Trainer's Guidelines

Contents

A. Introduction

B. Procurement System Assessment

C. Determining Training Content

D. Types of Training

E. Planning a Workshop

F. Workshop Implementation

G. Concluding a Workshop

H. Websites and Sample Training Materials

A. Introduction

1. Purpose

The Trainer's Guidelines are intended to serve as a basic illustration of how training materials can be adapted from the various tools in the *Procurement Capacity Toolkit*. They also include information on the training implemented in the two countries where the Toolkit was field-tested, the role procurement system assessments and performance indicators play in developing training, and guidance on developing and implementing a workshop.

In broad terms, the Trainer's Guidelines:

- Are a resource for those preparing training based on the *Procurement Capacity Toolkit*.
- Provide examples of how to adapt training tools from the *Procurement Capacity Toolkit* for a specific country setting.

2. Background

After the development of the *Procurement Capacity Toolkit*, the document was field-tested in two countries: Zambia and Malawi. Over the course of a year, each country team, comprising two technical assistance providers from PATH, conducted a procurement system assessment followed by three in-country visits, each consisting of various workshops and training sessions. The Trainer's Guidelines were built on the trainers' experiences using resources from the *Procurement Capacity Toolkit* to conduct procurement assessments, evaluate performance indicators, and develop workshop and training materials.

After each team conducted a procurement assessment, findings and recommendations were discussed with appropriate senior government procurement and program officials, and a course of action for strengthening procurement capacity was agreed upon. PATH developed training materials specific to country and program needs, drawing on information in the *Procurement Capacity Toolkit*.

Workshops averaged 4 to 5 days in length, with sessions consisting of presentations as well as interactive group exercises and case studies. Throughout the course of the project, PATH technical assistance providers also offered ongoing support via email and conference calls to help address any specific issues or needs and advance work on process changes and new tools developed in the workshops.

3. Target Audiences

The Trainer's Guidelines are intended to be a resource to help personnel responsible for procurement capacity training to develop appropriate training materials. The primary target audiences for such training are individuals with a background in procurement and individuals with a background in public health and program planning.

a. Individuals With a Background in Procurement

These staff often work with funding from a range of donors and must comply with many different donor and national requirements. They work in an environment where staff may have basic procurement training but little or no specialized training in reproductive health (RH) supply, and little knowledge of existing resources that could help them ensure the quality and timeliness of essential RH supplies.

b. Individuals With a Background in Public Health/Program Planning

These individuals are acutely aware of quality and timeliness issues, budget constraints, and supply problems at the user level, but may have minimal knowledge about the rules and technical procedures of good public-sector procurement or where to find the resources that could help guide them through the procurement process.

4. Reproductive Health Product Supply Process

a. Three Phases, Ten Elements

The *Procurement Capacity Toolkit* lays out in a modular format the sequential steps of the RH supply process. The RH supply process consists of three phases: program planning, procurement process, and contract performance, with critical links between each phase. Each phase is divided into elements, for a total of ten elements that begin with defining RH supply requirements and end with the delivery of goods. The elements of the *Procurement Capacity Toolkit* provide an excellent structure for the development of training sessions in a workshop. Each training session developed for Zambia and Malawi generally focused on one of the ten elements. The chart below outlines the three phases and ten elements of the *Procurement Capacity Toolkit*. More information on each phase and element can be found in the Toolkit itself.

Three Phases	Ten Elements
I. Program Planning	Defining Reproductive Health Supply Requirements
	Specifications
	Assessment of Procurement Options
	Budget, Funding, and Procurement Requisition
Critical Link: Funded Procurement Requisition	
II. Procurement Process	Procurement Planning
	Developing Bidding Documents and Inviting Offers
	Selecting Suppliers
	Contracts
Critical Link: Signed Contract and Payment Guarantee	
III. Performance	Contract Performance and Monitoring
	Delivery of Goods
Critical Conclusion: Delivery and Acceptance of High-Quality Products	

B. Procurement System Assessment

1. Procurement System Assessment

Whether the training facilitator is from the Ministry of Health or a nongovernmental organization, or is a third party providing capacity development assistance, it is prudent to begin the overall capacity-building work with a procurement system assessment. An assessment will provide information on the current procurement performance, help to identify the challenges and gaps, and identify where capacity development is most needed. A Procurement Assessment Guide included in the *Procurement Capacity Toolkit* contains information valuable to conducting a procurement system assessment, summarizing assessment findings and actions, and developing and utilizing performance indicators.

2. Performance Indicators

The Procurement Assessment Guide also addresses the topic of collecting and monitoring performance indicators. Performance indicators highlight key areas impacting overall performance within the procurement process and can be used to measure the success of capacity-building efforts. Performance indicators specific to each module can be found at the end of each of the ten modules of the *Procurement Capacity Toolkit*. Additionally, a combined list of all suggested performance indicators can be found in Annex 2 of the Procurement Assessment Guide.

The PATH technical assistance providers worked together prior to performing the in-country procurement assessments and selected a list of performance indicators to evaluate during the initial assessment visits. One or two indicators were selected from each of the *Procurement Capacity Toolkit* modules, and where appropriate, additional performance indicators were included. Table 1 lists the performance indicators selected for Zambia and Malawi, with the additional indicators highlighted in bold.

Table 1: Zambia and Malawi Performance Indicators

#	Toolkit Reference	Performance Indicator
1	Overall system performance	Zambia: Occurrence of stock-outs at the central level for selected RH commodities on the Zambia essential medicines list (6-month total, October–March). Malawi: Occurrence of stock-outs at the central/regional level for all critical medicines on the central medical stores monthly stock status checklist.

#	Toolkit Reference	Performance Indicator
2	**Module 1**	**Number of the 16 RH essential medicines, per *Essential Medicines for Reproductive Health*,[1] that are listed on the country's essential medicines list.**
3	Module 2	% of RH focus product specifications using a format with clear and comprehensive requirements in the key categories: - Product information (generic name, strength, quantity, color, size, and shelf life) - Registration requirements
4	Module 2	% of bids utilizing quality assurance provisions in each of the following areas for the RH focus commodities selected: - Sampling - Inspection - Testing requirements - Documentation requirements
5	**Module 3**	**% of total value of contracts that was awarded through a competitive process (international and national competitive bidding) (October 2007–March 2008).**
6	Module 4	% of times the cost estimate identified and incorporated all other related cost expenses (e.g., freight and insurance, fees and commissions, inspection and testing, taxes) for RH focus products.
7	Module 4	Accuracy of procurement plan budgetary cost estimates for RH focus products compared to actual contract product costs.
8	Module 5	Standard time period guidelines for completing key steps in the procurement process exist and are monitored for compliance.
9	Module 5	Process exists to clarify and elaborate on the requirements and specifications of the purchase requisition to ensure any potential constraints are adequately addressed (e.g., budget, product pricing, etc.).
10	Module 6	% of times the following components of standard public-sector bidding documents appeared in the bids reviewed for the RH focus commodities selected (2006–2007 documents): - General Instructions to Bidders - Eligible/Ineligible countries - Technical Specifications - Evaluation criteria - Bid and contract forms - Special Instructions to Bidders - General Conditions of Contract - Schedule of Requirements - Qualification criteria - Instructions regarding shipping
11	Module 7	% of contracts awarded without a bidder's protest during the 2006–2007 bid period for the RH focus commodities selected.
12	Module 8	% price variance between product contract unit price and international unit price indicator guidelines for RH focus/basket products selected (2006–2007).
13	Module 8	% of contracts signed within the original bid validity period (2006–2007).
14	Module 9	Supplier performance, delivery, and quality are monitored and documented in a supplier scorecard system to evaluate performance (quality of the goods includes adherence to the contract shelf life).
15	Module 9	% of supplier payments made within the payment period called for in the contract for RH focus commodities (2006–2007).
16	Module 10	% of deliveries in which all required shipment information for the RH focus commodities was received from the supplier and transmitted to the stores department approximately 10 to 14 days prior to arrival of the goods (October 2007–March 2008).
17	**Module 10**	**Average length of time between the date the Certificate of Analysis was completed and when it and other documents were provided to the procurement unit for the RH focus products.**

[1] **PATH, World Health Organization, United Nations Population Fund. *Essential Medicines for Reproductive Health: Guiding Principles for Their Inclusion on National Medicines Lists*. Seattle, WA: PATH; 2006. Available at: http://www.who.int/reproductivehealth/publications/general/a91388/en/.**

C. Determining Training Content

Once the procurement system assessment has been completed and the information analyzed, it is important to identify capacity development goals to ensure that training is properly focused. The goals and recommendations for training should be written and shared with the respective heads of units and/or other relevant personnel receiving training.

If training will occur over a period of time, it is beneficial to initially outline the entire program plan to ensure that future workshops or training sessions build on prior work or link in a logical manner. Based on findings and in-country needs, the Zambia and Malawi teams took slightly different approaches:

Zambia

The initial workshop focused on the entire procurement process and involved procurement personnel at both the central and district levels. The second workshop highlighted links between procurement and other units, broadening the participant list to include the RH program unit, pharmacist specialist, accounting unit, registry, district personnel, and central medical stores. The third and final workshop focused on the quality of male latex condoms and involved hiring a technical expert. Key personnel for this training included the Pharmaceutical Regulatory Authority, Bureau of Standards, RH program unit, central medical stores, and the private sector. During all three in-country training visits, smaller training sessions and hands-on work such as writing standard operating procedures were conducted.

Malawi

Prior to training, the Malawi team developed an understanding with their counterparts on specific areas of training within the *Procurement Capacity Toolkit* that would be most beneficial. The first training was broad and covered many of the topics in the Toolkit. The successive trainings built on concepts developed and procurement challenges identified in the first training. The second training focused on developing tools to help solve procurement issues; for example, a procurement timeline, a supplier scorecard, standard operating procedures, and forms such as receiving and rejection tags. The final training refined the tools developed in the second training. In all of the workshops, the attendees learned how to perform root cause analysis, how to brainstorm, about multi-voting, and about several other problem-solving tools. The overall goal of all the trainings in Malawi was to ensure that those trained developed the problem-solving tools themselves by the end of the trainings.

The experience level of personnel attending a workshop or training session should be identified beforehand. This information can be collected during the procurement assessment. For example, if training is intended for the entire procurement unit, levels of knowledge and areas of expertise will vary from assistants to senior officers to management. It is important to design the training so that higher-level staff do not find the sessions too basic or that lower-level staff do not find them overly complicated. If possible, break the training sessions into appropriate groups, or plan a session in which all levels of personnel can benefit. If personnel of various experience levels must attend the same training session, it can be beneficial to mix the different levels during exercises or group discussions so that junior staff can learn from senior staff and senior staff gain a better understanding of the challenges junior staff may encounter in their day-to-day work.

D. Types of Training

A variety of training methods can be used for procurement capacity development and may include some or all of the following:

1. Workshops in a Formal Setting

Workshops at a hotel or conference center are ideal when working with larger groups, and are an effective way of removing people from their day-to-day work environment so that the focus can be on training without disruptions. Workshops are ideal when training needs to be formal and when presentations or exercises require larger work areas. Workshops can include a wide range of training techniques, such as lectures and presentations, and more interactive learning activities, such as role plays and small group exercises. Workshops can also be designed as trainings-of-trainers, with the intent to have participants subsequently train other personnel. Workshops can focus on training with one unit or department but can be extremely effective when dealing with different units whose work is dependent on each other (for example, the procurement unit and the medical stores if the training is focused on supplier performance monitoring). Bringing different units together can enrich discussions and learning as well as bring different perspectives to the table.

