




# Use of Advisers in the Australian Aid Program -

## Guidance Note 1: Operational Policy Implementation Checklist

March 2011

### 1. Guidance Note Overview

- 1.1 This Guidance Note 1 aims to support implementation of the *Use of Advisers in the Australian Aid Program Operational Policy: Adviser Planning, Selection and Performance Management* and complement the *Use of Advisers in the Australian Aid Program Guidance Note 2: Technical Assistance Options for Developing Capacity*.
- 1.2 The Operational Policy sets out the range of circumstances in which the Australian Government supports the use of advisers in the aid program and its requirements for planning, selection and performance management of adviser use.
- 1.3 Guidance Note 2 provides a summary of over sixty different tools, techniques and resources to support individual, team, sectoral and institutional capacity development; outlines uses, advantages and disadvantages of each; and provides some examples.
- 1.4 This Guidance Note 1 has been developed as a reference tool to guide discussions with country and other development partners when considering a request for technical assistance. It provides a checklist and supporting information for policy implementation, including: how to analyse the capacity context and define expected results; how to identify the most effective and value for money form/s of technical assistance; and the processes for selection and performance management of adviser positions- where appropriate. The Note should not be viewed as an exhaustive list, nor as a diagnostic tool or template.
- 1.6 The Note can be read in full, or users can select the specific checklist issue they would like further information on and follow the hyperlink to the relevant text.
- 1.7 The Operational Policy and Guidance Notes are designed to complement the new Country Strategy Architecture (phased in from May 2010) which comprises three key components: Country Situation Analysis; the Statement of Commitment; and Delivery Strategies. The Operational Policy and Guidance Notes should be read and applied in conjunction with AusAID's *Country Strategy Development Policy* and associated Instructions, such as *How do I develop a country strategy?*
- 1.8 Note, Australia uses the term 'adviser' broadly, to refer to someone who provides advice on the strategic direction, and/or supports the implementation of, Australian aid and whose professional fees or salary are paid from the official development assistance budget. This may include those who are sourced from consulting firms (and therefore may be referred to as consultants).

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- 1.9 There are a number of other resources available to support AusAID's deliberations about the use of advisers including:
- *Technical Assistance Personnel: Frequently Asked Questions*. AusAID (2009). H Baser and D Rhodes
  - *Policy Note 1: Capacity Development Overview*. AusAID (2009)
  - *Policy Note 2: Public Sector Capacity Development*. AusAID (2009)
  - *The Idea and Definition of Capacity: A Short Primer*. AusAID (2009). P Morgan and P Lyon
  - *Strength Based Approaches: in the context of Aid Partnerships and Activities*. AusAID Information Paper (2010). D Rhodes
  - *AusAID Guideline: Choosing Approaches and Types of Aid for Working in Partner Systems* (2010).
- 1.10 The Operational Policy and Guidance Notes have been developed by AusAID's Capacity Development Team (CDT), Program Strategy and Design Branch. Please direct queries and feedback to CDT. CDT will review the guidance within twelve months of its release, to address any issues identified in its first year of implementation.

#### Acronyms

CD	Capacity Development
CP	Country Partner
ISP	International Service Provider
MC	Managing Contractor
TA	Technical Assistance
ToRs	Terms of Reference

## Use of Advisers in the Australian Aid Program: Operational Policy Implementation Checklist

<b>A. Defining the need for technical assistance (TA)</b>	
	1. There has been an analysis of the context in which TA is being considered. This has included an analysis of capacity and the political, institutional and cultural factors as well as related support from other stakeholders.
	2. There is agreement about what the need is, and the changes required to meet that need.
	3. There is agreement that AusAID funded TA is the most appropriate way to meet that need.
	4. There is agreement about the results the TA is expected to achieve.
<b>B. Identifying the most appropriate form of TA</b>	
	5. Options for TA have been identified (this might, or might not, include advisory support).
	6. The advantages, disadvantages and costs of each option have been documented and discussed.
	7. The most appropriate option, or mix of options, has been agreed. If applicable, the use of an adviser has been jointly agreed as the most suitable option that will provide value for money.
<b>C. When an adviser is proposed</b>	
	8. There is agreement about the type of adviser to be appointed (in line or off line; international, regional or national).
	9. There is agreement about who the adviser's counterparts will be. Every adviser position with a capacity supplementation or facilitation role has an incumbent counterpart in the form of an individual, work unit or system.
	10. There is agreement about the position duration (short or long term, part time, intermittent).
	11. There is agreement about how the adviser will be funded including the contributions that will be made by the country partner (financial and non financial).
<b>D. Selection of an adviser</b>	
	12. The adviser Terms of Reference have been drafted and agreed by both parties. They clearly: <ol style="list-style-type: none"> <li>define the objectives, deliverables and outcome/s required;</li> <li>identify the full set of technical and capacity skills, cultural and language requirements and personal attributes, and these are incorporated into the selection criteria; and</li> </ol>

