

Case Study: Consortium Management



Once upon a time, USAID Food for Peace issued a Request for Applications (RFA) for a Multi-Year Assistance Project (MYAP). Even before the RFA came out, the country offices of NGOs in the capital city were buzzing with “strategic positioning” talk. Someone from STEPS’ headquarters (HQ) office flew out to help the country office with their decision-making. Behind a closed door with the STEPS Country Director (CD), the following conversation occurred.

Mr. HQ: I really think you need to form a consortium with HELP and CRISES to go after this. USAID really likes consortiums these days. And, if they are in a consortium with us we won’t have to compete with them for this MYAP.

CD STEPS: But, they have always been our biggest competitors. How could we work together?

Mr. HQ: Well, if you neatly divide up the Strategic Objectives (SOs) among you, then, each partner just takes care of his/her own and you really don’t have to interact with them on a regular basis. Only your Monitoring and Evaluation person (and you should keep that position as the prime) will have to coordinate monitoring and reporting with them. Now, HELP would be the likely one to take SO1 (Livelihoods) because they are strong in that and CRISES could take SO3 (Governance), which is the smallest of the SOs, and we get SO2 (MCHN).

CD STEPS: But, we are also good at SO1!

Mr. HQ: Listen, we have to compromise a little. The biggest part of the budget will go to us for SO2 and for management. And, I’m sure they will be happy to have us do the monetization and manage the food.

Across town, HELP and CRISES were also getting advice from their HQs that a consortium was the way to go. Not only was USAID seemingly leaning towards consortiums, HELP never liked handling food, and CRISES knew they didn’t have the technical expertise for SO1. So, the three NGOs signed a teaming agreement. They hired the very best consultant who led a dynamic and congenial design workshop and wrote the proposal. However, when the STEPS Country Director got the final draft, she sat at her computer with her technical staff and re-wrote SO1, talking half of the activities for STEPS.

Fast forward to the Mid-Term Evaluation. The report says:

“There are serious management issues with the consortium. Staff are not co-located and meet only quarterly so there is little communication. The COP has never been out to the field to see the work in SO3. He meets with the CDs of the partners only rarely and for urgent business. He does not reply to e-mails or share information readily about finance issues or the monetization. In fact, consortium partners are not allowed to communicate directly with the Finance Officer but must go through the COP.

The SOs are not integrated, rather are operating in silos and there is no way to track which beneficiaries are being reached by all three SOs. Field staff feel hounded by the Monitoring and Evaluation (M&E) officer to turn in reports and data but never get any feedback.

Both STEPS and HELP are implementing activities for SO1 in the same communities, which is a source of confusion to beneficiaries. They use different incentives for volunteers and have very different behavior change approaches. HELP says that, in the initial teaming agreement they signed, they were to have gotten all of SO1. They feel very resentful towards STEPS for changing the proposal. They had to sign a new teaming agreement after the award was made, at which point, they had no choice but to go along with the change.

Each consortium partner was allocated certain senior technical positions in the design phase. Due to the lack of communication and coordination, there has been very high staff turnover at that level. When HELP or CRISES were slow to re-fill positions, STEPS assumed those positions. CRISES no longer has any positions on the technical “team”. In spite of the fact that most of the technical staff now belong to STEPS, they do not communicate with each other across SOs, further exacerbating the lack of coordination and integration.”

Please discuss the following questions:

1. What are the current problems?
2. If you could go back in time, what could have been done differently in design or management to prevent these problems?
3. Given the current status at midterm, what could be done now to improve the situation?