2. Small Work Groups in an Informal Setting

Bringing small work groups together can be accomplished in an informal setting, such as a Ministry of Health conference room or a large office, rather than a formal setting such as a workshop. An example may be working with the procurement unit to develop standard operating procedures (SOPs). While a more formal training might be held in a workshop setting to provide background information as to why and how SOPs are developed, a more informal setting closer to the participants' workplace may be beneficial for performing the actual work. This enables small groups to participate in their relevant areas of SOP writing rather than the entire unit being away from their workplace at one time. While the setting may be less formal, it may be beneficial to designate a facilitator for the working session, and to define the objectives and expected results of the small group work.

3. One-on-One Training

One-on-one training is useful when working with a person who needs assistance with a specific work area. For example, an RH unit manager may request assistance with developing a reporting format to share with stakeholders that easily and clearly outlines gaps

in the supply chain. In this situation, it may be beneficial to work at the manager's desk in order to review and understand the various types of reports he or she has access to, then to feed that information into a reporting tool. This one-on-one training may also be referred to as, or take place within the context of, supportive supervision, personal training, on-the-job-training, mentoring, or coaching.

E. Planning a Workshop

Prior to conducting a workshop, an outline of the training sessions should be drawn up, including the names of the Ministry of Health units and/or procurement personnel being selected for the training. Once agreed upon, relevant training materials can be adapted from the *Procurement Capacity Toolkit* and any other relevant resources.

Workshop materials should include modeling (presentations), practice (exercises), and feedback on the practice. Active participation and discussion with participants will enhance the learning and can provide facilitators with immediate feedback. Sessions should be broken up, with presentations lasting no longer than 60 minutes. If a presentation is longer, insert break-out sessions or energizer activities, or stimulate discussion with participants during the presentation. Maintaining a good mix of these different training methods facilitates learning and will help to keep participants actively engaged in the workshop.

An example of a workshop agenda can be found in Section H.2, Annex 1. An agenda should designate the time allocated for each session, including coffee and lunch breaks. The topic for each session should be listed along with the session objectives. This can be followed by the session content and training method, which outlines the materials and format for the session (for example: presentation, exercise, report out, working groups, etc.). Once an agenda has been outlined, it should be reviewed and approved by the appropriate stakeholders. At the beginning of each day of the workshop, the agenda should be reviewed and participants allowed time for clarification and comments.

1. Sample Training Materials

A typical session outline using training materials adapted from the *Procurement Capacity Toolkit* is provided below, including a list of the training materials and a description of each. These materials comprise one complete session on the topic of supplier performance monitoring. This example session would take approximately 2-1/2 hours, including a coffee break. The time for each segment of the session can be found in Annex 1, Session 5. Examples of the training materials can be found in Annexes 2 through 8.

Session: Supplier Performance Monitoring

A. Presentation 1: Supplier Performance Monitoring [Annex 2]
B. Handout 1: Sample Authorization for Shipment Form [Annex 3]
C. Presentation 2: Supplier Performance Scorecard [Annex 4]
D. Trainer's Aid: Developing a Supplier Scorecard: Facilitator Instructions for Group Exercise [Annex 5]
E. Handout 2: Developing a Supplier Scorecard: Participant Instructions [Annex 6]
F. Handout 3: Sample Performance Monitoring Checklist [Annex 7]
G. Handout 4: Sample Supplier Performance Scorecard [Annex 8]

This training session was developed from Module 9: Contract Performance and Monitoring of the *Procurement Capacity Toolkit*.

A. Presentation 1: Supplier Performance Monitoring

This presentation focuses on supplier performance monitoring and consists of 18 slides plus a handout. The presentation material was adapted primarily from Sections C through G of Module 9, although the three interactive slides contain material from elsewhere. The additional materials are:

I. Case study developed by facilitators (Slide 9).
II. Excerpt from a Ministry of Health bid (Slide 13).
III. Photograph by a PATH employee (Slide 16).

B. Handout 1: Sample Authorization for Shipment Form

This handout should be used as a resource during the first presentation. It was taken directly from Module 9 (Exhibit 9-6).

C. Presentation 2: Supplier Performance Scorecard

The second presentation contains six slides and focuses on the supplier scorecard. The purpose of this presentation is to introduce the basics of a supplier scorecard and lead participants into an exercise.

D. Trainer's Aid: Developing a Supplier Scorecard (facilitator instructions)

This tool was developed to guide participants during the exercise session. It lists materials that facilitators need to use during the exercise and breaks the exercise instructions into easy steps.

E. Handout 2: Developing a Supplier Scorecard (participant instructions)

This document should be provided to participants at the beginning of the exercise. The tool leads participants through a brainstorming session in small groups prior to working together as a larger group to conduct an affinity diagram exercise. (The affinity diagram is explained further in Section E.3.)

F. Handout 3: Sample Performance Monitoring Checklist
The performance monitoring checklist example can be found in Module 9 (Exhibit 9-2). The handout should be used as a reference tool for the exercise.

G. Handout 4: Sample Supplier Performance Scorecard
Handout 4 was also taken from Module 9 (Exhibit 9-3). It is an example of a simple supplier scorecard to demonstrate that tools do not need to be overly complicated. It should be provided to participants as an example in contrast to Handout 3, which is a more complicated supplier checklist. A simple scorecard can be used by departments that are understaffed and need easy-to-use tools, and in training sessions involving primarily junior staff members.

2. Other Useful Training Materials

a. Workshop Evaluation Form

It is useful to ask participants to evaluate the workshop upon completion. Collecting such information will inform on the success of the workshop objectives, appropriateness of content and methods, and effectiveness of the facilitators. It can also provide feedback on how to improve future workshops or training sessions.

Both the Zambia and Malawi teams' technical assistance providers used a generic workshop evaluation form, which is provided in Annex 9.

b. Pre- and Post-tests

Identical pre- and post-tests can add value by establishing participants' knowledge prior to and at the end of a workshop. This is another tool that can inform the facilitators on how appropriate the training materials were and how successful they were at presenting the materials.

The Zambia and Malawi technical assistance providers developed pre-/post-tests created directly from the materials used during their workshops. A copy of the test used in Zambia for the first workshop is provided in Annex 10.

3. Training Tools

There are a variety of training tools and methods that can be used during a workshop. Some of the tools used for exercise sessions by both country teams were:

- **Brainstorming:** Brainstorming is a group creativity technique designed to generate a large number of ideas for the solution of a problem. It can be an effective way to generate many ideas on a specific issue and then determine which idea—or ideas—is the best solution. Set ground rules for the session, and keep the following guidelines in mind when facilitating a brainstorming session:
    - Keep the focus on the identified root cause or problem.
    - Ensure that no one criticizes or evaluates ideas during the session. This promotes creativity and catalyzes the free-flowing nature of a good brainstorming session.
    - Encourage an enthusiastic and inclusive attitude among participants, and try to get everyone to contribute ideas.
    - Ensure no train of thought is followed too long; the spirit of brainstorming is to generate ideas quickly and move on *without* discussion.
    - Encourage members to develop other people's ideas, or use other ideas to create new ones.
- **Affinity diagram:** An affinity diagram is a tool that gathers large amounts of data (ideas, opinions, issues) and organizes them into groupings based on their natural relationships. The process is often used to organize or regroup ideas generated by brainstorming. It is used in the form of notes sent to the front of the room and affixed to the wall, then grouped by the facilitator. The notes can be placed and repositioned as needed as the group discusses ideas. This exercise is particularly helpful in organizing process flows and developing step-by-step instructions. An example of an affinity diagram exercise is shown in Annex 5, and more information about the process can be found on the website included in Section H.1.
- **The 5 Whys (root cause analysis):** The 5 Whys is a question-asking method used to explore the cause/effect relationships underlying a particular problem. Ultimately, the goal of applying The 5 Whys method is to determine the root cause of a defect or a problem. Some 5 Whys examples are shown in Annex 11.
- **Process mapping:** A process map is a workflow diagram that identifies a clear understanding of a process or series of parallel processes. The process map defines exactly what an entity does and who is responsible. It is also known as a process chart or flowchart. An example of a supply process mapping exercise and the results are shown in Annexes 12 through 14. Further information on process mapping can be found on the website included in Section H.1.

F. Workshop Implementation

Although the Trainer's Guidelines are not intended to fully describe how to conduct a workshop or training session, the following is a brief discussion of what facilitators should anticipate when implementing a workshop.

Facilitators should greet participants as they arrive at the training session, then ask them to sign in and take a seat. Materials can either be handed out as participants arrive or be set out on the tables beforehand. Seats can be preassigned, or facilitators can allow participants to choose where to sit.

At the beginning of the workshop, facilitators should introduce themselves and provide a short description of the workshop purpose and objectives. Participants should also introduce themselves and provide a brief description of their current work positions. Some participants will be early and others late; therefore, it is useful to have a short session to establish the norms. Establishing group norms provides a standard that everyone agrees to adhere to during the workshop, such as arriving on time, turning off cell phones, and speaking in turn or when designated by the facilitator. Additionally, it is helpful to hold a brief session on workshop expectations so that participants and trainers are clear on what is (and is not) going to be covered in the workshop. Trainers should specify any necessary logistics details, such as workshop hours, meal arrangements, locations of restrooms, and payment of transport stipends, etc.

Workshops can be tiring, and in order to keep participants motivated and engaged, it is best to plan them with active sessions such as discussion groups and exercises between presentations. Energizer activities are also a good way to break up sessions and re-engage participants. These can be especially beneficial at the beginning of a training session as an opportunity for participants to meet each other, and after lunch, so that participants are more energized to start the afternoon session. A website link to a document containing energizers is included in Section H.1.

Flexibility is important in any workshop, and at times, facilitators need to be willing to change direction at short notice with regard to the agenda and content. If an exercise is not going well or a presentation seems too long, facilitators need to be able to sense the mood of attendees and make adjustments accordingly. Facilitators also need to be prepared for the possibility of problems with extremely slow Internet connections and frequent electricity interruptions common to developing countries. This means making backup hard copies of

presentations and exercises in case of technical failures. The room temperature, whether too hot or too cold, should be monitored as well. Adjustments may also be needed for the air conditioning, which may be too loud, making it difficult to hear the trainer or the group discussion.

Sometimes not everyone can stay for the entire workshop. Identify which sessions your busiest participants need to attend, and suggest in advance when they might want to arrive and leave.

G. Concluding a Workshop

There are a few basics steps that should be taken to conclude a workshop. These steps provide closure, recognition of the participants, and valuable participant feedback for future workshops. At the end of the workshop, facilitators should review the key lessons learned and the expectations listed by participants at the beginning of the workshop. This reinforces the knowledge participants gained and ensures that the workshop expectations were met by the facilitators. If there were any action items developed throughout the workshop, they should be reviewed to ensure they are accomplished and participants are accountable for the action items.