	<p>c. describe the position's performance management and reporting arrangements.</p> <p>All TORs for commercially contracted<sup>1</sup> long and short-term adviser positions must also make reference to the <i>Adviser Remuneration Framework</i>, in particular specify the relevant discipline category and job level for the position.</p>
	13. There is joint assessment and agreement about how the adviser will be procured or recruited and who will be responsible. If the country partner is to procure/recruit the adviser, there is agreement about the level of support they require (if any).
<b>E. Monitoring and reporting on the use of advisers</b>	
	14. Advisers are, in the first instance accountable to, and managed by, the organisation/s in which they are working.
	15. Six monthly adviser stocktakes are conducted.
	<p>16. Annual performance monitoring and reporting of adviser effectiveness, relevance and value for money is undertaken through:</p> <ul style="list-style-type: none"> <li>• Joint annual adviser position and performance reviews</li> <li>• Reporting against national indicators where they exist</li> <li>• Quality at Implementation Reports, and</li> <li>• Annual Program and/ or Thematic Performance Reports.</li> </ul>
	17. Joint annual dialogue on the effectiveness and value-for-money of all adviser positions has been conducted, at a level appropriate to discuss and make decisions on whole-of-program issues, to encourage mutual accountability of adviser performance and relevance, including review of adviser needs for the following year.

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<sup>1</sup> The Adviser Remuneration Framework applies to all AusAID-funded advisers that are **commercially contracted** by AusAID directly, or through a managing contractor.

## **A. Defining the need for technical assistance**

- 1. There has been an analysis of the context in which assistance is being considered. This has included an analysis of capacity and the political, institutional and cultural factors as well as related support from other stakeholders.**
- 2. There is agreement about what the need is, and the changes required to meet that need.**

The starting point for any discussion about technical assistance (any form of technical assistance, not just advisers) is to establish what the issue/need is that is to be addressed. Until that is agreed it is not possible to determine the most appropriate and cost effective form of support, if any.

Ideally the country partner (CP) will do the analytical work prior to approaching the managing contractor/ international service provider (MC/ISP) or AusAID. If it has not been done, the MC/ISP/AusAID should ask them to do the work. The CP may need assistance - this could be in the form of guidance on what is required, direct support/feedback on their work and/or the funding of short term assistance to help. In addition, AusAID will need to review its own analytical work such as the Country Situation Analysis, any background research and related delivery strategies.

Initially, there is likely to be a discussion about what the issues are, what changes are required and what has been tried so far. Questions for that first discussion could include:

- Please tell me why you need assistance? What is it that you need to address?
- Why is it important?
- How has the need emerged? Why has it not been addressed before?
- How is it impacting on the ability of your agency/workplace to deliver on its corporate plan? Achieve development results?
- What have you done to investigate the issue?
- Have you prepared a proposal or business case?

The CP needs to be able to present a strong argument for assistance in their proposal. Wherever possible, they should draw on work already done. This might include:

- Diagnostic work done when they have developed their own plans e.g. a SWOT analysis, a situation analysis, customer surveys etc.
- Other reviews or internal work e.g. training needs analysis, fiduciary reviews, human resource reviews, staff surveys, performance management reports, technical reviews etc.
- Plans they have developed e.g. corporate plans and management plans.

If the information available is weak and does not clarify the need, more research may be needed. This could include further research of existing documents and plans or the gathering of more information by conducting staff interviews, client interviews, focus groups or surveys.

***The key is to ensure that the CP has thoroughly analysed the context and identified the real issue/s rather than the symptoms.*** The issues/need may be at the development outcome level (e.g. there is an increase in the number of women dying in child birth), at the systemic or organisational level (e.g. we cannot spend our budget to provide health services because our procurement processes are ineffective) or at the individual level (e.g. our managers lack the skills to manage performance).

The findings of the analysis should be documented. From this process it should be clear what the need is and what it is that the assistance, whatever form it takes, should aim to achieve.

- 3. There is agreement that AusAID funded technical assistance is the most appropriate way to meet that need.**

Once there is clarity about the context and the need, the next step is to determine if AusAID should in fact be funding assistance to support the CP to address the issue. Questions to consider include:

- Why do you need AusAID support to address this need?
- Can you use resources available through your organisation? Or through central public service agencies?
- What strategies have you tried to address the issue? To what extent were they successful?
- Have you addressed similar issues? What worked? Why?
- Are other donors assisting with this issue?
- Are there others who could help?

- If you do nothing what will happen?
- If you do not receive AusAID support what will happen?

Based on the responses to these questions, AusAID must decide if the issue warrants support. This decision will be based on:

- The demand for assistance is partner driven and has high level support.
- There has been a thorough analysis of the development context and there is clarity about the need/issues.
- It is agreed that the most appropriate way to address the issue/need is through some form of assistance as other local and internal options are not appropriate.

