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Swiss Agency for Development  
and Cooperation SDC

# Final report

External evaluation of the impact of the SDC's 5-years  
support for MVAWATA's organizational strengthening and  
backstopping services Phase 1 (2015-2019)

Prepared by eMJee consult

June 2019



## Acknowledgements

The consultants' team would like to thank the MVIWATA team and Board of Directors for their support and provision of information to understand the ongoing processes and achievements made as part of the organisational strengthening process.

Furthermore, we would like to thank the current back stoppers for making themselves available to us and provide us with their insights on the process and lastly the SDC team, for providing support, background information and their continued interest in the advancement of the assignment.

We hope that the team opinion provides a balanced assessment of the achievements made and the challenges ahead.

On behalf of the team

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Dar es Salaam 14/06/2019

## Abbreviations

AG	General Assembly
CoA	Charts of Accounts
DLN	District level Network
ED	Executive Director
HR(M)	Human Resources (Management)
IT	Information Technology
LLN	Primary-Level Network
M&E	Monitoring and Evaluation
MLN	Mid-level Network
MTR	Mis term review
MVIWATA	Mtandao wa Vikundi vya Wakulima Tanzania (National network of farmers' groups in Tanzania)
NO	National Office
OD	Organisational Development
OS	Organisational Strengthening
SDC	Swiss Agency for Development and cooperation
SHF	Smallholder Farmers
SMART	Specific, Measurable, Achievable, Relevant, Timely
SP	Strategic Plan
ToR	Terms of Reference

## Table of Content

ACKNOWLEDGEMENTS .....	II
ABBREVIATIONS .....	III
TABLE OF CONTENT .....	IV
EXECUTIVE SUMMARY .....	V
1. INTRODUCTION .....	1
1.1. BACKGROUND ON ASSIGNMENT .....	1
1.2. PREVIOUS STUDIES AND DEVELOPMENTS CARRIED OUT. ....	3
1.3. THE OBJECTIVE AND SCOPE OF THE ASSIGNMENT .....	3
2. APPROACH AND METHODOLOGY .....	2
2.1. GENERAL APPROACH .....	2
2.2. METHODOLOGY .....	2
3. FINDINGS AND ANALYSIS .....	3
3.1. INTRODUCTION .....	3
3.2. FINANCIAL MANAGEMENT .....	4
3.2.1. FINDINGS IN FINANCE .....	4
3.2.2. ANALYSIS OF FINDINGS IN FINANCE .....	5
3.2.3. KEY ACHIEVEMENTS .....	6
3.2.4. KEY CHALLENGES FINANCE .....	7
3.3. HUMAN RESOURCE AND OPERATIONS .....	7
3.3.1. FINDINGS .....	8
3.3.2. THE ANALYSIS .....	9
3.3.3. KEY ACHIEVEMENTS .....	9
3.3.4. KEY CHALLENGES HR .....	10
3.4. MONITORING AND EVALUATION .....	10
3.4.1. FINDINGS .....	10
3.4.2. THE ANALYSIS .....	11
3.4.3. KEY ACHIEVEMENTS .....	11
3.4.4. KEY CHALLENGES M&E .....	12
4. CONCLUSIONS .....	13
5. RECOMMENDATIONS AND WAY FORWARD .....	17
5.1. GENERAL RECOMMENDATIONS .....	17
5.2. ON FINANCIAL MANAGEMENT: .....	17
5.3. ON HUMAN RESOURCE MANAGEMENT .....	18
5.4. ON MONITORING AND EVALUATION .....	18
5.5. ON THE MEMBERSHIP DATABASE .....	19
5.6. ON LONG-TERM FUNDING STRATEGY .....	19
ANNEXES .....	21
ANNEX A: Terms of Reference .....	21
ANNEX B: Assessment grid .....	29
ANNEX C: List of consulted documents .....	34
ANNEX D: Field Visit schedule .....	35
ANNEX E: Follow up on the identified issues from March 2017 .....	36
ANNEX F: Tools .....	44

## Executive summary

The Swiss Agency for Development and Cooperation (SDC) and MVIWATA jointly identified an organizational strengthening process as the best tool to address some of the risks brought to the fore by an independent risk assessment (2013). As a result of the assessment, an organizational backstopping mandate has been designed in a participatory way between MVIWATA, SDC and Irish Aid (Irish Aid contributed to the process till mid-2018).

The evaluation aim at informing SDC on the achievements of its objectives to support MVIWATA, as identified within the three Outcomes and four Outputs as follows:

### Outcomes:

1. MVIWATA's capacity to organize smallholder farmers' and lobby and advocate for their rights is fostered.
2. MVIWATA's capability to implement economic empowerment activities is improved
3. The overall organizational/ operational capacities of MVIWATA are strengthened.

### Outputs:

- An overall organizational strengthening (OS) plan is established and implemented to support all MVIWATA's sectors/ departments
- A new Strategic Plan (SP) with Result Based M & E System and SMART indicators is approved and in use
- A member's database is created and updated continuously
- A long-term funding strategy is approved and implemented

As compared to the start of the OS process in 2015, MVIWATA has made tremendous progress, and many systems have been developed. Some of these have already made an impact and clarified internal procedures and processes, and others are yet too early to assess with regards to their added value for MVIWATA. The consultants believe that it is hard to provide a qualified opinion on the overall performance improvement, given that there is not enough information to assess the effectiveness of these manuals. The implementation of specific vital processes has been delayed vis-à-vis its intended implementation schedule. This delay could be justifiable, in some cases, as the transition requires careful timing and should not disrupt ongoing operational processes. An example of this is, for instance, the introduction of the new chart of account, which has only recently started, as the financial department was heavily engaged in the audit for the year 2018. The process of rolling out the new chart of accounts is, therefore, only in its early stage.

Creating all-level buy-in has been an essential approach throughout the OS process, to focus on the "one MVIWATA" organisational identity continuously. The latest back stoppers have all, be it in various intensity, addressed the principle of trying to establish buy-in.

However, some significant issues were observed and these issues in one way or the other by the team which have hampered, in their opinion, the organisational strengthening process.

- The Terms of Reference of the three backstopping mandates were not interrelated enough and focussed mainly on the technical challenges and the training. The backstopping mandates, especially in the finance and HR activities, focussed more on the tools/systems instead of addressing the strengthening process from an organisational approach: "what needs to be done at each level, what are current and preferred interdependencies between the NO and the MLN. Embarking on an organisations' approach would have looked into the processes that need to be completed and provide advice on how better to organise the work between the NO and the MLN.

- The lack of a coordinator in charge of the OS process, preferably supported by a back stopper having experience in organisational change processes. The suggestion was made in early 2017, as organisational strengthening and its related change is a complex process which requires adequate attention and follow-up. Moving towards "One MVIWATA" and streamlining interventions between NO-MLN-DLN-LLN-groups and members on the one hand and governance processes AG-Board-ED-Steering committee members on the other, cannot be achieved by tools and systems alone. Progress, as mentioned, has been made, though the process would have benefitted from a coordinator steering the process. The argument raised that each back stopper was coordinated by the respective department benefitting from the backstopping, manifested the narrower tools and systems approach adopted by MVIWATA. Concerning the HR backstopping, no counterpart department for the backstopping was in place, as compared to the finance and M&E officers.

By May 2019, at the end of the OS support, the consultants were expecting to see the strengthening process fully implemented. For those processes that were delayed, it would have been appropriate for management to present proposals on how to mitigate the delays and provide clear road maps to roll out the processes. This should not be misinterpreted as a critique that nothing has happened, but more considered an acknowledgement that at the end of the current organisational strengthening process MVIWATA hasn't achieved to address all aspects that were anticipated as [art of the organisational strengthening process.

Responding to the guiding questions is challenging as the consultants believe that the assignment should have been carried out at a later stage as it was too close to the delivering of the manuals and tools, hence the implementation of the new tools and systems has not fully materialised (this applies to both NO and MLN level)

The consultants are of the opinion that the backstopping process, in general, has been useful for MVIWATA, providing the organisation with quality manuals and tools, that will help the organization to improve its organisational practices. Differences exist between the various backstopping mandates, especially with regards to the M&E assignment which is a new input that started only in 2018, as compared to the other two assignments that have been a focus of attention since the first organisational strengthening process.

The quality of the manuals will undoubtedly reduce the earlier identified risks, though some elements like procurement and internal auditing will require some additional attention. The fact that MLNs are still using a different software package than the NO or even use Excel sheets is a point of concern, raised both in 2015 and in 2017. The harmonized Charts of Accounts will be a considerable asset to MVIWATA once fully implemented and introduced in the accounting system at all levels.

Staff capacity to implement and comply with the newly set procedures and standards varies for the different interventions. As can be expected, the NO is, across the board, better equipped to implement and comply with the new procedures and standards, partly because of the number of staff and their direct involvement in the development of these tools together with the back stoppers. However, even at the NO level, the consultants observed challenges, for instance, in the field of procurement and in the field of performance management, to name a few.

MVIWATA's core activities are improving, and most of the earlier identified risks have been mitigated as a result of SDC's investment in supporting the backstopping process. The most crucial issue is, of course, the existence of a strategic plan that is rooted throughout the organisation and will gradually steer all the MLN activities. Financial tools and systems, as well as HR tools and systems, are in place. Nevertheless, the pace of change has been slow and the process very long. The focus has been too much on the development of tools and manuals to the detriment of implementing the same in the daily practice.

Concerning the Strategic Plan with its embedded Result Based M & E System and SMART indicators, improvements are made, which can be evidenced by the cohesion between the strategic plan and the annual plan and budget, which will be of great help. The system is, in its current stage, not yet able to report and analyze MVIWATA's activities effectively. If addressed urgently by management with an updated plan of action, one could expect partial "improved" baseline information in the second semester of 2019, as indicators have been reviewed and more result-based focussed.

Concerning MVIWATA's long term funding strategy. Again, this vital aspect of ensuring less dependency remains work in progress, and the ideas need further development. The membership fee is very small, which makes membership contributions not an essential impetus to the funding strategy, even more so as the fee recovery remains low. Engaging a study on the challenges of collecting more member's fees and assessing the capacity to pay might be an interesting avenue. Developing various scenarios to raise the annual fee can help to tune the services to the expectations of their members.

Concerning the membership database, the team has observed that a rudimentary database is in existence, though it is not relational. NO and the MLN both keep records and data are not yet shared, as the process to develop the new tool is not finalized. Management is well aware of the problem and has commissioned, early May, an IT company to develop an integrated system, establishing a membership database, a market information system, a revenue collection system, an option for monitoring and evaluation records and office management systems. Developing such an integrated system is challenging and typically time and resource consuming.

Given that the current membership database and its dashboard system are not exhaustive, and many discrepancies still exist, it is hard to tell the exact number of members and whether MVIWATA has been able to grow its membership base.

Some of the key recommendations are:

On financial management:

1. The NO has invested in updating the financial package by adding additional modules to enhance financial capabilities. However, it is urgently required to develop a plan on harmonizing the account packages across the MLNs (starting with those MLN that are still using excel for financial recording).
2. Develop a plan that ensures the new CoA will be rolled out organization-wide across the NO and various MLNs.
3. As the procurement manual and tools are in place, the management should request the financial manager to prepare a procurement plan adhering to the newly prepared procedures. MLN are also invited to use the newly approved procurement manuals, which is currently not yet the current practice.

On Human Resource Management

4. The HRM has not been fully rolled out to all the mid-level networks. There are different practices in terms of hiring, performance management, learning and development and remuneration, compensation and benefits and this situation is aggravated by the projects as project come with specific remuneration scales and benefits.
5. A human resource professional should be in place as soon as possible to take over the function of human resource and the person should work hand in hand with the back stopper to rollout the manual and other important policies contained in the manual.
6. There is a need to harmonize the remuneration system across all middle level offices and ensure equity and fairness across the whole of MVIWATA. This is a challenge given that projects do come with donors and donors do come with different requirements and conditions.

#### On Monitoring and Evaluation

7. The M&E expert is to follow up urgently on the data collection and assess the quality of the tools and the data collected. A new action plan is required to ensure a timely baseline.
8. Urgently roll out the SG one as well in Morogoro as it is i) close to the NO, which will facilitate the monitoring, follow up and analysis and ii) has a legal advisor in the office which can be of help to improve the tools and systems.
9. Management to urgently reflect on how to ensure data collection and follow up in the non-coordinated MLNs.
10. Management to reflect on the additional process steps for the back stopper as stage one is (hopefully soon) to finish, though stage two and three requires further support and are not included in the current contract.

#### On the Membership database

11. Management has acknowledged the need for an improved dashboard for (at least) a membership registration database as the current systems is far from perfect. MVIWATA has opted for a modular system, which might be rather complex and challenging. In case the IT company cannot deliver a relational dashboard, we suggest MVIWATA look into customizable membership software packages that exist in the market.
12. With reference to the Market system information tool, it is suggested to assess existing alternatives in Tanzania. Building such a system is relatively simple. However, feeding the system with relevant and updated information is relatively costly. If alternative opportunities exist, MVIWATA could link its farmers to these existing services and/or negotiate with the providers of such systems, whether specific SHF can be addressed.
13. Concerning the monitoring and evaluation records to be integrated into the dashboard, it is suggested to put this module on hold till the tools have been developed and the M&E section has a better insight in the best manner of collecting data

#### On long-term funding strategy

14. It is proposed to implement a study on the service level provided to members and their willingness to pay, assess the reasons behind the relatively weak collection of membership fees, and propose and discuss multiple membership fees amounts in line with service levels.
15. It is suggested to review the current resource mobilisation strategy and develop various "what if" scenarios. Importantly, MVIWATA has to reduce its dependency for core fund on development partners.
16. Reassess the situation whereby MLNs each prepare project proposals in response to a request for proposals by funders. From a "one-MVIWATA" perspective, it would make more sense if the NO takes the lead in writing proposals with support from the MLNs.

The consultants believe it is vital for SDC to continue its support to the organisational strengthening of MVIWATA to ensure that the last hurdles are taken, and the expected results reached. The focus should therefore shift strongly towards implementation and on learning by doing. The process needs ongoing monitoring and hence making one staff responsible for the overall organisational "change-management", preferably with some backup support is suggested as part of the way forward.

The consultants believe that it might require more involvement of SDC in the process. SDC might consider proposing to MVIWATA to include, on behalf of SDC, an external advisor/ observer to the board. MVIWATA faces some critical decisions ahead. Having an external observer (without the right to vote) should not jeopardize MVIWATA's identity, though purely help the board in improving its informed decision-making.

While the board has the statutory option to request external expertise to substantiate their decision-making, it is an option that has not materialised yet and the board members do not seem to see the



added value. However, the challenge remains to avoid becoming mainly inward looking, as board members have limited “board exposure” or awareness of international “best-practices”. Involving external expertise (e.g. an external independent advisory committee to the board) or having an observer will increase the variety of views and in the end have added value for Mviwata.