After summarizing the workshop, it is an appropriate time to administer the post-test, assuming a pre-test was conducted at the beginning of the training. After all participants have handed in their post-tests, it is suggested that the facilitator review the answers with the group. The post-test provides facilitators with an understanding of how much participants learned during the workshop. See Annex 10 for a sample test. Another way for facilitators to gain feedback from participants is through a workshop evaluation. This can provide facilitators with suggestions on how to improve future workshops. See Annex 9 for a sample workshop evaluation form.

Once the administrative aspects of concluding the workshop are completed, the facilitators should present participants with certificates of participation. If materials were developed during the training, it may be a good idea to provide electronic copies of these documents on a flash drive for each participant as well. If appropriate, facilitators should provide their contact information (e.g., a business card) in case the participants have follow-up questions. Participants may enjoy receiving photographs of themselves receiving their certificates, as well as a group photograph of everyone involved in the workshop. Upon adjourning, thank participants for taking time out of their busy schedules to attend, and for their level of participation and commitment during the workshop.

Finally, after the workshop has concluded, facilitators should write a workshop debrief and disseminate it to the appropriate stakeholders.

H. Websites and Sample Training Materials

1. Websites

a. Affinity Process

http://www.functionlust.com/methods/Affinity.htm

b. Bens I. *Facilitating with Ease*. San Francisco, CA: Jossey-Bass; 2005.

http://www.amazon.com/Facilitating-Guidebook-Customizable-Worksheets-CD-ROM/dp/0787951943#

c. Guidelines for Conducting Workshops and Seminars

http://www.siumed.edu/resaffairs/documents/Conductingworkshops.doc

d. Process Mapping

http://www.fpm.iastate.edu/worldclass/process_mapping.asp

e. Workshop Energizers

http://www.impactalliance.org/ev02.php?ID=3782_201&ID2=DO_TOPIC

2. Sample Training Materials

Annex 1: Example Workshop Agenda

The example workshop agenda below was used for one of the in-country workshops. The agenda includes opening and closing sessions and scheduled coffee and lunch breaks, as well as a list of topics, objectives, contents, and methods used to present the training sessions. A finalized agenda should also include the list of participants required for each session.

Day 1: July 21, 2009
Location: Alcazar Conference Room, 3rd floor

Time	Topic	Objectives	Content	Method
8:30–9:00	Introduction	Participants will understand the training format and objectives, and administrative details will be handled	• Make opening remarks • Introduce facilitators and attendees • Review agenda • Review objectives • Share expectations	
9:00–10:30	**SESSION 1:** Mapping the Supply Process	Participants will understand the steps in the procurement process and the time required to complete each step	• Review process mapping approach • Map procurement process • Identify responsible parties • Estimate time requirements	• Presentation • Exercise: Process mapping • Report out
15 minutes	BREAK			
10:45–12:00	**SESSION 2:** Recordkeeping/ Contract File Maintenance	Participants will understand the benefits of good recordkeeping	• Discuss role and benefits of recordkeeping • Identify recordkeeping constraints • Identify recommendations to address constraints • Develop a contract management file checklist	• Presentation • Exercise: File checklist • Report out

1 hour	LUNCH			
13:00–14:00	**SESSION 3:** Standard Operating Procedures (SOPs)	Participants will understand the purpose of and develop SOPs	• Discuss role of SOPs • Discuss benefits of SOPs	• Presentation
15 minutes	BREAK			
14:15–16:00	Session 3: SOPs	Continued	• Develop SOPs	• Working group: SOPs • Report out
16:00–16:30	Participant Feedback			

Day 2: July 22, 2009
Location: Alcazar Conference Room, 3rd floor

Time	Topic	Objectives	Content	Method
8:30–9:00	Summary Information	Review of documents generated on Day 1		
9:00–10:30	Session 3: SOPs	Continued	• Develop SOPs	• Working group: SOPs
15 minutes	BREAK			
10:45–12:00	Session 3: SOPs	Continued	• Develop SOPs	• Working group: SOPs
1 hour	LUNCH			
13:00–14:30	Session 3: SOPs	Continued	• Develop SOPs	• Working group: SOPs
15 minutes	BREAK			

14:45–15:30	Session 3: SOPs	Continued	• Develop SOPs	• Working group: SOPs • Report out
15:30–16:00	SOP Progress Review Participant Feedback			

Day 3: July 23, 2009
Location: Alcazar Conference Room, 3rd floor

Time	Topic	Objectives	Content	Method
8:30–9:30	Introduction	Participants will understand the training format and objectives, and be given a background on the Toolkit, and administrative details will be handled	• Make opening remarks • Introduce facilitators and attendees • Review agenda • Review objectives • Discuss expectations	• Pre-test
9:30–10:00	**SESSION 4:** Overview of Procurement	Participants will understand the steps in the procurement process	• Introduce the session • Discuss areas managers can impact • Discuss eight things managers need to know about procurement	• Presentation
15 minutes	BREAK			
10:15–12:00	Session 4 : Overview of Procurement	Participants will understand the steps in the procurement process	• Discuss program planning	• Presentation • Case study: Procurement requisition • Exercises
1 hour	LUNCH			

13:00–14:00	Session 4: Overview of Procurement	Participants will understand the steps in the procurement process	• Discuss the procurement process	• Presentation • Exercises
15 minutes	BREAK			
14:15–15:30	Session 4: Overview of Procurement	Participants will understand the steps in the procurement process	• Discuss contract performance and monitoring	• Presentation • Exercises
15:30–16:00	Challenges at the Provincial Level	Participants will understand the issues related to procurement		• Group discussion
16:00–16:30	Evaluation		• Review the procurement process	• Post-test

Day 4: July 24, 2009
Location: Alcazar Conference Room, 3rd floor

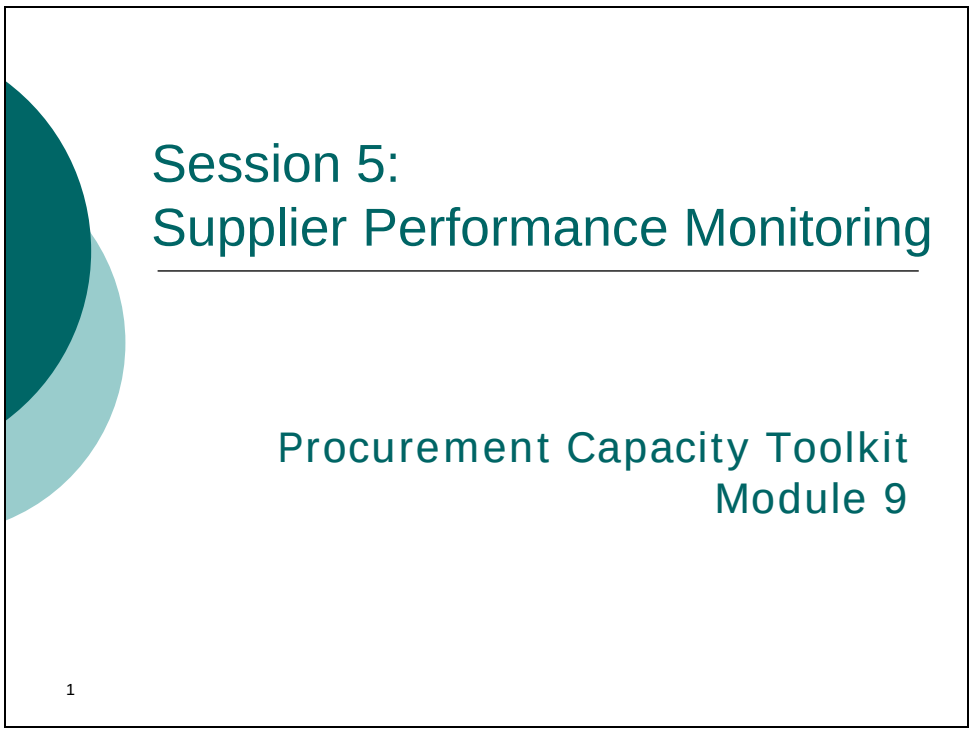
Time	Topic	Objectives	Content	Method
8:30–9:00	Introduction	Participants will understand the training format and objectives, and administrative details will be handled	• Make opening remarks • Review agenda and objectives • Discuss expectations	
9:00–9:45	**SESSION 5:** Supplier Performance Monitoring	Participants will understand key issues and benefits of supplier performance monitoring	• Discuss the need for supplier performance monitoring • Discuss the benefits of supplier performance monitoring	• Presentation
9:45–10:30	Session 5: Supplier Performance Monitoring	Participants will develop a specific supplier performance scorecard	• Discuss standard approaches to supplier performance monitoring • Identify performance indicators	• Presentation • Exercise: Supplier scorecard
15 minutes	BREAK			

10:45–11:30	Session 5: Supplier Performance Monitoring	Participants will develop a specific supplier performance scorecard	• Continued	• Exercise continued • Report out
11:30–12:00	Closing for Medical Stores and Provincial Officers	Participant feedback		• Workshop evaluation
1 hour	LUNCH			
13:00–14:00	**SESSION 6:** Developing Product Specifications: Condoms	Participants will understand key components of a health commodity specification	Discuss: • Purpose of specifications • Condom specification format • International standards • Performance requirements • Packaging requirements • Shelf-life requirements	• Case study • Presentation • Handouts
15 minutes	BREAK			
14:15–15:30	Session 6: Developing Product Specifications: Condoms	Participants will understand key components of a health commodity specification	Discuss: • Purpose of specifications • Condom specification format • International standards • Performance requirements • Packaging requirements • Shelf-life requirements	• Exercise: Condom specifications • Group discussion
15:30–16:00	Evaluation and Closing	Participant feedback		• Workshop evaluation

Annex 2

Presentation 1: Supplier Performance Monitoring

The presentation on supplier performance monitoring was adapted from Module 9 of the *Procurement Capacity Toolkit*. It also includes speaker notes to aid the facilitator during the presentation.



Explain to participants that the focus for this session is supplier performance monitoring, and that this presentation is a brief overview of the key aspects.

Objectives

Participants will be able to:

- Explain why monitoring is important.
- Define key performance indicators for contract performance.
- Give examples of key performance indicators.
- Discuss ways to avoid performance problems.
- List ways to ensure preshipment compliance.
- List ways to monitor commodity transport.
- Explain why payment management is important.

2

These are the objectives for the session.

