	A review of the labor law is done regularly as a formal part of the HRD function, but policy is not always adjusted to ensure compliance.	HRD policy and practice is adjusted as needed to be in compliance with the local and/or national labor law.	

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HRD COMPONENT	1	2	3	4	Comments
Performance Management					
<u>Job Descriptions</u> job title qualifications responsibilities supervisor	No job descriptions are developed.	Some staff have job descriptions, but they are not always up-to-date and/or are very general lacking job responsibilities and supervision.	All staff have job descriptions, but they are not all complete or up-to-date with specific duties and lines of supervision	Complete job descriptions exist for every employee and are kept up to date through a regular process of review. Specific duties and lines of supervision are clearly stated.	
<u>Staff Supervision</u>	There is no clear system of supervision. Lines of authority are unclear. Staff are not recognized for their achievements	There are established lines of authority, but the supervisor's role and function is not understood and little supervision takes place. Limited staff recognition	Supervisors understand their roles and lines of authority and meet regularly with their employees to develop work plans, evaluate performance, and publicly recognize staff for their achievements	Supervisors increase staff performance by assisting staff with professional development plans and encouraging them to learn new skills. Supervisors receive skills training periodically.	

HRD COMPONENT	1	2	3	4	Comments
<p><u>Performance Evaluation</u></p> <p>A Formal Performance Planning and Review System (PP&R)</p>	<p>There is no formal Performance Planning and Review (PP&R) system in place.</p>	<p>A Performance Planning and Review System is in place, but it is informal and does not include jointly developed work plans and performance objectives with staff.</p>	<p>There is a formal system and supervisors are required to develop work plans and performance objectives with each employee and evaluate performance in the past, but this is not done on a consistent basis.</p>	<p>Supervisors and employees develop work plans jointly and performance reviews are conducted on a regular basis. Orientation sessions and a manual are provided to all staff. Reviews are used for personnel decisions.</p>	
<p>TRAINING</p>					
<p><u>Staff Training</u></p>	<p>There is no established training program.</p>	<p>Training is offered on an ad-hoc basis but it is not based on a formal process of assessing staff needs nor is it linked to the organization's key priorities and changes in the health sector and health practices.</p>	<p>Training is a formal component of the organization and linked to staff and organizational needs, but it is not available for all staff, nor is it evaluated for results.</p>	<p>Training is a valued part of the organization and opportunities are developed for all staff based on their needs and also those of the organization.</p>	

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HRD COMPONENT	1	2	3	4	Comments
<u>Management and Leadership Development</u>	There is no policy or philosophy regarding the importance of developing strong management capacity and future leaders for the organization	There is an emphasis on developing management capacity but it is not done on a regular basis.	The organization makes an effort to develop managers and future leaders through training, and also through mentoring and challenging job assignments, but participation is selective.	A formal program for management and leadership development is in place and there is equal opportunity for everyone to participate.	
<u>Links to External Pre-Service Training</u> (This HRD component may be more relevant for Government organizations)	There is no formal link with the pre-service training institutions which train employees for the health sector.	There is a loose relationship between the organization and pre-service training institutions, but it is not used in any formal way for workforce training and development.	The organization and pre-service training institutions work together to ensure that the curriculum is based on skills, knowledge and attitudes required in the workplace.	The organization and pre-service training institutions also offer regular in-service training for staff already in the workplace to upgrade their skills and knowledge,(e.g. management training).	

GLOSSARY of HRD TERMS

Compensation and Benefits	<i>The annual base salary paid to the employee for a particular job and also the added benefits that are allowed (i.e., health, vacation, housing, loans).</i>
Human Resource Development	<i>The integrated use of systems, policies and practices to recruit, maintain and develop employees in order for the organization to meet its desired goals.</i>
HRD Plan	<i>The document which results from annual (or longer) planning, describing the goals and priorities for staffing, training and other HRD activities and how they are related to the organization's mission. It includes the budget for achieving these goals.</i>
Incentives	<i>Rewards, generally monetary, which are used to reward high performance, the achievement of objectives, and/or to motivate employees to improve program quality. Incentives are in addition to salary and benefits.</i>
Job Classification System	<i>The system which the organization develops to classify jobs according to their function and level of responsibility. It includes job descriptions and salary range for each of the job classifications.</i>
Job Description	<i>A document that states the job title, describes the responsibilities of the position, the direct supervisory relationships with other staff and the skills and qualifications required for the position.</i>
Mission	<i>A brief statement which describes the type of organization, its main purpose and its values. The mission provides the rationale for defining goals and objectives.</i>
Performance Evaluation	<i>A summary of the employee's performance, both positive and negative, based on jointly established work plans and performance objectives.</i>
Performance Planning	<i>A plan, developed jointly with employees, with clearly specified performance objectives, generally for the next six months.</i>
Recruitment	<i>Activities undertaken by the organization to attract quality candidates as applicants for their jobs.</i>

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