INCORPORATING CLA IN THE PROCUREMENT PROCESS

Introduction

To help set an activity up for success, we need to design it in such a way that will enable USAID staff and future implementing partners (IPs) to share crucial knowledge, learn from their experience, and adapt their approaches as needed in order to achieve the outcomes sought. These practices lead to better development results, as a growing evidence base shows. Planning for collaborating, learning, and adapting (CLA) is USAID's approach to organizational learning and adaptive management. CLA helps future IPs generate and share knowledge; understand the theory of change behind programming; engage key stakeholders and beneficiaries; and adaptively manage risk, shocks, and uncertainty.

Activity design teams that apply CLA practices and approaches throughout the design and procurement process can ensure that their efforts are bringing the CLA priorities that their Mission or Operating Unit (OU) has identified in its strategy and projects[1] to the award." They can also assess the particular priorities, capacities, resources, and needs within the Mission; the nature of the portfolio; and the operational environment, in order to determine where, how, and to what degree CLA can best be incorporated into the activity design. An intentional design that includes and enables tailored CLA approaches will better support achieving the objectives of a particular activity.

This document provides resources and advice on using CLA to design a procurement process that will help to set an activity up for success by highlighting strategic collaboration internally within the Mission, especially with the Office of Acquisition and Assistance (OAA), and with external stakeholders and partners prior to award, as applicable.

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[1] After approval of a Country Development Cooperation Strategy (CDCS), Missions must consider whether to use a project approach to manage complementary activities, or a standalone activity approach as described in ADS 201.3.4, or some combination of the two, to advance CDCS results. CLA practices can help Mission teams conduct a higher-order analysis and engage diverse local actors to inform the consideration of both approaches.

Start by Asking

To inform activity design:

- What level of risk or uncertainty does the activity involve for USAID or the IP? What are the greatest or most impactful unknowns in the theory of change, implementation approach, and/or current context?
- How can we design collaboration between this activity and others in the project or portfolio?
- What learning questions or knowledge gaps, identified during the project design phase, will this activity explore?
- Who are some of the local actors with whom we most need to collaborate for shared learning and adapting? Are any of the local actors considered as implementing partners for the activity?
- What do we need to learn during implementation to make our program more effective?
- How can we use this mechanism's interventions to generate, capture, share, and support the application of learning?
- How could learning during implementation feed into adapting to ensure the success of this and other activities?
- Are there any known pitfalls or challenges, potentially identified through previous experiences that we need to address as we prepare for this procurement process?
- What degree of flexibility might the activity need? And within what, if any, predictable timeframes?
- How can we ensure this activity can adapt to unanticipated change?

To identify capacity, resources, and methods for CLA integration:

- What resources and capacity will be available to help support CLA integration during activity design and implementation? For example, is there a learning advisor or CLA support mechanism in the Mission?
- How can USAID and IP staff best be supported in making use of existing materials (such as the CLA Toolkit) to integrate CLA in this activity?
- Does the Project Development Document (PDD) or Activity Approval Memorandum (AAM)) prioritize this activity for a performance evaluation or an impact evaluation? How will this activity feed back into project-level learning?
- What incentives exist for USAID staff for integration of CLA at the activity level?
- What incentives would make sense to create for IPs to integrate CLA in this particular activity?

Your answers to these questions can help you in choosing your design and procurement approach. They can also suggest where and how you can infuse collaborating, learning, and adapting into the design itself.

Internal Collaboration: Build the Activity Design Team

A successful activity begins with a strong activity design team to ensure that the design is aligned with the project or activity's purpose and/or results, and that its needs for flexibility are optimally incorporated.

- **Recruit the right people, and make sure roles and responsibilities are clear.** In designing an activity, there is substantial collaboration both within the Mission and potentially with Washington. The roles of key offices and officers involved are outlined in the ADS 201.3.4.1. Strong inter-office collaboration supports sound design, and by extension, management. Likewise, collaboration among different technical experts is especially important for interventions that aim at integrating evidence and contextual knowledge from multiple sectors. If part of a project design, the activity design team should include the Project Manager whose role is to ensure synergies and coordination among activities identified as necessary to achieve the Project Purpose. It is also helpful at the start of the process to ensure that the activity design team is comprised of relevant technical experts from across the Mission and Washington, key OAA and Program Office staff, and others as appropriate, and that roles and the process of development and review are clearly delineated and understood.

- **Get OAA involved early and often.** Collaborating with OAA can also help you identify specific ways in which the procurement process itself can pave the way for more successfully incorporating adaptive management and CLA practices into the activity implementation. Working early and closely with your procurement officer is crucial to help them determine the instrument and inform the procurement process more broadly – and it is particularly important for a design which will require a strong CLA emphasis.