Session topics

- Monitoring contract performance
- Determining appropriate preshipment compliance
- Monitoring commodity transport
- Managing supplier payments

3

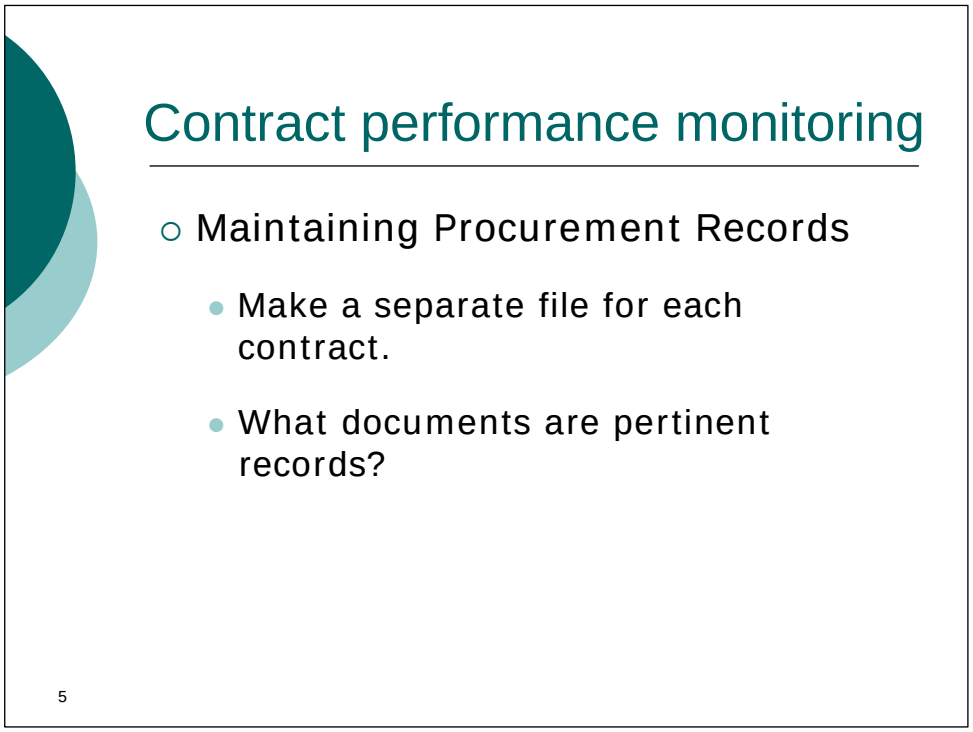
These are the main session topics that will be covered in the presentation.

Why is monitoring important?

- Unsatisfactory supplier performance can jeopardize public access to medicines.
- Provides evidence of product quality prior to shipment.
- Identifies problems early to mitigate impacts.
- Provides supplier performance data for future contract consideration.

4

Everyone plays a role in contract performance monitoring—not just procurement, but also medical stores. There is a partnership, and the goal at the end of the day is to provide citizens with high-quality medicines on time.



Formal procurement records are important because they provide:

- Supporting evidence in the event that it is necessary to take legal action against a supplier.
- A full audit trail.
- A performance record for future contract award decisions.

There should be a set of files for each contract, not a file per bid (which would contain multiple suppliers).

Ask participants for ideas of pertinent records for a set of contract management files.

Answers: Bid, contract, specifications, delivery schedules, quantities, etc.

Contract performance monitoring

- What are *Key Performance Indicators*?
  - Documents that track and evaluate supplier's compliance with contract requirements.
    - Measurable
    - Achievable
    - Relevant
    - Controllable (by supplier)

6

One way to monitor supplier performance is to develop key performance indicators.

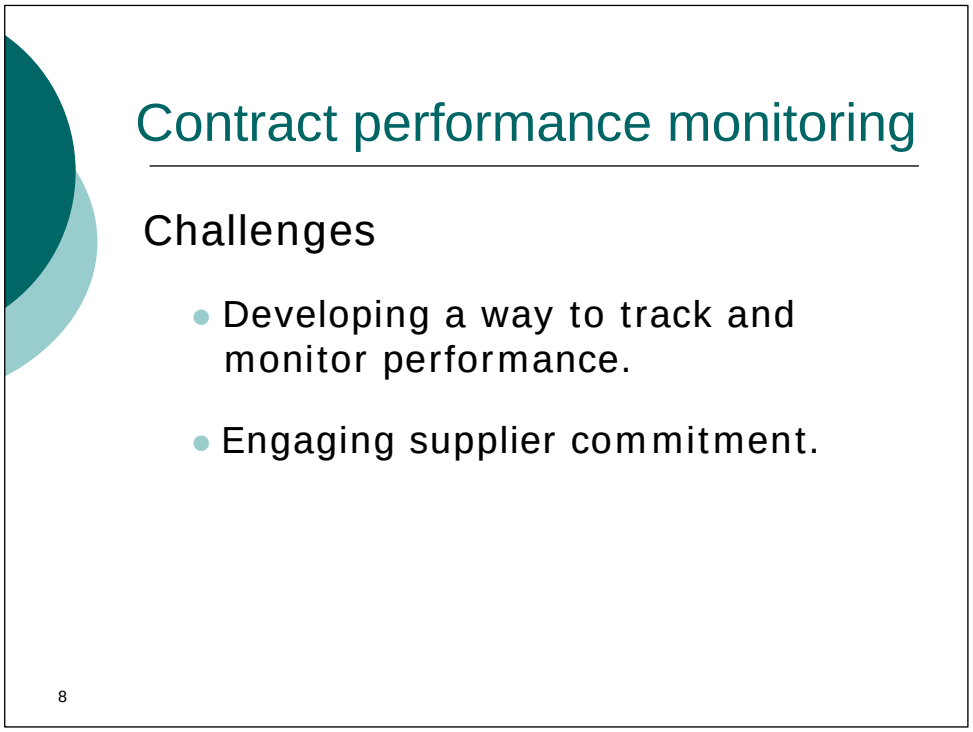
Contract performance monitoring

Contract components documented by *Key Performance Indicators*:

- Contract terms
  - Delivery
    - Date due
    - Terms
    - Quantity
  - Quality
    - Technical specifications
    - Shelf life
    - Labeling and packing requirements

7

One way to develop performance indicators is to review the key components of the contract and determine the aspects that are important to monitor.



Ask participants: What is the best way to engage suppliers?

Answer: Prior to contract signing: meaning the purchaser should be sharing information on the key performance indicators so the supplier understands the criteria.

Exercise 1: Case study

- Addressing performance problems

Scenario: Tadic, the supplier of intrauterine devices, was scheduled to deliver goods 4 days ago, but has not performed. Medical Stores Limited is out of stock and has called the procurement officer to inquire about the situation…

How should the procurement officer remedy the issue?

9

1) Ask participants to spend 10 minutes discussing the scenario with the people at their tables and brainstorming steps the procurement officer could take to remedy the issue. They should write their ideas on flipchart paper.
2) Give each group 5 minutes to report its responses.

Steps to remedy the issue

- Review the contract for delivery requirements and key performance indicators.
- Look for documentation approving deviation from the contractual delivery date.
- Call the supplier.
- Write a formal letter to the supplier; include the problem *and* corrective action.
- Enforce the terms of the contract.
- Follow up with central medical stores.

Avoiding performance problems

- State contract requirements clearly:
  - Bid states a required need date.
  - Contract states a required need date.
  - Contract defines 'on-time' delivery.
  - Example:

Bid/Contract States:
"Goods are due on August 13, 2008. They must arrive within + or – 5 days of the required due date."

Goods can arrive between August 8 and 18, giving the supplier a 10-day window to deliver the goods. If the goods arrive outside this time frame, they are late.

10

Contracts should call out an exact date when the goods are due. It would be difficult to enforce "goods due in 4 to 6 weeks" because there is no actual date within the contract. Terms and conditions should list on-time delivery as acceptable within a window of 10 days (+/- 5-day window is acceptable); this will allow time for hold-ups with shipping, customs, etc.

Avoiding performance problems

- Avoid the pattern of supplier defaults.
- Address problems as soon as they arise, before they escalate.
- Maintain a good working relationship with the supplier.

11

One way to avoid supplier defaults is to enforce the terms of the contract when a supplier is late and to utilize that information in future contract award decisions.

Preshipment compliance

Basic levels

- Level 1: Preshipment document review.
- Level 2: Visual inspection of product.
- Level 3: Laboratory or physical testing of product.
  - New or questionable suppliers
  - Source of previous complaints
  - From a manufacturer without cGMP certification
  - Recommended for condoms

Clearly specify these requirements in the contract.

12

Explain to participants that cGMP is short for current good manufacturing practices and define the term if necessary.

Explain to participants that the key question here is if/to what extent preshipment compliance is needed. The level depends on the performance history of the supplier and the level of risk regarding quality.

- **Level I: Preshipment document review**—should be conducted for all purchases. Preshipment means that the documents are sent prior to shipping of the goods, not upon shipment. Time is lost if the goods are already shipped. Documents to request: Certificate of Analysis, packing list, commercial invoice, Certificate of Origin, etc. Also, if the supplier is sending these documents prior to shipping the goods, then advance notice is provided to central medical stores to prepare for the shipment. Reference Handout 1: Sample Authorization for Shipment as one way to monitor and enforce that the supplier is providing the necessary documentation prior to shipment.
- **Level II: Visual inspection of product**—should be done with a new supplier, or with one with which problems have occurred in the past. This inspection can be waived or performed occasionally when working with a reliable supplier. This effort is costly. Let participants know there is a sample inspection order for condoms in Module 9 (Exhibit 9-4) of the *Procurement Capacity Toolkit* for future reference.
- **Level III: Laboratory or physical testing of product**—It is probably not necessary to test products from prequalified suppliers. For most contraceptives (oral contraceptives, intrauterine devices, injectable contraceptives), visual inspection is usually sufficient unless the contraceptive falls into one of the exception criteria mentioned above. For condoms, however, Level III physical testing is recommended. The World Health Organization recommends that independent lot-by-lot compliance testing of the finished product be undertaken before condoms are accepted for shipment to the purchaser. This is due to the fact that liquid latex, the primary component of condoms, is a natural product whose properties vary from batch to batch depending on the weather, season, and soil quality. This variation in latex results in different performance characteristics for condoms on a lot-by-lot basis.

Example: Preshipment compliance

What problems might occur due to the first sentence in the following excerpts? How would you change the wording?

For Goods supplied from abroad:
Upon shipment, the Supplier shall notify the Purchaser and the insurance company in writing the full details of the shipment, including Contract number, description of the Goods, quantity, date and place of shipment, mode of transportation, and estimated date of arrival at place of destination. The Supplier shall fax and then send by courier the following documents to the Central Board of Health with a copy to Medical Stores Limited and the insurance company…

For Goods from within the Purchaser's country:
Upon or before delivery of the Goods, the Supplier shall notify the Purchaser in writing and deliver the following documents to the Purchaser…

13

Explain to participants that these are excerpts from a bid (Special Terms and Conditions: Delivery and Documents). Ask: What problems might occur due to the first sentence in each of the excerpts?

Answers:

- If shipping documents are not reviewed *prior* to shipment, errors are not caught. It is difficult and time consuming to change shipping documents (which are legal title documents) once the vessel has shipped. Something such as the consignee information being incorrect and needing changing could severely delay import clearance and cause high demurrage (storage) charges.
- If anything is wrong with the shipment, such as a technical specification, it is too late to do anything about it once the goods have shipped.

Ask participants: How would you change the wording? (The answer is on the next slide.)

Example: Preshipment compliance

Answer: Documents should be sent **prior to** shipment, not upon shipment.

