

# **TERMS OF REFERENCE**

## **DESIGN AND IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM FOR THE ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA (EIF)**

### **1. Introduction**

The Environmental Investment Fund of Namibia (EIF) is an investment fund, set up under the laws of Namibia, with the express purpose of raising financial resources for direct investment in environmental protection and natural resource management activities and projects, which support the sustainable economic development of Namibia. The EIF is not just a fund for financing "conservation activities". It pursues a broader investment portfolio by providing economic opportunities and a stake in the use of natural resources to the poorest sectors of society. The ultimate goal is to improve the quality of life and the economic wellbeing of this sector, thereby reducing the possibilities of them pursuing activities that degrade Namibia's fragile environment and waste its natural resources.

Following approval by the Board of Directors, the EIF is embarking on a new strategic trajectory and is seeking to introduce several measures to facilitate the development of the institution. These include: the restructuring of the organization, a job evaluation exercise, the establishment of sustainable financing mechanisms, and a review of its performance management system. To date the EIF has completed the organizational restructuring exercise and a new five-year strategic plan.

The EIF has recently concluded a job evaluation and reclassification exercises with the view to ensuring that positions are appropriately classified and aligned as well as to eliminate anomalies inherent in the previous organizational structure. The EIF is now seeking the services of external experts (a single consultant or a consulting firm) to assess EIF's performance management needs and to develop a suitable performance management system (PMS) for the institution.

### **2. Objectives of the Consultancy**

The consultancy is aimed at designing a PMS for the EIF that is tailored to the needs of the institution. The consultant will further be required to train and guide EIF's Human Resources Management staff members and the Executive Committee members with the implementation of the final PMS system.

### **3. Desired Minimum Characteristics of Envisaged Performance Management System**

The envisaged PMS is expected to primarily be capable for use in documenting, tracking and measuring staff members' performance in a systematic manner. Secondly, it must serve as a tool provides for taking remedial interventions on time when necessary and serve as a guide in rewarding or sanctioning staff performance as appropriate. Thirdly, the PMS must lend itself for use as a strategic key in human resources and business development of the EIF. Lastly, the system must be compatible with EIF's computerized Sage VIP HR management system or at least lend itself for interfacing with the said system.

The specific characteristic of the anticipated system that this assignment must deliver on are to:

1. Create a basis for several administrative decisions such as strategic planning, succession planning, promotions, rewards system, and a procedure for sanctions;
2. Ensure that the employees' duties are linked to and contribute towards attainment of the mission, goals and results of the organization;
3. Ensure that performance objectives are identified for each employee in order to provide a clear understanding – on the part of both employer and employee - of the quantity and quality of work expected;
4. Ensure the establishment of a process for boosting employees' performance by encouraging employee empowerment, motivation and implementation of an effective reward mechanism;
5. Establish a process for evaluating performance relative to expectations and agreed performance standards;
6. Develop a procedure for addressing incidences of employee performance that fall below expected or agreed standards in terms of quality, quantity or frequency;
7. Establish a process that captures employees' baseline skills and qualifications, systematically identifies skills gaps (versus required performance) with the view of supporting staff development in a systematic manner. This should also lend itself for recognizing and appropriately rewarding personal growth and advancement;
8. Provide a framework for documenting work planning and performance review to facilitate decision making; and
9. Establish and promote a two-way system of communication between the supervisors and the employees for setting performance targets, agreeing on performance standards, clarifying expectations about the roles and accountabilities, communicating the functional and organizational goals, providing a regular and a transparent feedback for improving employee performance and continuous coaching.

#### **4. Scope of Work**

Working under the direct supervision of the Head of HR and the CEO, and with occasional inputs from the Executive Committee, the consultant(s) shall undertake specific tasks outlined below. The assignment will not necessarily be limited to these tasks.

##### **4.1. Situational Analysis (Diagnosis)**

- Undertake a thorough assessment of the working and work planning environment at EIF.
- Study EIF's HR Policy and all relevant policies and guidelines.
- Study various performance management systems available on the market and identify/select at least 2 options for recommendation to EIF one or two options that best suits the EIF.
- Study best practice in the market (especially with comparable State-owned Entities - SOEs) for benchmarking purposes.
- Prepare and present a situational report to EIF Executive Committee (ExCo) outlining key finding – e.g. shortcomings, challenges and most suitable PMS options for EIF.
- Capture EIF ExCo's inputs and secure ExCo's agreement on the proposed suitable PMS system.

#### **4.2. PMS System Design and Development**

- Following agreement with EIF Executive Committee, develop a comprehensive PMS for EIF in consultation with EIF individual EIF departments and HR Unit.
- Such PMS must comprise of the following concrete elements:
  - Overall EIF Performance Management Policy or Guideline;
  - EIF's results-based PMS – that outlines processes, procedures and templates; and
  - Recommended Scheme for Reward, Sanctions and other remedial measures.
- Design all necessary templates required during the implementation of the PMS e.g. performance contracts, performance monitoring tools etc.
- Ensure the proposed system is compatible with Sage VIP
- Make recommendations for the rollout of the PMS within EIF with specific steps and timelines.
- Hold consultations on draft proposals, including presentations to management and staff for feedback.
- Make presentation(s) to EIF ExCo, secure their input and approval of the proposed PMS and rollout strategy.
- Assist EIF to present the draft of new PMS at HR and Audit Board Sub-Committee and to the Board of Directors.

