USAID’s Health Finance and Governance (HFG) project helps to improve health in developing countries by expanding people’s access to health care. Led by Abt Associates, the project team works with partner countries to increase their domestic resources for health, manage those precious resources more effectively, and make wise purchasing decisions.
The Health Finance and Governance (HFG) Project works to address some of the greatest challenges facing health systems today. Drawing on the latest research, the project implements strategies to help countries increase their domestic resources for health, manage those precious resources more effectively, and make wise purchasing decisions. The project also assists countries in developing robust governance systems to ensure that financial investments for health achieve their intended results.

With activities in more than 40 countries, HFG collaborates with health stakeholders to protect families from catastrophic health care costs, expand access to priority services — such as maternal and child health care — and ensure equitable population coverage through:

- Improving financing by mobilizing domestic resources, reducing financial barriers, expanding health insurance, and implementing provider payment systems;
- Enhancing governance for better health system management and greater accountability and transparency;
- Improving management and operations systems to advance the delivery and effectiveness of health care, for example, through mobile money and public financial management; and
- Advancing techniques to measure progress in health systems performance, especially around universal health coverage.

The HFG project (2012-2018) is funded by the U.S. Agency for International Development (USAID) and is led by Abt Associates in collaboration with Avenir Health, Broad Branch Associates, Development Alternatives Inc., the Johns Hopkins Bloomberg School of Public Health, Results for Development Institute, RTI International, and Training Resources Group, Inc.

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To learn more, visit www.hfgproject.org
CHALLENGES

The Health Finance and Governance project began working in the Democratic Republic of Congo (DRC) in 2015 as the country was in the process of implementing major institutional reforms towards decentralization. These reforms included increasing the number of administrative provinces from 11 to 25 provinces plus the city of Kinshasa, and empowering the provinces with greater political, administrative, financial, and economic autonomy. The reforms affected all areas of government, but as we will discuss in this report, these changes had tremendous impact on the health system in DRC.

Under decentralization, the central Ministry of Health’s (MOH) role is limited to setting norms and standards, oversight, leadership, national level planning, coordination of partners, and management of the reform process itself. Newly assigned provincial mandates, most of which were previously the responsibilities of the central MOH, included hiring and management of the health workforce; development, support, and supervision of health programs consistent with the national development health plan; management of hospital, laboratory, and pharmaceutical services; promotion of primary health care services at facility and community levels; and dissemination and enforcement of health laws and regulations.

Transformational change such as this requires a long-term investment of time and effort and a focus on institutional capacity building. An independent evaluation of the National Health Development Plan 2011-2015 noted the following challenges:

- **Central level**: inadequate regulatory framework; weak implementation of the structural reforms; lack of awareness and information about the reform; and lack of integration of the vertical specialized programs into the provincial structures.
- **Provincial level**: except for the top managers, staff were not yet in place; weak implementation of the annual operational plan; inefficient implementation of the single contract (contrat unique), a device all provinces use to clarify expectations of the provincial health divisions (DPS) and its partners; and a lack of alignment of the planning calendar with the budget cycle.
- **Both levels**: weak coordination as a result of suboptimal performance of the national and provincial steering committees and their technical working groups.

CHANGE

HFG provided technical support to two central MOH directorates and two DPS in Lualaba and Haut Katanga to define, operationalize, and build the capacity of these new organizational structures and to assume their new roles and responsibilities under decentralization. HFG also conducted targeted institutional strengthening for other national level structures including the Kinshasa School of Public Health (KSPH), the Faculty of Medicine in the University of Kinshasa, MOH General Health Inspectorate, Directorate for the Fight Against Disease, National Reproductive Health Program, National TB Program, and the National Reference Hospital in Kinshasa.

As a result of this technical support, the organizational foundation is now in place for two of the eight central directorates, and MOH staff are more aware of the reforms. The two DPS of Lualaba and Haut-Katanga are established and carrying out their core functions, although further institutional strengthening is needed for these bodies to perform at a high level. The process for developing the strategic and annual operational plan consistent with the budget cycle is in place. Critical governance structures including the Provincial Steering Committee and its working groups are functioning. In Lualaba DPS, the single contract and the quarterly performance reviews have resulted in a transparent process of assessing DPS performance.

HFG has demonstrated a model for institutional capacity building that can be replicated across DRC’s other 23 provinces and other six central directorates. In fact, in the final year of the HFG project, replication had already started with two other central directorates and two disease-based programs asking for additional HFG assistance. HFG’s efforts have clearly generated a demand for institutional capacity building using an organizational development approach. The MOH now has a greater appreciation for the type of institutional capacity building needed to continue implementing the reform.