For Goods supplied from abroad:
Prior to shipment, the Supplier shall notify the Purchaser and the insurance company in writing the full details of the shipment, including Contract number, description of the Goods, quantity, date and place of shipment, mode of transportation, and estimated date of arrival at place of destination. The Supplier shall fax and then send by courier the following documents to the Central Board of Health with a copy to Medical Stores Limited and the insurance company…

For Goods from within the Purchaser's country:
Prior to delivery of the Goods, the Supplier shall notify the Purchaser in writing and deliver the following documents to the Purchaser…

14

Answer: Documents should be sent prior to shipment, not upon shipment. Why is this important? There is no way to control preshipment compliance once the goods have left the supplier. Use this opportunity to discuss the word "prior." How soon before shipment do the participants think shipping documents should be received? Should there be a statement in the contract that "shipping documents must be approved prior to shipment?"

Reference: Handout 1: Sample Authorization for Shipment Form.

Monitoring commodity transport

- Compliance with shipping instructions.
- Proper packaging for expected transit conditions.
- Compliance with delivery schedule.
- Proper shipment mode for special conditions.

15

Here are ways in which commodity transport can be monitored.

Example of damaged packaging

16

Ask participants: If goods arrive in this condition, what should be done? Who should be contacted?

The answer will depend on who is answering the question. If the answer comes from medical stores, the procurement unit should be contacted. If it comes from the procurement unit, the supplier should be contacted.

Check contract terms and conditions: Do they call for appropriate packaging, pallet requirements, height requirements, etc.?

Did the packages arrive this way, or was the damage incurred in the warehouse?

Take photos to document the condition of the packages.

Payment management

- Allows the purchaser to exert control when enforcing contract requirements.
- Helps promote a good working relationship with the supplier.
- Enforces contract requirements.
  - Letter of credit

17

A letter of credit enforces: (1) quality requirements, by requiring the supplier to present documents to the paying bank showing evidence of successful product inspection and testing; and/or (2) shipping dates, by requiring evidence of compliance.

Summary

- Become proactive, not reactive.
- Respect the supplier relationship.
  - On-time, good-quality products deserve on-time payment.

18

These are the main points to remember: Do not wait until after a situation has occurred to deal with it; take the necessary steps to *prevent* a supplier performance issue from occurring. Pay the supplier on time to promote a good working relationship.

Annex 3

Handout 1: Sample Authorization for Shipment Form

The Authorization for Shipment form is from Module 9 of the *Procurement Capacity Toolkit* (Exhibit 9-6). It is the first handout for the Supplier Performance Monitoring presentation.

Authorization for Shipment

Attn: _____ [supplier's name]

Ref: Contract Number _____
Letter of Credit Number _____

Authorization for Shipment

Re: _____
[description of goods]

Preshipment inspection and test data have been received and approved by:
_____ [purchaser]

Signature

Signature of this document by the authorized representative indicates that the commodity conforms to Contract Number _____ and is released for shipment.

This certificate does not release supplier from compliance with warranties and other conditions included in this contract.

_____
Authorized Representative

_____
Date

Annex 4

Presentation 2: Supplier Performance Scorecard

The presentation "Supplier Performance Scorecard" was adapted from Module 9 of the *Procurement Capacity Toolkit*. It also includes speaker notes to aid the facilitator during the presentation.

Explain to participants that this presentation is on the key aspects of the supplier performance scorecard, and that this overview will lead into the working session on developing a supplier scorecard.

Objectives

Participants will be able to:

- Discuss the basics of a supplier performance scorecard.
- Develop a supplier performance scorecard.

2

These are the objectives of the session.

Why track supplier performance?

- Rank the supplier's relative performance within the supply base.
- Track improvement or decline in supplier's quality / schedule performance over time.
- Provide a data point for future contract considerations.

3

As the purchaser, you do not want to repeat delivery and quality issues with the same supplier each year. Creating a record of past performance will enable the purchaser to avoid costly delays and receive good-quality products on time. The leverage of future business is your best tool to make sure the supplier performs on today's contract.

Supplier performance scorecard

Considerations:

- Identify and define key indicators
- Assign responsibility for:
  - Collecting data
  - Maintaining data
  - Using data
- Future use of the data
  - Development of bidder list

4

These are the considerations that should be taken into account when developing a scorecard.

Supplier performance scorecard

Performance indicators need to be SMART:

- **S**pecific
- **M**easurable
- **A**ttainable
- **R**elevant
- **T**ime based

5

When developing performance indicators, it is important to make sure they are "SMART."

Exercise

- Develop a supplier performance scorecard

6

Ask participants to take out the exercise "Developing a Supplier Scorecard."

Annex 5

Trainer's Aid: Developing a Supplier Scorecard

The Trainer's Aid below provides instructions for workshop facilitators to use to guide participants through the exercise. This exercise incorporates the use of the affinity diagram, which is described in detail in Section E.3.

Trainer's Aid—Developing a Supplier Scorecard

Facilitator Instructions for Group Exercise

List of materials:

- Handout 2: *Developing a Supplier Scorecard: Participant Instructions* [Annex 6]
- Handout 3: *Sample Performance Monitoring Checklist* [Annex 7]
- Handout 4: *Sample Supplier Performance Scorecard* [Annex 8]

Instructions to trainer:

1. Ask participants to work in groups of four or five people. Distribute one copy of the instructions for the exercise to each group (Handout 2).
2. Hand out stacks of 4x6-inch blank cards, or 4x6-inch "sticky notes" or half sheets of paper, and tape (if not using sticky notes) to each group, along with at least one marker pen.
3. Ask participants to brainstorm in their groups on the key question: What indicators would be key to monitoring supplier performance? (Example: Product shelf life is within the contract terms.)
4. Ask participants to write ONE idea on each card. Remind them to write in large letters so that the idea can be seen when it is later posted in the front of the room. Write an example using the words "one idea per card" and post it in the front of the room to demonstrate.
5. Allow participants approximately 15 to 20 minutes to complete the group brainstorming session.
6. Prepare a space at the front of the room on the wall to organize all the ideas developed by the participants.
7. After the brainstorming session, ask the groups to select five cards that they consider to be their top five key supplier performance indicators. Give participants a few minutes to discuss among themselves and then ask one person from each group to bring their cards to the front of the room and attach them with tape to the wall (if not using sticky notes). The participant should read each key indicator out loud. At this time, it does not matter where the card is placed on the wall.
8. Once all five cards from each group have been placed on the wall, organize similar ideas/categories into groups. Ask participants to assist with this task by calling out cards that contain similar ideas/categories. Align similar ideas together and then write a header

card for each set of ideas. Place the header card above each category of ideas. Ask participants to agree upon each heading (e.g., "Quality").

9. Ask participants if they have any other ideas written down that are not on the wall. If yes, place them under an existing heading or come up with a new heading if an appropriate one does not exist.
10. When all key indicators and/or categories have been placed on the wall, distribute Handouts 3 and 4: *Sample Performance Monitoring Checklist* and *Sample Supplier Performance Scorecard*.
11. Ask participants if there are any other indicators from the handouts that they would add to the notes on the wall. If so, write them on cards and add them to the wall.
12. Initiate group discussion with the following open-ended questions:
    - How should the scorecard be organized? By supplier, by month, by contract?
    - How will each indicator be measured?
    - Who is responsible for gathering and recording the data?
    - Who will use the data?
    - How will the data be utilized?
13. Ask for a volunteer to write the most important points of the discussion on a flipchart as the discussion is taking place.
14. The facilitator should do a mock-up of the scorecard on a white board or flipchart, and include all the input gained from the discussion.
15. Complete the Supplier Performance Scorecard to the extent possible. Review the entire scorecard and answer any questions.

Annex 6

Handout 2: Participant Instructions for Developing a Supplier Scorecard

Below are instructions for participants for the exercise "Developing a Supplier Scorecard." See the Trainer's Aid, Annex 5, for the reference to this handout.

Exercise—Developing a Supplier Scorecard

Participant Instructions

Instructions:

1. Divide into working groups of four or five people each.
2. Within your group, discuss the key performance indicators that are important to monitoring supplier performance, and write your ideas on the cards or pieces of paper that you have been given. You will have 15 to 20 minutes to complete this exercise.
3. Remember to write **one** idea per card and write in **large** letters.
4. Assign a spokesperson who will report to the entire group.

Discussion question:

- What key performance indicators are important when monitoring supplier performance?

A related question for discussion might be:

- Why is the category and/or key performance indicator so important?

Brainstorm ideas:

Annex 7

Handout 3: Sample Performance Monitoring Checklist

This handout was taken directly from Module 9 of the *Procurement Capacity Toolkit* (Exhibit 9-2). It should be used as an aid to the exercise "Developing a Supplier Scorecard." See the Trainer's Aid, Annex 5, for the reference to this handout.

Sample Performance Monitoring Checklist

Monitoring Indicator	# Compliant	# Noncompliant	Percent Compliant	Information/Comments
Supplier Deliveries				
Shipments delivered on time in compliance with contract delivery requirements.				
Adherence to Delivery Instructions				
Shipments arrived at port stipulated in contract.				
Correct quantity delivered per the contract.				
Shipments arrived under proper shipping conditions (shipped under proper temperature conditions if required).				
Provision of Documents				
Supplier provided advance copies of documents according to contract terms.				
Shipments arrived with all required documents correctly and completely filled out and signed.				
Supplier shipped correct package size.				

Monitoring Indicator	# Compliant	# Noncompliant	Percent Compliant	Information/Comments
Packing and Labeling				
Shipments with primary packages labeled correctly.				
Shipments with shipping cartons labeled correctly.				
Packaging Materials				
Shipments with external packaging sufficiently rugged to ensure arrival in-country in good condition.				
Technical Specifications				
Products meet all specification requirements.				
Products pass visual inspection.				
Products pass quality assurance testing.				
Shipments with requested quality assurance documentation, such as Certificate of Analysis.				
Product Shelf Life				
Products shipped with a shelf life greater than or equal to that called for in the contract.				
Compliance With Contract Financial Terms				
Invoices that comply with contract pricing terms.				
Shipments correctly insured and shipped according to INCOTERMS* stated in the contract.				

** INCOTERMS are rules for interpretation of the most commonly used terms in foreign trade to describe how goods will be shipped, who is responsible for them at each stage of the process, and who pays which costs.*

Annex 8: Handout 4—Sample Supplier Performance Scorecard

This handout was taken from Module 9 (Exhibit 9-3). It should be used as an aid to the exercise "Developing a Supplier Scorecard." See the Trainer's Aid, Annex 5, for the reference to this handout.

Supplier Name: _____ **Contract Number:** _____ **Month:** _____

DELIVERY	**Numerator**	**Denominator**	**Score (%)**
	# of on-time shipments	*Total shipments*	
1. Percentage of shipments delivered on time	88	100	88.0%
	# of full shipments	*Total shipments*	
2. Percentage of shipments fully delivered	88	100	88.0%
	# with adequate documents	*Total shipments*	
3. Percentage of shipments with adequate documents received on time	95	100	95.0%
QUALITY			
	# of products with correct package size and quantity	*Total # of products*	
4. Percentage of products with correct package size and quantity	192	200	96.0%
	# of products undamaged	*Total # of products*	
5. Percentage of products received undamaged due to adequate packaging	194	200	97.0%
	# of products passed	*Total # of products*	
6. Percentage of products that passed quality control testing	198	200	99.0%
	# of products in compliance	*Total # of products*	
7. Percentage of products that comply with shelf-life requirements	188	200	94.0%
CUSTOMER SERVICE			
	# of correct invoices	*Total # of invoices*	
8. Percentage of invoices that comply with contract pricing and terms	97	100	97.0%
SUPPLIER RATING			**94.25%**

Annex 9

Workshop Evaluation

The workshop evaluation highlights the strengths and weaknesses of the training provided by the facilitators. This aids in future improvement. The questions listed below can be altered to better suit the needs of the facilitator.

