

TC Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Communications and Change Management - Business and Innovation Climate Projects
▪ TC Number:	RG-T3684
▪ Team Leader/Members:	Torrico Duran, Blanca Paola (IFD/CTI) Team Leader; Centeno Lappas, Monica Clara Angelica (LEG/SGO); Cox, Shameka Tameisha (IFD/CTI); Franklyn, Russell Levon (IFD/CTI); Gonzalez Alzualde, Yohana Beatriz (IFD/CTI); Kelly Castillo, Emily Leticia (IFD/CTI); Pereira, Stefano (IFD/CTI); Pilgrim, Valarie (IFD/CTI); Pomenta Bastidas, Patricia Elena (ORP/GCM) Lappas, Monica Clara Angelica (LEG/SGO); Cox, Shameka Tameisha (IFD/CTI); Franklyn, Russell Levon (IFD/CTI); Gonzalez Alzualde, Yohana Beatriz (IFD/CTI); Kelly Castillo, Emily Leticia (IFD/CTI); Pereira, Stefano (IFD/CTI); Pilgrim, Valarie (IFD/CTI); Pomenta Bastidas, Patricia Elena (ORP/GCM)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	RG-T3267, BL-T1100, BA-T1056, RG-T3243
▪ Date of TC Abstract authorization:	13 Apr 2020.
▪ Beneficiary:	Compete Caribbean Partnership Facility beneficiary countries ¹ (See GN-2851)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Compete Caribbean Partnership Facility(CCP)
▪ IDB Funding Requested:	US\$161,000.00
▪ Local counterpart funding, if any:	US\$34,500.00 (In-Kind)
▪ Disbursement period (which includes Execution period):	24 months (Execution period 18 months)
▪ Required start date:	June 2020
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	IFD/CTI-Competitiveness, Technology and Innovation Division
▪ Unit of Disbursement Responsibility:	IFD-Institutions for Development Sector
▪ TC included in Country Strategy (y/n):	
▪ TC included in CPD (y/n):	
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation; Gender equality

II. Objectives and Justification of the TC

- II.1 The objective of this TC is to support the development and execution of communication action plans and change management plans to improve the implementation of business climate reform projects under Pillar 2 of the Compete Caribbean Partnership Facility (CCPF). In accordance with GN-2851 this TC is a Pillar 2 operation. At the most fundamental level, business climate reform projects are about implementing changes within a single or several related organizations. These projects often target specific changes to one or more elements of an organization (strategies, processes, systems, skills, staffing levels, managerial capacity, or culture) without the required level of attention to the impacts on the other elements and the people associated with

¹ These countries are Antigua & Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Lucia, St. Kitts & Nevis, St. Vincent & the Grenadines, Suriname, Trinidad & Tobago.

the organization. Project implementation teams are also likely to be dominated by hard/technical skills as opposed to change management skills. Change management is ‘the process of continually renewing an organization’s direction, structure, and capabilities to serve the ever-changing needs of external and internal stakeholders (Moran and Brightman, 2001). As it relates to implementation of business climate reforms, change management should address the often intangible or people-related challenges to achieving planned project results, which if overlooked are likely to impede the achievement of project outcomes and sustainability².

- II.2 CCPF supports the Caribbean region in increasing productivity and Caribbean firms’ contribution to economic growth. The specific objectives are: (i) to support firms to grow, innovate and enter new sectors and markets, and (ii) to promote an environment that enables innovation and growth. Consistent with these objectives is the fostering of organizational cultures that have a capacity for change. Not only is readiness for change a factor in determining implementation success at the organizational level, but it also serves as a precursor to improving the operability of project outputs, user-friendliness and user-satisfaction as organizations respond to the changing needs of stakeholders (Jones et al. in Journal of Management Studies, 2005).
- II.3 Concurrently, major lessons learned by the CCPF team during the implementation of business climate reform projects in the Caribbean include the critical importance of allocating adequate project resources to (i) sensitizing and obtaining inputs from as many key stakeholders as possible, on draft policies, strategies and/or legislation as this compensates for limited capacity within public sector intermediary agencies to review and provide comments on consultants’ outputs; (ii) sensitizing and enrolling senior decision makers given their importance in resolving implementation bottlenecks and sustaining results beyond the project; and (iii) sharing lessons and experiences among the thirteen (13) CCPF benefitting countries. The recently concluded [Midterm Evaluation of CCPF](#) also recommended that (i) projects should allocate adequate resources to supporting change management; and (ii) program communication activities should be strengthened, so as to better showcase program achievements and provide additional visibility to program knowledge products outside of the direct circle of project beneficiaries.
- II.4 There are several TCs with , which funds allocated to cover communications and/or change management, where the allocations were found to be inadequate once implementation had commenced. may benefit from an increased allocation of funding for change management and program communications. Women and men-owned/led small and medium sized enterprises (SMEs) have not utilized alternative dispute resolution (ADR) services to the same extent as large businesses. Increased investment in communications to complement TC activities implemented under BA-T1056³ , would allow more targeted sensitization to SMEs, with due attention to

² For example, a business process automation project may lead to the establishment of an electronic one stop shop and immediate changes in the time and cost of doing business. As such, the project achieves the main output and immediate outcomes. If the project is to achieve intermediate outcomes and sustainability, project activities must include (i) changes to job descriptions and organizational structure (for example adding IT skills to the organization); (ii) staff training; (iii) changes in indicators to measure staff performance and base recognition and reward decisions; (iv) managerial training on the use of data to track performance and drive a culture of continuous improvement and service excellence; etc.