## 1. INTRODUCTION

### 1.1. Background on assignment

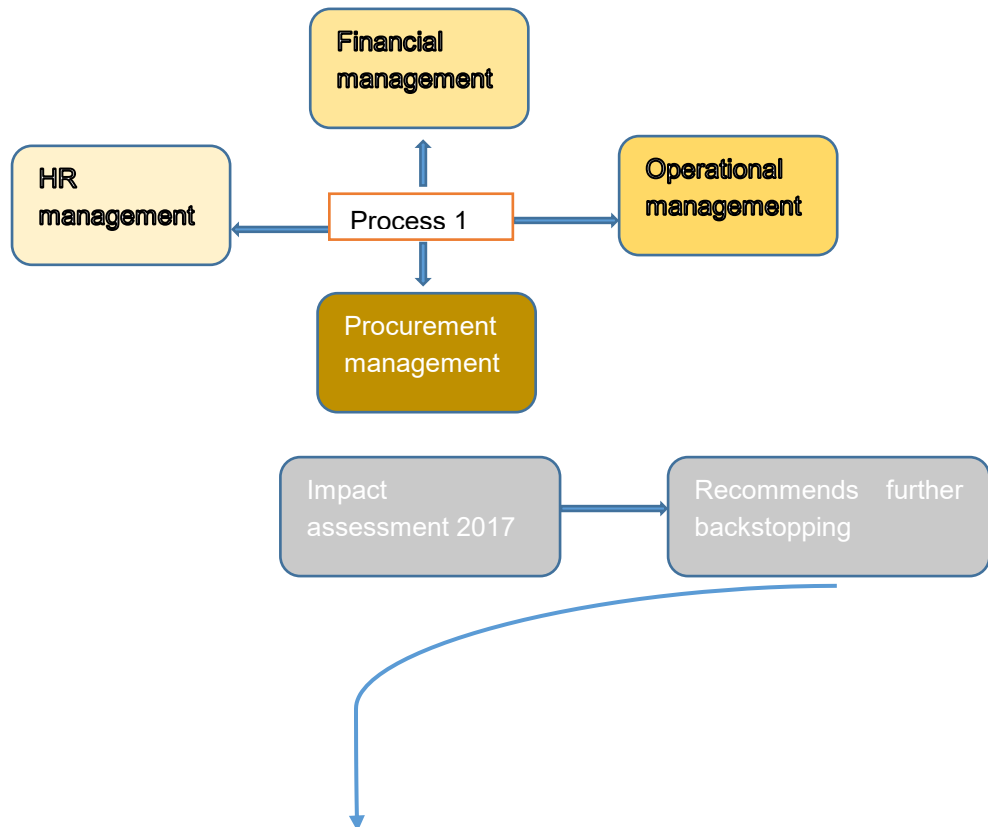
MVIWATA (Mtandao wa Vikundi vya Wakulima Tanzania), founded in 1993, is a national network of small-scale farmers groups to unite small-scale farmers to become a strong farmers' organization that can defend their interests and rights in the country. MVIWATA is currently implementing its strategic plan 2017-2021, focusing on 5 major areas: (i) Enhanced land security to SHFs, (ii) SHFs have control of sustainable production systems, (iii) Inclusive financial access & security for SHFs enhanced, (iv) SHFs' access and control in agricultural markets enhanced, and (v) Institutional capacity of MVIWATA strengthened.

Swiss Development Cooperation (SDC) and MVIWATA jointly identified an organizational strengthening process as the best tool to address some of the risks brought to the fore by an independent risk assessment (2013). As a result of the assessment, an organizational backstopping mandate has been designed in a participatory way between MVIWATA, SDC and Irish Aid (Irish Aid contributed to the process till mid-2018).

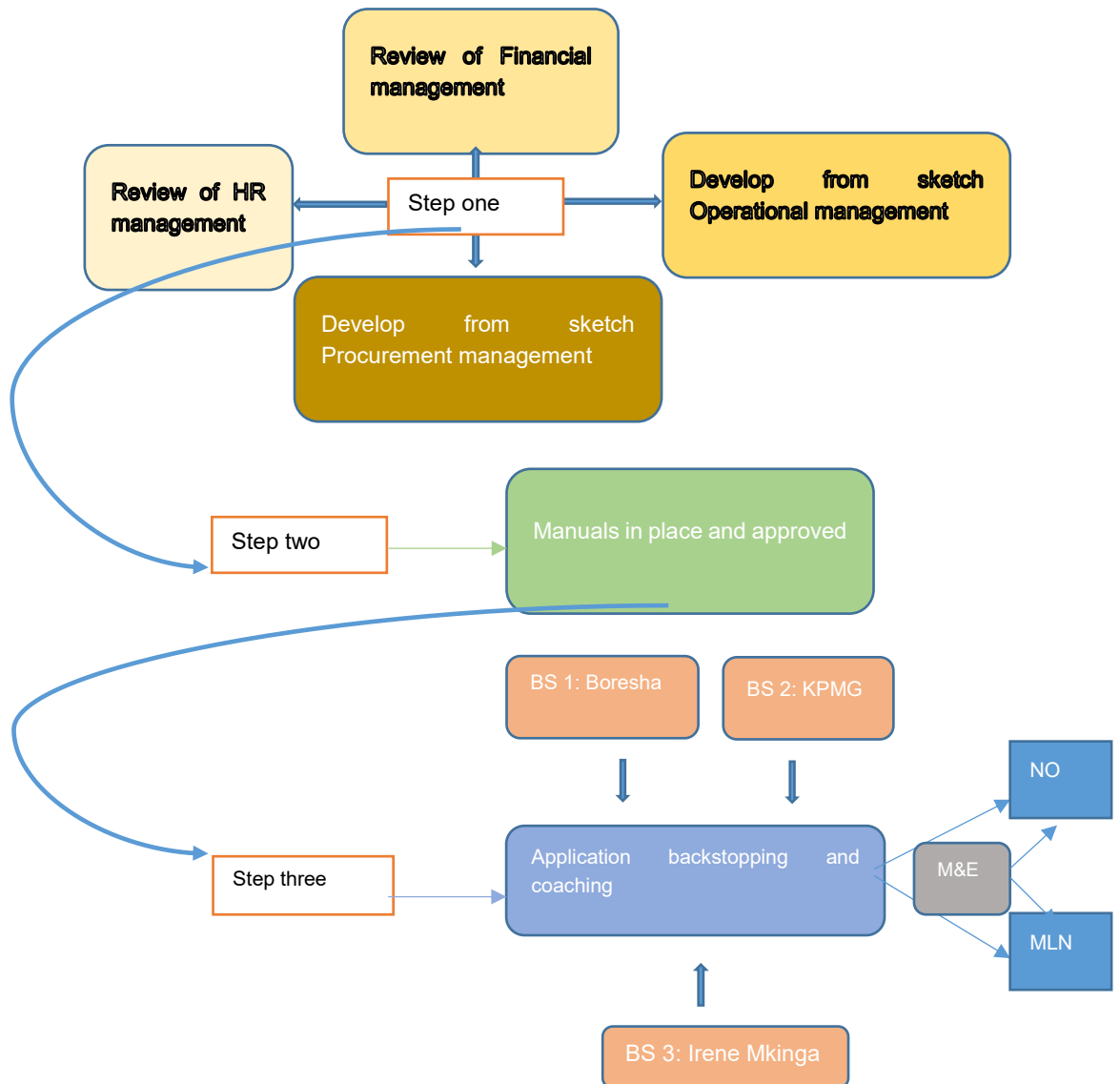
The current assignment will assess the impact of the organizational strengthening process, should inform SDC on the achievements of the objectives mentioned below (chapter 1.3) and inform SDC on the decision on future support. The current assignment is implemented concurrently with a separate MTR of MVIWATA's current strategic plan

The strengthening process has seen two distinct phases:

1. An MVIWATA-mandated-external-sources backstopping process, starting in 2016, aiming to result in more quality and efficiency in the internal processes, i.e. policies and procedures



2. A second backstopping process from June 2018 to February 2019



The 2017 assessment identified the progress made and concluded that the process was done in a participatory way. The initial manuals were developed up to national and international standards, with nevertheless, various areas of improvements that were identified and the need to further ensure MVIWATA buy-in.

## 1.2. Previous studies and developments carried out.

Previous studies and other documents that are underlying the current assignment are:

- MDF 2013: Risk assessment
- DPC 2015: Baseline Study, M & E Plan including Outcome Mapping for MVIWATA
- eMJee Consult 2017: External Review of the impact of MVIWATA Organizational Strengthening backstopping process
- MVIWATA Strategic plan 2017 – 2021
- HR Manual (April 2019)
- Financial Management Manual and tools
- Procurement manual
- Code of Conduct
- Operational manual
- M&E report

## 1.3. The objective and scope of the assignment

According to the terms of reference, the evaluation covers phase I period (2015-2019) of the SDC's Five (5) Years Support for MVIWATA Organizational Strengthening and Backstopping Process.

The assignment differs from a standard end-of-phase evaluation as it evaluates the impact of the external backstopping on the performance of MVIWATA. The findings will point towards future strengthening needs and identify existing challenges while acknowledging the progress made as a result of the backstopping on the overall performance of MVIWATA.

The evaluation should aim at informing SDC on the achievements of its objectives to support MVIWATA, as identified within the three Outcomes and four Outputs as follows:

Outcomes:

1. MVIWATA's capacity to organize smallholder farmers' and lobby and advocate for their rights is fostered.
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Outputs:

1. An overall organizational strengthening (OS) plan is established and implemented to support all MVIWATA's sectors/ departments
2. A new Strategic Plan (SP) with Result Based M & E System and SMART indicators is approved and in use
3. A member's database is created and updated continuously
4. A long-term funding strategy is approved and implemented

To achieve the objectives of this assignment, the eMJee consultants focused on areas that have been identified in the Terms of Reference and undertook the following tasks:

- a) Reviewed the new manuals looking for added values, practicability and assess if they can mitigate the risk exposure to the organization fully if implemented.
- b) Assessed the backstopping mandates and how they have helped MVIWATA improve their systems.
- c) Reviewed if the TOR for the backstopping mandates were in line with the attainment of SDC's objectives to MVIWATA.
- d) Provided an opinion on the existing gaps in the organization, mitigation efforts to address the gaps and whether MVIWATA is in a better state to meet its overall goal, mission and objectives.

## 2. APPROACH AND METHODOLOGY

### 2.1. General Approach

The consultants reviewed the previously mentioned underlying documents and assessed the newly developed and accepted manuals against the background of the earlier studies.

As the manuals arrived late, the initial idea to prepare an inception report by May 2<sup>nd</sup> turned out to be not feasible, and a new deadline was set for May 7<sup>th</sup>. This delay allowed the consultants to invest in a more in-depth assessment of the prepared manuals as part of the inception report.

Next to a desk study, focusing on the manuals, the team visited the National Office (NO) and three out of five coordinated Middle-Level Networks (MLN), more specifically Morogoro, Arusha and Babati. The MLN of Ruvuma and Kilimanjaro were not visited.

Other meetings included a representative group of the governing the Board, respective back stoppers and the auditing firm Deloitte, to verify whether some of our findings are in tune with their assessment of MVIWATA. We have not looked into any of the management responses to the audit query as this is not in our mandate nor the scope of our work and a direct client/auditor responsibility.

The new manuals/documents received can be found in the annexes, though and can be grouped according to three categories:

1. Financial, operational and procurement manuals (provided by KPMG)
  - a. Financial management and annexes
  - b. Procurement manual
  - c. Final report and training slides
2. HR manuals and code of conduct (provided by Irene Mkinga)
  - a. Final approved HR manual
  - b. Final approved Code of Conduct
  - c. Operational Manual
3. Documentation related to the monitoring and evaluation system and approaches (Provided by Boresha organization development consultancy)
  - a. Report on delivering M&E support
  - b. Appendices 1 to 5 to the report delivering M&E support

### 2.2. Methodology

The assignment was implemented in four distinct phases.

1. Phase I: Inception (initially foreseen to run up to 2<sup>nd</sup> May 2019) which was finalized by presenting the inception report
2. Phase II: Desk study phase between May 7<sup>th</sup> and May 13<sup>th</sup>.
3. Fact-finding mission (NO/Board/MLN/back-stoppers/SDC ran from May 13<sup>th</sup> to May 24<sup>th</sup>.
4. Analysis / Organizational assessment/recommendations ran from May 27<sup>th</sup> till the end of the assignment on June 28<sup>th</sup>, 2019

The consultants prepared various tools that were used in the assignment and which can be found in Annex 3.2. Each consultant developed specific task related tools, varying from focus group discussions, direct interviews, reviews of accounts and consolidated reports, to open/ plenary interviews.

One of the tools used was a perception survey prepared by the team, using SurveyMonkey, to understand the involvement of the staff in the development of the manuals, their perception of the manuals, and their involvement in the rolling out of the manuals. With regards to the M&E process, the survey looked as well in the role of staff in the collection/ analysis of data.

The nature of this study was the one of a small cross-section survey of MVIWATA regions of operations, with limitation to only those areas that were visited, hence the sampling for this assignment was purposeful and judgmental. The study was looking at the implementation and roll out of the operational manuals. The sample was based on the regions visited, all co-ordinated offices and active, i.e. Arusha, Manyara, Morogoro and of course the Head Office. Addressing the two remaining coordinated offices and the non-coordinated offices was not considered due to the limitation of time and scope of work. The operational staff in each entity were the key actors for the survey. Though, in the NO non-operational staff also responded to the questionnaire because the HR-related elements are of interest to all staff.

Techniques for data collection varied from interviews with Key Informants (one to one and Focus Group Discussions) and Literature Reviews. Key informants addressed ranged from those who are commissioning, designing, rolling out and are responsible for the implementation of the manuals. It included the oversight bodies as well, like the Board of Directors, Steering Committee, Management and Senior Officials of MVIWATA

The central theme of the data collection and interviews was to look at the practicability of the manuals, how the manuals were accepted by leadership and senior officials of MVIWATA and to what extent the manuals were able to minimize and contain the risks identified in the earlier studies. As the manuals are not fully rolled out to all regions, the collection and analysis was biased and confined to a selected few regions<sup>1</sup>. Given that these selected offices are more advantaged, there is likely a more positive bias towards achievements, as compared to a situation where both coordinated and non-coordinated offices would have been visited.

### 3. FINDINGS AND ANALYSIS

#### 3.1. Introduction.

In general, one can observe, that the various back stoppers tried to put a strong focus on making the NO and the MLN stronger as a single organisation, to create a collective identity and one general framework for the strategic orientation through the different manuals. Two of the MLN's strategic plans came recently to an end, and these two MLNs have now adopted the NO framework as the guiding institutional pathway. The same can be observed with the financial manuals, where a single chart of accounts is proposed for all MLN and the NO. These initiatives will further strengthen the identity of MVIWATA.