In addition, KSPH now has the tools in place for a financial management system that meets the criteria for receiving funds directly from the United States Agency for International Development (USAID).
“The approach to start with an organizational analysis and the implementation of the resulting capacity building plan to address the weaknesses and highlight the strengths was appreciated. What has made the Directorate successful is the support in the development of the Strategic Plan and the implementation of some activities in the operational plans, such as the human resources procedures manual used by all the structures of the Ministry of Health.”

- Epiphane Ngumbu, Director, DRH

MAKING A DIFFERENCE

RESULT AREA 1.
Directorate of Human Resources and Directorate for the Organization and Management of Healthcare Services better able to Carry out Core Functions

At the central level, USAID requested HFG to focus on strengthening the institutional capacity of the Directorate of Human Resources (DRH) and the Directorate for the Organization and Management of Healthcare Services (DOGSS). DRH is responsible for the development of human resources policies and guidelines and to assist the DPS in their use. The DOGSS is responsible for the development of policies, strategies, guidelines, and norms for the functioning and management of health care services and for assisting the DPS in their implementation.

To achieve this result, HFG conducted an institutional assessment of DRH in 2015 to identify performance gaps. Based on the results, HFG developed institutional strengthening plans to improve the operational capabilities of the two directorates in line with the reform. The capacity strengthening plans identified a range of interventions needed to strengthen each directorate. Text Box 1 provides an illustrative list of the key interventions that were implemented.

To comply with the Ministry of Civil Service’s human resource management standards, HFG facilitated a process that resulted in an organizational framework that defined the roles and responsibilities of each unit in DRH that provided the basis for developing job descriptions for each job/position defined in the framework. As the final step in the process, HFG organized a workshop, chaired by the Secretary General of Health and attended by all central directors, to officially validate the changes in the organizational framework. This resulted in recommendations that were transmitted to the Joint Commission established by the ministers of Civil Service and Health for the purpose of reaching agreement on the revised framework of the central MOH administration.

Without the formal endorsement of the framework and employee reference document, the formal restructuring could not go forward. The development of the employment reference system for the Human Resources Directorate was such a huge success that other central directorates—including the General Health Secretariat, the General Directorate for the Fight against Disease, and the General Health Inspectorate—requested a similar exercise.

Illustrative Interventions

- Leadership and management training
- Team building
- Development of five-year strategic plan and one-year operational plans
- Training in results-based management
- Design of new organizational structure
- Development of employee reference document (i.e., job descriptions)
- Training of trainers
- Strengthen ICT capacity
In 2017, HFG conducted a second institutional analysis of DRH to measure progress since 2015. The analysis indicated that DRH had made progress in leadership and management and establishing a team-based culture with clear roles and responsibilities. HFG made substantial and similar progress with the DOGSS, but the formal approval of the new structure progressed more slowly than DRH because three directorates were merged into one.

**Human Resource Standards and Guidelines**

In addition to strengthening the two central directorates, HFG also assisted the MOH in the development of human resource (HR) standards and guidelines at the central level to be applied at the provincial and health zone level. Without clearly defined standards at all levels, monitoring performance is difficult. HFG supported four activities in DRH’s operational plan, including their validation and adoption by the Human Resources Committee of the National Steering Committee of the Health Sector (CCT-SS).

These included:

1. Development of the manual of procedures for the management of human resources for health (HRH)
2. Development of the Lualaba Provincial HRH Plan
3. Creation of the Lualaba HRH Database
4. Collection of performance evaluation tools for the managers and staff of the MOH

The HR Management Procedures Manual is a high-profile document as it is applicable throughout the DRC. The Ministry of Civil Service, responsible for the management of the careers of government workers and civil servants, was interested in this management tool with a view to standardizing it in all the ministries and making it a normative document at central, provincial and local level. The Lualaba HRH plan provides a model for a provincial plan. Similarly, the Lualaba HRH Database tested a methodology that other provinces can apply. The performance evaluation tools will be useful to managers at all levels.
RESULT AREA 2.
Provincial Health Divisions of Haut Katanga and Lualaba are in Place and Functioning

In 2015, the former DPS system based on 11 provinces was still in place and staff had not been named to the new DPS. They were in effect start-up organizations. Under the reform, the DPS have significantly increased roles and responsibilities for the planning, management, and delivery of health programs and services.

In April 2016, HFG conducted a survey of the two DPS and their respective health zones to better understand their expectations and to identify priority governance and management problems at the provincial and health zone levels. The institutional analysis, performed with USAID’s Participatory Institutional Capacity Assessment and Learning (PICAL) index, confirmed the weaknesses of these emerging structures and the threats and opportunities resulting from the reform.