#### **4. There is agreement about the results the technical assistance is expected to achieve.**

Once it is agreed that AusAID will provide support, the next step is to specify the results that are to be achieved in more detail. Questions include:

- Given your analysis of the issues, what specific outcomes/results do you expect to achieve?
- How will that improve development in this country? How will we know?
- What are the potential unintended consequences of any support to address this issue (good or bad)?

### **B. Identifying the most appropriate form of technical assistance**

#### **5. Options for technical assistance have been identified (this might, or might not, include advisory support).**

Once there is clarity about what the need is and the intended results that are to be achieved, it is then appropriate to consider the type of assistance that would best meet the CP's needs. The first step in the process is for the CP (possibly with MC/ISP or AusAID involvement) to generate a list of options that could result in the changes required:

- Encourage the CP to be creative and to consider as wide a range of options as possible.
- Think in terms of multiple solutions. It may be that several things together will result in the change required.
- Think outside the box – it may be that there are things that can be done that do not constitute technical assistance.

For ideas about options and the advantages and disadvantages of each refer to the Use of Advisers Operational Policy Guidance Note 2: Technical Assistance Options for Developing Capacity. *Examples are also provided at the end of this document (pgs 13 – 16) to demonstrate this process.*

#### **6. The advantages, disadvantages and costs of each option have been documented and discussed.**

The CP should then refine the options to a small number of the most likely options i.e. those most likely to result in the outcomes required.

- Ask the CP to discuss the advantages and disadvantages of each option and then select a small number of the most likely option/s (maybe two or three).
- Have the CP document the most likely options and record the advantages and disadvantages of each.
- Ask them to cost the likely options. It is important that all costs are transparent. If an option is to contract an adviser (refer to AusAID Adviser Remuneration Framework) then all costs associated with that option must be identified. AusAID or the MC/ISP may need to assist with this process.

#### **7. The most appropriate option, or mix of options, has been agreed. If applicable, the use of an adviser has been jointly agreed as the most suitable option that will provide value for money.**

Agree the most suitable and cost effective option/s. It may be that a mix of options will be most likely to achieve the desired outcome. Alternatively, it may be that none of the options

identified will meet the need. To assist with this process consider the following guiding questions<sup>2</sup>:

- What could the CP do themselves that would achieve a similar or same result (although it may take longer, need more local services, or require that activities are completed manually etc.)?
- What is the minimum result that the CP requires that will serve the purpose and allow the CP to progress and improve by themselves?
- How much of a result would a donor (or others) need to support e.g. will one person trained achieve the minimum result, or are ten trained people necessary to get the minimum result?
- On the understanding that assistance is often about people or organisations learning how to do things differently - What are people and/or the organization currently good at, and confident doing, themselves? How would they best 'learn' to get the results they require? What option would support that?
- How much support will be 'enough'? How will they know when 'enough' is achieved and the people or group will be able to continue without further support?
- If 'instruction' is required, what is the best form? e.g. if a procedure was documented, could or would a person or group simply follow these instructions or is a training program more appropriate?
- Is international input appropriate or would locally recruited personnel and services be more suitable?
- Are there any additional outcomes from options which may not be essential but have an additional benefit and so improve the value of an option e.g. using in-country support builds the commercial sector capacity?

Importantly, consider the cost benefit/value for money of each option. Ask:

- What is the most cost effective and fastest way to get results? (There is generally many ways to achieve a result, but only a few will meet the criteria of fastest time, cheapest cost and best quality.)
- How do options compare in cost?
- What is the comparison of likely results?
- What would the differences be in terms of quality of result, time to achieve a result, resources deployed, disruption to operations for each option?

If the CP wants an adviser, ask:

- Why is an adviser the most suitable option? What can an adviser do that could not be achieved through other means?
- What are the benefits of using an adviser over other forms of assistance?
- What are the likely negative impacts of having an adviser in the workplace? Will it affect the motivation of staff? Distract them from their work? Reduce the level of responsibility people choose to accept?

If an in-line adviser is being proposed, ask:

- Why would an in line adviser be the best option?
- Will it result in negative impacts? on motivation? work attitude? career opportunities?

***Note that an adviser may, or may not, be part of the agreed options.***

### **C. When an adviser is proposed**

#### **8. There is agreement about the type of adviser to be appointed (in line or off line; international, regional or national, etc.).**

##### **Capacity roles**

The *Use of Advisers in the Australian Aid Program Operational Policy: Adviser Planning, Selection and Performance Management* describes a range of roles for advisers:

***Capacity substitution:*** An advisor may be appointed to do a 'real job' in an agency i.e. they *substitute* for a local person because a local person with the skills required is not available.

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<sup>2</sup> Many of these questions are taken from the PNG Business Case template.



They do all aspects of the job - planning, implementation and staff supervision, and exercise delegations as well as provide technical expertise.

**Capacity supplementation:** An adviser may be appointed to provide expert advice to a CP in a defined area of specialization not available locally. This might be done in line or off line.