The assignment was looking into the overall strengthening process of MVIWATA, provided by three independent back stoppers for 10 months (June 2018 till February 2019). This second mandate followed earlier support which was looking into the operational manuals in the fields of finance and human resources and was to address the development of tools and some additional manuals (procurement and operational) and the code of conduct. New to the second backstopping mission was the intervention on Monitoring and Evaluation, in support of the strategic plan 2017-2021.

As compared to the start of the OS process in 2015, MVIWATA has made tremendous progress, and many systems have been developed. Some of these have already made an impact and clarified internal procedures and processes, and others are yet too early to assess with regards to their added value for MVIWATA. The consultants believe that it is hard to provide a qualified opinion on the overall performance improvement, given that there is not enough information to assess the effectiveness of these manuals. The implementation of specific vital processes has been delayed vis-à-vis it's intended

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<sup>1</sup> The consultant didn't visit any of the non-coordinated offices during the field visits, as the selected few coordinated offices were the same as the ones visited in 2017

implementation schedule. This delay could be justifiable, in some cases, as the transition requires careful timing and should not disrupt ongoing operational processes. An example of this is, for instance, the introduction of the new chart of account, which has only recently started, as the financial department was heavily engaged in the audit for the year 2018. The process of rolling out the new chart of accounts is, therefore, only in its early stage. Creating all-level buy-in has been an essential approach throughout the OS process, to focus on the "one MVIWATA" organisational identity continuously. The latest back stoppers have all tried in various intensity to address the buy-in by management and all staff in general.

## 3.2. Financial management

### 3.2.1. Findings in Finance

Financial management is all about ensuring that there is a transparent process for the management of finances in the organisation, and it comprises of internal sound controls to mitigate all risk exposures concerning financial management. For an organisation to have sound financial management practices, all of the internal control systems in place should be working without being compromised or intervened.

The ToR for the financial back stopper indicated the following scope of work:

- a) Validate the financial management manual taking into account the staff and leaders' comment.
- b) Develop or create accounting charts (Charts of Accounts) of MVIWATA that links national and middle-level networks and that link with activity budget of the organisation for ease of tracking and monitoring expenditure against approved budget through accounting package.
- c) Provide support in the use and upgrade of Sage 300 ERP accounting package in utilising such features as budgeting, budget monitoring, cash management, receivables and payables management, financial reports (income statement, balance sheet, cash flow and statement of changes in equity), payroll and the automatic valuation of foreign currencies in the systems.
- d) Develop an action plan with staff for building capacity on management and upgrade of Sage 300 ERP accounting package.
- e) Assess the possibility of unifying accounting packages across the national and middle-level networks and if agreed, provide the required technical support.
- f) Conduct an assessment/review on the existing fixed assets register and provide the required technical support.
- g) Assist in developing any tools that are required for effective implementation of the finance manual.
- h) Write and share reports for each step and the final consultancy report.

Discussing with the financial staff at the NO and MLN it has been acknowledged that activity (a) (partly by ABA in 2016), (b), (g) and (h) have been implemented. Activity (c) has been partly implemented and only at the NO level. Regarding activity (d) the development of an action plan for staff capacity building, training on modules has been organised following the introduction of new modules. However, this has mainly affected the NO staff as the SAGE accounting package has not been roll-out.

The back stopper did not conduct activity (e) and (f) during his intervention, as these sections were eliminated during the negotiation stage of the assignment

The same back stopper provided the support vis-à-vis the procurement procedures and manuals and in this exercise, all activities, described in the scope of work, were covered in the period June 2018-April 2019. This entails:

- a) Validate the procurement manual taking into account the staff and leaders' comment.
- b) Prepare a training program/schedule to MVIWATA staff for orient and capacitate the staff with the updated procurement manual.
- c) Provide appropriate in-house training to staff both middle and national level networks on the policies and procedures of procurement as stipulated in the procurement manual.



- d) Assist in developing any tools that are required for effective implementation of the manual.
- e) Write and share reports for step and the final consultancy report.

The back stopper's final report mentioned that all stakeholders were taken through the manuals, identified challenges were discussed, which resulted in improved manuals and tools, taking into account relevant concerns aired. The application of the developed tools and procedures is hard to assess as not all updated and new procedures have been tested out and, in some cases, MVIWATA still uses the former systems (procurement based on annual plan and budget, excel accounting and differences between financial packages at NO and MLN) were noted.

- The strategy focused on strengthening internal generating activities (next to membership fees) which are rather ambitious. It is questionable whether these contributions can be achieved.
- Inventory of approaches that can help to generate resources other than membership contributions. One could reflect on providing quality training for a certain LLN or groups that are demand-based and require contributions of members, while a higher contribution for non-members can be introduced
- Centralised tendering and bank on extensive coverage country-wide to implement programs and reach SHF.
- Reflect on hiring a resource mobilisation expert or a board member with the same qualifications
- Address other donors and grants providers proactively

### 3.2.2. Analysis of Findings in Finance

#### Process to Consolidated Financial Reports

Progress has been made to envisage future consolidated financial reports based on having a harmonised chart of accounts. It will require identical reporting frameworks and, preferably, use one accounting system. Having consolidated organisation-broad financial reports will allow an external auditor to assess data migration between the various offices and provide a consolidated audit report for the whole organisation. It is suggested that MVIWATA strives to have a consolidated financial report for the year 2019 and develops an action plan urgently, stipulating required resources (human, financial and external support) appropriate timeline, and assigning responsibilities between NO and MLN and, if needed, external support functions)

#### Completeness of Income from Membership Fee

MVIWATA is a membership-based organisation with members all over Tanzania. To facilitate the collection of membership contributions, MVIWATA has recently introduced electronic payments of fees through "Tigopesa". For this system to work, the members' database needs to be thoroughly overhauled. MVIWATA is aware that the current database is not adequate and has commissioned an IT company to develop a new dashboard. The work started early May 2019 with an ambition to develop a comprehensive system.

However, the process might prove more difficult/time-consuming than anticipated and requires the IT expert to be on top of the assignment as this kind of processes tend to be always more complicated and expensive. If in an early stage, the company is not able to provide the required dashboard design and functionality, MVIWATA might want to look at alternatives, like customizable membership software that already integrates some of its requirements.

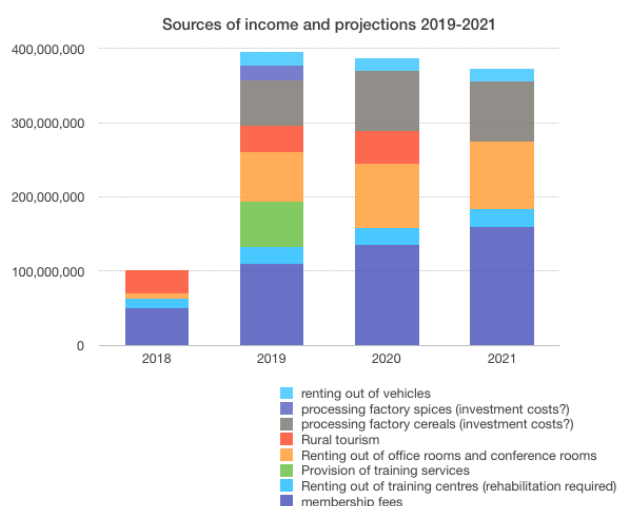
For the time being, multiple systems exist in parallel, which might hamper transparency and inclusiveness of all collected fees. It will require careful communication with the MLNs and the members at the MLN level on the progress regarding the collection procedures in place.

## Long Term Funding Strategy

MVIWATA is highly donor dependent with donor contributions being the primary source of income (including core funding). While the likeliness of organisations like MVIWATA to be financially independent is very low, there is a need for further diversifying funding and increase own resources, to sustain gradually more core functions.

MVIWATA has developed a draft resource mobilisation strategy, which could be further developed into a funding strategy, addressing risk assessment and developing various funding scenarios. The current resources mobilisation strategy requires further reflection and to become more realistic, vis-à-vis its ability to collect resources originating from its own revenues. Membership is, of course, a legitimate source of income, though past track records show severe challenges in the level of collecting membership fees. While facilitating easy payment procedures like "TigoPesa", might help to collect the members' contribution, it is unlikely to solve the willingness of members to pay.

Assessment of potential sources of income and projections 2019-2021



### 3.2.3. Key achievements

Progress has been observed with regards to the implementation of organisation strengthening process from a financial management perspective, but the support has not fully achieved its purpose as it is still at early stages of introducing changes. Nevertheless, since the previous review, i.e. 2017, the following progress has been made towards full integration.

- MVIWATA has finalised the review of the manuals taking into account comments received from consultants and staffs.
- MVIWATA commissioned KPMG to prepare tools for use in Finance and procurement manual in which MLN and NO staffs were trained on the use of the tools.
- Progress has been made to envisage future consolidated financial reports based on having a harmonised chart of accounts which will require identical reporting frameworks and, preferably, use one accounting system. Having consolidated organisation-broad financial reports will allow an external auditor to assess data migration between the various offices and provide a consolidated audit report for the whole organisation.

The reviewed financial manual and advanced tools provide for the opportunity for the accounted system to be based on one unique chart of accounts at the NO and MLN levels, which is a crucial step to reach harmonised and consolidated accounts.

However, some improvements need to be made, to have continuous monitoring and reporting of financial matters consistently. There should be a proper link in information from mid-level networks to the National Office.

After completion of the manuals (2016) and a review on Organisation Strengthening conducted by eMJee Consult (2017), it was anticipated that ABA conducts a quick updating exercise. Once finalized, the focus would have been to shift to implementing the manuals and testing the procedures. However, it became clear that the tools accompanying the procedures and manuals were not in place, which became an essential objective for the new backstopping mandate. One would have anticipated that the back stopper would have been able to quickly prepare these tools and proceed as anticipated with the rolling out of the systems and procedures. Unfortunately, this did not happen, and therefore, the consultants were only partly able to assess whether the manuals developed could be fully incorporated in the organisational practices and mitigate in practice, the identified risks.

### 3.2.4. Key challenges Finance

Few key implementation challenges have been identified impacting the organisation strengthening process:

- After reviewing the financial manual, it was found that the content is comprehensive, save for some few areas which require a second look as implementation continues. For instance, although internal audit activities are being reported to the Board via the Finance and Administration committee, there is no clear procedure set for selection and/or approval of internal auditors. This omission might pose a risk concerning the independence of the internal auditor function.
- The lack of a rolling out plan to the consolidation of financial systems across NO to MLN. Such a plan would include the sequencing of rolling out the system to the various MLN, the associated costs and required training for the MLN staff. Such a plan would provide a definite timeframe to envisage when MVIWATA would have completed the transition process towards one single accounting system, facilitating the development of consolidated financial reports.
- The approach to the backstopping process focused more on the development of tools and manuals rather than addressing the process from an organisational approach. What does the organisation need at the different levels and what are the required linkages between the NO and MLN, vis a vis procurement, reporting, dealing with current financial engagement and reporting requirements, staff requirements, to name a few.

### 3.3. Human Resource and Operations

Human Resource (HR) is becoming more and more critical as the organisation is growing and employing more people at various levels. To date, no Human Resource expert has been hired in-house, and MVIWATA relies on backstopping and outsourced services. Given the increasing numbers of staff the organisation has to reflect on its procedures to ensure adequate Human Resource services to staff like Human Resource data administration (leave, sickness, benefits, amongst others), performance appraisals, and other standard Human Resource procedures, and support to the MLN with regards to Human Resource requirements. The ToR for the HR back stopper indicated the following scope of work:

HR Manual

- a) Validate the Human Resources manual
- b) Assist in developing any tools that are required for effective implementation of the manual

- c) Conduct/ prepare in-house training to MVIWATA staff at both middle and national level for capacitating implementation of policies and procedures outlined in the manual
- d) Assist in conducting some specific procedures such as the staff appraisal
- e) Write and share reports for each step and the final consultancy report

#### Operational manual

- a) Validate the operational manual
- b) Assist in developing any tools that are required for effective implementation of the manual
- c) Conduct/prepare in-house training to MVIWATA staff at both middle and national level for capacitating implementation of policies and procedures outlined in the manual
- d) Write and share reports for each step and the final consultancy report

A review of the above tasks found that, the back stopper carried out activity a), b) and c). Activity c) was conducted only recently and only at centralised level for both NO and MLN. Providing in-house training for MLN specific needs might have been an option, which was not considered in the process. Activity d) was not conducted, and the final report is yet to be released.

The operational manual was reviewed, and it was found that, the manual is not significantly different from a Human Resource Manual. Actually, that manual could simply have been a chapter in the Human Resource Manual. Given that the documents and tools date from March 2019, it is too early to see whether the organisations lives-up to the set standards.

### 3.3.1. Findings

Analysis of this session is mostly qualitative, much of the data that was collected was qualitative in nature hence analysis was also qualitative. With the exception of the perception survey, where the analysis was done using quantitative parameters, the rest was qualitative. Below is the list of findings.

1. The manuals have created a sense of ownership and the sense of unified practice. If the manuals are properly implemented it will create a sense of for uniformity across all the middle level offices hence transferability of staff will not be an issue.
2. The Manuals have introduced an element of best practices across all of the middle level offices. The practice before was not based on the internationally accepted ways of working but were based solely on the wishes and whims of an individual.
3. Given that the manual has addressed an issue of organisational structure, it means the issue of good governance in terms of structure has also been addressed. It is very clear in the manual that who is reporting to who has been sorted out. This has any effect of removing ambiguity and introducing clarity.
4. The manual has also addressed the issue of performance management. The Performance Management System is meant to improve productivity of each individual, hence improve the performance of the organisation in overall terms.
5. The manual has also introduced an element of appeal mechanism. This means, if an employee is aggrieved, he has an opportunity to appear to higher authorities and argue his case.
6. Therefore, the manual is providing some kind of an overall guiding policy.
7. The manual has just been released. The manual was approved in April, it is yet to be tested and used extensively. So, we were unable to substantially gauges the results out of the use of the manual.

### 3.3.2. The Analysis

1. The manual is good and as a manual, it is providing day-to-day guidance on HRM operational issues. However, the manual could have gone farther and prepare or suggest the preparation of Strategic HRM action plan in order to get the maximum out of the workforce. The Strategic HRM would have made MVIWATA focus more into the future, concentrating on having a workforce that is more into solving farmers problems etc.
2. The manual alone cannot solve all the problems. Implementation of the manual requires good leadership, high moral and ethical standards, committed Board to carry out oversight function etc. We did not see, a program to develop leadership skills and supervision skills at the level of management and the board. This is critical and it is required urgently.
3. The absence of a permanent HR person is posing a challenge because the organisation employs a large number of staff and it has many HRM requirements at all levels. There is so much working in HRM, that it is necessary to have somebody permanently available for the HRM issues. Issues like performance management, succession planning, learning and development, compensation and benefits etc. have not been given due attention.
4. The organogram at the MLN does not mimic the one at the NO as suggested and against the spirit of having one organisation with one identity. This could be due to the fact that, each middle level organisation has got its own unique requirements. And this should not be viewed negatively, because a room for flexibility should be allowed. The approach of "One size fit all" Should be avoided to the extent possible.
5. Because of the lack of a proper HR function, the process of identifying key talents or skills required at the MLN is missing. Skills like those of Soil Scientists, Bee Keeping, Extension Officers, Marketing Officers etc. are in critical shortage at the middle level.
6. The terms of reference for the back stoppers very basic did not demand much from the them. There was a lot of expectation from the back stoppers but there was not much they could do given the limitations contained in their mandate. There are still middle level offices that are complaining that the need more assistance and guidance from the back stoppers.