Workshop Evaluation

Session(s) attended:

_____

Date(s) attended:

_____

1. Training Objectives:
   - Were they clearly explained?
   - Were they reviewed during the course?
   - Were they reviewed at the end of the program?

   Comments:

2. Was there sufficient time for questions and discussions by the group?

3. What benefits did you receive from this training? (check all the apply)

   ____ New knowledge that is pertinent to my current position.
   ____ Specific approaches, skills, or techniques that I can apply on the job.
   ____ Change of attitude that will help me in my job.
   ____ Other: _____
   _____

4. What were the major strengths of the training?

5. What is your evaluation of the materials (Toolkit, handouts, etc.) that you received?

6. Would you recommend this training to others?

If yes, to whom?

If not, why not?

7. What significant changes would you recommend for improving this training?

8. What will you do differently when you return to your job as a result of this training?

9. Please add any other comments about any aspect of the training (regarding the trainers, materials, topics covered, setting, visual aids, etc.).

10. Please rate your overall evaluation of this training:

4	3	2	1
Excellent	Good	Satisfactory	Unsatisfactory

Optional:

Name _____

Place of work _____

Annex 10

Pre-/Post-test

Below is an example of a pre-test that was given to participants at the beginning of a workshop to develop a baseline of their knowledge prior to training. The same test was administered at the end of the workshop in order to measure how much participants had learned. The only difference between the two tests is the title; the first test is called "Pretest," and the second test is called "Post-test."

Pretest

Name: _____

Date: _____

1. Reproductive health goods include pharmaceuticals. ❑True ❑ False
2. In the purchase of reproductive health goods, cost is more important than safety. ❑True ❑ False
3. The regulation of reproductive health goods by the National Pharmaceutical Regulatory Authority does not impact procurement. ❑True ❑ False
4. The amount of time it takes from the receipt of funding to the delivery of goods is generally 12 months or more. ❑True ❑ False
5. Good public-sector procurement is based on competitive bidding. ❑True ❑ False
6. Selecting a supplier is the most critical link in the reproductive health supply process. ❑True ❑ False
7. There is no difference between the cost of the product and the price of the product. ❑True ❑ False
8. A procurement requisition includes the names of potential suppliers. ❑True ❑ False
9. Upon receipt of the procurement requisition, the information should be confirmed because budget availability may have changed. ❑True ❑ False
10. Bid openings are not open to the public. ❑True ❑ False
11. Bids are evaluated based on the relationship between the purchaser and the seller. ❑True ❑ False
12. An aspect of contract performance and monitoring is monitoring the payments made to the supplier. ❑True ❑ False
13. A product specification should list a brand name for reference. ❑True ❑ False
14. The two procurement options are the direct approach and the indirect approach. ❑True ❑ False

15. One challenge during the procurement process is building product quality protection into the bidding documents. ❑True ❑ False
16. Supplier performance on past contracts should be considered when deciding future contract awards. ❑True ❑ False
17. The only resource for product price information is previous contracts. ❑True ❑ False
18. Developing product specifications is part of the procurement process. ❑True ❑ False
19. A bid is an offer to enter into a contract which, if accepted, becomes legally binding. ❑True ❑ False
20. There are two phases of the reproductive health supply process: the procurement process and the performance phase. ❑True ❑ False

Annex 11

The 5 Whys

Determine the Root Cause: The 5 Whys[2]

Asking "Why?" may be a favorite technique of your three-year-old child which drives you crazy, but it could teach you a valuable quality management lesson.

By repeatedly asking the question "Why?" (five times is a good rule of thumb), you can peel away layers of symptoms, which can lead to the root cause of a problem. Very often, the apparent reason for a problem will lead you to another question. Although this technique is called "The 5 Whys," you may find that you will need to ask the question more or fewer than five times before you find the key issue underlying a problem.

Benefits of The 5 Whys

- Helps to identify the root cause of a problem.
- Determines the relationships between different root causes of a problem.
- A simple tool; easy to complete without statistical analysis.

When are The 5 Whys most useful?

- When problems involve human factors or interactions.
- In day-to-day business life.

How to complete The 5 Whys

1. Write down the specific problem. Writing the issue helps you formalize the problem and describe it completely. It also helps a team focus on the same problem.
2. Ask why the problem happens and write the answer below the problem.
3. If the answer you just provided does not identify the root cause of the problem that you wrote down in step 1, ask "why" again and write down that answer.
4. Loop back to step 3 until the team is in agreement that the problem's root cause is identified. Again, this may take more or fewer than five whys.

5 Whys example

Problem statement: Customers are unhappy because they are being shipped products that do not meet their specifications.

Why are customers being shipped bad products?
Because the manufacturer built the products to a specification that is different from what the purchaser and the salesperson agreed upon.

Why did the manufacturer build the products to a different specification than that determined by the purchaser and the salesperson?
Because the salesperson expedites work on the shop floor by calling the head of manufacturing directly to begin work. An error happened when the specifications were being communicated or written down.

Why does the salesperson call the head of manufacturing directly to start work instead of following the procedures established by the company?

[2] **Determine the Root Cause: 5 Whys page. iSixSigma website. Available at: http://www.isixsigma.com/library/content/c020610a.asp.**

Because the "start work" form requires the sales director's approval before work can begin and slows the manufacturing process (or stops it when the director is out of the office).

Why does the form require the approval of the sales director?
Because the sales director needs to be continually updated on sales for discussions with the chief executive officer.

In this case, only four whys were needed to find out that an unnecessary signature authority is causing part of the process breakdown.

Let's take a look at a slightly more humorous example using The 5 Whys

Problem statement: You are on your way home from work and your car stops in the middle of the road.

Why did your car stop?
Because it ran out of gas.

Why did it run out of gas?
Because I did not buy gas on my way to work.

Why did you not buy gas this morning?
Because I did not have any money.

Why did you not have any money?
Because I lost it all last night in a poker game.

Why did you lose your money in last night's poker game?
Because I am not very good at bluffing when I do not have a good hand.

As you can see in both examples, the final why leads the team to a statement (the root cause) that the team can take action on. It is much quicker to come up with a separate system that keeps the sales director updated on recent sales or teach a person to "bluff" a hand than it is to try to directly solve the stated problems above without further investigation.

Quotation

"If you don't ask the right questions, you don't get the right answers. A question asked in the right way often points to its own answer. Asking questions is the ABC of diagnosis. Only the inquiring mind solves problems." ~Edward Hodnett

Annex 12

Trainer's Aid: Supply Process Mapping

This exercise demonstrates the use of process mapping as it applies to the reproductive health supply process. The Trainer's Aid assists the facilitator in guiding the participants through the process of developing the process map.

Trainer's Aid—Supply Process Mapping

Identifying key steps, units responsible, and time frames

List of materials:

- Handout: *Example Process Map—Procurement Review of Subcontracts/Amendments* [Annex 13]

Instructions to trainer:

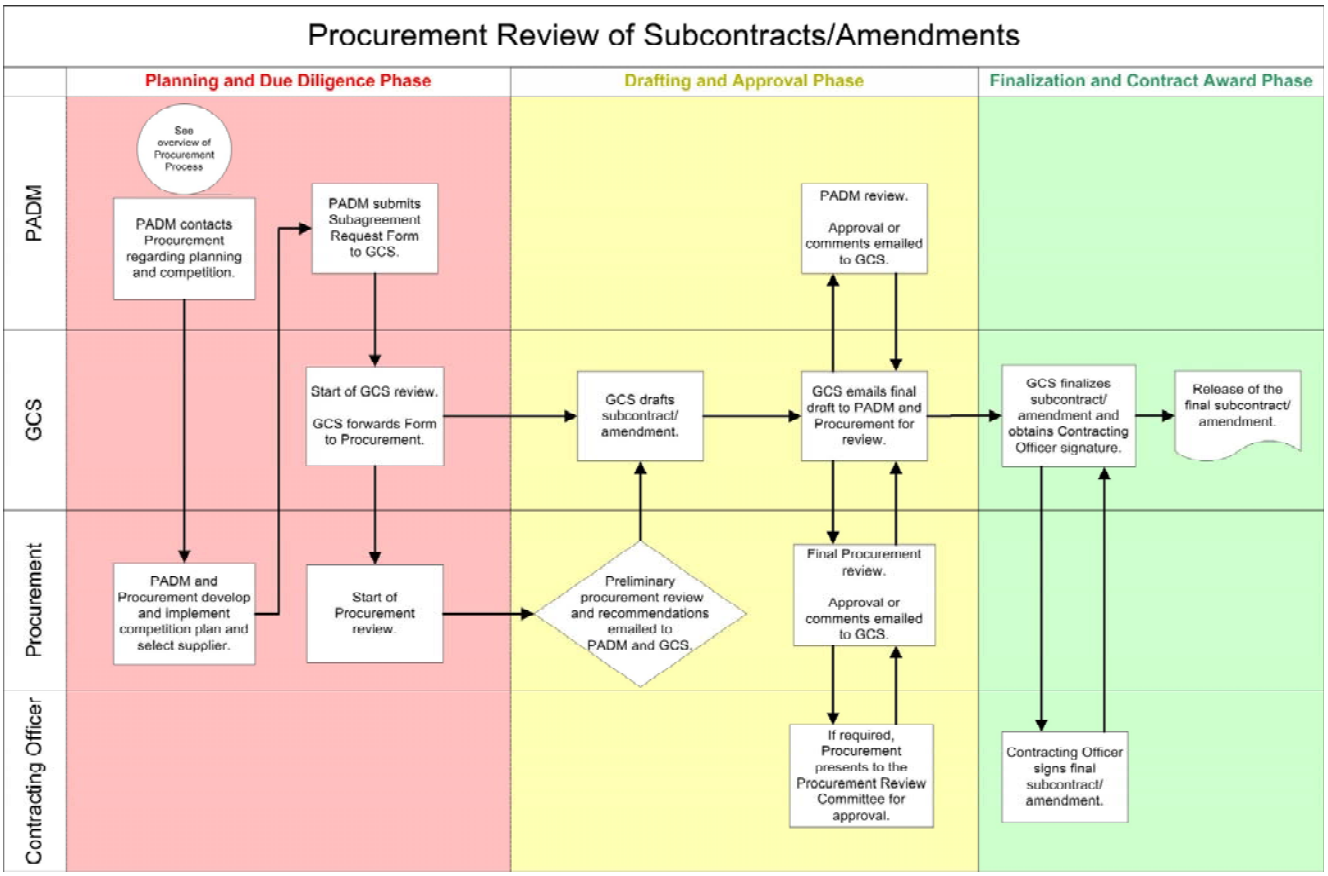
1. On a flipchart, write the first phase heading Program Planning. Below the heading, make a column for each element under this phase and title the columns Defining Reproductive Health Supply Requirements, Specifications, Assessment of Procurement Options, and Budget, Funding, and Procurement Requisition.
2. Ask participants if they would retain or eliminate any of the four elements in the process. Then ask how they would reword the elements to be more applicable to their terminology, and to make them depict actions. Any additions and/or suggested changes should be made to the headings.
3. Going through one element at a time, ask participants to brainstorm 1 to 3 key steps for each element. Suggestions should be written under the heading as they are made; they do not need to be in the proper sequence. Make sure to leave some space between each key step so that the unit responsible can be written in later. When complete, ask participants if there are any other key steps that should be added to any of the elements and include them in the appropriate columns.
4. Once the group agrees that there are no other key steps to be included under the headings, review each of the key steps and ask participants to order them in sequence of which step occurs first, second, and so forth. Number the steps according to the suggestions. Should two or more key steps occur within the same time frame, number them the same.
5. Go through each of the key steps again and ask participants to name the unit responsible and the estimated time frame for each step. Write the responses on the flipchart.
6. Once complete, go over the other two phases (Procurement Process and Performance) and the remaining six elements. Perform one phase at a time on a separate flipchart for each, going through the instructions above.
7. One of the facilitators can record the information on the flipchart while the other is taking notes in a notebook of the full discussion.
8. The end result should be a process map of the reproductive health supply process that lists the key steps under each element and the unit responsible and time frame for each.