³ The objective of Capacity Building for Barbados in Alternative Dispute Resolution Systems ([BA-T1056](#)) is to improve the service delivery capacity of the Arbitration and Mediation Court of the Caribbean thereby increasing access to arbitration and mediation services by the private sector in Barbados, the member countries of the Organisation of Eastern Caribbean States, and the wider Caribbean.

women-owned/led enterprises, to improve their understanding of and access to ADR services. Given that CCPF has supported the preparation of the first competitiveness agenda for Saint Lucia (RG-T3243)⁴, more investment in gender sensitive communications could improve key stakeholders' understanding of the agenda and its implementation plan; organizational arrangements for driving accountability; each key stakeholder's role in the implementation process; and how women and men-owned MSMEs may benefit. The support provided to the Government of Antigua and Barbuda (RG-T3267)⁵ and the Government of Belize (BL-T1110)⁶ to establish electronic one-stop-shops for construction permitting and business registration respectively will lead to changes in the tasks that comprise jobs across several public sector agencies. This TC addresses the recommendations of the Midterm Evaluation of CCPF and complements activities under the four projects found to have inadequate allocations for change management and communications.

- II.5 **Strategic Alignment:** This TC, and in particular the four TCs that it will complement, are consistent with the Second Update to the Institutional Strategy (AB-3190-2) as it is strategically aligned with the development challenge of Productivity and Innovation and the cross-cutting themes of Gender Equality and Social Inclusion. More specifically, this TC will complement the service delivery of the aforementioned TCs and how benefits can be accessed by disadvantaged groups and women-led businesses. In the context of Belize, this TC, similar to BL-T1110, is aligned with the Country Strategy similar to BL-T1110 in that it will support Digital Transformation of the business climate by improving the readiness of the Belize Commercial Registry to undertake technology adoption. Moreover, this TC will also provide stakeholders with capacity that can spillover into complementing the execution of the operation BL-T1129 "Digital Transformation for Improving the Business Climate in Belize." In the context of Barbados, this TC is aligned with the Country Strategy in that it will build capacity in the existing legal system by promoting the use of Alternative Dispute Resolution.

III. Description of activities and budget

- III.1 **Component 1. Supporting the Design and Execution of Change Management Action Plans (US\$60,000).** This component will finance the procurement of an individual consultant in the form of a change management specialist who will be engaged to develop and support the execution of approximately two (2) Change Management Action Plans. Resources will be used to cover consulting fees and expenses and the cost associated with consultations with people/stakeholder groups

⁴ This was done under TC Saint Lucia Competitiveness Agenda & Action Plan ([RG-T3243](#)), the objectives of which are to objectives are to: (i) define a Competitiveness Agenda for the country that reflects public sector, private sector and civil society consensus and focuses on strategic interventions that promote private sector development; (ii) strengthen key institutions that facilitate innovation, productivity and competitiveness and, which will have lead roles in developing and implementing the agenda, in particular the NCPD and the DOI; (iii) increase awareness and understanding of innovation, productivity and competitiveness among key stakeholders to increase ownership of and capacity to participate in the development and implementation of the agenda; and (iv) support the implementation of priority vertical reforms detailed in the agenda.

⁵ Assistance was provided to the Government of Antigua and Barbuda through TC Streamlining the Issuance of Construction Permits in Antigua and Barbuda ([RG-T3267](#)), the objective of which is to implement a digitized system which will facilitate a reduction in the number of procedures, time and cost involved in obtaining construction permits in Antigua and Barbuda.

⁶ The Government of Belize was supported under the TC Leveraging Digital Technology for Improving the Business Climate in Belize ([BL-T1110](#)), the objective of which is to test an approach for reengineering and digitizing the delivery of services that are critical to improving the business climate in Belize.

impacted by the project. The specialist will work closely with, transfer skills to, and prepare local counterparts to sustain the change process post-project. This includes but is not limited to: understanding the sources of resistances to changes being brought about by the implementation of CCPF funded business climate reforms and incorporating the needs of resisting groups in the change management process in an effort to promote dynamic organizations that have the capacity to respond to an ever-changing business climate.