### 3.3.3. Key achievements

Progress has as well been observed with regards to the manuals in question.

Importantly, the manuals have created a sense of ownership and the sense of unified practice. As mentioned before and yet too early to assess, if the manuals are adequately implemented, it will create uniformity across all the middle-level offices; hence, transferability of staff will not be an issue.

Equally important, the Manuals have introduced an element of best practices across all of the middle-level offices. The practice before was not based on the internationally accepted ways of working but were based solely on the wishes and whims of an individual.

Given that the HR manual has addressed an issue of organisational structure, it means the issue of good governance in terms of the structure has also been addressed. It is evident in the manual who is reporting to who has been sorted out. This has an effect of removing ambiguity and introducing clarity. The manual has addressed the issue of performance management. The Performance Management System is meant to improve the productivity of each staff member, hence improve the performance of the organisation in overall terms. However, this aspect has not yet received the required attention. As part of the good governance practices, the manual has introduced an element of appeal mechanism. This means, if an employee is aggrieved, he has an opportunity to appear to higher authorities and argue his/her case. It is, therefore, fair to state that the manual is providing an overall guiding policy.

### 3.3.4. Key challenges HR

The final version of the manual has just been released. The manual was approved in April, and it is yet to be tested and used extensively. So, we were unable to substantially gauge the results originating from the use of the manual.

The manual is providing day-to-day guidance on HRM operational issues. Nevertheless, the manual could have gone farther and prepare or suggest the preparation of a Strategic HRM action plan to get the maximum out of the workforce. The Strategic HRM would have made MVAWATA focus more into the future, concentrating on having a workforce that is more geared towards solving farmers' problems and other elements.

Having adequate and robust manuals in place by itself cannot solve all the problems. Implementation of the manual requires good leadership, high moral and ethical standards, committed Board to carry out oversight function etc. Developing a program to develop leadership skills and supervision skills at the level of management and the board is still missing in the approach. Addressing leadership and supervision skills is critical and is required urgently.

The absence of a permanent Human Resource person is posing a challenge because the organisation is growing, and therefore has many HRM requirements at all levels. There are so many needs for HRM that it is necessary to have somebody permanently available for the HRM issues. Issues like performance management, succession planning, learning and development, compensation and benefits etc. have not been given due attention yet. Currently, the function of human resource management is being handled by the head of finance and administration. This is a common mistake in many organisations, mixing human resource and administration. These two are separate and distinct and they will remain so. It is strongly recommended to have the human resources function completely separate from Administration.

From an organisational structure point of view, the organogram at the MLN should not mimic the one at the NO as suggested for various reasons (contrary to what was suggested). Different MLN might have different requirements and might evolve at different speeds, for reasons of cost-effectiveness, and it is not necessary for creating the spirit of having one organisation with one identity. Flexibility should be encouraged as it will provide for specialisation at MLN level that can be supported from the NO level perspective.

Once again, this requirement stresses the need for an in-house HR function, to facilitate the process of identifying key talents or skills required at the MLN. Skills like those of Soil Scientists, Bee Keeping, Extension Officers, Marketing Officers etc. needs to be addressed at individual MLNs or shared among various MLNs.

As mentioned before, the terms of reference for the back stoppers might have missed the point at this stage of the OS process, which might explain the identified needs by MLNs for more assistance and guidance from the back stoppers.

## 3.4. Monitoring and Evaluation

### 3.4.1. Findings

The M&E backstopping assignment was relatively new and only started in June/July 2019. Making key indicators SMART is a challenging process and is very much needed to make the system operational, able to collect data, and analysis feasible. Once addressed, the development of tools and collection systems can be given further attention, as well as distributing responsibilities for the collection of data.

The ToR for the HR back stopper indicates the following scope of work:



- a) To undertake a critical review of the existing M&E system and approaches including goals, outcomes, outputs and their indicators; tracking matrices and technically advice the M&E team in reviewing the internal M&E process and reporting
- b) To recommend an appropriate M&E information management and analysis system and software for data capturing and reporting
- c) To build and strengthen the capacity of staff members and leaders on M&E
- d) To build the capacity of Middle-level Networks identified M&E focal persons
- e) To evaluate/review the implementation of the improved M&E system after six months and one year of execution

**The work related to the M&E framework** is still "work in progress" as the consultants' proposal covered three phases and the current contract addresses mainly phase one. Phase two and three address the rollout of the tools and the data collection and the further strengthening of the capacity of the M&E advisor and the focal points at the MLN.

### 3.4.2. The Analysis

As mentioned before, significant progress has been made in the area of monitoring and evaluation, which has manifested itself in improved key performance indicators and the development of an annual plan and budget aligning itself with the SP, providing the adequate framework for incorporating the M&E results and progress.

The NO and MLN M&E focal group has manifested a high interest in the process as it will guide the teams as well at the MLN level on progress made, which makes it more interesting to report on, and assess better challenges and identify mitigation initiatives if progress lacks behind.

The rollout of the training to the Ruvuma MLN has revealed some learning elements to take into account while rolling out the tool to other MLNs. The training of members at the group level is an effective way of rolling out the tools and trainees have to collect primary data before the training, which makes the training more productive and more relevant to each trainee. However, given that a part of the data to be collected is linked to the presence and number of CCRO provided to smallholder farmers, (men/women and youth) the training should be given to those villages that have already a Village Land Use Plan (VLUP) in place. A VLUP is a prerequisite for the (trained) village land committees to issue such certificates.

Irrespectively from having motivated people in the training sessions, follow up on data collection is very important and required. The delay in receiving data from the field and having a real testing moment of the tools and the quality of data, impacts the rollout of the tools to other MLNs. The proposed planning needs adjustment as the May/June 2019 timeslot for rolling out the tools on SP one is not realistic. Data collection and analysis needs high priority at this stage before the rollout can take place.

The decision to start working with paper-based data collection tools is justifiable, and once the tools are tested and okayed once can decide on developing the right tools and collection gadgets if required. This could be SMS based or smartphone based, depending on each instrument. If MVIWATA plans to use the dashboard for storing Monitoring and evaluation records, as indicated in the scope of work for the dashboard developer, it might be too early at this stage to design this module. It is more likely to design the module towards the end of the year, if it is considered the best option to use the dashboard for M&E records.

### 3.4.3. Key achievements

The back stoppers' approach to the assignment consisted of 5 distinct steps:

- a) Desk review covering the following materials:

- b) Review operation of the existing system in collaboration with the M&E team, using the criteria for a successful M&E system as developed with the M&E team and selected leaders as a benchmark:
- c) Support the M&E Officer in reviewing the findings and preparing recommendations, the implementation plan and budget
- d) Facilitate a one-day meeting with the MVIWATA leaders and M&E team
- e) Review the updated report and the implementation plan and budget.

Significant improvements can be noted in the area of M&E, considering as well, that the process started only in June/July 2018. As noted by the consultant and observed during the field visits, the following achievements have been identified.

- There is an annual plan and budget in place which is aligned with the SP and which allows for monitoring progress both on indicators and financial progress.
- Two of the MLN have adopted the overall SP as their strategic plan came to an end. This will carry forth some challenges as there are still activities ongoing that are not aligned with the SP, but this is likely to come to an end by 2021.
- There has been a drive by the team to develop and implement a robust M&E framework which supports the implementation of the strategic plan in a speed that aligns with the capacity of the organization and in a participative manner.

Most progress has been made with the Strategic Goal one: “Enhanced land security to smallholder farmers”. For this goal, detailed questionnaires have been prepared, tested and rolled out, and staff have been trained.

Concerning phase one, the intention has been to simplify the M&E framework and the log-frame and tools. This process is complex and turned out to be a lengthy process, as it needed frequent back and forth consultation between the MLN and the NO.

#### 3.4.4. Key challenges M&E

The speed of the process remains an area of concern, partly a consequence of a highly interactive process, which takes more time. Other events have interacted with the process, and therefore developing the M&E framework and tools has not always received the required attention of the M&E team and management. The consultant might have put some more pressure on the M&E team to keep the momentum going as it is essential to have a baseline in place that allows for monitoring and agreed systems to collect data.

As mentioned most progress is made with SG one, though also the pace since the training in February to collect data is too slow, which will impact the rollout not only of SG one but also the other 4 strategic goals. The data collection exercise was considered the litmus test that was to inform the M&E team on the viability and the quality of the tools before being rolled-out to other MLNs.

The rolling out of the M&E data collection and training for SG one, and subsequently the SG two to four requires an urgent and realistic updated timeframe in order to ensure MVIWATA will have an adequate “improved” baseline in place, and consequently the opportunity to measure progress in the remaining two years of the Strategic Plan. The current proposed M&E plan is addressing disaggregated data collection at MLN level. Collecting this information will make it more useful for the MLN level, and more realistic to report on progress at the aggregated SP indicators level.

M&E capacity is organised through the NO and the focal persons (program officers) at the MLN level. A future challenge will be the collection of data in the non-coordinated MLNs as they are not having a



person with a dedicated M&E focal-person role, and likely less possibilities to dedicate adequate time to the M&E process.

## 4. CONCLUSIONS

The backstopping process, in general, has been useful for MVIWATA, providing the organisation with quality manuals and tools, that will help the organization to improve its organisational practices. Differences exist between the various backstopping mandates, especially with regards to the M&E assignment which is a new input that started only in 2018, as compared to the other two assignments that have been a focus of attention since the first organisational strengthening process. The consultants conclude, however, that the work is still work in progress, especially since the time-lapse between the acceptance of the manuals and the testing of the tools and procedures does not allow to provide an opinion on the impact on the internal performance.

The consultants anticipated in some of the areas, the management to step in and provide a clear road map on the way forward and develop a vision on how to roll out processes. Examples are:

- Develop a procurement plan along with the new guidelines
- Prepare a plan on staff assessments
- Provide a rollout plan on the streamlining of the financial packages between NO and the MLN
- Adjust the data collection process for the M&E framework and ensure that data collection on SG1 will receive high priority, as this exercise will form the basis to develop the tools for SG two to four and its respective roll out.

The quality of the manuals will certainly reduce the earlier identified risks, though some elements like procurement and internal auditing will require some additional attention. The fact that MLNs are still using a different software package than the NO or even use Excel sheets is a point of concern, raised both in 2015 and in 2017. The harmonized Charts of Accounts will be a huge asset to MVIWATA once fully implemented and introduced in the accounting system at all levels.

Staff capacity to implement and comply with the newly set procedures and standards varies for the different interventions. As can be expected, the NO is, across the board, better equipped to implement and comply with the new procedures and standards, partly because of the number of staff and their direct involvement in the development of these tools together with the back stoppers. However, even at the NO level, the consultants observed challenges, for instance, in the field of procurement and in the field of performance management, to name a few. Training has been organized on new tools and procedures, though it is difficult to assess whether all governance levels are aware of the requirements (Board, steering committee, others). At the MLN level, one can observe variations between MLN performances, dealing with the new procedures and standards. The compliance at the MLN is as well hindered by the existing staff numbers, which makes it more challenging to follow, e.g. the procurement standards at MLN level. Similarly, performance management is not yet implemented. Concerning M&E, MVIWATA has opted to add the M&E tasks to the existing function of program officers at MLN level (Focal points), which might be a smart move, though at the same time adds more work to the coordinators. Rolling out and collecting information from the members on key performance indicators is still lacking behind and would require active involvement of the focal points. As many of the MLN are functioning only with a steering committee, there is a need for reflecting on how to deal with M&E in the non-coordinated offices.

MVIWATA's core activities are improving, and most of the earlier identified risks have been mitigated as a result of SDC's investment in supporting the backstopping process. The most crucial issue is, of course, the existence of a strategic plan that is rooted throughout the organisation and will gradually steer all the MLN activities. Financial tools and systems, as well as HR tools and systems, are in place.

Nevertheless, the pace of change has been slow and the process very long. The focus has been too much on the development of tools and manuals to the detriment of implementing the same in the daily practice. This applies to the earlier mentioned charts of accounts, procurement roll out, staff appraisals, baseline creation etc. The current OS review is, therefore, too early, to provide an assessment of whether MVIWATA will take on all the challenges at this stage.

Concerning the new M&E system, improvements are made, which can be evidenced by the cohesion between the strategic plan and the annual plan and budget, which will be of great help. The system is, in its current stage, not yet able to report and analyze MVIWATA's activities effectively. If addressed urgently by management with an updated plan of action, one could expect partial baseline information in the second semester of 2019. It will require more robust follow up on the test developed for Strategic Goal one as this will inform the methodology for the development of tools related to Strategic Goals two to four. Rolling out tools for SG one to other MLNs at this moment does not make sense as no data was available from the collection of baseline data.

Concerning MVIWATA's long term funding strategy. Again, this vital aspect of ensuring less dependency remains work in progress, and the ideas need further development. The membership fee is minimal, which makes membership contributions not an essential impetus to the funding strategy, even more so as the fee recovery remains low. Engaging a study on the challenges of collecting more member's fees and assessing the capacity to pay might be an interesting avenue. Developing various scenarios to raise the annual fee can help to tune the services to the expectations of their members. Improving service provision (capacity building) to members seems to be the best way forward, by strengthening the operational capacity of the MLN and provide quality services on a demand-base. By doing so, MVIWATA is more likely to attract members and profile itself better as an SHF organisation, which in some regions is hard to justify, based on actual numbers. Having more members will provide better evidence-based information, which is essential for its advocacy and lobbying work.

Concerning the membership database, the team has observed that a rudimentary database is in existence, though it is not relational. NO, and the MLN both keep records and data are not yet shared, as the process to develop the new tool is not finalized. The NO office keeps data excluding information from Arusha, Manyara, and figures related to the number of members are not coherent between the NO and the MLN. Some cleaning of the existing data is still required to avoid duplications and writing errors, which at the moment is a tedious process as there is no option to export the full database to excel and assess the quality. It is primordial to have a comprehensive system in place, linking members to training, activities, and payments, which is urgently required. The Arusha dashboard model has been selected to become the main dashboard for the organisation. Management is well aware of the problem and has commissioned, early May, an IT company to develop an integrated system, establishing a membership database, a market information system, a revenue collection system, an option for monitoring and evaluation records and office management systems. Developing such an integrated system is challenging and typically time and resource consuming.