**Capacity facilitation:** Almost all advisers will have a role to play in facilitating capacity development. This may be at any level – some will work at the highest levels of government, for example, assisting with the development of legislation and providing technical advice on issues such as economics and public financial management. Some will work at the organisational level building capacity and facilitating change in planning, systems and processes and service delivery. Others will work one on one with individual counterparts or small teams building workplace capacity through coaching and on-the-job training.

**Capacity Enabler:** Capacity enabler roles do not have primary or explicit capacity development responsibilities – they enable effective capacity gains to be realised across the aid program. They may fill program management and administrative roles, such as Program Team Leaders, or provide specialist technical or quality assurance advice to AusAID staff, such as a Gender Adviser.

Questions to ask when discussing the role of the proposed adviser include:

- What do you expect the adviser will achieve?
- How does that relate to the need/s we have identified?
- Will an adviser fully address that need or is some other option needed as well?
- How do you see the adviser being used on a day to day basis?
- What do you see as their primary role? To build capacity? Fill a real job? Support your people with their technical expertise?
- Will they be 'doing the work' full time?
- Will they do a better job if they hold delegations?
- Is their main role to help build capacity by working with the agency to implement change? Will they help develop and implement new system and processes? Work with the agency to review and improve old systems and processes?
- Will they build the capacity of individuals or teams?
- What percentage of time do you anticipate they will spend on doing the work? On capacity building?

Advisers may play one or several of these roles – the critical issue is to ensure that there is agreement with the CP on what roles the adviser is to play.

### **In line or off line**

Questions to help shape the decision about whether or not an advisory position should be in line or off line include:

- What is the primary role of the adviser - capacity enabler/ substitution/ supplementation/ facilitation?
- Do you envisage they would work in line or off line? Why?
- What percentage of the adviser's time is likely to be spent 'doing the work' vs building capacity if they are off line?
- What are the outcomes required? Do they relate directly to delivering on the work plans of the organisation or are they about driving change/building capacity?
- Do they need the delegations and line authority that an in line role provides to achieve the outcomes?
- What will be the level of work if the adviser is in line? Will it be so high that they are likely to become focused on the work at the expense of developing capacity? How will this be managed?

### **National, regional or international**

When discussing with the CP consider:

- What level of expertise is required to meet the need and achieve the outcomes discussed? Is this a job for the high end expert or does it require someone with a practical background and experience at making things happen on the ground?
- Is it important that the adviser fully understands the local culture? Why or why not?
- Do they need established relationships in the country?
- Do they need to know how the local government's systems work?
- Are there other countries that are facing similar challenges? Could an adviser from that country draw on their own experiences?



- If we draw from the region, are there any issues we need to take into account (e.g. island rivalries or cultural conflicts)
- Is cost an issue? If so, what can we afford?

**9. There is agreement about who the adviser's counterparts will be. Every adviser position with a capacity supplementation or facilitation role has an incumbent counterpart in the form of an individual, work unit or system.**

It is essential there is agreement about who and/or where capacity is to be built and how that links to the desired outcomes.

Questions to ask when discussing counterparts include:

- Where does capacity need to be built to achieve the desired outcome and to achieve sustainability?
- What individual, team or system (e.g. a network of finance officers across the public sector) will be appointed as the adviser's counterpart?
- Have you considered broadening the counterpart role out? To others in your agency who do similar work? Across government? Outside government?
- What will this mean in terms of expectations of the adviser?
- What will you do if counterpart position/s becomes vacant? Let's talk about what we will do if the position is left vacant for a long period.

**10. There is agreement about the duration of the assignment (short term, long term, part time, intermittent).**

The duration of an adviser's assignment should be based on:

- The scope of the tasks they are expected to achieve
- The existing level of local capacity and the degree of capacity building required
- The number and complexity of the counterpart relationship/s

Consider the following options:

**Short term assignments (up to 6 months):** Short term assignments are most appropriate when there is a clear cut deliverable that can be assigned a definite timeframe. For example: the development of a new structure; the design of a new system; the development of a specific policy; the conduct of a specific training program etc. A short term adviser could also be used to scope a longer term assignment and /or other forms of support when there is a lack of clarity about the best way forward. Short term assignments place pressure on all parties to get the job done. The advantage is that things are usually done quickly. The disadvantage is that local ownership may be lost as the adviser rushes to complete their TORs. Short term assignments may be problematic in those countries where relationships are essential to good outcomes. This option should be used with care and all parties must ensure that there is enough time for local engagement and ownership of the process. Note that short term advisers are often drawn from the consulting sector.

**Long term assignments (greater than 6 months):** Long term assignments are most suitable when the environment is complex, relationships are essential and the TORs specify a broad range of responsibilities and deliverables. The advantage of this option is that a good adviser can achieve a great deal given time and commitment from their agency. The disadvantages are that it may build dependency and the expectations of ongoing support. Be aware that a long term adviser may be seen as the solution when people are not clear about what the issues/needs are.