- III.2 Component 2. Supporting the Development and Execution of Gender Sensitive Communication Action Plans (US\$101,000).** This component will engage the services of an individual consultant in the form of a communications specialist to assess the additional communications needs of business climate reform projects executed by the CCPF, develop and support the execution of approximately four (4) gender sensitive Communication Action Plans, and evaluate the extent to which planned objectives are achieved. In integrating gender, the plan will identify and address obstacles to maximizing access to project benefits by women and other disadvantaged groups. CCPF resources will be used to meet consulting fees and expenses as well as communication expenses associated with the development and dissemination of communication products. The Action Plans will determine the optimal strategies for dissemination in order to maximize stakeholder coverage. In addition, public sector communication channels will be utilized in the dissemination and will represent in-kind counterpart contribution. The communications specialist will also work closely with, transfer skills to local counterparts to increase their ownership of, and capacity to implement and sustain communications post-project.
- III.3** The total cost of the TC is US\$191,000 of which US\$161,000 will be financed by CCPF and US\$30,000 will be financed by non-cash/in-kind contributions

Indicative Budget (US\$)

Description	IDB/CCPF Funding	Counterpart Funding	Total Funding
Component 1: Supporting the Design and Execution of Change Management Action Plans	60,000	0	60,000
- Consulting fees and expenses to develop and implement two (2) Change Management Plan	50,000	0	50,000
- Consulting fees and expenses to develop and implement two (2) Change Management Plan	10,000	0	10,000
Component 2: Supporting the Development and Execution of Gender Sensitive Communication Action Plans	101,000	30,000	131,000
- Consulting fees and expenses to develop and implement four (4) gender-sensitive Communication and Dissemination Action Plans	60,000	4,500	60,000
- Expenses associated with production of communication collateral and using dissemination channels	41,000	30,000	71,000
Total	161,000	34,500	191,000

IV. Executing agency and execution structure

- IV.1 CCPF, approved under GN-2851, was jointly designed with donors to be a Bank Executed Program, through CCP's Facility Coordination Unit (FCU) established in the Country Office Barbados. The Bank has demonstrated its ability to coordinate and motivate action across diverse stakeholders at both the national and regional levels. In accordance with Section 2.d., Annex 10 of GN-2629 it is appropriate for the Bank to execute regional TCs where a regional entity with the legal and institutional capacity to execute cannot be readily identified.
- IV.2 The execution and disbursement periods will be 18 and 24 months respectively and the Unit of Disbursement Responsibility (UDR) will be the Institutions for Development Sector (IFD/IFD). The execution of this TC will be supervised by Blanca Torrico Duran, Operations Senior Analyst (IFD/CTI) in coordination with the FCU. Supervision expenses will be designated to the FCU. All activities to be executed under this TC have been included in the Procurement Plan (see Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-28 for logistics and other related services.
- IV.3 In accordance with a Financial Agency Agreement signed between the IDB and the Caribbean Development Bank (CDB), the CDB will act as the Financial Agent for the purposes of administering the Facility's grant resources that will finance the implementation of initiatives in the Organization of Eastern Caribbean States.

V. Project risks and issues

- V.1 With a limited budget and implementation time for each project and benefitting organizations that are lean/have limited absorptive capacity, the Action Plans must be practical and based on a sound understanding of the planned results of the project and SMART (specific, measurable, achievable and timebound) objectives. Implementation will also be challenged by COVID-19 pandemic restrictions and poor internet connectivity in some countries. Consultant selection will be critical to success. Preference will be given to consultants that from within the region and therefore more able to conduct field work; and with prior experience in project-based change management and communications, integration gender and social inclusion considerations, and in using online service delivery tools. Prior to preparing a Work Plan, he/she will be provided with an extensive briefing of the project and its implementation performance from several stakeholder perspectives; and will present and receive feedback on his/her understanding of what the Plan will achieve and the related methodology.
- V.2 CCPF funded business climate reform projects support discrete reforms but to promote sustainability, they also attempt to stimulate a culture of service excellence and continuous improvement for which the capacity to manage internal and external communications and change is critical. The budget provides resources and the support of the experts to implement a substantial percentage of the Action Plans during the period of the project. It is, however, a risk that the countries will be unable to sustain communications and change management activities once project funds and expertise, are depleted no longer available. As such, this TC will also transfer communications and change management skills to and leave the participating agencies with resources (action plans that are implementable using local dissemination channels and communication products) to assist them with sustaining communications and change beyond this TC.

- V.3 All work plans developed by the consultants engaged, will consider how best to achieve the objectives of the assignment given the COVID-19 restrictions. This could include the use of digital platforms for consultations, meetings, and training/coaching. In addition, given that the outputs of the project are demand-driven, it is expected that uptake of actionable items in the plans developed will be high. The beneficiaries have allocated resources to this operation and have committed to ensuring that Value for Money has obtained in the long term. These agencies are the Economic Development Council in Belize, the Arbitration and Mediation Court of the Caribbean in Barbados, the National Competitiveness and Productivity Council in St. Lucia, and the Development Control Authority in Antigua & Barbuda.

VI. Environmental and Social Strategy

- VI.1 Given the nature of the program, there are no associated environmental or social risks. Based on the Environment and Safeguards Compliance Policy (OP-703) this operation is classified as "C". See [Safeguards Policy Filter Report \(SPF\)](#) and the [Safeguard Screening Form \(SSF\)](#).

Required Annexes:

[Request from the Client_17109.pdf](#)

[Results Matrix_69314.pdf](#)

[Terms of Reference_25345.pdf](#)

[Procurement Plan_33932.pdf](#)