Given that the current membership database and its dashboard system is not exhaustive, and many discrepancies still exist, it is hard to tell the exact number of members and whether MVIWATA has been able to grow its membership base.

Addressing the guiding questions, we would like to share the following insights:

- a) *To what extent are the new manuals effectively addressing the challenges? Are the new manuals valid and practical in day to day work and enhancing internal control systems of MVIWATA? Are the manuals and procedures able to be computerized and managed digitally?*  
At the time of making this review, the manuals were very new and had just been approved a month before hence we were unable to test the experience of using the manuals. Training and orientation on the manuals were ongoing for some middle level offices. The content of the financial, procurement, and HRM manuals is relevant and will be able to address the challenges

of an organisation like MVIWATA. Computerizing the HRM manual is very possible and the content of the manuals can be put into the computer on a platform like an Intranet for people to easily access and use. The different tools like forms etc. can also be put on the Intranet and can be accessed easily by staff. The manuals are also advocating best practices and once these practices are implemented, many loopholes for malpractices will be plugged. It remains important to adhere now to the manuals and test the systems in practice. This applies to all the manuals and action plans on rollout need to be prepared.

- b) *Was the back-stopping process useful to improve human resource management at MVIWATA*  
The back-stopping process was also affected by the fact that the manuals were lately implemented and rolled out. A review of the Terms of reference for the back-stopping mandate indicates that, the requirements were very basic and did not require the consultants to go beyond the need to produce an operational manual. There was a need to extend the assignment to a strategic level. Further to that, it is recommended that the contract of the back stopper be shifted from MVIWATA to SDC. Let the back stopper be supervised directly from SDC and MVIWATA become the beneficiary alone.

- c) *Does the relevant staff at both the middle and primary level, have the capacity to implement and comply to the newly set procedures and standards? How easy/difficult has it been for MVIWATA to adapt to the new procedures?* Discussion with the respondents indicates that, many of them are of the opinion that, the manuals are useful, and they can be usefully be deployed but more guidance is required in terms of technical assistance, coaching and mentoring. Given the fact that, there are no human resource people at the middle level, it is difficult gauge their capacity to implement the manuals as most Regional Coordinators and Accountants in the regions are not experts in human resource. On financial management and M&E, staff have been trained (financial staff and program officers as M&E focal points) some challenges are still identifiable, like the accounting systems not being harmonised, which makes the training a challenge and the application of the manuals as well. On M&E, program officers have already a lot of work, and the focal point tasks add up to the workload of the program officers. It is however understandable that functions are added to existing positions.

- d) *What are the key changes that have resulted from SDC's investment for supporting MVIWATA core activities and OS backstopping process?*

Gauging what has been achieved by SDC investment was a bit of a challenge to measure given that there were no earlier defined metrics that documented the state before the introduction of the manuals. However, discussion with the respondents shows a lot of appreciation and hoping that the manuals will harmonize the practices across MVIWATA offices. It is too early now to measure any changes but potentially that could be a change of behaviour in the future in the way MVIWATA conducts its operations.

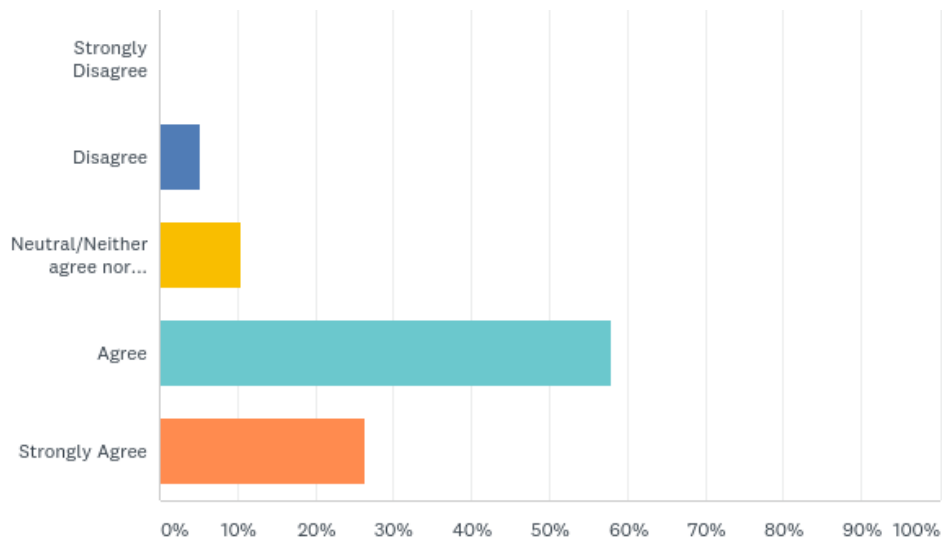
- e) *Ownership and Change Readiness.*

*The perception survey was carried out to gauge to what extent respondents were ready to own and implement the manuals and below is the summary of the results of the survey.*

- There is a general feeling that most employees are feeling satisfied with the HRM practices at MVIWATA as evidenced by the survey as most respondents gave positive affirmations to most questions. Almost 90% of respondents said they are satisfied with the opportunities for growth at the National Office while again, almost 90% of respondents said they are inspired to meet their goals at work. When asked if they're determined to give their best at work, 95% of respondents said they agree and strongly agree. This gives an indication of satisfaction and motivation. It means whatever HRM practices at MVIWATA

whether influenced by the manual or not, most of employees are happy and satisfied. It must however be noted that most employees are on the payroll sponsored by the donors.

- Preparation of all the manuals (or for that reason the translation of M&E framework in tools) was very participatory as 95% of respondents said they were involved in the preparation of the manuals.
- The various back stoppers tried to put a strong focus on making the NO and the MLN stronger as a single organisation, to create a collective identity and one general framework for the strategic orientation through the different manuals
- The only time you get the variation in answers is when they were asked questions relating to remuneration, compensation and benefits. Staff at the National Office were asked whether they are if they are satisfied with their compensation and figure 1 below shows their responses. Almost 83% says they are satisfied and roughly 15% says they are either not sure of disagree that their compensation is adequate.



## 5. RECOMMENDATIONS AND WAY FORWARD.

### 5.1. General recommendations

Based on the conclusions presented, our recommendations will be hinting on the operationalisation of the manuals and tools and management steering required, to further improve the operational performance. The team would like to share the following recommendations.

The consultants believe it is vital for SDC to continue its support to the organisational strengthening of MVIWATA to ensure that the last hurdles are taken, and the expected results reached. The focus should therefore shift strongly towards implementation and on learning by doing. The process needs ongoing monitoring and hence making one staff responsible for the overall organisational “change-management”, preferably with some backup support is suggested as part of the way forward.

The consultants believe that it might require more involvement of SDC in the process. SDC might consider proposing to MVIWATA to include, on behalf of SDC, an external advisor/ observer to the board. MVIWATA faces some critical decisions ahead. Having an external observer (without the right to vote) should not jeopardize MVIWATA's identity, though purely help the board in improving its informed decision-making.

While the board has the statutory option to request external expertise to substantiate their decision-making, it is an option that has not materialised yet and the board members do not seem to see the added value. However, the challenge remains to avoid becoming mainly inward looking, as board members have limited “board exposure” or awareness of international “best-practices”. Involving external expertise (e.g. an external independent advisory committee to the board) or having an observer will increase the variety of views and in the end have added value for Mviwata.

### 5.2. On financial management:

1. The NO has invested in updating the financial package by adding additional modules to enhance financial capabilities. Staff at the NO has been trained on the modules. However, it is urgently required to develop a plan on harmonizing the account packages across the MLNs (starting with those MLN that are still using excel for financial recording). Management is invited to provide a timeline for rolling out the accounting packages, based on the costs of licenses, plan for training and ensure that consolidated reporting takes place with more ease.
2. Due to financial staff involvement in the 2018 audits, the new Charts of Accounts has not been fully integrated. The financial manager needs to develop a plan that ensures the new CoA will be rolled out organization-wide across the NO and various MLNs. Developing a smart way of dealing with layers and cost centres, will allow for more opportunities to analyse financial performance. In case the financial manager would require further support in the best way to integrate the CoA into the accounting system, then this support should be sought urgently from KPMG
3. As the procurement manual and tools are in place, the management should request the financial manager to prepare a procurement plan adhering to the newly prepared procedures. MLN are also invited to use the newly approved procurement manuals, which is currently not yet the current practice.  
Furthermore, management should reflect on common procurement procedures, which can be organized at NO level. The NO level has adequate staff numbers to comply with the procedures, as compared to MLN offices.

### 5.3. On Human Resource Management

The uniformity in terms of HRM practices has not happened fully because the manual has not been totally rolled out to all the mid-level networks. There are currently different practices in terms of hiring, performance management, learning and development and remuneration, compensation and benefits and this situation is aggravated by the projects because projects come with specific remuneration scales and benefits. Below we provide strategic recommendations and the way forward for both MVIWATA and SDC.

4. It was noted earlier that, the terms of reference for the back stopper were very weak. In order to make a difference, it is strongly and strategically recommended that, the management of the contract for the back stopper should be shifted from MVIWATA to SDC. The deliverables of the back stopper should be verified by SDC.
5. The manuals need to be rapidly employed and the assistance of the back stopper is still required to support, and more assistance is required at the middle level.
6. The issue of performance management needs to be given urgent attention. There is no way MVIWATA can make progress unless the manpower is delivering to the required expectation. This initiative should be supported by the Back Stopper who should provide hands on coaching and mentoring the management to roll out the same to the middle level.
7. The Terms of Reference for the back stopper need to be reviewed to include more strategic things like Learning and Development Strategy, Remuneration Strategy, Succession Planning, organization analysis etc.
5. A human resource professional should be in place as soon as possible to take over the function of human resource and the person should work hand in hand with the back stopper to rollout the manual and other important policies contained in the manual.
6. There is a need to harmonize the remuneration system across all middle level offices and ensure equity and fairness across the whole of MVIWATA. This is a challenge given that projects do come with donors and donors do come with different requirements and conditions.
7. Having adequate and robust manuals in place by itself cannot solve all the problems. Implementation of the manual requires good leadership, high moral and ethical standards, committed Board to carry out oversight function etc. Developing a program to develop leadership skills and supervision skills at the level of management and the board is required urgently.

### 5.4. On Monitoring and Evaluation

8. Progress has been made on the improvement of the key performance indicators and harmonizing the annual plan and budget with the strategic plan. Staff has been involved in the updating of the indicators. Based on the new indicators, tools for the "Strategic Goal One" were developed and staff and members trained in Ruvuma.  
From the feedback and learning, it is crucial that future training is related to those villages that have a VLUP in place.  
As data collection is lacking behind, there is still a challenge to assess the developed tools before roll-out to the other MLNs can take place.  
The M&E expert is to follow up urgently on the data collection and assess the quality of the tools and the data collected. A new action plan is required to ensure a timely baseline.  
It is suggested to ensure rolling out at least two SGs to each MLN before October 2019. By doing so, MVIWATA will have likely by December 2019 a partial (40%) monitoring update on all the strategic goals to assess progress against the baseline and can integrate the findings in the annual report.

9. Urgently roll out the SG one as well in Morogoro as it is i) close to the NO, which will facilitate the monitoring, follow up and analysis and ii) has a legal advisor in the office which can be of help to improve the tools and systems.
10. Management to urgently reflect on how to ensure data collection and follow up in the non-coordinated MLNs.
11. Management to reflect on the additional process steps for the back stopper as stage one is (hopefully soon) to finish, though stage two and three requires further support and are not included in the current contract.

## 5.5. On the Membership database

12. Management has acknowledged the need for an improved dashboard for (at least) a membership registration database as the current systems is far from perfect. The new system should ensure:
  - a. A unique membership ID number
  - b. Preferably have a QR code integrated into the membership card
  - c. Allow for export of the crude database to excel for quality improvements
  - d. Prevent duplications of names in case of membership of two or more groupsMVIWATA has opted for a modular system, which might be rather complex and challenging. In case the IT company cannot deliver a relational dashboard, we suggest MVIWATA look into customizable membership software packages that exist in the market.
13. With reference to the Market system information tool, it is suggested to assess existing alternatives in Tanzania. Building such a system is relatively simple but feeding the system with relevant and updated information is fairly costly. If alternative opportunities exist, MVIWATA could link its farmers to these existing services and/or negotiate with the providers of such systems whether specific SHF can be addressed.
14. Concerning the monitoring and evaluation records to be integrated into the dashboard, it is suggested to put this module on hold till the tools have been developed and the M&E section has a better insight in the best manner of collecting data (paper-based, SMS-based, Smartphone-based, etc.)

## 5.6. On long-term funding strategy

15. It is proposed to implement a study on the service level provision to members and their willingness to pay, assess the reasons behind the relatively poor collection of membership fees, and propose and discuss multiple membership fees amounts in line with service levels. MVIWATA could opt for segregation of training fees for members and non-members, which is a stimulus for non-members to become a member of MVIWATA.
16. It is suggested to review the current resource mobilisation strategy and develop various "what if" scenarios. Importantly, MVIWATA has to reduce its dependency for core fund on development partners.
17. Mviwata has identified various internal sources of funding, next to collecting membership fees, like renting out of the training center, provision of training services, renting out of office rooms, and tourism initiatives, the projections are at a first glance overambitions and not realistic.
18. Reassess the situation whereby MLNs each prepare project proposals in response to a request for proposals by funders. From a "one-MVIWATA" perspective, it would make more sense if the NO takes the lead in writing proposals with support from the MLNs. The advantage being that the NO could have expertise in this field, MLNs spend less time on securing their operational funds, and MVIWATA can promote the country-wide coverage as leverage towards development partners. It can help to transform non-coordinated offices in coordinated offices

gradually. An essential factor for success is to ensure that part of the operational funds is decentralised to the MLNs in a "fair share" arrangement.



## ANNEXES

### ANNEX A: Terms of Reference



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Federal Department of Foreign Affairs FDFA  
Embassy of Switzerland to Tanzania and Zambia

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## **Terms of reference**

for the External Evaluation of the Impact of the SDC's Five (5) Years Support for MVIWATA Organizational Strengthening and Backstopping Services Phase 1 (2015-2019)

## 1.0 Purpose of this document

This document contains the requirements relating to the mandate and describes the tender procedure for the **External Evaluation of the Impact of the five (5) Years SDC's Support for MVIWATA Organizational Strengthening and Backstopping Services 2015 to 2019**. It serves as a guideline for the applicant to submit his or her proposal/ offer.

