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# MISSION ORGANIZATIONAL DEVELOPMENT SUPPORT (MODS)

MONTHLY OPERATIONAL STATUS REPORT  
OCTOBER 1 – OCTOBER 31, 2019

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# MISSION ORGANIZATIONAL DEVELOPMENT SUPPORT (MODS)

## MONTHLY OPERATIONAL STATUS

October 1 – October 31, 2019

**Submitted to:**

Roseanne Mugo, COR  
USAID/KENYA

**Prepared by:**

Dexis Consulting Group

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## ACRONYMS AND ABBREVIATIONS

CLIN	Contract Line Item Number
COGRI	Children of God Relief Institute
COP	Chief of Party
COR	USAID Contracting Officer Representative
ERP	Enterprise Resource Planning
J2SR	Journey to Self-Reliance
KP	Key Personnel
KRA	Kenya Revenue Authority
LDO	Local Development Organization
MEL	Monitoring, Evaluation, and Learning
MODS	Mission Organizational Development Support contract
NHIF	National Hospital Insurance Fund
NSSF	National Social Security Fund
OCA	Organizational Capacity Assessment
OD	Organizational Development
PEPFAR	U.S. President's Emergency Plan for AIDS Relief
PIN	Personal Identification Number
QASP	Quality Assurance Surveillance Plan
UNES	University of Nairobi Enterprise Services
USAID/KEA	U.S. Agency for International Development/Kenya and East Africa

## **INTRODUCTION**

The USAID Kenya East Africa Mission Organizational Development Support (MODS) Project was awarded to Dexis Consulting Group on September 30, 2019. This report covers the first month of the project from October 1, 2019 – October 31, 2019. It covers the operational and technical start-up of the program, as well as challenges and opportunities for the next month.

## **SUMMARY OF ONGOING ACTIVITIES AND ACCOMPLISHMENTS**

### **TECHNICAL**

#### **CAPACITY BUILDING SERVICES**

While much of the work in the first month of the program was operational in nature, preparations technical implementation has begun. Tool review begun and initial development of elements of tool adaption begun. The start-up team met with several other implementing partners; including PACT Kenya, Act, Change, Transform ACT! and Palladium Group who have used Organizational Capacity Assessment (OCA) tools in Kenya, to determine which ones have been used most effectively with the type of organizations that we will most likely be working with, such as organizations receiving U.S. President's Emergency Plan for AIDS Relief (PEPFAR) funds, and county-based organizations. In addition, the team reviewed tools that have previously been used by Dexis in other countries with similar organizations. It was determined that up to three tools may need to be used for the program, for local governments, PEPFAR organizations, and other nascent county-based organizations including coalitions that may be newly formed. The Dexis team will submit the tools to the Contracting Officer Representative (COR) for approval.

In addition to the OCA tool, the team reviewed facilitators guides used previously and have begun reviewing the possible adaptations that will need to take place.

Towards the end of the month, Dexis received information about two new tasks that will fall under CLINI. One is to support two organizations, Children of God Relief Institute (COGRI) and University of Nairobi Enterprise Services (UNES) in defining the requirements of and making recommendations for an Enterprise Resource Planning (ERP) system. Additionally, MODS consultants will recommend necessary capacity building required to implement the ERP. The second tasking request is to develop a white paper on the process for setting up an umbrella legal framework known as a Local Development Organization (LDO) at the county level. The team has begun to identify and contract consultant experts to support the tasks with our key personnel.

#### **MONITORING, EVALUATION, AND LEARNING**

The Nairobi-based team, with support from the Dexis Monitoring, Evaluation, and Learning (MEL) team, drafted the Quality Assurance Surveillance Plan (QASP) which will be the plan used to monitor and document the progress Dexis makes toward contract requirements. The plan combines indicators drafted for the MEL plan, our main performance monitoring tool, to track each contract technical requirement. The plan will be submitted by November 30, 2019, 60 days after contract award.

The field-based team, as well as the Dexis MEL team, met to determine the more appropriate methods for monitoring and evaluating performance through a set of indicators. In addition, the team began

development of a learning plan to ensure that the project is constantly learning and adapting from the realities on the ground facing the organizations that we are assessing and supporting. Evaluating indicators drawn from the Journey to Self-Reliance (J2SR), PEPFAR, and other measures of organizational development. While the team has begun initial development of the plan, work will continue on it to adjust indicators, and develop targets as initial organizations are assessed and baseline data begins to come in.

## **CLIN 2**

No work orders have been issued under CLIN 2.

## **CLIN 3**

Although no work orders have been issued under CLIN 3, the MODS COP met with a team at USAID that included the Health Team to discuss potential work orders that may arise from the CLIN 1 assessments of ERP needs for UNES and COGRI. The Health Team also mentioned other potential work in organizational strengthening of governance structures for other PEPFAR partners.

## **CONTRACTUAL & ADMINISTRATIVE**

Within five days of award, Dexis engaged the proposed Chief of Party and a logistician under consultancy agreements to begin start-up. Dexis also fielded two home office personnel—a Senior Director and Program Manager—to support the rapid establishment of operations and programming.

Dexis contracted a law firm to advise on the most appropriate, compliant, and expeditious registration type. During the reporting period, Dexis initiated the process of registering as a subsidiary in Kenya; all requisite registration application materials have been submitted and it is anticipated that the registration will be obtained in November 2019, contingent on the timely action of the Registrar of Companies, and other relevant officials. Successful completion of registration will include obtaining a Certificate of Incorporation, CR12 certificate, Kenya Revenue Authority (KRA) Personal Identification Number (PINs) for the company, a value-added tax VAT registration number, a unified business permit, and National Hospital Insurance Fund (NHIF) and National Social Security Fund (NSSF) registrations. In addition to registration support, Dexis is in the process of procuring ongoing legal services for support and representation throughout the duration of the program.

