

TERMS OF REFERENCE

TO DEVELOP A PERFORMANCE EVALUATION INSTRUMENT FOR BOARDS OF PUBLIC BODIES IN THE GOVERNMENT OF JAMAICA

1.0 SERVICES REQUIRED

The Government of Jamaica (GOJ) represented by the Public Enterprises Division (PED) of the Ministry of Finance and Planning, seeks proposals from competent consultants to develop an instrument to be used in the Board Selection, Composition and Evaluation processes. This is the Performance Evaluation Instrument.

2.0 BACKGROUND

The Revised Corporate Governance Framework for Public Bodies 2012 has indicated the importance for a Board Performance Evaluation stating inter alia that “*The Board of a Public Body should be subject to a formal and rigorous appraisal of its performance and that of its committees and individual members*”. The Performance Evaluation Instrument serves as an important tool for providing valuable feedback to the Minister and Board Chairperson to evaluate if the objectives of the Board are being met in keeping with aims and objectives set out by the Government for that Board and identify the skills gap which can be addressed by appropriate training. Based on the foregoing the Performance Evaluation instrument will also help the Board to improve the effectiveness of the leadership and governance of the Public Body, while giving the Board the opportunity to “reflect on its performance” in the pursuit of fulfilling its role.

Public Sector Transformation Project

Transforming and rationalizing Jamaica’s public sector is central to improving service delivery, enhancing competitiveness and growth. As such *The Project Development Objective (PDO) of the Strategic Public Sector Transformation Project is to strengthen public resource management and support selected public sector institutions in facilitating a more enabling environment for private sector growth*. The Project has six components divided into two main thematic areas: Reinforcing Fiscal Discipline and Revenue Enhancement and Public Sector Institutional Strengthening to Remove Barriers that Impede Trade Facilitation.

Component 3 – Change Management

This sub-component of the project focuses on the human behavioural aspects of change in an attempt to target the particular segment contingent on reform implementation. Change management require innovative, cutting-edge approaches in order to attain more effective service delivery and aid the Government in fulfilling some of its critical tasks. In supporting the Government’s change management process, the project will support activities to implement public sector reforms on the public investment management system, the budget preparation process and results based budgeting, property tax compliance and administration, and industrial growth and trade

EXECUTING AGENCY OF THE PROJECT

The executing agency for the project is the Ministry of Finance and Planning (MOFP) and Project Implementation Unit (PIU) is established within the MOFP to implement the project. The project will support activities across selected service delivery ministries, departments, and agencies (MDAs), particularly for components I, II and III with significant coordination efforts that will be contributed by the Public Expenditure Division in MOFP and the Planning Institute of Jamaica (PIOJ).

3.0 ASSIGNMENT OBJECTIVES

The objective of this assignment is to develop a Performance Evaluation Instrument for Board of Public Bodies in Jamaica. The Evaluation Instrument will be used to assess key performance standards for Boards of Public Bodies.

4.0 SCOPE OF WORK

In keeping with the assignment objectives, the consultant will be required to specifically:

- a. Develop and assess the appropriate methodologies for determining the instrument to be used to conduct Board Performance Evaluations:
 - i. Review Corporate Governance Framework for Public Bodies and other documents which provide guidance on the expectations in improving the governance of Boards and compliance with the Code of Conduct and the PBMA
 - ii. Review available reports and conduct literature review on issues related to Board Performance Evaluation processes in Jamaica and internationally; identifying best practices in addressing similar issues;
 - iii. Develop appropriate consultation strategy to gather information that will inform the design of the instruments.
- b. Document findings, analysis and recommendations, make presentation to the Implementation Oversight Committee and stakeholders, and incorporate feedback into final report.
- c. Develop Board evaluation procedures that will clearly identify roles and responsibilities of the Chairman of the Board and the Sub-Committees of the Board, Portfolio Minister, Permanent Secretary, Financial Secretary and/or any other relevant stakeholder that will be responsible for conducting and reporting on the results of Board evaluations. The procedures should also include any action or sanctions that may be taken to improve Board performance under this new initiative.
- d. Design the most suitable Board Evaluation instrument to be used, based on consultation with key stakeholders.
- e. Develop a performance framework that will allow the Ministry of Finance and Planning and Portfolio Ministries to evaluate and report on Board effectiveness and good practices across the Public Sector.

5. METHODOLOGY

The Consultant is expected to use international standards and methodologies for developing the Performance Evaluation Instrument for Boards of Public Bodies. The assignment will examine all the Boards for which the PBMA is applicable. The Consultant should prepare a detailed methodology and work plan indicating how the objectives of the assignment will be achieved.

6. KNOWLEDGE TRANSFER

The approach to the assignment must be participative, and technical Proposals must contain details of the consultant's ability to respond to this policy requirement. It is expected that the Consultant/Firm will involve the relevant project team and departmental staff in all phases of the assignment so as to secure 'buy-in' and knowledge of the methodologies used in the development of the instruments.