**Intermittent inputs (of varying duration):** In some cases it may be appropriate and more cost effective to use intermittent inputs. This would involve the adviser coming and going at times that suits the task to be done. This option is best used when an adviser is only needed at critical points. Their role may be to facilitate the development of a program or project plan and return regularly to review progress. They may provide ongoing support via Skype, email and/or telephone.

Questions to ask when discussing duration include:

- What is the adviser to achieve? How complex is that work?
- Will the adviser need to build relationships? Put in place processes to facilitate change that will take time? How much time?
- What is the minimum period of time required to achieve the TORs?
- Could the TORs be achieved through an intermittent arrangement? Why or why not?

*Note, for remuneration purposes, the AusAID Remuneration Framework defines advisers as either short term (< 6 consecutive months) or long term (> 6 consecutive months).*

**11. There is agreement about how the adviser will be funded including the contributions that will be made by the country partner (financial and non financial).**

Options include:

- AusAID may choose to fully fund an adviser.
- The CP may contribute to the costs of the adviser, for example, meeting accommodation or per diem costs.
- When an international adviser is recruited to an in line position, it is not unusual that their local salary is paid by the CP with a top up to international rates funded by AusAID.
- The CP may choose to fully fund one adviser if AusAID funds another (or variations on this theme).

**D. Selection of an adviser**

**12. The adviser Terms of Reference have been drafted and agreed by both parties. They clearly:**

- a) **define the objectives, deliverables and outcome/s required**
- b) **identify the full set of technical and capacity skills, cultural and language requirements and personal attributes, and these are incorporated into the selection criteria**
- c) **describe the position's performance management and reporting arrangements.**

**All TORs for commercially contracted long and short-term adviser positions must also make reference to the Adviser Remuneration Framework, in particular specify the relevant discipline category and job level for the position.**

The CP should draft the TORs based on the discussions held with AusAID/MC or ISP. AusAID/MC or ISP should ensure:

- The TORs reflect the discussions about the context and the need
- They clearly define the objectives, deliverables (outputs) and outcomes. Outcomes should be measurable.
- They reflect their understanding of what was agreed about type and duration of adviser.
- The selection criteria reflect the interpersonal and capacity building skills needed as well as technical skills.
- They describe who will supervise the position and the reporting arrangements.

**13. There is joint assessment and agreement about how the adviser will be procured or recruited and who will be responsible. As a minimum, country partners should lead adviser selection processes. If the country partner is to procure/recruit the adviser, there is agreement about the level of support they require (if any).**

The CP and AusAID/MC or ISP need to agree the process for sourcing the adviser. Options will vary by country and by agency and will be determined by the capacity and preferences of the CP to carry out the sourcing. Consider:

- If an in-line adviser, will they be recruited through the government/agency recruitment system? If so, what level of support is needed (if any)?
- Will the adviser be procured by AusAID? the MC? the CP? A regional program such as PACTAM? What support will be required?
- What role will AusAID play in the process if it is done by others?
- If the CP is to manage the procurement, is AusAID confident that the local systems meet AusAID's minimum standards or will some involvement from AusAID be required?

Options for support include:

- AusAID or the MC/ISP work with the agency to ensure the sourcing process is appropriate
- Appointing a local consultant to assist the CP through the process
- Tasking an existing adviser to assist with the process.

## **E. Monitoring and reporting on the use of advisers**

### **14. Advisers are, in the first instance accountable to, and managed by, the organisation/s in which they are working.**

The TORs should describe the manner in which the CP will monitor the performance of the adviser. This should include both the formal and informal processes used by the CP to track the progress of their staff. Consider:

- Who will the adviser report to in the workplace on a day to day basis?
- What format will that reporting take? Weekly chats? A weekly, monthly, quarterly or six monthly emails or report?
- Who will assign tasks to the adviser? Approve leave? Sign off on time sheets etc?
- Who will deal with adviser performance issues? Is there a CP process/policy in place to manage poor performers?
- Is there a staff appraisal system in place in the agency? If so, how does it work? What does it monitor? What is the timing? Will it be able to provide the information AusAID needs with or without supplementation?
- Are there formal processes for reviewing the progress of teams? Plan implementation? Are any of these relevant to tracking the outputs and outcomes of the adviser?

### **15. Six monthly adviser stocktakes are conducted.**

Six-monthly adviser stocktakes, which will report against the following indicators, are conducted (as determined in Aidworks):

- Number of advisers, disaggregated by:
  - (a) gender; and
  - (b) whether they are national or international advisers.
- Estimated cost of using advisers, including as a proportion of:
  - (a) the total country program; and
  - (b) the total technical assistance program.

