



The Horn Economic and Social Policy Institute (HESPI)
P.O. Box 2692 code 1250, Addis Ababa, Ethiopia. Tel: 2511 5 153262/65. Fax.2511 5 15 07 63;
Email: contacthespi@hespi.org; Website: www.hespi.org

TERMS OF REFERENCE

**CONSULTANCY SERVICES TO UPDATE THE HUMAN RESOURCES
MANAGEMENT FOR THE HORN ECONOMIC AND SOCIAL POLICY
INSTITUTE (HESPI)**

September 2023

Addis Ababa, Ethiopia

1.0 Background

The Horn Economic and Social Policy Institute (HESPI) is a research Institute and think tank established to promote high-quality socio-economic policy research and analysis, policy advisory services and capacity building to assist the governments, private sector and other stakeholders of the development of the IGAD region. HESPI recognizes that to realize its ambitious goals in the region, Human Resources (HR) is the most critical and irreplaceable delivery factor. Thus, it has been acquiring and retaining relevant and competitive HR which necessitated standard management frameworks and modalities since its establishment and operationalization.

To that end, HESPI developed and is guided by an HR Policy which covers most aspects of the HR management policies and procedures. Some of the Human Resources Management (HRM) aspects included in the existing policy are acquiring or recruitment/employment; performance management/appraisal, staff training, promotion and development; employee benefits (salary structures, health insurances, leaves, compensations, etc.), grievance handling, health and safety measures, etc. It also addresses the values of HESPI as it includes provisions like equal opportunity, code of conduct, standards of performance, privacy and confidentiality, conflict of interest and social inclusion. The existing manual also articulates HESPI's expectation of its employees and sets key administrative processes and procedures linked to HR rights and obligations. Currently, the document serves as manual and employees' handbook. When it comes to HESPI's HRM, one of the success stories is that the institute is characterized with high staff retention rate (averagely 5 years for key staff) which is a valuable attribute for maintaining institutional memory.

However, recent capacity needs assessment of HESPI under the African Capacity Building Foundation (ACBF) called "Strengthening African Leadership for Climate Adaptation (SALCA) program disclosed that the current HRM policy document misses out (i) Several best practice provisions, for instance, severance, succession plan, internship, staff motivation, whistleblowing policy, Anti-Fraud Policy, Bullying and Harassment Policy and Learning and Development Policy. HESPI is advised to review the document and prepare separate employee handbook from the HR manual and policy. (ii) As highlighted in the SALCA capacity needs assessment report, although the existing policy document has clear framework for HRM, it lacks a dedicated HR department to ensure efficiency. Currently, HR functions are handled by the Finance and Program departments. To strengthen the HRM function and enhance internal HR governance, it is recommended that HESPI updates the HR policy manual and establishes a dedicated HR department. Alternatively, the Institute provides HRM training to the Finance Department Staff to equip them with HR expertise at the bare minimum.

HESPI needs to proactively engage in critical HR activities to adapt to its growth, particularly in light of regional expansion. These activities include stimulating discussion on succession planning, conducting a comprehensive job analysis, performing a skills audit and developing training plans. These efforts will aid in structuring the organization effectively. Moreover, it is essential for HESPI to establish a comprehensive performance management system that defines a clear performance management cycle,

aligning clear and specific performance expectations with the HR manual. The performance management system should embody HESPI's core values of openness and transparency by incorporating formal and informal performance feedback and improvement approaches. To address the identified gaps, the HRM policy will be updated, ensuring it encompasses all these crucial aspects to further strengthen HESPI's HR practices and facilitate its growth trajectory.

Unlike the preceding HRM policies, this policy updating exercise will be actively supported, informed and guided by the SALCA program. SALCA aims to strengthen HESPI's organizational performance elevating it to a renowned research centre of excellence, specialising in policy research and institutional capacity building within the IGAD region. This transformation will be achieved through various capacity-building interventions. As part of the support provided by ACBF/SALCA, HESPI will receive assistance in updating its HRM policy to incorporate missed out elements in the existing policy document. This update is crucial to address HESPI's need for diverse workforce as it expands geographically and makes sectoral diversification. The policy document updating process will be seamlessly integrated into the capacity-building support for Africa-based and African-led organizations. The goal is to empower these organizations to effectively implement climate adaptation actions alongside their broader socio-economic objectives. By leveraging the SALCA program's support, HESPI will be better equipped to deliver impactful climate adaptation actions and reinforce its position as a dynamic player in the region.