#### **4.3. Rollout and Implementation**

- Train HR Unit on operationalisation, maintenance and application of the new PMS. This must ensure that the staff members in this unit reach the requisite levels of competence to implement the system internally on their own or with very minimal external input.
- Train all EIF all staff members and/or board members to implement the new systems effectively.
- Linking performance management processes set in the policy to the performance appraisal system on the Sage VIP System.
- Support EIF HR Unit with rollout within the parameters of the approved rollout strategy.

#### **5. Process and Methodology**

- Desktop review of documents, EIF policies, guidelines and strategies.
- Key informant interviews with selected EIF staff members and members of HR and Audit Sub-Committee.
- Study of secondary sources and benchmarking in the industry – especially with comparable SOEs.
- Periodic progress reports and consultations with EIF ExCo and HR Unit at agreed intervals
- Training and rollout support.

#### **6. Outputs of the Assignment**

- A comprehensive Performance Management Policy or Guideline that will serve as the overall roadmap and that complies with all national legal and regulatory instruments;
- A practical results-based PMS – a tool that outlines processes, procedures and templates;
  - Contains a regime for a Scheme for Reward, Sanctions and other remedial measures.
  - Includes all necessary templates required during the implementation of the PMS e.g. performance contracts, performance monitoring tools etc.
  - Is compatible with computerized Sage VIP HR management system.

- Training and training manuals/user-manuals.

## 7. Indicative Schedule of the Assignment.

The consultant(s) will be required to deliver according the indicative schedule outlined in the table below:

No	Deliverables	Timelines
1	Inception Report to include inter alia the detailed proposed methodology and a Work Implementation Plan	Within a week of signing the contract
2	First Progress Report to include: <ul style="list-style-type: none"> <li>• Review of current and other existing PMS systems</li> <li>• Initial Findings, Issues and proposed actions</li> <li>• The performance management system proposed</li> </ul>	Within 5 weeks of contract signature
3	Draft Final Report to include: <ul style="list-style-type: none"> <li>• Recommended performance management system</li> <li>• Implementation plan</li> </ul> Draft PMS Manual to include: <ul style="list-style-type: none"> <li>• A Description of the performance management system</li> <li>• Training plan which includes orientation to administration of the system</li> </ul>	Within 8 weeks of contract signature
4	Power Point presentations to the Fund Management Committee; and Remuneration and Human Resource Sub-Committee;	Within 10 weeks of contract signature
5.	Training for management and staff in the proposed new system.	Within 11 weeks of contract signature
6.	Final Report incorporating feedback from the EIF Management and staff, the Remuneration and Human Resource Sub-Committee. Finally, submission of Final PMS Manual	Within 12 weeks of contract signature

## 8. Level of Effort and Duration

The assignment will be spread over a period of 3 calendar months but the actual work will be limited to 40 days' worth of effort.

## 9. Reporting/Recommendations

- The Consultant/s shall report regularly to the Head Human Resource and Chief Executive Officer during the exercise;
- Final report detailing achievements, challenges and the next steps prepared and submitted at the end of each step.

## 10. Payment Schedule

Description	Due (%)
Acceptance of Inception Report	20%
Acceptance of the First Progress Report	20%
Acceptance of the Draft Final Report and PMS manual	20%
Completion of Training	20%

<b>Acceptance of the Final Report and Final PMS Manual</b>	<b>20%</b>
<b>Total</b>	<b>100%</b>

## 11. Required Expertise

Eligible Consultants should have the following:

- a) Master's Degree in Business Administration, Human Resources or related field;
- b) At least ten years' demonstrated experience in the development and implementation of performance management systems
- c) Demonstrated experience in organizational review and/or design.
- d) Ability to manage assignments effectively –consistently ensuring timeliness and quality of work with minimum supervision.
- e) Excellent communication and presentation skills.
- f) Certified Copy of Company Registration**
- g) Original Valid Goodstanding of Inland Revenue for Ministry of Finance**
- h) Original Valid Goodstanding of Social Security Commission**

## 12. Submission of Proposals

The proposal from eligible Consultant(s) should include the following:

- a) Technical proposal
- b) Financial proposal (inclusive of all administration costs including overheads, printing, posting, copying, presentation etc.)
- c) Statement of relevant experience i.e. similar assignments executed in/under execution in the last five years with **at least three (3) traceable references**
- d) Measurable goals, objectives and methodology
- e) Appendix: Documentation such as CVs
- f) Indication of availability to carry out the Consultancy during the implementation period

Interested consultants should submit Proposals with supporting documentation as an appendix in a sealed envelope clearly marked "PROPOSAL TO PROVIDE CONSULTANCY SERVICES TO DEVELOPMENT OF A PERFORMANCE MANAGEMENT SYSTEM".

Proposals should be delivered not later than **12:00PM on 29 August 2019** to the address below:

Environmental Investment Fund of Namibia Head Office,  
deposited into the Tender box:  
1st Floor  
8933 Heinitzburg Heights,  
c/o Heinitzburg & Burg Streets,  
Klein Windhoek,

### Technical Enquiries:

Head: Human Resource  
Ms. Lizl Timbo  
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