To address these challenges and place the DPS on a firm organizational foundation, HFG supported a range of activities including training in leadership and management, team building, change management, coaching, results-based management, financial management, and the provision of computers and furniture. HFG also built DPS capacity in using MOH systems and procedures needed to operate in a decentralized system. These interventions included the development of Provincial Health Development Plans aligned with the National Health Development Plan for 2016-2020 and annual operational plans in 2016, 2017, and 2018; strengthening DPS capacity to supervise and monitor performance of the health zones; and training in primary health care management.

HFG provided ongoing technical support through a combination of trainings, coaching, and workshops for DPS managers and the procurement of IT equipment. The table below shows the progress made in selected dimensions as evidenced by the baseline institutional assessment in 2016 in Lualaba and a second assessment in 2017. Scoring is on a scale from zero to five with five representing the highest.

As the table on the next page shows, leadership and management have improved due to the application of skills learned in HFG training courses. The delegation of skills and tasks is becoming standard procedure, and the planning process is more inclusive and involves the various DPS offices and stakeholders. Active listening and feedback have become common in the DPS, and the engagement of stakeholders is evidenced by the regular meetings convened by the DPS and partners management teams.

In a stocktaking exercise at the end of the HFG activity to determine lessons learned, a sampling of health zones reported that the DPS were providing much improved assistance and in turn the DPS reported improved performance in the health zones, citing financial management and planning as two areas of improvement. The coordination system has improved significantly due to the meetings of the Health Sector Provincial Steering Committees (CPP-SS), during which partners freely give their opinions and perceptions on the operation of the DPS.

“The Lualaba DPS has made noticeable steps, starting from a top-down organization to an organization more and more open and which builds bridges with structures to which it is attached, including my Ministry. I have noticed improvement in communication and increasingly shared leadership (delegation, team work based on clarified roles). These are all qualitative results of the partnership with HFG that I recognize and for which I say thank you.”

- Samy KAYOMBO, Provincial Minister of Health and Education, Lualaba
Decentralization of the strategic and operational planning process and the development of the 2018 budget by the provincial polyvalent supervisors without any support by experts at the national level

HFG supported the DPS in the development of the 2016-2020 Provincial Health Development Plan aligned with the 2016-2020 National Health Development Plan and the Annual Operational Plans (AOPs). In the first year, national supervisors had to visit the DPS to brief and/or train the provincial polyvalent supervisors (EPPs) on the planning tools and, after this briefing and/or training, the national supervisors helped the EPPs develop the AOPs of the health zones and consolidate all the AOPs into a provincial plan. After three years of support and supervision for this strategic and operational planning exercise, the EPPs developed the 2018 AOP without the support of central level experts.

Integration of specialized, vertical programs into the DPS structure

In an effort to rationalize vertical programs and allow the DPS to effectively fulfill their mandates, the MOH wanted to consolidate and integrate 52 specialized programs into the central directorates and transfer the functions of the provincial coordinators of these programs into the DPS structure.

“With the support of HFG, the DPS is now more functional, especially with the partner coordination meeting, the signing of the decree for the Provincial Steering Committee, which is an important governance body at the provincial level, the establishment of thematic groups, the improvement of the planning process, which is now done on time, and finally the process of drawing up the single contract. All these elements are assets that could not be achieved without the support of HFG.”

- Dr. Erick Tshikamba, Provincial Monitoring and Evaluation Advisor, Measure Evaluation
RESULT AREA 3.
Improved Understanding of Basic Principles of Health Sector Decentralization

Senior MOH staff are regularly called upon to make decisions relating to the decentralization process, yet many have never been trained in the basic principles and concepts underlying decentralization including how to make it work in practice. To address this knowledge gap, USAID asked HFG to support the development and delivery of a course on decentralization for high level MOH and provincial staff. HFG worked through the KSPH to plan and deliver the course with the aim of institutionalizing it within KSPH. USAID also requested that HFG engage an international decentralization expert to work with KSPH in designing and delivering the course.

The one-week course focused on understanding and using the following basic principles of decentralization: the analytical framework of decision space; the identification of challenges and obstacles in the implementation of laws and regulations related to decentralization; analysis of funding mechanisms; HRH within the context of decentralization; development of institutional capacity; and decentralization policies. This course was delivered three times from 2016 to 2018, the first two courses with the assistance of the external expert and the third successfully delivered by KSPH without external assistance, thus institutionalizing the capacity to deliver the course.

Virtually all senior health staff at the central and provincial levels, approximately 180 officials, have attended the course. The end-of-course evaluations were extremely positive and showed the participants’ deep interest in the course. Participants appreciated the exposure to different decentralization approaches, identified the challenges they are facing, and discussed the gap between the expectations tied to decentralization and the actual state of progress. The overarching result of this training is a common framework for discussing and ultimately reaching agreement among national and provincial decision makers on various aspects of decentralization.