## 1.0 Goal and content of the mandate

### 1.1 Background

#### The Switzerland's Tanzania Cooperation Strategy 2015 – 2020

The Switzerland Agency for Development and Cooperation (SDC) is responsible for the overall coordination of development activities as well as the humanitarian aid delivered by the Swiss Confederation. In Tanzania, Switzerland is contributing to the struggle against poverty with a focus in the Central Corridor. The three priority thematic domains are Health, Employment + Income and Governance. For more information, please visit: <https://www.eda.admin.ch/daressalaam>

Through the Employment and Income domain, the Swiss embassy supports organizations, programs and projects, which contribute to increasing income opportunities for smallholder farmers in particular women and youths, through economic opportunities for (self) employment and advocacy for increased influence in local and national policy making processes.

#### Context

The agriculture sector employs about 70% of the active population, dominantly smallholder farmers (SHF). Agriculture is the main source of income for women and youth. The sector is mainly challenged by poor infrastructure, poor controlling standards (regulations), little research and information sharing on the new technological advances, unreliable produce markets and prices, poor performing crop boards, high input prices, high/multiple produce cess & levies, insufficient advisory and extension services as well as unfavourable/ inaccessible financing mechanisms all of which have greater impact to smallholder farmers. Women and youth face specific challenges in terms of land ownership, benefits from farm produce and access to financial services.

Tanzania GDP growth stands at 6.8% (2017) and the agriculture sector contributes about 24.5%. The national budget for agriculture has remained below the 10% bar, as set by the Maputo Declaration. The Government has adopted different frameworks, strategies and have established organs as well as signing partnerships in efforts to increase growth and productivity in agriculture sector. These initiatives include the adoption of "Kilimo Kwanza" Framework, initiating Southern Agricultural Growth Corridor of Tanzania (SAGCOT), formulating Agricultural Sector Development Plan (ASDP) I and now ASDP II launched in 2018), signing Comprehensive Africa Agriculture Development Programme (CAADP) of the Global Compact in 2010 and launching the Tanzania Agricultural and Food Security Investment Programme (TAFSIP). Often times, there is a concern that interests of SHF are not prioritized in policy making. Furthermore, agriculture policies fail to take into account gender differences in the roles, challenges and resource available to farmers, which may prevent them to have the same impact on men and women.

## **MVIWATA**

MVIWATA is a National Network of Small-Scale Farmers Groups in Tanzania. Its overall objective is to unite small-scale farmers to become a strong farmers' organization that can defend their interests and rights in the country.

MVIWATA was founded in 1993 for the purpose of creating a farmer-to-farmer exchange forum and enhance communication among the small-scale farmers for ensuring that farmers' interests and challenges are taken care of. To date, MVIWATA's vision is to become a strong farmers' organization that will guarantee small-scale farmers' participation and representation in socio-economic and policy dialogue processes at various levels through learning, initiating, implementing and monitoring social and economic development processes.

At the end of 2015, MVIWATA started the process towards the drafting of a new Strategic Plan, which came in place year 2017. During the current strategy period (2017-2021), MVIWATA focuses on 5 major areas (5 Strategic Goals) which include (i) Enhanced land security to SHFs (ii) SHFs have control of sustainable production systems (iii) Inclusive financial access & security for SHFs enhanced (iv) SHFs' access and control in agricultural markets enhanced and (v) Institutional capacity of MVIWATA strengthened. In this strategic framework, MVIWATA systematically incorporates gender amongst smallholder farmers paving the way for women to participate more actively in development and benefit economically. For more information on the current MVIWATA's five (5) Strategic Goals, visit [www.mviwata.org](http://www.mviwata.org)

## **SDC and MVIWATA**

SDC relationship with MVIWATA started in 2013 and through numerous exchanges and exercises carried out through the years led to the signing of an official contract in August 2015. The decision came after carefully evaluating the findings of a risk assessment carried out in November 2013 and a baseline/evaluation study carried out in early 2015. Based on the two studies, SDC decided to support MVIWATA through a core contribution from 2015 ending 2019 (Phase I), with a focus on organizational strengthening (OS).

## **The Organizational Strengthening backstopping process**

Following the independent Risk Assessment carried out at the end of 2013, SDC and MVIWATA, identified the OS process as the best tool to address some of the risks brought to the fore by the assessment. The OS backstopping mandate was participatory designed by MVIWATA, SDC and Irish Aid (a core-funder whose contribution ended in 2018).

In 2016, MVIWATA started a first externally sourced OS Backstopping process, which was mandated by the organization itself. This aimed at improving MVIWATA's standing, influence, management, formal presence and ability to achieve its goals. The capacity building in organizational change (shaping roles, responsibilities and relationships) was meant to lead to more efficiency and quality in MVIWATA's internal processes. The emphasis was on Policies and Procedures, specifically addressing human resource management, financial management, operational management and procurement management. Following this step, SDC in collaboration with Irish Aid and MVIWATA conducted an impact assessment of the OS in March 2017, which recommended further backstopping services to support review process and implementation of the new instruments.

The second OS backstopping process started in June 2018 and is ending in February 2019. It was aimed to review the financial and the human resources manuals and to develop from scratch the operational and procurement manuals. Once the manuals had been set in place and approved, the OS process envisaged a period of "backstopping" in which the current consultant had to support MVIWATA's staff in their routine job in order to help them apply the new procedures and gain confidence in the newly set systems. Three backstopping consultants are supporting MVIWATA as part of the Organizational Backstopping process. MVIWATA's staff across the different levels of the organization, from the National Office (NO) in Morogoro to the Middle Level Networks (MLN) of the few selected regions, are supported in the areas of (i) Human Resource Management, (ii) Financial and procurement Management and (iii) monitoring and Evaluation System.

SDC envisioned a final impact evaluation of the achievements related to SDC's objectives in supporting MVIWATA when planning/ designing the phase in 2015. It is necessary that this evaluation take place early during the final year to inform on the decision on future support. This decision will also be informed by a separate mid-term review of MVIWATA's current Strategic Plan.

## **1.2 Objectives**

This evaluation covers phase I period (2015-2019) **of the SDC's Five (5) Years Support for MVIWATA Organizational Strengthening and Backstopping Process**

The evaluation should aim at informing SDC on the achievements of our objectives to support MVIWATA, as identified within the three Outcomes and four Outputs as follows:

Outcomes:

- MVIWATA's capacity to organize smallholder farmers' and lobby and advocate for their rights is fostered
- MVIWATA's capability to implement economic empowerment activities is improved
- The overall organizational/ operational capacities of MVIWATA are strengthened

Outputs:

- An overall organizational strengthening (OS) plan is established and implemented in order to support all MVIWATA's sectors/ departments
- A new Strategic Plan (SP) with Result Based M & E System and SMART indicators is approved and in use
- A member's database is created and constantly updated
- A long-term funding strategy is approved and implemented

## **1.3 Content of the mandate, terms of reference**

### **2.3.1 Scope and Focus**

The review should aim at informing SDC on the following areas of focus:

- To provide analysis of the new manuals and procedures (their practicability, added value/ efficiency in the Internal Control Systems of MVIWATA);
- To provide analysis of the three (3) Backstopping Mandates that started in June 2018 and how they have helped MVIWATA to improve its M& E / MRM System, Human Resource Management

and ensure that risks of financial and procurement mismanagement are concretely going to be mitigated;

- To ensure that MVIWATA's staff buys-in the change that the OS mandate should have instilled; concretely it means that officers of all the involved levels of the organization should be well aware about the manuals and procedures and able to master them (apply and comply);
- To be sure that the new systems/procedures in place are capable to address/mitigate the risks identified by the risk assessment;
- The review should also be able to identify the existing gaps in MVIWATA as an organization and propose appropriate solution/measure/ approach to address such gaps.

### **Guiding Questions**

- Was the OS Backstopping process useful to improve MVIWATA's Human Resource Management, Financial and Procurement Management as well as the Monitoring and Evaluation System?
- To what extent are the new manuals effectively addressing the challenges? Are the new manuals valid and practical in day-to-day work and enhancing the internal control systems of MVIWATA? Are the manuals and procedures able to be computerized and managed digitally?
- Does relevant staff, at both middle level and primary level, have the capacity to implement and comply to the newly set procedures and standards. How easy/ difficult has it been for MVIWATA to adapt to the new procedures?
- What are the key changes that have resulted from SDC's investment for supporting MVIWATA's core activities and the OS backstopping process
- Is the new M & E System able to communicate, report and analyse MVIWATA's activities effectively (either periodically or on demand basis), in a way that it can inform steering? Is relevant staff, both at middle level and primary level, able to report their activities with the new M & E tool (s).
- Is MVIWATA's Long-Term funding Strategy promising enough to enable MVIWATA to perform activities with a reduced dependency on donor funds and volunteering services?
- Has MVIWATA's been able to grow/ expand its membership base? Has MVIWATA been able to create and regularly update the members database? How does it fit into the current digital/mobile developments/ advancements?

### **2.3.4. Methodology for the evaluation**

The evaluation team must submit the Technical Proposal/ Offer featuring the proposed design and methodological approach and Financial Proposal for conducting the evaluation when submitting application.

The evaluation team will assess existing data and project information sources in a preliminary document review and realize field visits with interviews and focus group discussions with key stakeholders and their analysis.

#### 1.4 Review results/Deliverables

The review team need to deliver the following:

- **Inception report** to be presented and discussed in an **inception meeting** with SDC and MVIWATA
- SDC/ MVIWATA – **joint debriefing meeting** in Dar es Salaam with **power point presentation**, sharing the preliminary findings
- **Draft report (Deadline: 12<sup>th</sup> June 2019)** including **Assessment Grid for Evaluations of SDC Projects** to be shared to SDC Tanzania electronically.
- A report of **maximum 25 pages** without the annexes, font Arial size 10, with an **executive summary and a main report that includes findings, conclusions and recommendations.**
- For SDC and the Project Team, the consultants need to provide clear recommendations considering short-term and medium-term steering implications.
- **Final report (Deadline: 28<sup>th</sup> June 2019)** with incorporated consolidated comments from SDC in electronic form in both word and PDF format also send 3 hard copies.

#### 1.5 Time frame, target dates

The timeline / deadlines for specific milestones and deliverable shall be set out in the contract.

<b>Deadline</b>	<b>Activity</b>
12 <sup>th</sup> April 2019	Deadline for submitting proposal/ Offer
19 <sup>th</sup> April 2019	Awarding of mandate
Between 24 <sup>th</sup> and 29 <sup>th</sup> April 2019	Signing of Contract
2 <sup>nd</sup> May 2019	<b>Begin of Mandate</b>
2 <sup>nd</sup> May 2019	Inception Meeting: presentation and discussion of the <b>inception report</b>
30 <sup>th</sup> May 2019	Joint-Briefing meeting between consulting team and SDC & MVIWATA
12 <sup>th</sup> June 2019	Joint de-briefing meeting with PowerPoint Presentation of the Preliminary Findings
12 <sup>th</sup> June 2019	<b>Submission of Draft Report to SDC for Review and Commenting</b>
20 <sup>th</sup> June 2019	SDC Send Comments to Consultant
28 <sup>th</sup> June 2019	<b>Submission of Final Report</b>

## 2.0 Additional points to be noted by the applicant

### 2.1 Address for submission of offers

The proposal/ offer should be sent **by e-mail** to:

Clara Melchior: [clara.melchior@eda.admin.ch](mailto:clara.melchior@eda.admin.ch)

And must be copied **by e-mail** to:

Frédérique Weyer: [frederique.weyer@eda.admin.ch](mailto:frederique.weyer@eda.admin.ch)

The Subject of the E-mails should be **MVIWATA EVALUATION PROPOSAL/ OFFER** written in CAPITAL

**Postal Submissions are not accepted.**

## **2.2 Language of documents, language of bids**

The proposal/ offer must be submitted in English. The documents are available in English. And the final work must be provided in English.

## **2.3 Deadline for submitting a proposal/ offer and validity**

The bid must be sent by E-mail to the contact persons named under point 6.1 above by **8<sup>th</sup> April 2019 at 16:00hrs (Close of Business Tanzanian Time)** at the latest with the following note written in CAPITAL: **MVIWATA EVALUATION PROPOSAL/ OFFER**

The bid is valid for up to 60 days after the aforementioned date for submission.

Please submit the financial proposal using **USD Currency**.

## **2.4 Negotiations**

Remain reserved.

## **2.5 Confidentiality**

All information of any kind that comes to the attention of the bidder in connection with the tendered mandate of the awarding authority is to be treated as confidential. The content of the present tender may only be made available to persons taking part in the preparation of the bid.

The tender documentation may not be used for any other purposes than preparation of the bid, even in extracts.

Bidders treat facts as confidential that are not public knowledge or publicly available. In cases of doubt, facts are to be treated as confidential. This obligation to secrecy remains valid even after conclusion of the tender procedure.

The awarding authority undertakes to maintain confidentiality about this bid towards third parties subject to the reserve of statutory publication requirements.

## **2.6 Integrity clause**

Bidders undertake to take all necessary measures to avoid corruption, especially not to offer or accept payments or other advantages.

Bidders who violate the integrity clause are required to pay a contractual penalty to the contracting authority amounting to 10% of the contract sum or at least CHF 3,000 per violation.

The bidder notes that a violation of the integrity clause leads as a rule to the cancellation of the award or to early termination of the contract by the contracting authority for important reasons.

The Parties shall inform each other in case of any well-founded suspicions of corruption.

## **2.7 Protected rights**

All protected rights that arise from executing the mandate shall be transferred to the contracting authority.

## **2.8 Additional documents provided to the applicant upon expression of interest:**

- Assessment Grid for Evaluations of SDC Projects/ Programmes
- SDC's General Terms and Conditions of Business for Type A/B Mandate
- Budget template for this Mandate (Type A/ B)
- MVIWATA Strategic Framework 2017 - 2021

## **2.9 Additional documents provided to the selected bidder**

Winning bidder will be provided with additional documents to facilitate the review, which shall include the following:

- Evaluation of the OS Process
- DPC Baseline Study 2014
- Risk Assessment Report 2015
- MVIWATA Annual Progress Report 2017 or 2018 (if available)

## **2.10 Learning Opportunity for SDC Experts**

This review exercise is a learning opportunity for SDC staff. The selected/winning bidder should be ready to cooperate with SDC experts from head office and/or other cooperation offices during fieldwork for few days.



## ANNEX B: Assessment grid

### Assessment grid for evaluations of SDC projects/programmes

Key Aspects based on DAC criteria		Score (choose only one answer for each question)	Justification - compulsory (please write a short explanation with the main points and refer to the chapter(s) where the information that justify your assessment can be found)
Assessment of relevance			
1. The extent to which the objectives of the SDC projects/programmes are consistent with the demands and the needs of the target groups (incl. gender-specific requirements).	<input type="checkbox"/> Very good: Fully consistent <input type="checkbox"/> Good: Largely consistent <input type="checkbox"/> Poor: Only partly consistent <input type="checkbox"/> Bad: Marginally or not at all consistent <input checked="" type="checkbox"/> Not assessed / Not applicable <sup>2</sup>		As it is an Institutional strengthening process
2. The extent to which the objectives of the SDC projects/programmes are consistent with the demands and the needs of partner country (institutions respectively society) as well as the sector policies and strategies of the partner country	<input type="checkbox"/> Very good: Obvious consistency with demands and needs of society and in line with relevant sector policies and strategies <sup>3</sup> <input type="checkbox"/> Good: Consistency with demands and needs of society and in line with relevant sector policies and strategies <input type="checkbox"/> Poor: Consistency with demands and needs of society not visible but in line with relevant sector policies and strategies		Click here to enter text.

