**Terms of reference**

**Procuring a Management Consultancy Firm to Design the Performance & Reward Management Frameworks for ICTA**

1. **Introduction**

Information and Communication Technology Agency (ICTA) of Sri Lanka is the apex ICT institution of the Government. ICTA was established under the Companies Act on 12th May 2003 and vested with statutory authority under the ICT Act No. 27 of 2003 (as Amended)

ICTA has been mandated to take all necessary measures to implement the Government’s Policy and Action Plan in relation to ICT. In terms of Section 6 of the ICT Act, ICTA is required to assist the Cabinet of Ministers in the formulation of the National Policy on ICT and provide all information necessary for its formulation.

1. **Background**

With the ongoing restructuring process of the ICTA that includes a new business model, it is imperative to establish systems and a culture that drives performance and results. Thus it is required for the organization to have structured frameworks to govern the human resources aspects of the organization. Being a knowledge based organization, Human Resources plays an important role for the success of ICTA. Therefore, retaining its best talent and attracting new talent is a key aspect required to achieve desired results of national Digital Transformation. Developing a comprehensive framework to govern the reward system and employee performance are essential instruments for an organization like ICTA which serves National level development goals.

1. **Objectives of the assignment**

The purpose of the assignment is to obtain services of a consultancy firm for to produce an analytical report on the following;

* Having reviewed the current approach and adapted best practices in the industry and development agencies, to develop a remuneration strategy for ICTA
* To revalidate the current competency framework of ICTA for identifying areas for improvements
* To design a comprehensive Performance Management Framework for ICTA
* To design an evaluation framework to measure people effort (effort allocation) towards projects and functions that they are involved in.

1. **Scope of the assignment**
2. The consultancy firm is required to develop in-depth understanding on the ICTA strategic direction, its mandate and the expected development results/ outcomes.
3. Implementation approach - The consultancy firm in consultation with ICTA required to develop a structured policy framework to govern the remuneration and performance of the organization (based on the development results/outcomes to be achieved).
4. Design the Remuneration strategy for ICTA which includes;
   1. Design the remuneration philosophy of ICTA
   2. Analyze the existing job descriptions and recommend areas for improvements
   3. Conduct a job evaluation to identify the economic value of each job by using a scientific job evaluation methodology
   4. Study industry/sector pay structures to obtain an understanding about the pay variations /or industry/sector pay analysis
   5. Design pay bands for ICTA benchmarking with industry standards and identify any anomalies with regard to compensation.
5. Revalidate the current competency framework of ICTA to identify areas for improvement
6. Design a comprehensive Performance Management Framework for ICTA which includes;
7. Identify the Key Performance Indicators (KPI) consistent with the ICTA Results (M&E) framework, of ICTA, team and individual which enable the organization to achieve expected results identified in the action plan and the overall organizational results framework;
8. Design the KPI review framework by focusing on the overall objectives of ICTA
9. Design the incentive plan for ICTA connecting to the KPI framework
10. Design a performance evaluation framework to measure people effort (effort allocation) towards projects they are involved in. This includes, mechanism to evaluate Project Profitability Analysis and Time Management.
11. Project proposal submitted by the Consultant firm should include detailed implementation methodology and approach of the assignment, both primary and secondary data collection sources and details of respondents, the strategic and customized approach to be used, and detailed work plan.
12. **Deliverables**

The total duration of the project is 4 months. The consultant firm is required to submit the deliverables in accordance with the following deliverable time schedule.

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| **No** | **Deliverable** | **Duration** | **Deliverable Submission** |
| 5.1 | Successful Acceptance of the inception report which include detailed methodology and approach of the assignment, work plan, data collection tools; | 1 Week | Commencement date + 1 Week |
| 5.2 | Interim Report 1: Successful Acceptance of the following;   1. Remuneration Strategy Document | 3 Weeks | Commencement date + 4 Weeks |
| 5.3 | Interim Report 2: Successful Acceptance of the following;   1. Performance Management Framework document for ICTA 2. Employee effort allocation Framework 3. Existing competency framework revalidation Report | 7 Weeks | Commencement date + 11 Weeks |
| 5.4 | Final Report: Successful Acceptance of the following;   1. Final Report (With output of feedback sessions) | 5 Weeks | Commencement date + 16 Weeks |

1. **Human Resources required for the assignment**
2. Senior HR Consultant
3. HR Consultant
4. Development specialist - project designing, management and M&E
5. HR Coordinator
6. **Services and facilities provided by ICTA**
   1. Background information of ICTA, structure and the project plan.
   2. Appropriate intervention to schedule meetings with staff members.
7. **Review committees and review procedures**

All deliverables will be reviewed by a team appointed by ICTA