### **16. Annual performance monitoring and reporting of adviser effectiveness, relevance and value for money is undertaken through:**

- **Joint annual adviser performance and position reviews**
- **Reporting against national indicators where they exist**
- **Quality at Implementation reports**
- **Annual Program and/or Thematic Performance reports**

**Joint annual adviser performance and position reviews** report on adviser deliverables/results and CP and AusAID satisfaction with adviser performance relative to position objectives. They also review and verify the ongoing position relevance and primary capacity role. AusAID's *Contractor and Adviser Performance Assessments - Guideline* mandates annual adviser performance reviews to be undertaken; defines processes for management of underperformance; and allows performance information to be used to inform both adviser remuneration and future selection processes. It includes *Contractor Performance Assessment Templates* for both managing contractor entities and individual advisers which require performance ratings to be recorded against (minimum) critical performance factors/criteria. The Contractor Performance Policy requires:

- (i) Managing contractors must undertake performance assessments of advisers recruited or subcontracted by them to deliver AusAID-funded activities. The assessment ratings must be agreed and signed by the relevant partner government counterpart with the final record placed on AusAID's contractor performance register.
- (ii) AusAID staff are responsible for assessing the performance of individual advisers contracted directly by AusAID and assessing the quality of key contractor personnel involved in project teams using the supporting assessment templates under the Policy. The performance assessments of team leaders and key personnel will be kept as separate but related records.

**Performance assessment at the strategy, program and activity levels**, is undertaken through the conduct of Annual Program and Thematic Performance Reviews (APPR/ ATPR), annual Quality at Implementation (QAI) Reports, periodic country and delivery strategy reviews, independent completion reviews and impact evaluations. These processes will collectively provide **annual assessments of all adviser positions** (individually and aggregated, as appropriate) for their **effectiveness - including contribution to higher level development outcomes and continuing relevance**. AusAID's *Performance Management and Evaluation Policy* defines minimum standards for each assessment process.

- APPR/ATPR questions relevant to adviser performance include:
  - *Context section: Where advisers are a (significant) part of the program, comment on the ongoing effectiveness, relevance and value for money of adviser position/s contributions to program objectives.*
  - *Management Consequences section: point 5 'whether the balance between forms of aid is right (have a range of TA options been explored/ considered, is the program overly reliant on adviser inputs) AND point 7 'whether the way the program is delivered needs to change (eg. do program resources, including any advisory inputs, need to be restructured)*
- QAI questions relevant to adviser performance include:
  - *Criteria 1- Relevance: Where adviser position/s exist, does the position/s technical and capacity objectives continue to match the needs identified in the activity design?*
  - *Criteria 2- Effectiveness: Where adviser position/s exist, is the adviser position/s achieving the technical and/or capacity objectives expected in the timeframe planned.*
  - *Criteria 3- Efficiency: Where adviser position/s exist, do they remain good value for money? And where appropriate, have other ways of realising the objectives of the position been explored/considered?*
  - *Criteria 4- Sustainability: Where adviser position/s exist, is there an agreed capacity transition/ exit plan and is this progressing as planned?*

**17) Joint annual dialogue on the effectiveness and value-for-money of all adviser positions has been conducted, at a level appropriate to discuss and make decisions on whole-of-program issues, to encourage mutual accountability of adviser performance and relevance, including review of adviser needs for the following year.**

Joint annual dialogue on the effectiveness and value-for-money of all adviser positions must be conducted, at a level appropriate to discuss and make decisions on whole-of-program issues, to encourage mutual accountability of adviser performance, including discussion of:

- i. adviser effectiveness, through examination of adviser performance and contributions to aggregated aid development outcomes, and
- ii. the overall number and location of adviser positions for the following year, and their justification.

Fora for this dialogue include existing processes such as High Level Consultations, Pacific Partnerships for Development and Statement of Commitment processes, Ministerial meetings, Program Coordinating Committees and/or dedicated Joint Adviser Review committees.

## **F. Technical Assistance Request: Example Scenarios and Outcomes**

### **Example 1**

**Request:** The Ministry of Health (MoH) approaches AusAID seeking an adviser to work in the area of maternal mortality.

**Analysis:** The rate of women dying during child birth has recently increased and the country is unlikely to achieve their MDG 5 target. This problem was identified when the Ministry was collating its health statistics for the new Corporate Plan. The planning process also included a SWOT analysis. That process identified that there were problems with the distribution of birthing kits to rural areas. There is also a suspicion that home birth attendants may not be receiving the support they need from the local health clinics. This may be because health clinic staff have not been paid for some time and so do not attend work.

AusAID and the MoH discuss the reasons for the request. It is evident that the issue is complex and that not all facts are available at this stage to determine where support should be targeted for the maximum impact. It is agreed that AusAID will co-fund with MoH a short term national adviser with expertise in maternal and child health to work with the MoH's responsible officer to fully investigate the issue and identify what actions need to be taken.

The investigation shows that there are two main issues that need to be addressed:

- a. Home birth attendants are not receiving the supplies they need to support home births which make up 50% of all births. This is partly because the MoH does not have enough money to provide the number of birth kits needed and partly because the distribution system is not effective in getting the kits to the rural areas.
- b. Health clinic staff are doing their jobs in spite of not being paid, but cannot support the birth attendants as they also do not have the necessary supplies.