During the reporting period, Dexis conducted final interviews for all long-term key personnel and non-key personnel positions under CLIN 1, selected the most qualified candidates, and extended employment offers. In accordance with local labor law, staff cannot be hired until the Dexis subsidiary office is fully registered. To ensure progress toward technical and operational objectives is not impeded, Dexis has actively pursued alternative measures, such as engaging local staff under consultancies and providing technical surge support from the Dexis home office. Local legal counsel is currently reviewing employment and consultancy agreements for compliance with local requirements, and Dexis has established a fringe package of statutory and customary benefits that adheres to local labor law and the practices of other USAID implementing partners in Kenya. In anticipation of hiring staff under employment agreements, the team has begun competitively procuring the services of health insurance and pension fund providers.

Under CLINs 2 and 3, the MODS team has initiated pre-identification and recruitment of a pool of technical consultants. Additionally, technical consulting service providers have been identified and procurement has commenced. These preemptive recruitment and procurement efforts will ensure that

MODS has full technical and coverage and can rapidly respond to CLIN 2 and 3 work orders as they are received from USAID.

Dexis has secured private offices in a coworking space to ensure maximum flexibility to expand and contract staffing levels, based on the technical needs of the program. Additionally, establishing a presence in a coworking space offers additional flexibility with the lease duration, which is more accommodating of the program's period of performance. During the reporting period, the MODS team negotiated and executed the lease, conducted an office security assessment, and procured basic office supplies and equipment. The office came furnished, eliminating the need for more extensive and costly procurements such as office furniture. The MODS start-up team is also competitively procuring travel agent and ground transportation services to support staff and consultant travel in all 47 counties of Kenya, as needed, based on the location of the local development organizations that are to receive organizational development assistance under CLINs 2 and 3. Additionally, Dexis has begun to pre-identify hotels and conference room space in these locations to accommodate program activities.

To ensure that the program has fully functional financial systems in place upon registration, the start-up team has liaised with several banks and selected the bank and account type that is most appropriated for a subsidiary office and the expected volume of transactions for the MODS program, which will be opened as soon as Dexis is registered and has a KRA PIN. Dexis has developed a chart of accounts that is tailored to the program and has customized its field accounting software, QuickBooks, accordingly. The structure of the field accounting setup will facilitate budget tracking and reporting by CLIN.

On Thursday, October 17, 2019, the Dexis Chief of Party, Senior Director, and Program Manager participated in the Post-Award Conference with USAID/Kenya and East Africa (USAID/KEA) to discuss the contract, points of contact, technical scope of work and deliverables, financial requirements, compliance matters, and other topics. The MODS team also participated in a meeting with USAID/KEA Mission leadership on October 23. These meetings were critical to establishing a common understanding of the goals and objectives of the Mission and the MODS program, as well as laying the groundwork for successful contract implementation.

#### *Milestones:*

- Drafts of all initial deliverables completed; two deliverables submitted to USAID: Branding Implementation and Marking Plan; and Monthly Operational Status Report;
- Key Personnel (KP) team identified and have submitted for approval the two remaining key personnel: Organizational Development Manager and MEL Manager;
- All operational start-up requirements initiated or completed.

## **CHALLENGES AND MITIGATION**

### **TECHNICAL**

While initial tool development has begun, its finalization is challenging without knowledge of which organizations we will be working with. We will mitigate this by ensuring maximum flexibility and adaptability in the tool creation to allow assessors to adapt the tool quickly when the first tranche of organizations is determined. Also, given long required notice periods in Kenya, the tool will need to be developed without the full input of the core team which will be using the tool. These issues will be

mitigated by continuing to use a highly adaptive and iterative approach to tool development, allowing the team to constantly reassess the success of the tool and adjust as needed.

## **OPERATIONAL**

While the core team of key personnel has been determined, long notice period requirements (one month) in Kenya make it challenging to get our team on board as quickly as we would like. We are mitigating this by using some consultants early in the process, and engaging some team members on weekends and after hours to ensure that initial deliverables are completed with team buy-in.

The requirement to have all registration documentation authenticated by the Kenyan Embassy in Washington, DC created additional administrative and logistical steps that slowed the in-country submission of the necessary paperwork. Additionally, official operations, including hiring staff and opening a local bank account, are not permitted until registration is secured, which typically takes two to four weeks after submission of registration materials. To ensure that the authentication process proceeded as timely as possible, Dexis began the process of preparing and authenticated standard registration documentation immediately upon award. Dexis has also engaged staff and processed initial payments through the home office to facilitate operations while registration is ongoing.

## **OPPORTUNITIES**

### **TECHNICAL**

To ensure appropriately adapted OCA tools are developed and ready to be deployed when the first set of organizations is identified, the Dexis team has gathered different tools used in Kenya and elsewhere, and spoke to multiple implementing partners and experts in Organizational Development in Kenya to ensure that lessons learned from previous OD efforts are being taken into account at the onset. This research will provide a valuable opportunity to adjust the standard tools being used to context and needs of local organizations that will be assessed.

### **OPERATIONAL**

As described above, the MODS start-up team has begun the process of contracting technical service providers and pre-identifying a pool of qualified consultants. These efforts have been coupled with advanced identification and procurement of travel agents, ground transportation providers, hotels, conference spaces, and security resources to ensure that MODS can rapidly establish the operational footprint needed to support technical activities upon receipt of work orders under CLINs 2 and 3.



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