7. DELIVERABLES

7.1 Minimum Standards for Deliverables

The deliverables under this project are as specified in the table below and should be submitted in both hard copy (2) and electronic editable format. Ministry of Finance & Planning document submission Standards:

- a) use language appropriate for a non-technical audience;
- b) be comprehensive, properly formatted and well presented;
- c) provide justifications
- d) a draft outline is to be submitted and presented to the Implementation Oversight Committee and approved prior to the final deliverable being submitted.
- e) all submissions must show evidence of Consultation.

#	Key Deliverables	Standard for Delivery
1.	Inception Report, Project Implementation Plan and Consultation Strategy	An Inception report which outlines a clear understanding of the requirement of the Corporate Governance Framework in relation to Board Performance Evaluation. The Plan should include a strategy for stakeholder engagement that applies the guidelines of the Public Sector Consultation Code. Work plan in Gantt Chart format that include tasks, duration, start and finish dates and resources. These should be submitted 10 days after the signing of the contract
2.	Data Assessment Methodology & Tool	A report documenting the methodology used and the tool developed for Board Performance Evaluation which will include an electronic based system. This should be submitted 20 days after the signing of the contract
3.	Report with findings from consultation and application of Board	A Report detailing the findings from the assessment and consultation with key stakeholders on the Board Performance Evaluation Tool.

#	Key Deliverables	Standard for Delivery
	Performance Evaluation Tool	These should be submitted 40 days after the signing of the contract.
4.	Presentation to the Implementation Steering Committee on findings from the assessment	<p>PowerPoint presentation to the Implementation Oversight Committee on the findings and recommendations from the assessment which will outline details to the responses received from the methodology used.</p> <p>These should be submitted 55 days after the signing of the contract</p>
9.	Final Report and all consultancy materials related to the Board Evaluation Tool	<p>Report that fully outlines the Board Evaluation Tool inclusive of an electronic based system, with the performance indicators and scale being recommended and the Evaluation Process to be used.</p> <p>The tool should assess:</p> <ul style="list-style-type: none"> i. Leadership/strategic oversight - <ul style="list-style-type: none"> a. Ensuring effective internal control is in place; b. Monitoring and evaluation of government policies and strategies and business plans by the Public Body ii. Board Effectiveness – How well the Board performed against agreed performance objectives. iii. Board Members Effectiveness - <ul style="list-style-type: none"> a. Board members have a clear understanding of their respective roles and responsibilities b. Board members are prepared for meetings and contribute meaningfully to the discussions c. Board members attend Board/Committee meetings and training as scheduled d. Board members add value and insight to Committee assignments iv. Strategic Direction of the Company – <ul style="list-style-type: none"> a. Delegation of authority to management, b. Determination of the pace of current operations and future developments, c. Formulation and revision of policies (?) d. Identifying and managing risks. v. Board Competencies – <ul style="list-style-type: none"> a. Board and its Committees possess the right mix of knowledge, skills and experience to maximise performance in accordance with strategic/business plans vi. Corporate Governance Practices– <ul style="list-style-type: none"> a. How well the Board responds to problems or crises in keeping with the Code of Ethics and developments in the regulatory environment and market.

#	Key Deliverables	Standard for Delivery
		<ul style="list-style-type: none"> b. Ensuring adequate management responses are made to all audit queries c. Ensuring that the Government’s Corporate Governance Framework is effectively implemented d. Ensuring adherence to the Standing Orders of the Board, Code of Conduct and the PBMA <p>vii. Compliance with Statutory Requirements</p> <ul style="list-style-type: none"> a. Ensuring that there is adherence to all statutory requirements <p>viii. Accountability to Shareholders/Stakeholders</p> <ul style="list-style-type: none"> a. The extent to which the interest of shareholders and relevant stakeholders are understood and taken into account <p>ix. Effectively manage communications with shareholders and stakeholders.</p> <p>This Instrument will be used in tandem with the Competency Profile Instrument to assist in improving Board selection and composition processes in order to enhance Board effectiveness as articulated through the Corporate Governance Framework for Public Bodies.</p> <p>All materials developed and acquired during the Consultancy should be submitted along with the report.</p> <p>These should be submitted 70 days after the signing of the contract</p>

7.2 “SIGN-OFF” PROCEDURE

The Implementation Oversight Committee will have responsibility for the review of deliverables and quality control of the consultancy. Deliverables will be considered approved when they are accepted by the Implementation Oversight Committee and the Project Manager, PED, and signed-off by the Deputy Financial Secretary, PED based on the defined and agreed performance standards for delivery.

7.3 VARIATIONS

All proposed changes to the work plan and deliverables must be discussed with the Project Manager, PED and the Unit Director, PED and where necessary, will be submitted for approval to the Implementation Oversight Committee. Where such changes are not considered minor, they will have to be further authorised by the Deputy Financial Secretary, PED.

