

Towards [EU) Consultants United


NEWSLETTER 8

NEW YEAR SPECIAL:

AN ASSOCIATION

WHY?

FOR WHOM?

SERVICES?

HOW?

COSTS?

WHEN?

Dear Colleagues,

Unless the European Commission responds to our proposals and requests before the weekend, this will be the last Newsletter of 2010.

It has been a good start for our community of independent experts. We have only seen the beginning of the reforms we all seek, but with 641 experts from 63 countries demanding change, we are a voice that must be heard. We are confident that 2011 will bring further changes that will benefit us personally and professionally.

But to achieve success and to build upon it more it is essential, as many of you have written to say, that we go further and establish a professional association to represent our interests.

In this Newsletter we set out our thoughts about what such an association might look like and what it should try to do, in the context of the many problems and weaknesses that affect our profession.

We hope you will find time to read and think about this over the holiday period and, as always, please write to us with your comments. We plan to organise a broad discussion in various platforms.

We will publish the most important and interesting comments and the outcome during January 2011.

Many of you are currently working a long way from home.

We hope you will be able to spend the coming period with your loved ones and, to all of you, wherever you are and whether you have a job or not, thank you for all your support and have a well-deserved holiday.

May 2011 be the Year of the Independent Experts and their New Association!!

Stephen, Bill, Michael, David, Tamer and Henry



Towards [EU] Consultants United

Vision

Development cooperation is under broad criticism in society: lack of sustainability and efficiency together with non-transparency are the main issues. The criticism is very broadly directed, without distinguishing between the different components of the development cooperation sector: direct budget support, technical assistance, emergency aid and all idealistic NGOs with their sub-voluntary structures are in the eyes of public and most politicians seen as part of “one team”.

Partly as a result of this image, but also due to renewed nationalistic trends and the economic crisis, development cooperation is facing current and future budget cuts.

The Technical Assistance industry will have to prove its added value in the coming years, distinguishing itself from other elements of development cooperation.

This is a true challenge as the industry is not well organised:

- Results orientation needs strong attention
- The industry is organised in a bureaucratic and over-procedural manner, without developed partnerships or alliances
- Due to the lack of quality standards “cowboy contractors” and “body shops” have made their entrance
- The industry suffers from a general lack of professional standards and has for instance no clear definition or a professional profile of a consultant.
- Hence supporting systems, such as targeted HR policies and talent management do not exist.

As result of the current circumstances the position of consultants is:

- Poorly regulated
- Weak and unbalanced
- Lacking professional standards
- Pressured by concerns about employment and earnings

Partly because of the lack of professional standards and the blurred definition of the profession there are no mechanisms to (pre-) select consultants and to distinguish between a ‘good’ and a ‘bad’ consultant.

The number of consultants over the past years seems therefore to have become more ‘supply’ rather than ‘demand’ driven. The industry probably has to deal with a surplus of consultants, putting downwards pressure on earnings.

With all these challenges, there is a need for all actors in the industry – donors, contractors and consultants – to organise themselves and to create structures to represent their different and shared interests. Consequently there is a need to create structures for bipartite and tripartite deliberation between the actors.

An association of independent consultants needs to be created to work on all the above-mentioned challenges, taking into account the general and shared interests as well as the specific interests of consultants.

Mission

Establishing and maintaining an organisation to promote and advocate for self-employed professional consultants working in contracts for donor-funded development cooperation.

Concrete areas of concerns

There are five areas of concern:

1. Procedures to obtain employment
2. Employment conditions
3. Quality of performance / improving project delivery
4. Need for innovations / modernisation of systems
5. “Crooks in the business”, such as unscrupulous contractors and consultants

1. Procedures to obtain employment

There is a concern that the whole current process is wrong, examples are:

- The processes for project identification & ToR are input driven rather than results and outputs driven

- ToRs are often lacking quality in terms of:
 - Required outputs,
 - Conditional investments in organisational development and capacity building,
 - The relation between tasks to be performed and required competencies of experts
 - ToRs are mostly not aligned with actual conditions
 - Expert profiles in ToRs tend to be rigid, standardised and quantitatively focused, rather than actual competence-based
 - The selection procedure does not allow for the selection and deployment of the best team
 - The current processes block contractors from becoming competitive on the basis of their actual skills and experience
 - Bid-evaluators lack technical competence for assessing key methodological issues
 - Project design and evaluation of bids are driven by process rather than content
 - Bid evaluation is not related to modern management insights, for instance in selecting teams rather than individuals
 - The current CV system/assessment of experts is inappropriate for assessing the quality of an expert
 - Acquired competencies are not identified
 - Quantities (years of “experience”) are more important than the quality of experience
 - There are apparently no systems to assess and value comparable experience
 - There is currently no acceptable system of performance evaluation
 - Referees collection and proof of employment are arbitrary and bureaucratic rather than functional
 - The processes of bid development and evaluation are not transparent:
 - There is no timeframe
 - And no information
 - Apart from the SoE&A the current processes to get employment depend too much on influences that are not under control by the consultant, such as
 - Bid development
 - Consortia members
 - Other experts
 - Other external factors
 - Again, apart from the SoE&A, procedures are too lengthy, without sanctions on evaluators who miss their own deadlines, with easy extension of procedures and no sanctions on delays
- ## 2. Employment conditions
- The legal rights and the position of the consultant are unclear. Protection against unfair treatment is lacking.
 - There is an insufficient number of expert levels; entry and medium levels for consultants are almost not available or unclear, but also more distinction between the different senior and management levels is missing: there is for instance no difference between consultants acting in operational and strategic roles.
 - There are no standards for remuneration and no links with comparable sectors/industries.
 - There are no criteria for the margins contractors / consortia take from the project budgets for their own organisations. The added value of contractors / consortia is often without relation to their take.
 - Per diems are often not fully paid (in particular in FWC)
 - Travel arrangements are poor and differ (in particular for FWC and STE: some contracts pay travel days, others don't)
 - Overtime arrangements are poor or at least complicated (working on weekends)
 - Appeal procedures for consultants do not exist
- ## 3. Quality of performance
- There is a lack of HR systems:
 - No systems for identification and selection of (candidate) consultants at industry level
 - Very poor selection procedures of consultants in projects
 - No systems for training, education and guidance of consultants at industry level
 - No systems for performance evaluation of consultants
 - No systems of career development on industry level
 - A professional profile of consultants is missing
 - A code of conduct for consultants is missing