Consider the design and procurement approach

Adaptive management is key to optimizing USAID's A&A approaches. CLA practices can be integrated into any type of award, and resources exist on how to incorporate them into the solicitation and the subsequent management of implementation.

When considering the various opportunities for incorporating CLA into an activity design, it will be helpful to think through the considerations that might indicate the need for adaptability, such as the questions in the box above, to help ensure that the design and procurement approach meets the needs you have determined for flexibility and collaboration in the activity. In thinking this over, you might make use of the following resources:

Resources on overall mechanism options	Resources on adaptive mechanisms and solicitations
- Automated Directives System (ADS) Chapter 304 provides guidance on choice of acquisition and assistance instruments, among other things. - USAID Implementing Mechanism Matrix lays out the most common options.	- Adaptive Approaches to Acquisition and Assistance outlines some instruments and types of solicitations that are particularly conducive to flexibility. - Discussion Note from OAA on Shock-Responsive Programming and Adaptive Mechanisms describes how to build more adaptability into existing mechanisms. - PEB 2014-01: Adaptable and Flexible Contracting Types provides details on two flexible contract types: single-award IDIQ contracts and hybrid CPFF Completion-IDIQ contracts.

Resources on overall mechanism options	Resources on adaptive mechanisms and solicitations
	• PEB 20-02: Advisory Phased Acquisition Process discusses two forms of advisory phased processes: a pre-solicitation process, and a post-solicitation process, which may encourage new partners to participate in USAID procurements. • Online training on designing and using adaptable mechanisms in Non-Permissive Environments. • A webinar by Sunil Xavier (OAA) summarizes adaptable mechanisms.

Focus on outcomes. In any type of procurement, a key principle for building greater flexibility into your activity design is scoping the activity to be as outcome-focused as possible. This shifts away from prescribing approaches – at the component and/or intervention level, for example – so that implementers have more flexibility to propose and adapt solutions or pathways that might best achieve the intended result (see Incorporating CLA into Solicitations for more). But you can ensure that flexibility gets the results you intend by increasing your attention to how and when the partner is learning and adapting to experiences throughout implementation – and how they are sharing the learning with others (and, as relevant, supporting others to apply it).

External Collaboration: Engaging partners and other stakeholders pre-award

In every procurement, you are encouraged to consult with external stakeholders and technical experts during design. You can use established tools such as Requests for Information, Industry Days, targeted consultations, or listening sessions to socialize your concepts, build or validate your context or problem analysis, or answer key outstanding design-related questions.

Resources on collaborative design and co-creation
• Automated Directive Series 201.3.4.6.b. provides guidance on other A&A mechanisms that offer partnering design approaches that support innovation and co-creation. • Co-Creation Discussion Note describes practical approaches on how to design Activities using co-creation methods. **Collaborative solicitation processes** • Effective Partnering and Procurement Reform (EPPR) Co-Creation Field Guide • Broad Agency Announcement • Development Innovation Ventures • Grand Challenges for Development

In addition, you can choose design and procurement processes that facilitate collaborating, learning, and adapting at the activity level. Some options include:

- **Engage in collaborative design and co-creation:** The Program Cycle guidance emphasizes the importance of engaging stakeholders in various ways throughout the analysis and design process. While still maintaining practices that guard procurement-sensitive data, USAID staff are encouraged to engage a broad set of stakeholders in initial problem and context analysis, for example.

- **Conduct an iterative bid and review process:** Another technique that fosters collaboration, learning, and adaptive management is that of incorporating a multi-step process into proposal preparation and review. This allows USAID to request and review early (but less well-developed) ideas about its proposed theory of change and resulting activity design, provide feedback, and then ask bidders to iterate a fuller proposal. This iterative design approach presents USAID's problem analysis and initial thinking, without necessarily locking in a set of development interventions from the start. This provides a more flexible, collaborative design process.

- **Ask for in-person presentations:** Similarly, the procurement process can incorporate an additional step whereby bidders are asked to conduct an in-person presentation as part of their final proposal. This can be particularly helpful for activities that will require a high degree of adaptability in the leadership position(s) for the award, which is more challenging to assess on paper only. This is especially useful if the proposed Chief of Party (and/or other key personnel) can participate in the presentation.

With these considerations, you will be well on your way to designing an activity that incorporates collaborating, learning, and adapting. Check out these resources for help in writing the solicitation and managing the activity in ways that reinforce this approach to achieve better development results.

HOW CAN I LEARN MORE?

› CLA in Activity Design & Implementation

› Incorporating CLA into Solicitations

› Incorporating CLA in Activity Management

› For more information, please email us at learning@usaid.gov.