Annex 13

Handout: Example Process Map—Procurement Review of Subcontracts/ Amendments

This handout provides participants with an example of a completed process map. It is good to provide a visual aid of the final product so participants know what they are working toward.

Example process map



Key:
GCS: Grant and Contract Services
PADM: Project Administrator

Annex 14

Exercise Results: Supply Process Mapping

The development of a supply process map is done in two stages: (1) Brainstorming and organizing ideas. After that has been completed, (2) converting the process outlined from the brainstorming session into the process map. Below is an example.

The supply process is triggered by release of budget numbers from the Ministry of Health (MOH).

PROGRAM PLANNING (Time frame = 1 month)

1) Defining Reproductive Health Supply Requirements (occurs in April)
    - Product defined by Essential Medicines List
    - Selection/Quantification (Permanent Secretary [PS] and Medical Stores Limited [MSL] work together); time frame = 1–2 weeks
        i. Selection of product by essentialness
        ii. Quantification
    - Cost estimate: CIP ("carriage [freight] and insurance paid to"), prior bids (PS [has main responsibility], MSL, and Procurement [Proc]); time frame = 1 week
    - "VEN analysis" VEN = vital, essential, nonessential (PS and MSL); time frame = 1 week

    Total time = 2–3 weeks

2) Specifications
    - Defining specifications (PS); occurs in step 1 above
        i. Know form: powder, tablets, etc.
        ii. Know strength
        iii. Labeling conditions
        iv. Standard to use (pharmacopeia)
        v. Special storage conditions
        vi. Package requirements: blister pack, etc.
        vii. Package size requirements: # of tabs, etc.
    - Verification and expansion of specifications (Proc); time frame = 2–3 days

    Total time = 2–3 days

3) Assessment of Procurement Options
    (not as applicable; assumed the process map addresses MOH purchases only)
    - Nature of product will determine the option
    - Determination of gap (included in cost estimate stage)
    - Solicitation of funds (drug supply budget line (DSBL) planning)—branch off at defining requirements
    - Funder conditions (procurement agent may be required, etc.)

4) Budget, Funding, and Procurement Requisition
    - Budget known in April
    - Issuing of procurement request (PS); time frame = 1 week
    - Sole source decision under defining requirements
    - No "need date" determined; if hot, would be emergency purchase

    Total time = 1 week

PROCUREMENT PROCESS (Time frame = 3–5 months)

1) Procurement Planning decisions are completed in the Program Planning phase

2) Developing Bidding Documents and Inviting Offers
   - Already have a prequalified supplier list
   - Preparation of bidding documents: using standard bidding documents, incorporate needs into template (Proc); time frame = 2–3 days
   - Sending to Zambia National Tender Board: hard and electronic copy
   - Review of documents (Tender Board); time frame = 1–2 weeks
   - Bid floatation (Tender Board); time frame = 4–6 weeks

   Total time = 5–9 weeks

3) Selecting Suppliers
   - Announcement of bid costs: open and close bids, stamp documents (Tender Board); time frame = 1 week
   - Evaluation of bids (Proc as Secretariat + other stakeholders); time frame = 1–2 weeks
     - Recommendation to Ministerial Bid Committee
   - Reporting to Tender Board: provide authority to award contract per recommendation (Tender Board); time frame = 1–2 weeks

   Total time = 3–5 weeks

4) Contracts
   - Drafting of contract and sending to supplier: notify supplier (Proc); time frame = 1 week
   - Supplier review of contract; time frame = 2 weeks
   - Opening of letter of credit: for int'l only (Accounts and Proc); time frame = 2–4 weeks

   Total time = 5–7 weeks

PERFORMANCE (Time frame = 4–6 months)

1) Contract Performance and Monitoring
   - Checking of Certificate of Analysis with copy of shipping documents (Proc) = 2–3 weeks
   - Supplier sends delivery schedule = 2–3 weeks
   - Review of delivery schedule (MSL) = 1 week

   Total time = 5–7 weeks

2) Delivery of Goods
   - Delivery of goods; time frame = 8–12 weeks
   - Quality assurance at medical stores (MSL); time frame = 2–3 weeks

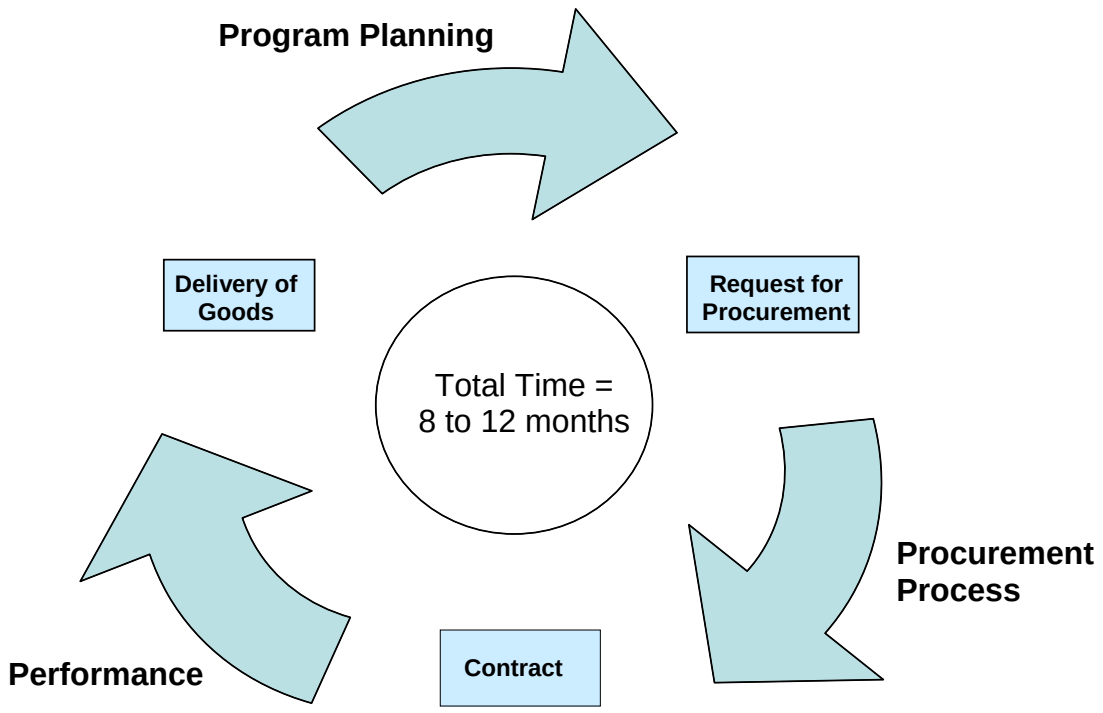
   Total time = 10–15 weeks

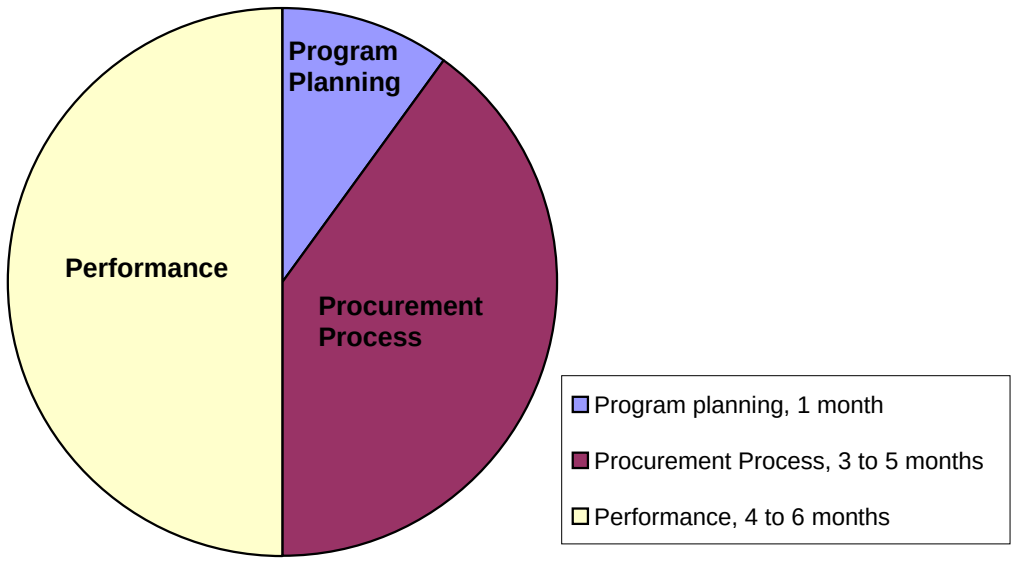
3) Supplier Payment
   - Review of documents from MSL and disbursement to Accounting (Proc); time frame = 1–2 days
   - Processing of supplier payment and final payment (Accounting/Accounts Payable); time frame = 2–4 weeks