**Options<sup>3</sup>:** Options to address these issues are identified as:

- Direct budget support to fund birth kits and health clinic supplies through the MoH system. (\$500,000 per year)
- Direct contracting of a private company, funded by AusAID, to supply the kits and supplies to the locations required. (\$585,000 per year)
- An adviser to work with the MoH to improve the purchasing and distribution system. (\$145,000 per year)

**Agreement:** Given the lack of capacity, including procurement capacity, in the MoH the first option is not considered appropriate in the short term. As this is a critical development need, AusAID supports the second option i.e. the direct contracting of a private company to supply the kits and supplies to the locations required. Thought was given to building the capacity of the MoH in this area but it was agreed that supply and distribution are not core functions of the Ministry and are best outsourced long term.

### **Example 2**

**Request:** The Ministry of Finance (MoF) approaches AusAID with a request for an adviser to work on procurement 'because procurement is not working'.

**Analysis:** The MoF's Central Procurement Unit is responsible for all procurement over \$3 million for all of the public service. Line agencies do their own procurement for purchases under \$3 million. There is considerable pressure on the Ministry to improve procurement as the country is seeking direct budget support and must demonstrate to donors that their public finance management systems, including procurement, meets donor standards. At the initial discussion it is evident that there have not been any recent investigations into why the system is not working although a Public Expenditure and Financial Accountability (PEFA) Program review was conducted two years ago. Recommendations from that review have, in the main, been implemented.

The MoF is asked to investigate the issue and document their findings. AusAID provides them with an idea of what is required. They indicate they are able to do this without support. They review the PEFA findings and review the work that has been done to implement the

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<sup>3</sup> The AusAID Adviser Remuneration Framework – which provides remuneration and allowance information – allows program areas to predict the cost of adviser inputs. Its application is mandatory for all commercially contracted adviser positions.

recommendations. They also discuss the procurement system with other agencies to find out how widespread the problem is. They discover that line agencies are not having any problems with their procurement for under \$3 million purchases. However, they do indicate that the Central Procurement Unit is taking far too long to make the \$3 million plus purchases and they are not confident that the central unit always make the right decisions.

They conduct a focus group with the central procurement unit team to investigate further. From their investigations they discover that the Government's procurement policy and supporting systems are fine but the team who work in the central procurement unit do not have the skills and knowledge required to do their jobs properly (in particular they do not fully understand the new technical system that was installed a year ago). In addition, their work is not being effectively supervised by the relatively new team leader.

Options: In relation to the lack of skills, options to address the issue are:

- Recruit new staff who are familiar with the system
- Ask the company who installed the system to conduct short term training
- Ask the company to provide a help desk form of support
- Ask another country with the same system to provide someone on secondment for four weeks to conduct on-the-job training
- Send the supervisor and one key team member to a country where the systems is operating for two weeks to learn how to do it well; they then come back and train the rest of the team
- Bring in an adviser to train staff on-the-job

In relation to the lack of supervision, options identified are:

- Replace the supervisor
- Send the supervisor on a supervision training program
- Have the supervisor's own boss closely oversight the work of the supervisor providing guidance on performance management of the team
- Bring in an adviser to train and support the supervisor
- Appoint a locally based management coach (i.e. a short term, intermittent adviser) to work with the supervisor

The most likely options, and costs, are:

- Ask the company who installed the system to conduct short term training followed by the provision of four weeks on the job support through a help desk. Costs to include: airfares, accommodation, per diems and fee for the technical expertise estimated at \$7,000
- Ask another country with similar procurement issues and system to send someone for four weeks to provide on the job instruction. Costs might include: airfares, accommodation, per diems and agreement to return the favour at some time in the future estimated at \$8,500.
- Send the supervisor on a supervisor training program in country. The main cost is the course cost of \$3,000.
- Appoint a coach to guide the supervisor. This will involve the cost of the coach. (30 hours at \$50 an hour = \$1500)

Agreement: There was agreement that the manager had considerable potential and would respond best to a local coach working in their own language. A review of the contract for the system showed that training was available at a discounted rate and the help desk facility was free so the agreed options are:

- MoF ask the company who installed the system to conduct the training and provide a help desk; and
- MoF appoint and fund an in country, short term adviser with coaching expertise to coach the supervisor.



### Example 3

**Request:** AusAID has been funding the development of a new solid waste management system for the country for three years. The Ministry of Health (MoH), who is responsible for waste management has now asked, through the Managing Contractor (MC), that AusAID fund a long term engineering adviser to build the capacity of the team that runs the new waste facility.