Concurrently with the HR policy document updating and employee handbook preparation, the consultant **will train relevant HESPI staff members** on HR administration/management. This component will also be supported by the SALCA program. The training will address major HRM training contents such as assessing human resources needs, acquiring and on boarding people, coaching and mentoring, work place behaviour and disciplining the staff; work place safety, dealing with harassment and discrimination, managing performance/appraisal and staff development; legally terminating an employee; and consultants management.

2.0 Objectives

The objectives of this consultancy engagement are to:

- 2.1 Update the HESPI HRM policy manual and develop an employee handbook
- 2.2 Train relevant HESPI staff members on HRM

3.0 Scope of the work

3.1 The consultant's responsibilities will include:

- a) Developing an inception report based on this TOR, outlining a sound methodology for updating all sections of the existing HR policy manual to standardize and ensure comprehensiveness. As part of this process, the consultant will conduct a skills audit and job analysis, propose the establishment of a comprehensive performance management system, provide skills building in change management, and propose the establishment and implementation of a dedicated HRM unit/department. To ensure a collaborative approach, this process will involve active participation from HESPI staff, management, board, partners, and other selected stakeholders. The inception report will present well-defined plans and strategies, including with clear deliverables, indicators, resources and tools to be used in the HR policy update.

- b) Guiding and conducting the HRM context analysis and propose improvement strategies in view of the growth, expansion and expected transformation of HESPI into a capable proximate entity for climate adaptation research and dissemination.
- c) Conducting consultative meetings with the HESPI Addis Ababa and Nairobi staff to gather ideas on proposed areas of update.
- d) Analyzing the information and produce draft of the updated HR policy.
 - e) Organizing a validation session to verify and confirm the proposed updates of the HR policy
 - f) Submitting a final report (updated HR policy document) after incorporation of all inputs

3.2 For the HR training

- a) Developing a training inception report based on the TOR and the HRM Context Analysis Report.
- b) Conducting a skills audit in HR management.
- c) Developing training module based on critical capacity gaps.
- d) Training relevant HESPI staff members from Addis Ababa and Nairobi (including the finance staff who are handling HRM currently) as a short-term measure.
- e) Sharing training/reference materials on HRM with the trainees and for the Institute's repository

4.0 Methodology

The assignment will be conducted using various methods such as but not limited to:

- 4.1 Conduct desk review of relevant documents including HESPI's exiting HR policy, outdated procurement policy, government directives/policies on procurement, donor compliance requirements in procurement, audit review reports, etc.
- 4.2 Conduct interviews with HESPI staff at the HQ and regional offices, and with identified partners and other relevant stakeholders on matters related to HR management, procurement of goods and services (including engaging consultants and short-term affiliates).
- 4.3 Assess the changing landscape of HRM and procurement of goods and services (gender and social inclusion; digitizing procurement, taxation management, etc.)
- 4.4 Make qualitative analysis of data/information from various sources
- 4.5 Prepare and present an updated HR policy and Procurement policy in a face-to-face or virtual or a hybrid session and gather comments, observations and additions
- 4.6 Assess the HR management skills and knowledge gaps
- 4.7 Prepare Training materials and train relevant staff of HESPI on HRM
- 4.8 Provide reference materials that can build staff skills and knowledge on HRM
- 4.9 Use other methodology deemed appropriate.

5.0 Key Deliverables

At the end of the assignment, the following deliverables are expected:

- 5.1 An inception report detailing the approach/methodology that the consultant will follow in updating the HR policy, training the staff on HRM
- 5.2 Two workshops to discuss elements of the HR policy and for training needs assessment
- 5.3 Draft updated HRM policy with an employee handbook and training modules on HRM
- 5.4 Organize a workshop to review and validate the draft HRM policy
- 5.5 Provide training on HRM for selected HESPI staff members
- 5.6 Develop and share standard training and reference materials on HRM

5.7 Incorporate all comments and additions from the review process; and produce final updated and acceptable HRM Policy

6.0 Desired Qualification, Experience and Competencies of the consultant

The consultant should possess:

- Master's degree in law, Business Administration or Human Resource Management (HRM) with over 5 years of working experience within the IGAD region
- Professional certifications in HR management will be advantageous.
- Demonstrable previous experience of development of high quality HRM policy manuals for regional or international institutions with recorded concrete evidence (samples could be requested during recruitment). HESPI will review, discuss on and provide acceptance confirmation of the inception report to the consultant.
- Familiarity with international best practices and relevant legal frameworks for HRM
- Sound knowledge of HR principles, labour laws, and best practices to ensure compliance.
- Excellent organizational and communication skills, ability to prioritize, to lead and work independently with minimum supervision from the client.
- Strong analytical skills to assess the existing policies and identify areas for improvement.
- Good understanding of participatory approaches to management and operations
- Strong interpersonal skills and the ability to communicate and work well with diverse people from diverse cultural backgrounds.
- Excellent writing and oral communication skills in English
- Experience in assessing gaps and identifying gaps in skills and competencies of employees and experience in designing new training programs and delivering tailored training programs
- Experience of preparing training manuals and developing training plans and providing training for middle and senior level staff members in HRM
- Strong training administration, communication, facilitation and time management skills
- Ethical and impartial approach to ensure fairness and transparency in policy development.

7.0 Duration of the Assignment and Remuneration

The provisional start date of this assignment is on 1st October 2023, with the expected end date being the 30th November 2023. The consultant will submit a financial proposal along with other documents listed under #11 below. The consultancy fee excludes travel expenses and per diems which will be paid by HESPI in accordance with HESPI's and the ACBF's Travel Policy. The consultative meeting and training expenses will also be covered by the HESPI. The consultant shall receive 20% of the remuneration upon submission and approval of the inception report, 40% after the delivery and approval of a satisfactory draft report based on the TOR, and the remaining 40% after meeting all deliverables and expected outputs (including provision of the training on HRM).

8.0 Content, Timing and Submission

The outputs must match quality standards. The text of the strategies and the training materials should be illustrated as appropriate, with graphics. The final deliverable of the updated policy documents for HRM; and the training materials for the HRM training along with all other relevant attachments is expected to be submitted on the 30th of November 2023.

The deliverables and tentative timeline are presented in the table below.

Table 1. Deliverables

No.	Milestones	Timeline
1	Submission of Inception Report Including Draft Report Outline	1 st October 2023
2	Conclusion of Consultation Missions	15 th of October 2023
3	Submission of policy documents and training materials	30 th October 2023
4	Provide training materials and train selected staff on HRM	15 th November 2023
5	Submission of final revised and updated policy document	30 th November 2023

9.0 Location and Working Arrangements

This assignment may involve travel mission primarily to Addis Ababa, Ethiopia and to selected organizations in the IGAD member countries. The consultant will be given access to relevant information necessary for execution of the tasks under this assignment. She/He will be responsible for providing her/his own working station (i.e., laptop, internet, phone, scanner/printer, etc.,) and have access to reliable internet connection while in the field and at home base. However, HESPI can provide the internet access while in mission in Addis Ababa or other IGAD member countries.

The focal point for all communications will be the HESPI SALCA Program Implementation Committee (PIC). The consultations will mostly be done virtually and therefore availability during the working hours of HESPI Regional Headquarters in Addis Ababa Ethiopia (0830 – 1700 GMT) is important. The consultant will seek inputs from and regularly liaise with the PIC and the SALCA team of the ACBF for all important matters related to the assignment. HESPI and the ACBF will critically review draft reports for quality assurance and provide feedback on the deliverables within a maximum of ten working days. Approval of the documents and reports by the HESPI and the ACBF as deliverables will be a prerequisite before any payment are made to the consultant.

10.0 Language

All reports should be written in English, single spacing font size 11, Times New Roman and submitted as both word and pdf versions.

11.0 How to Apply

Qualified candidates are requested to submit a cover letter, CV and their technical proposals to daniel.fantaye@hespi.org and fredu.nega@hespi.org by 20th September 2023, 5:30 PM East Africa Time. Please quote Tender for HESPI-SALCA KMC Strategy Development in the subject line.