<sup>2</sup> This category applies a. if the ToR of the evaluation explicitly exclude the assessment of the criteria and/or of the key aspect(s) or b. if there is no information available to assess the criteria.

<sup>3</sup> The policies and strategies should not be in opposition to the needs of the society (applies mainly in governance and human rights).

	<input type="checkbox"/> Bad: Not consistent <input checked="" type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	
3. The extent to which the design of projects/programmes is adequate to achieve the goal and objectives (definition of target groups; choice of approach and operational elements; articulation of components; choice of partners; consistency with SDC policies and experiences).	<input type="checkbox"/> Very good: Fully adequate <input type="checkbox"/> Good: Largely adequate <input type="checkbox"/> Poor: Only partly adequate <input type="checkbox"/> Bad: Marginally or not at all adequate <input checked="" type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	Click here to enter text.
Assessment of effectiveness		
4. The extent to which the planned objectives at <u>outcome</u> level have been achieved taking into account their relative importance. If possible, distinguish the quality and quantity of results achieved.	<input type="checkbox"/> Very good: Fully achieved or overachieved <input checked="" type="checkbox"/> Good: Largely achieved <input type="checkbox"/> Poor: Partly achieved <input type="checkbox"/> Bad: Marginally achieved <input type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	Capacities are strengthened though it will depend on the implementation of the manuals to assess whether I will impact the performance on outcome one and outcome two
5. The extent to which the projects/programmes contribute to poverty reduction, inclusion and/or reduction of vulnerabilities. <sup>4</sup>	<input type="checkbox"/> Very Good: Strong evidence of contribution <input type="checkbox"/> Good: Evidence of contribution <input type="checkbox"/> Poor: Few evidence of contribution <input type="checkbox"/> Bad: No contribution	Click here to enter text.

<sup>4</sup> Dimensions for consideration are: a) economic (income and assets); b) human capacities (health, education, nutrition); c) ability to take part in society (status and dignity); d) political capacities (institutions and policies); e) resilience to external shocks.

	<input checked="" type="checkbox"/>	Not assessed / Not applicable <sup>2</sup>	
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6. The extent to which the outcomes achieved contribute to improved governance from a system perspective. <sup>5</sup>	<input type="checkbox"/> Very good: Strong evidence of contribution <input type="checkbox"/> Good: Evidence of contribution <input checked="" type="checkbox"/> Poor: Few evidence of contribution <input type="checkbox"/> Bad: No contribution <input type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	Internal governance processes have improved (systems in place) but too early to assess the impact and whether leadership and management adheres to the new systems. Board is relatively weak and has limited external exposure and very much weary of external influences, confounding ownership with only need for SHF involvement in decision-making
7. The extent to which the outcomes achieved contribute to gender-specific results.	<input type="checkbox"/> Very good: Strong evidence of contribution <input type="checkbox"/> Good: Evidence of contribution <input type="checkbox"/> Poor: Few evidence of contribution <input type="checkbox"/> Bad: No contribution <input checked="" type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	<a href="#">Click here to enter text.</a>
Assessment of efficiency		
	<input type="checkbox"/> Very good: Positive CBR based on a cost-benefit analysis (CBA)	

<sup>5</sup> Dimensions for consideration are: a) structure (informed policies, laws, corresponding to basic HR obligations; degree of decentralization/multilevel concertation/cooperation); b) good governance in the performance/interaction of responsible actors/institutions (GGov principles: participation, transparency, accountability, equality&non-discrimination, effectiveness & efficiency, rule of law); c) capabilities, behavior, empowerment of actors/institutions for positive change; d) consideration of important global or regional governance dimensions.

8. The extent to which the relation between resources (mainly financial and human resources) and time (e.g. delays compared to planning) required and results achieved is appropriate (Cost-benefit ratio - CBR).	<input checked="" type="checkbox"/> Good: Positive CBR, based on qualitative justification <input checked="" type="checkbox"/> Poor: Poor CBR, based on qualitative justification <input type="checkbox"/> Bad: Bad CBR demonstrated <input type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	No CBA has been done. Process was lengthy and too much focus on systems improvement and less on the organization
9. The extent to which the approaches and strategies used by the SDC projects/programmes are considered efficient (Cost-efficiency).	<input type="checkbox"/> Very good: Highly efficient <input checked="" type="checkbox"/> Good: Efficient <input type="checkbox"/> Poor: Partly efficient <input type="checkbox"/> Bad: Not efficient <input type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	Backstopping approach was effective and efficient, though too much ownership given to Mviwata on the process. Therefore lengthy and missing a strong internal steering (Change manager) M&E is still ongoing process
Assessment of sustainability		
10. The extent to which the positive results (outputs and outcomes) will be continued beyond the end of the external support. Considering also potential risks in the context.	<input type="checkbox"/> Very good: Very likely based on evidence <input checked="" type="checkbox"/> Good: Likely based on evidence <input type="checkbox"/> Poor: Little likelihood based on evidence <input type="checkbox"/> Bad: Unlikely based on evidence <input type="checkbox"/> Not assessed / Not applicable <sup>2</sup>	If management pick it up and gives it constant attention. Monitoring and learning has to take place, to improve processes as the implementation is only to start now,
11. The extent to which partner organizations are capable to carry on activities.  Capacity includes technical, financial capacity, human resources and importance of the activity for the organization.	<input type="checkbox"/> Very good: Strong capacity (also to further develop without support) <input checked="" type="checkbox"/> Good: Reliable capacity <input checked="" type="checkbox"/> Poor: Little capacity (require further support) <input type="checkbox"/> Bad: Still too weak capacity	Different levels in the organization, MLN and LLN are not uniform. Board might not see all the benefits of the changes

	<input type="checkbox"/>	Not assessed / Not applicable <sup>2</sup>	
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Additional information (if needed): Matrix is not that adequate for internal process strengthening

Project: MVIWATA

Assessor: eMJee consult / J Noordholland de Jong

Date: 01/07/2019

## ANNEX C: List of consulted documents

#	Title
1	Evaluation of the OS Process eMJee March 2017
2	DPC Baseline Study 2014
3	Risk Assessment Report 2015
4	MVIWATA Annual Progress Report 2017
5	MVIWATA Semi Annual Progress Report 2018
6	TOR M&E backstopping assignment
7	Boresha report on delivering M&E support to MVIWATA (including appendix 1 to 5)
8	MVIWATA M&E plan
9	MVIWATA result framework data requirement (5/2/2019) version 3
10	ToR consultancy on HR and operations backstopping
11	MVIWATA Code of Conduct
12	HR manual
13	ToR consultancy on finance and procurement backstopping
14	Harmonized charts of account
15	MVIWATA Financial management Manual plus annexes
16	MVIWATA Procurement manual revised
17	ToR for developing MVIWATA Portal
18	Resource mobilization strategy

#### ANNEX D: Field Visit schedule

Period	Activity	Involvement of selected consultants
May 2 <sup>nd</sup> to May 7 <sup>th</sup>	Inception phase	all
May 7 <sup>nd</sup> May 11	Review phase	all
May 13 to May 15	Morogoro visit NO/MLN Morogoro and Board	all
May 20 and May 21	Visit MLN Arusha	IK and JN
May 22 - May 24	Visit MLN Babati	IK
May 22 – May 24	Visit Boresha, KPMG Deloitte/ SDC	KK and JN
May 26	Visit Irene Mkinga	IK and JN
May 30	Presentation preliminary findings	all
June 12	Submission draft report	All
June 20	Feedback on draft	SDC and MVIWATA
June 28	Final report	JN

# ANNEX E: Follow up on the identified issues from March 2017

Observation	Checks	Information
❖ Applicability of the manuals for MNL not fully achieved.	<ul style="list-style-type: none"> <li>❖ Are the manuals cross the board applicable at NO and MNL level</li> <li>❖ What is the opinion of all levels on the added value of the improved manuals as compared to the initial manuals? What stands out in practice?</li> <li>❖ Can we analyse per NO and the three MLN the difference between the current way of working and the prescription in the manuals? And the reasons for deviations?</li> <li>❖ Are all tools in place, if yes, which tools, if not, which tools are still missing/ incomplete?</li> </ul>	<ul style="list-style-type: none"> <li>❖ Review of manual by team</li> <li>❖ Opinion of NO and MNL experts/ SC/ ED/BOD</li> </ul>
<ul style="list-style-type: none"> <li>❖ Suppose manuals will be finalized end of June 2017, a full procurement cycle from making the annual procurement plans, appointing the procurement committee till implementing the contracts is a relevant criteria for the time needed to re-assess the performance on the OS process</li> <li>❖ Appoint implementation coordinator and back stopper (also expressed by ED MVIWATA)</li> </ul>	<ul style="list-style-type: none"> <li>❖ What happened between March 2017 and June 2018?</li> <li>❖ Was there an implementation coordinator appointed? Who? and was this a reason behind the delays?</li> <li>❖ If Implementation coordinator? Why no back stopper</li> <li>❖ Have they been able to evaluate to date the implementation and the use of the manuals? Even if manuals are prepared early 2019? Or are in progress?</li> </ul>	<ul style="list-style-type: none"> <li>❖ SDC</li> <li>❖ MVIWATA ED</li> <li>❖ Implementation coordinator and his view on the process and toll out of the new tools and systems</li> <li>❖</li> </ul>
❖ Buy in from staff at all levels	❖	❖
❖ How strategic are the current manuals	❖ Do they address the operational issues?	❖



❖ Can we make for each of the backstopping processes a timeline? ❖ It was advised to rollout the new systems in a structured way, setting priorities eg procurement plan and HR performance at the beginning of the year.	❖ What happened, when, by whom ❖ What was the result? ❖ How was the roll out organised	❖ In charge of roll out ❖ Budget for roll out ❖ roll out plan in place
❖ Who was responsible for the coaching	❖ How did the coaching take place for each of the departments and to the MLN	❖
❖ Language of the manuals?	❖	❖ Scoring 1-10 per NO and MLN
❖ User friendliness	❖	❖ Scoring 1-10 per NO and MLN
❖ maintainability	❖	❖ Scoring 1-10 per NO and MLN
❖ Conflicting and repetitive guidance	❖	❖
❖ Aligning organigram with roles in manual	❖	❖
❖ Consistency in terminology ❖ Addressing specific groups (beyond staff)	❖	❖
❖ One "Look"	❖ Letterhead, logo, spelling, headings, ❖ Level of application	❖

### Human Resources

Observation	Checks	Information
❖ Segregation of duties to ensure proper recording of the completeness of income and approved expenditure ❖ But the manuals are not clear on who receives assets/consumable goods	❖ This was mentioned as well by you and partly responded to in meeting ❖ Has this now changed? ❖ Link between HR and FIN management manuals ❖ IF NOT SOLVED, why not ❖ Is the current practice now described?	❖ Is it clearly written in FIN and HR manuals
❖ Does the code of conduct and the HR manual address the attitude of staff towards mis conduct and financial mismanagement	❖	❖

❖ It was advised to rollout the new systems in a structured way, setting priorities eg procurement plan and HR performance at the beginning of the year.	❖ Do we have a HR performance plan in place? ❖ Have the salary scales been developed and adjusted (foreseen after one year)	❖ Request the plans at all levels ❖ Review a sample of performance interviews
❖ Have MLNs indicated which policies, procedures or guidelines cannot be adhered to during that year, the reason for non-adherence and the expected starting month of adherence. This list will be reviewed and approved by the SC, the ED and the BoD. This list will be included as an appendix to the manuals.	❖ List of non-adherence and reasoning ❖ Has each MLN annually updated a MLN specific role mapping in the appendix.	❖ Presence of approvals ❖
❖ Aligning organigram with roles in manual	❖	❖
❖ check staff loan policy as it is in the HR manual and no longer in fin manual and consistency	❖	❖
❖ Missing: policy on benefits for the BOD and SC members	❖ Has it been integrated?	❖
❖	❖ Recommendations: ➢ Complete the list of definitions to ease implementation, e.g.: spouse, relative, close friends, contract staff, immediate family, eligible dependence, long term employee ➢ Define staff, this word is used a lot in all the manuals but not defined clearly. Does staff at MVIWATA covers only employees (or include management?) it needs to be very clear within manuals if it is covering management, people under probation, volunteers and casual labour. ➢ Include that the adjustments of scales has to be approved by BoD to align with the BoD to approve the salary scales	❖ Has Irene Mkinga been able to build the capacity in implementing HR systems and processes? ➢ Setting SMART objective at the start of the performance cycle ➢ Fair appraisal at the end of the performance cycle since now the performance will be related to the change in salary scale ➢ Maintaining record of all the types of leaves ➢ MLNs working together with NO during the recruitment process ➢ Developing tools to operationalize the manual

	➤ To reconsider the position of the regional coordinators in the organogram, currently this role is positioned at the same level as the team leaders and staff feels that the regional coordinators should be positions at a higher level	
❖	❖ New organogram in place?	❖

## Finance

Observation	Checks	Information
❖ Procedures to ensure completeness of membership income records	<ul style="list-style-type: none"> <li>❖ Seems to be still an issue (180 days before reminder)</li> <li>❖ Who has cards and gives them out?</li> <li>❖ Procedure itself now correct</li> <li>❖ Monitoring of membership</li> <li>❖ Former section 4.5.1 how is it addressed now</li> </ul>	❖ Manual/ FIN manager at NO and MLN
❖ Segregation of duties to ensure proper recording of the completeness of income and approved expenditure	<ul style="list-style-type: none"> <li>❖ This was mentioned as well by you and partly responded to in meeting</li> <li>❖ Recording of income? Now corrected?</li> </ul>	❖ Is it clearly written in FIN and HR manuals
❖ Level of reporting detail to the BoD/SC on actuals versus budget for control purposes	<ul style="list-style-type: none"> <li>❖ To be verified see page 9</li> <li>❖ Explain the required level of detail for reporting to the BoD/SC (section 8.2, Quarterly Financial Reports)</li> <li>❖</li> </ul>	<ul style="list-style-type: none"> <li>❖ Frequency of reporting</li> <li>❖ Quality of reporting</li> <li>❖ Both MNL and NO level</li> <li>❖ Comprehensiveness?</li> </ul>
<ul style="list-style-type: none"> <li>❖ Recommendation to install QB enterprise</li> <li>❖ Currently some of the MLNs are using the accounting package for one donor only and are using spreadsheets for recording other income and expenses This is a risk</li> </ul>	<ul style="list-style-type: none"> <li>❖ Seems that SAGE is used. What arguments exist for the choice of SAGE versus QB enterprise?</li> <li>❖ Chart of accounts is unique! But it is set up to have levels in place (cost centres) to allow different assessments of the financial monitoring and control, eg rent subdivided in rent NO/MNL1/MNL2 etc</li> </ul>	<ul style="list-style-type: none"> <li>❖ What do the 5 MNL use? Still QB pro/ excel or enterprise or SAGE</li> <li>❖ Do we have consolidated reports available?</li> <li>❖ Consolidated budgets as well?</li> <li>❖ Segregation of functions also translated in the accounting packages?</li> </ul>