**Analysis:** The MC works with the MoH to establish why the request has been made. Their review of the work that has already been done to support capacity building identifies that all staff have received considerable technical training and do have some understanding of what is needed. However they find that the staff struggle to follow the manual that provides the more detailed information they need to do their job. The manual was prepared by a previous adviser and the counterpart who worked with him has since left the organization to work in the private sector. It appears that the language used in the manual is complex and hard to understand and its structure makes it difficult to find the right instructions. Also, as there is no culture of using manuals in the workplace, people simply do not think to use it.

The investigation also reveals that there is a lack of management capacity at the facility. The manager is relatively new to a management role and does not have the confidence or the skills to direct staff. She was not in her role when the previous adviser worked at the facility.

**Options:** In relation to the manual, options to address the issue include:

- Contract a local adviser to work with the new manual owner to revise the language and structure of the manual to ensure it is user friendly and understandable. The adviser and owner to conduct a half day workshop with staff to test the revised manual and ensure they are familiar with the document.
- Bring in an international adviser to work with the team.
- Do nothing. The manual is there. It's just a matter of them using it.

In relation to the lack of management skills, the options include:

- Replace the existing manager with someone who has more experience
- On the job coaching by an international adviser
- Fund the manager's attendance at a senior management program in a regional centre
- Fund the manager's attendance at short term supervisor training being provided by a local training company
- Let the manager continue to develop at her own pace – she is doing a reasonable job and it is expected that she will 'grow into' the role

The most likely options, and costs, are:

- Procure a local adviser to work with the new manual owner to revise the language and structure of the manual to ensure it is user friendly and understandable. The adviser and owner to conduct a half day workshop with staff to test the revised manual and ensure they are familiar with the document. (estimated cost – 4 weeks input from a local consultant @ \$300 a day = \$8,400)
- Bring in an international adviser to work with the manual owner and team (total cost of \$90,000 all inclusive for 3 months plus \$100 an hour for coaching from their home base).
- On the job coaching to be provided to the manager by the adviser (national or international) (included in above cost)

**Agreement:** It is agreed that the role requires a high level of technical and managerial expertise in waste management that is not available locally. Consequently, AusAID agrees to appoint an international adviser for three months to:

- Work with the new manual 'owner' to redesign the manual and train staff in its use.
- Provide on the job coaching to the manager.

The international adviser may also be contracted to provide ongoing coaching after their return home through email, Skype and telephone. The duration and value of that coaching will be established at the completion of the adviser's in country assignment.

#### Example 4

**Request:** The Ministry of Education (MoE) approaches AusAID to provide budget support to fund service delivery, particularly for basic education. The country is struggling to achieve the education MDGs because it simply does not have the money.

**Analysis:** In partnership with the MoE, AusAID conducts a fiduciary review and an organizational assessment to establish if the Ministry has the management, planning, budgeting, financial and procurement capacity to properly use Australian funds. The findings are not positive – the Ministry does not have a long term plan, its budget is not realistic and not linked to any plans, there is a lack of good financial management, there is limited procurement capacity and there is no system in place to monitor education outcomes. In principle, AusAID is keen to support education as it is identified as a priority in the Partnership for Development agreement and in the country's own national development plan. The Ministry acknowledges its need to build capacity to meet AusAID's basic requirements.

**Options:** Options for support are identified as:

- Design a full scale program of support for 5 years to build the capacity of the MoE with the aim of moving to budget support at the end of that period. The program is likely to include a small number of national and international advisers. Estimated cost \$2 million over 5 years based on a similar program of support to the health ministry.
- Provide support for improvements in the most critical areas a) a short term international adviser (3 months) to work with the MoE to develop a national strategic plan for education b) appoint a local accounting firm to manage the Ministry's procurement c) Ministry of Finance to build capacity in budgeting and financial management at the MoE through their training unit d) fund the purchase and implementation of an 'off the shelf' education information system. The contracting of these activities to be done through an already established AusAID funded facility. Estimated costs – international adviser for 3 months, \$75,000 including all costs + \$10,000 a year for local procurement services + \$0 for MoF + \$250,000 for information system = \$335,000
- Appoint one long term international adviser for two years with considerable experience in education management. Their role to be to work with the Ministry to build capacity in agreed priority areas. Some strategies will be implemented by the adviser (such as facilitating the planning and coaching of senior management in budgeting and financial management) and some will be sourced through other means (for example, the MoF training unit, local companies etc). There will be an allocation of \$50,000 to fund activities with the option of further funding if a strong case is presented (for example, to purchase an education information system). The aim is to move to budget support at the end of the two years if the Ministry meets agreed milestones. Estimated costs – international adviser for 2 years \$455,000 including all costs + \$100,000 over two years for activities = \$555,000 with the option of further funding if a strong case is made.

**Agreement:** AusAID and the MoE agree that the third option is most likely to result in MoE being ready for budget support in a relatively short period – the adviser will work closely with the Director of Education to drive the change required and will be able to draw on local or other international expertise as needed. While a local adviser was considered it was agreed that the role required the expertise and status that an international adviser brings.