- Programmes lack cultural sensitivity, with a general tendency to “copy-paste” EU policies
- Programmes focus too much on measures and too little on (preconditional) organisational development and – (major) change, hence the sustainability is threatened
- Programmes don't start on time
- There is a low quality of coordination in programmes:
 - In-country coordination of EU programmes (too often programmes target the same organisations at the same time)
 - There is no international coordination of programmes (similar programmes requiring a similar experts profile)
 - There is competition between EU programmes and those of other donors
 - Country programmes often lack definition/determination of one coordinating / leading (overarching) programme.

4. Needs for innovations

- The industry needs:
 - Output orientation (strategy, team profile, outputs & costs)
 - A modernised selection process of consultants, taking into account:
 - Team chemistry
 - Teams will be interviewed and individually assessed
 - Beneficiary references / performance evaluation / track record of results
 - Performance evaluation of consultants
 - Code of conduct / ethics for consultants
 - Dedicated HR policy for EU consultants

5. “Crooks in the business”

- Fraudulent use of CVs by contractors
- There is use of CVs without having a signed SoE&A before definite selection
- There are no sanctions on wayward contractors
- Fraudulent CVs of consultants
- "Body shops"

Core activities

The association has different roles in all the above-mentioned items and future items of interest, which will evolve in the future. Of course priority determination is a first function of the association: we can't do everything at the same time. The first core activity is therefore:

1. Organise the communication with members on matters of collective interest and agree upon:

- A Policies Programme every 4 years
- A yearly Action Programme

The association management will prepare drafts for these programmes, which will be discussed among and decided upon by members mostly using dedicated discussion boards on the associations website.

As soon as the policies and activities are determined, association representatives will start striving for accomplishment of these programmes. On a collective level two, possibly three areas of operation should be established and made operational:

2. Social partnership between the relevant donor (EU), the representative organisation(s) of contractors and the association of consultants. This level will deliberate / negotiate about:

- a. All policies affecting the whole industry, including the general image and performance of the industry and how to optimise this
- b. Facilities for the industry, for example a training fund for consultants
- c. Standard facilities for consultants (per diems, working on weekends, travel days etc)
- d. Professional profiles of consultants
- e. All legal procedures and legal frameworks for the industry
- f. The different Codes of ethics and conduct
- g. If relevant, appeal and penalty procedures

3. Bipartite deliberations/negotiations with representative organisation(s) of contractors:

- a. Minimum rates for various consultant positions
- b. Standard contracts
- c. Appeal procedures for consultants
- d. HR systems where relevant



**WRITE US ABOUT YOUR
IDEAS AND THOUGHTS**

The association representatives intend to accomplish draft negotiation agreements in accordance with the Policies Programme and/or the yearly Action Programme.

A draft agreement requires the consent of members to be obtained via dedicated polls.

4. Representations in collective provisions. Here you could think of:

- Training funds for consultants
- Possible social security provisions (e.g. health care, theoretically pension)

5. Information services: as a result of its work the association will gather and provide information about contractors and their facilities, provisions, standards for and behaviour towards consultants. Eventually this could lead to white and black lists.

6. Individual advice and conditioned assistance for members. The association will provide advice and conditioned assistance to individual members in all areas related to their contract.

7. Free members services. Using the association as a collective body could help getting good, cheaper and tailored insurances such as for health care and travel. The association could also support in providing information about hotel accommodations and apartment renting.

8. Paid members services. If relevant the association could also offer some profit-based services in for instance CV support and other career services.

Memberships

In order to perform these activities successfully and to become a representative partner the association would need a minimum of 2,000 members within two years of its establishment. The subscription level is estimated between €150 and €200 per year.

For these contributions the association will acquire proper facilities, including in-house staff, contracted specialised (legal) services and office premises.

Planning

We first need a proper discussion about all above mentioned items. After that, [EU) Consultants United intends to start its work as soon as 500 people have signed up for a membership-commitment.

The goal is to provide services to members covering all aspects of their contracts and to develop these services with regard to all donors. Initially the association will focus its collective bargaining services on the EC. The association will gradually expand these services to other major donors. This should take place within three years.

Individual services will be offered for every contract within the area of 'self-employed professional consultants working in contracts for donor-funded development cooperation'.

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