	<ul style="list-style-type: none"> <li>❖ Car maintenance <ul style="list-style-type: none"> <li>➤ Car NO</li> <li>➤ Car MNL</li> <li>➤ Car project</li> <li>➤ Etc</li> </ul> </li> <li>❖</li> </ul>	<ul style="list-style-type: none"> <li>❖ Can we assess the CoA and its working?</li> </ul> <p>HAS KPMG been able to:</p> <ul style="list-style-type: none"> <li>❖ coach and train on the setting up the CoA,</li> <li>❖ Providing advice on the accounting software</li> <li>❖ Help the BoD to execute oversight roles</li> <li>❖ Have all tools been developed?</li> </ul>
❖ What are current risks of financial mismanagement	<ul style="list-style-type: none"> <li>❖ Double accounting?</li> <li>❖ Book keeping system</li> <li>❖ duties</li> </ul>	❖
❖ It was advised to rollout the new systems in a structured way, setting priorities eg procurement plan and HR performance at the beginning of the year.	❖ Do we have a procurement plan for the year in place	<ul style="list-style-type: none"> <li>❖ Check presence of procurement plan and logic of procedures according to the manual</li> <li>❖ Implementing the performance appraisal processes, especially in the area of individual target setting and rating the performance</li> </ul>
❖ The MLN SCs have indicated that they will need training in analyzing the financial data in order to execute this control properly	<ul style="list-style-type: none"> <li>❖ What training has been provided? Frequency? Level?</li> <li>❖ Is control now better</li> </ul>	<ul style="list-style-type: none"> <li>❖ Training / coaching reports</li> <li>❖ How can we monitor the control level of the MNL SC</li> </ul>
❖ But the manuals are not clear on who receives assets/consumable goods	<ul style="list-style-type: none"> <li>❖ Has this now changed?</li> <li>❖ Link between HR and FIN management manuals</li> </ul>	❖ manuals

❖ DO DP still request for separate MLN specific manuals in the case of cofounding or has this been abolished	❖	❖
❖ Have MLNs indicated which policies, procedures or guidelines cannot be adhered to during that year, the reason for non-adherence and the expected starting month of adherence? This list will be reviewed and approved by the SC, the ED and the BoD. This list will be included as an appendix to the manuals.	❖ List of non-adherence and reasoning ❖ Has each MLN annually updated a MLN specific role mapping in the appendix.	❖ Presence of approvals
❖ Procurement Manual: ➤ A full procurement cycle from making the annual procurement plans, appointing the procurement committee till implementing the contracts	❖ Were they able to do this? Otherwise can we check the current practice on the items procured?	❖ Has KPMG been able to build capacity to implement procurement best practices (following the guidelines, annual procurement plan on place, setting up of a procurement committee) ❖ Are all tools in place for procurement?
❖ Issues identified on Fin man ➤ Completeness of recorded income ➤ Ordering keeping stock and distributing items sold ➤ Withholding tax ➤ Use of mobile money ➤ Approving authority levels and processes for record keeping of the revolving funds account ➤ Agreed ToR for internal auditor	❖ Proposed improvements ➤ Consistent use of the words: authorise and approve ➤ Delete duplication of policies in the procedures paragraph ➤ Delete staff loan policy as it is in the HR manual ➤ Assign role for collecting membership feed at MLN level to another role ➤ Update table covering authorization limits ➤ Delete statement that gifts of contractors can be accepted <100.000 tsh section 7.4.2 fraud) ➤ On internal auditor: Add procedures and guidelines for the internal audit process, e.g.:	❖ Check the manual

	qualifications of the internal auditor and agreement on the audit scope per annum	
<ul style="list-style-type: none"> <li>❖ Issues identified on procurement manual <ul style="list-style-type: none"> <li>➤ Invite tenderers to send a representative of their companies to witness the transparency of opening the tenders and the announcement of the ones meeting the short-fall requirements. This is a requirement according to the Tanzanian Law.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ Recommendation son procurement manual <ul style="list-style-type: none"> <li>➤ Clarify the role which approves amendments to the Procurement Manual, the statement that the ED can make revisions pending approval from the ED is confusing the message that the BoD has to approval the (changes to) the manuals (section 3.4, amendments).</li> <li>➤ Clarify which role approves any unplanned procurement (section5.2).</li> <li>➤ Clarify the meaning of the word “certify”. E.g. confirm availability, budget for, or other (section 4.1, functions and power of the ED).</li> <li>➤ Clarify what the roles are approving as per the authorization table (section 6.2.1, the threshold for competitive tendering).</li> <li>➤ Clarify if the ED takes the final decision on the contract award for all tenders or if any threshold is applicable.</li> <li>➤ Edit section 6.5, Guidelines in Contracting, in which it could read that the HOFA signs contracts (section 6.4.1.3, tender assessment).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ Check the manual</li> </ul>
<ul style="list-style-type: none"> <li>❖ Issues identified on operations manual <ul style="list-style-type: none"> <li>➤ Policy regarding Annual self-assessment of the BoD/SC</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ Recommendations on operations manual <ul style="list-style-type: none"> <li>➤ Clarify the section explaining communication with outside and correspondence. From the text it is unclear if no outside correspondence shall be made without the knowledge of the Executive Director (Section 3.2).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖</li> </ul>

	<p>➤ Assign a different role than the HOFA to manage the cars since this role is in conflict with the HOFA role of record keeping and approving payment vouchers and signing cheques. Or assign the role of record keeping and approving payment vouchers to other roles within the organization, as per the FM Manual (Section 5.2.11, Accident).</p> <p>Assign a different role than the HOFA to determine as to whether the equipment in question has been lost, stolen, misused or spoiled out of negligence of the staff. Since this HOFA role is in conflict with his/her record-keeping role as per the FM Manual (Section 5.3.2, Loss or theft of equipment and Inspection).</p>	
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## ANNEX F: Tools

### **Tools related to the Financial manuals**

The following were highlighted from the Manuals:

There are precise procedures for receipt and handling of cash whereby receipts should be given to all cash received and all cash need be deposited intact not later than 2 working days. There is a minimum amount for cash payments.

Payment procedures are clearly set including approval limits. All payments should be supported with all required supporting documents including quotations and purchasing orders. Petty cash accounts are properly analysed in the manual and its operation clearly set.

Though the payroll procedures are highlighted in the manual, a link should be developed with their HR counterpart. The manual puts all the work of preparation and checking of payroll under Accounting function. Payroll procedure in the finance manual should be harmonised to the HR manual.

Clear internal control procedures are in place including segregation of duties and different approval limits in procurement and acquisition of assets. However, there are no procedures established to provide reasonable assurance that current files can be recovered in the event of a computer failure.

Procedures for preparation of budgets is participatory including its monitoring process which include daily monitoring of activities per budget in payment approvals. Also, the manual requires the Board to appoint an external auditor to be approved by the AGM who will conduct an audit and report to the Board.

The following questions were used to guide Financial manual review

1. RECEIPTS AND HANDLING OF CASH
  - a. Procedures and responsibilities are clearly defined. For example, only the cashier is authorized to receive cash
  - b. Pre-numbered receipts bearing the name of the organization are issued for all cash receipts
  - c. All cash received is recorded immediately and promptly banked
  - d. Policy set a minimum limit on what must be paid by check versus cash
2. BANK AND RECORD KEEPING
  - a. All payments are supported by payment vouchers
  - b. Vouchers are properly supported by adequate documentation and explanations This documentation may include; local purchase order, quotations, invoices, receipts, correspondence, proof of delivery
  - c. Vouchers together with supporting documentation are filed in the order in which they are entered in the cash book and can be readily found
  - d. Documents are properly approved for payment and cancelled (i.e. stamped PAID) upon payment
  - e. Payments are properly allocated to the correct account Bank Accounts
  - f. All bank accounts are authorized in the name of the organization
  - g. There is proper control over the use and safekeeping of cheques books
  - h. All cheques are signed jointly by at least two signatories (one cheque signatory is someone other than the person who has authorized payment)
  - i. Bank reconciliations are prepared on a regular basis



3. CASH BOOK, PETTY CASH RECORDS AND LEDGER

- a. Cash book(s) are kept for all cash and bank transactions
- b. The cash book is written up to date
- c. Petty cash counts are carried out regularly
- d. There is an established petty cash imprest float/ limit
- e. Petty cash expenses are supported by adequate documentation
- f. The petty cash book is checked when the cash float is replenished
- g. Postings of amounts from the cash book(s) to the accounts in the ledger are kept up to date

4. PAYROLL AND SALARY

- a. Adequate payroll records are kept
- b. Payroll records are accurate
- c. The payroll is authorized and countersigned by the head of the organisation
- d. Authorized salaries are recorded in the personnel records and are equally represented in the accounting records
- e. All payroll taxes and other deductions are properly calculated in accordance with local regulations
- f. Payroll taxes and other withholdings are paid to relevant government departments on time

5. ASSETS AND LIABILITIES

- a. There are procedures for acquisitions and disposal of fixed assets.
- b. There are procedures for fixed assets management including, maintaining asset register with all necessary asset information.

6. INTERNAL CONTROLS

- a. Specific transactions are approved by authorities mandated to do so following established policies and procedures.
- b. Supporting documents are attached before a transaction is approved, e.g. purchase order, invoice etc.
- c. Different individuals are responsible for purchasing services, receiving services and approving vouchers
- d. Different persons prepare checks, sign checks, reconcile bank accounts and have access to cash receipts
- e. Pre-numbered forms are used to record all of an organization's transactions, and accountability is maintained for the sequence of all numbers used
- f. Procedures are established to provide reasonable assurance that current files can be recovered in the event of a computer failure.

7. BUDGETING, REPORTING, AUDITING

- a. Long-term and annual financial projections for the organization are prepared
- b. Budget approval authority is described in policy documents
- c. Monthly financial statements are compared to approved budget and material variances are addressed
- d. An independent professional audit of the annual accounts is arranged each year
- e. Company auditors are properly Independent

- f. The management committee and governing body consider the report and recommendations of the Auditor at the meeting when the annual accounts are discussed
- 8. POLICY ENVIRONMENT
  - a. The organization has a travel policy and applies it consistently
  - b. Mechanisms exist for reporting and retiring travel expenses

### **Tools related to the HR manuals**

The following questions were used to guide the review of the HRM manual.

- 1. What is the extent of coverage of the Manual?
- 2. To what extent has the manual complied to the National Employment and Labour Relations Act of 2004?
- 3. To what extent has the manual complied to the Tanzanian National Policies
- 4. Is the manual advocating strategic Human Resource Management?
- 5. Is there an HR Strategy in the manual?
- 6. Initial assessment of its practicality in the field
- 7. Given the initial literature assessment, is the manual indicating to add value MVIWATA

While in the field, the consultants will address the following elements using focus group discussions and guided interviews

- 1. Are the fundamental principles on which the MVIWATA HRM system and its development linked to;
  - o The organisation's current needs and goals
  - o HR management strategy (if you have one)
  - o Policy on pay levels needed to recruit, retain and engage high quality and committed staff
  - o Policy on assessing the pay market practice needed to achieve recruitment, retention and high levels of engagement?
- 2. Have these principles been developed
  - o In consultation with key stakeholders (Senior management at National Level, Local Level)?
  - o Based on current and future business strategies;
  - o By reference to any projected or needed changes in the culture of the organisations
  - o How participative was the preparation of the manual?
  - o Who specifically participated?
  - o Was there guidance from the Back stopper or another consultant?
  - o Are all staff at the local level employees of MVIWATA?
- 3. Is there a clear and articulated link between reward strategies and HR strategy on;

- a. organisation design: the structures and processes needed to deliver organisation strategy and the levels and distribution of work and differing competency profiles needed to do this;
  - b. recruitment: a reasonably attractive total package
  - c. training: rewarding skills acquisition and use
  - d. development: rewarding the behaviours or competencies associated with excellent performance and continuous learning;
  - e. performance improvement: delivering an effective and efficient personal contribution
  - f. Effective team/group working
  - g. Promotion: rewarding the acceptance and successful delivery of greater responsibilities;
  - h. Reinforcing loyalty, integrity and commitment
4. What is the policy on market rates and responses to market pressures?
- i. Is the organisation subject to skills shortages and areas of market pressure?
  - j. How are these tracked, e.g. through
    - i. Analysis of retention issues through leavers or exit interviews
    - ii. Analysis of recruitment issues
    - iii. Analysis of where people come from and where they go
    - iv. Pay reviews
    - v. Other market intelligence
  - k. Are pay responses the only way to retain people at risk?
  - l. Have other strategies such as improved working condition, been tried?
  - m. At what stage are specific market response or market premiums paid?
  - n. Is it clear to staff that market premiums can go down as well as up?
  - o. Is this communicated explicitly with market adjustments?
  - p. If not, how will the cost implications be managed when the market declines?
5. Are or should, reward levels be linked to the organization's performance?
- q. What are the identifiable performance measures for the organisation?
  - r. Can these performance measures be tracked without undue effort?
  - s. Are they subject to external or political influences in the short, medium or long term that take sensitive handling?
  - t. Is there scope for rewarding specific individual or team achievements?
  - u. Would this be culturally appropriate?
  - v. Who will assess and manage performance?
  - w. Are they close enough to employees – especially those out in the field – to be able to judge performance adequately?
6. What is the policy on equity?
- x. How important is the equity in the organisations' culture?
  - y. Is there a focus on complete equal treatment for similar jobs/jobs of the same size?
  - z. Alternatively, is there a preference for equal treatment in relations to contribution and performance?
  - aa. How is equity measured and tracked?
  - bb. Does this ensure reasonably fair and equal treatment
    - i. By location
    - ii. By region
    - iii. Across the whole organisation

#### **Tools related to the M&E framework**

The anticipated work tools are:

1. Perceptions on the process of NO and MLN

2. Conversance with the current M&E framework
  - Added value for NO
  - Added value for MLN
3. Capacity building efforts
4. Data collection experiences
5. Assessment of data
6. Quality insurance
7. Next steps
  - to address SG 2 to 5
  - to prepare an annual report, able to integrate key performance indicators
  - data collection
  - finetuning needs