   Total time = 2–4 weeks

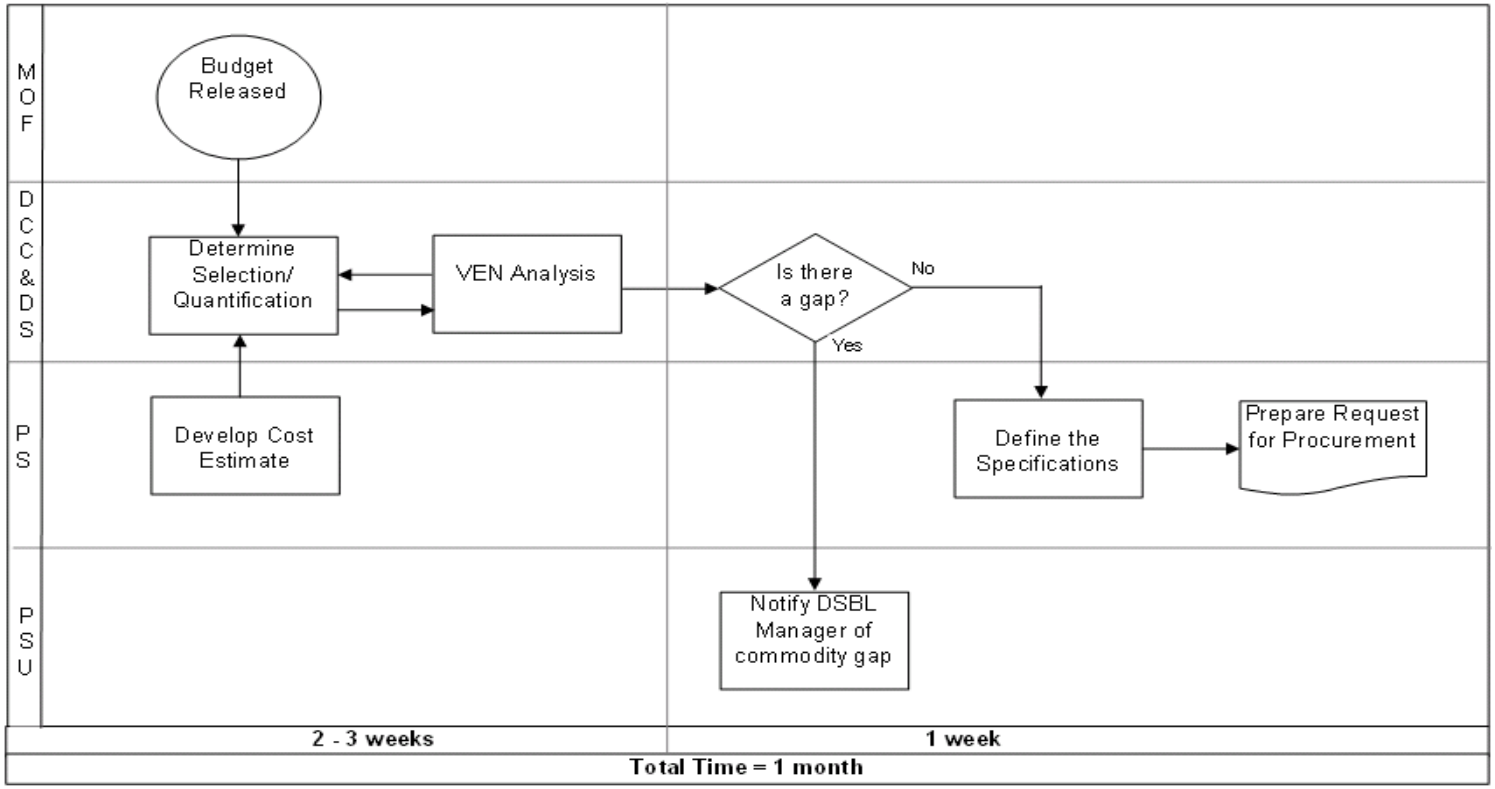
OVERALL TOTAL TIME = 35–52 weeks; 8–12 months

Central Procurement Process Timeline



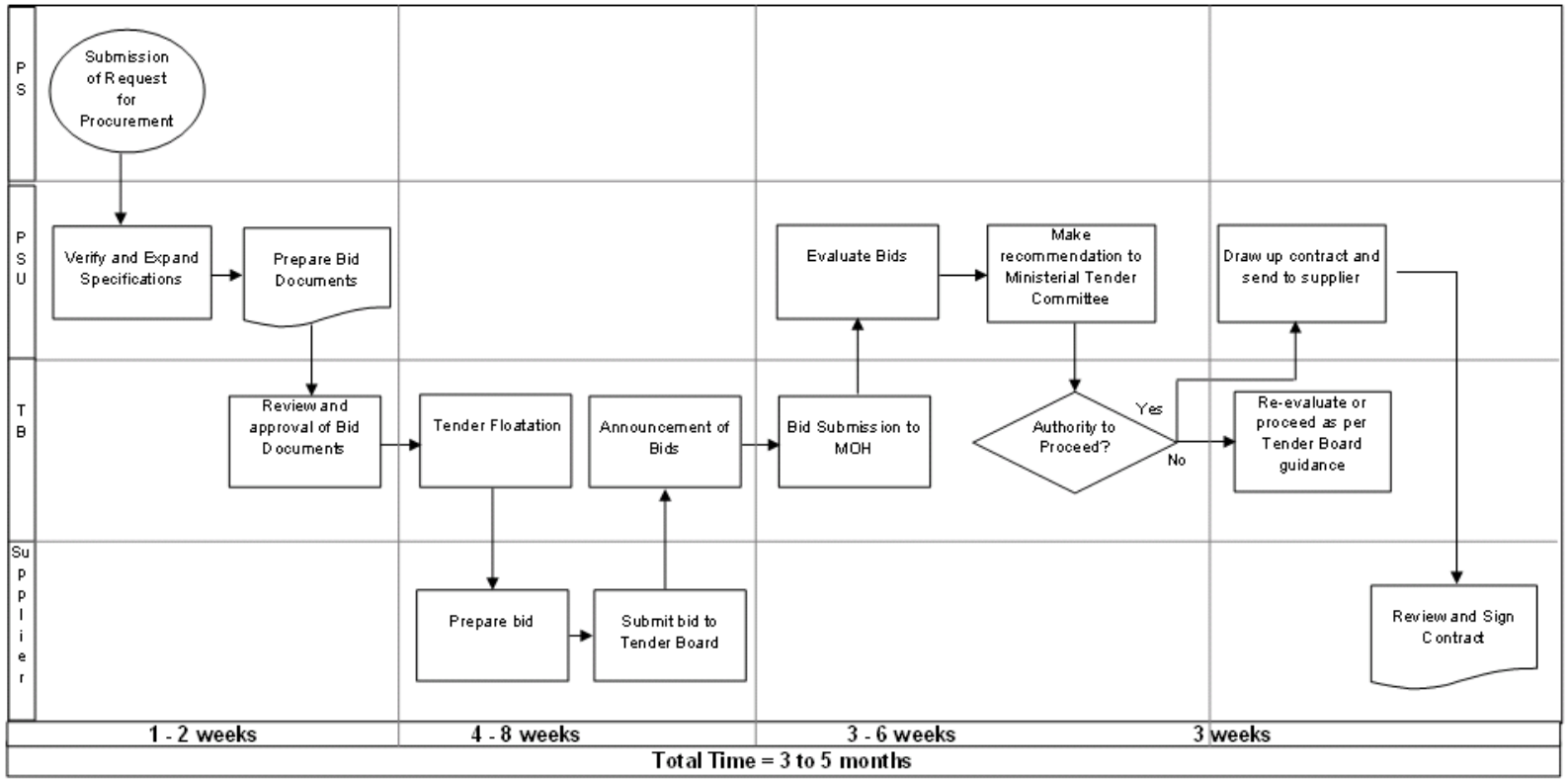


Central Procurement Process: Program Planning Phase



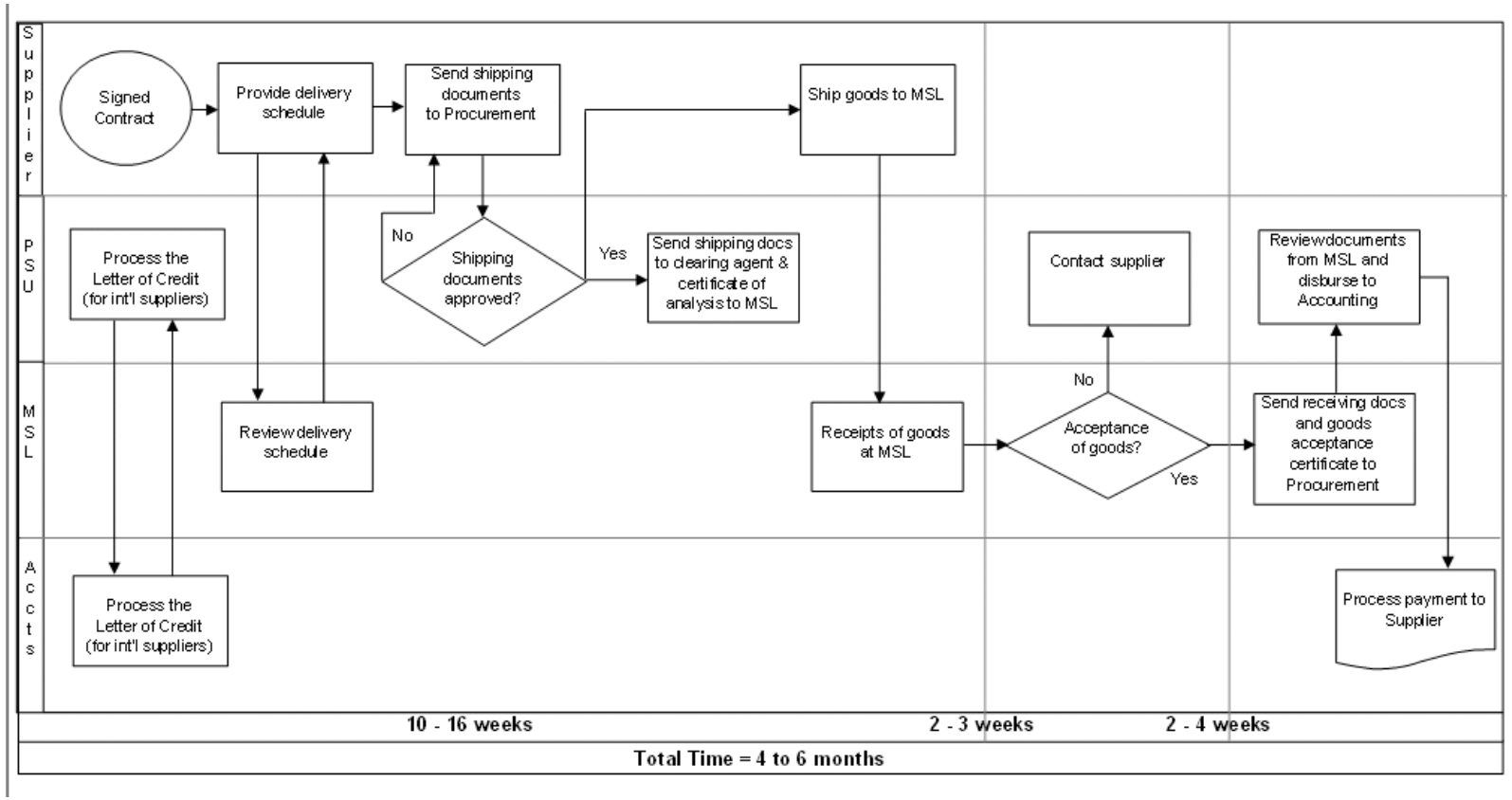
Key
MOF: Ministry of Finance
DCC&DS: Director of Clinical Care and Diagnostic Services
PS: Pharmacy Specialist
PSU: Procurement and Supplies Unit
DSBL: Drug Supply Budget Line

Central Procurement Process: Procurement Process Phase (for bids greater than US$1 million)



Key:
PS: Pharmacy Specialist
PSU: Procurement and Supplies Unit
TB: Tender Board
MOH: Ministry of Health

Central Procurement Process: Performance Phase



Key:
PSU: Procurement and Supplies Unit
MSL: Medical Stores Limited
Accts: Accounting/Accounts Payable