7.4 ASSIGNMENT MANAGEMENT AND ACCOUNTABILITY

In addition to the execution of work outlined under the section 4, the Consultant will also be required to submit reports on implementation progress.

The Consultant will be required to submit status reports on the work plan with any proposed changes at one month intervals up until the end of the consultancy. The Consultant's Progress Reports will contain, inter alia, the following:

- a) Overall progress made in the assignment with reference to the TOR, with special reference to progress made in the month;
- b) Difficulties, if any, encountered in carrying out the assignment and proposed solutions;
- c) New areas and issues encountered and the proposed approach to dealing with them;
- d) An update of the Work Plan and proposed changes, if any;
- e) Proposed activities for the following month;
- f) All advice given within the period.

8. TECHNICAL EXPERTISE REQUIRED

The Consultant will have the demonstrated capability of developing performance evaluation instruments particularly for Boards in the Private and Public Sectors. The Consultant will be expected to reside in Jamaica for the period of time during the project.

The Consultant will be required to provide evidence of successfully completed similar work and have the following minimum qualifications:

- i) Graduate Degree in Governance, Strategic Human Resource Management, MBA with working knowledge of Performance Management Systems.
- ii) A minimum of five years' experience working in the area of Performance Management Systems with at least two major projects of similar scope successfully implemented within the last five years;
- iii) Demonstrated experience in analysing and developing Performance Evaluation Instruments for Board of Directors particularly in the Public Sector over the past five years;

9. LOCATION AND SUPPORT

The Ministry of Finance and Planning, Public Enterprises Division will assist in facilitating access to information and to managerial/technical personnel as needed to enable the Consultant to undertake the assignment as outlined in this TOR, and will provide such other assistance as may be reasonably required.

Some travel will be required to visit the relevant stakeholders. The Consultant will therefore be expected to arrange transportation and accommodation, and to make adequate provision in the Financial Proposal.

The Consultant will provide her/his own computer, printer and mobile telephone and will make provision for office consumables such as paper, cartridge and other stationery.

10. COMMENCEMENT DATE AND PERIOD OF EXECUTION

The Consultant must be prepared to complete the assignment within **80-day** period commencing by **March 1, 2015** and submitting the final report no later than **May 31, 2016**.

APPENDIX 1
Evaluation Criteria for Scoring TECHNICAL PROPOSALS

Evaluation Criteria	Maximum Points
1. <i>Specific experience of Expert for the assignment</i> Demonstrated capacity in successfully conducting assignments of a similar nature and scope	35
<p data-bbox="269 457 1170 527"><i>1.1. Experience in designing Performance Evaluation Instruments in the Public & Private Sectors within the last 10 years</i></p> <p data-bbox="321 527 1170 596"><i>1.1.1. Three or more related projects in designing Performance Evaluation Instruments (15)</i></p> <p data-bbox="321 596 1170 665"><i>1.1.2. At least two related projects in designing Performance Evaluation Instruments (10)</i></p> <p data-bbox="321 665 1170 735"><i>1.1.3 At least one related project (5)</i></p>	15
<p data-bbox="269 751 1170 821"><i>1.2. Ten years' or more experience working with Public or Private Sector Governing Boards (15)</i></p> <p data-bbox="326 856 1170 926"><i>-between five and nine years' experience working with Public or Private Sector Governing Boards (10)</i></p> <p data-bbox="326 926 1170 995"><i>-between two and four years' experience working with Public Sector Governing Boards (5)</i></p>	15
<p data-bbox="269 1012 1170 1081"><i>1.3. Adequacy of samples of research/writing: Document technically sound (3)</i></p> <p data-bbox="326 1081 1170 1108"><i>Document is understandable to non-technical readers (2)</i></p>	5
2. <i>Adequacy of the proposed work plan and methodology in responding to the TOR</i>	40
<p data-bbox="269 1192 1170 1262"><i>2.1 Methodology reflects a clear understanding of the assignment and suitably responds to each element of the scope of work</i></p>	30
<p data-bbox="269 1270 1170 1339"><i>2.2 Work plan allows for the effective completion of the assignment in the required timeframe</i></p>	10
3. <i>Highest Level of academic training, and professional qualifications</i>	15
<p data-bbox="269 1383 1170 1453"><i>3.1 Graduate level in Governance, Strategic Human Resource Management, MBA (15); or</i></p> <p data-bbox="321 1453 1170 1480"><i>-Graduate level in other area of study (10)</i></p>	15
4. <i>Professional References</i>	10
<p data-bbox="269 1537 1170 1606"><i>4.1 Professional references which indicate successful completion of similar work (Provide contact information for 2 references)</i></p> <p data-bbox="321 1606 1170 1633"><i>1. Projects completed within time(5)</i></p> <p data-bbox="321 1633 1170 1661"><i>2. Work submitted meet the assignment goals(5)</i></p>	
Total points	100