HFG in partnership with the Directorate of Disease Control assisted in the development of the Integration Roadmap for the two DPS. The ultimate goal was to systematically integrate the three functions carried out by the coordinators of the specialized programs into the DPS. Namely, these functions are: technical support of the health zones, management of resources, and health information. The Roadmap highlighted the specific activities to be carried out jointly with the provincial coordinators: (1) the development of AOPs and their adoption by the CPP-SS; (2) the creation of integration subgroups within existing working groups and the development of their terms of reference; (3) the establishment of a pool of EPPs; (4) the strengthening of the capabilities of the EPPs to assume responsibility for the specialized programs; and (5) joint technical oversight of the health zones. In 2017 and 2018, HFG and the central MOH evaluated progress in the implementation of the roadmap. While more remains to be done, the evaluation showed that the specialized programs are now better integrated into the DPS AOPs, that a pool of EPPs has been created and trained, that joint missions to the health zones are taking place, and that quarterly reviews happen regularly. At the same time, the evaluation indicates that the complete integration of these vertical programs will take time. The Disease Control Directorate has asked the General Secretariat of Health to adopt the process used in the two Haut Katanga and Lualaba DPS as a model for the integration of specialized programs.

Development of the Provincial Steering Committee

The CPP-SS is an intra-sectoral and cross-sectoral consultation structure, whose mission is to coordinate the development of the Provincial Health Development Plan and to monitor the implementation of national policies and strategies while ensuring the alignment of the interventions carried out in the provinces. HFG provided financial and organizational support for the validation and adoption of the AOPs of the two DPS during these meetings for the period 2015-2018.

HFG also supported the CPP-SS Working Groups, which serve to review documents and technical tools and to prepare periodic reports on activities. Working Groups have been major contributors in the organization of the CPP-SS in their preparation of all the issues and questions on the agenda. HFG financed the meetings of three Working Groups in each DPS to ensure the success of the meetings of the CPP-SS, in which the governor (as chair), provincial ministers, and the technical and financial partners all participate.
RESULT AREA 4.
Building a Culture of Institutional Assessment

USAID’s mission-wide focus on institutional capacity building includes the use of a standard assessment tool used across all projects, called the PICAL index, which was developed expressly by USAID/DRC.

The PICAL tool assesses institutional performance in four dimensions – administrative capacity, organizational learning, system strengthening, and demand for organizational performance. The tool relies on self-assessments by pre-designated staff as well as information generated by different offices of the organization.

HFG has administered the PICAL index 13 times for ten organizations in both central and provincial structures. Text Box 2 lists the organizations assessed. The organizations in bold were assessed twice to measure progress.

Administering PICAL serves three purposes. First, it assesses institutional performance to identify strengths and weaknesses. Then, it uses the results to develop a capacity strengthening plan to address the gaps. Finally, it provides a baseline against which to measure performance.

At first, HFG intended to use PICAL only in the two central directorates (DRH and DOGSS), the two DPS in Lualaba and Haut-Katanga, and KSPH – where HFG was charged with implementation of the capacity strengthening plans. Because of the perceived value of the results of these assessments, and at the request of the ministry, USAID agreed to expand the assessments to four other organizations some of which received some modest support for the implementation of their capacity building plans, for example, the Faculty of Medicine.

PICAL is now a tested institutional assessment tool for the central MOH and related structures such as the Faculty of Medicine. In almost all cases, the results have resonated with the assessed institutions and provided a framework for talking about organizational performance. In addition, the results provide USAID and the MOH with a way to measure progress against an accepted framework. The use of PICAL has contributed to a deepened MOH appreciation of the value of institutional assessment as an essential aspect of the institutional strengthening process.

Organizations Assessed Using PICAL

MOH Directorate of Human Resources
MOH Directorate of Organization and Management of Health Services
MOH Directorate of Family, Children’s Health and Specific Groups
General Reference Hospital of Kinshasa
MOH National Program for the Fight Against Tuberculosis
MOH National Reproductive Health Program
Provincial Health Division, Haut-Katanga
Provincial Health Division, Lualaba
Faculty of Medicine, University of Kinshasa
Kinshasa School of Public Health
RESULT AREA 5.
Strengthened Financial Management Capabilities of The Kinshasa School of Public Health.

KSPH is the premier school of public health in the DRC, created with funding from the Government of the United States of America. It is part of the University of Kinshasa and operates autonomously under the umbrella of the Faculty of Medicine. In addition to the core academic programs, KSPH currently has 18 research projects that operate under the KSPH umbrella but have traditionally managed their own finances independently. KSPH, a partner for USAID, has struggled to establish strong financial management practices, which are essential in order to qualify for direct USAID funding.

At the start of HFG’s work, KSPH’s weaknesses in financial management included the lack of a functioning automated accounting system, lack of regular financial reporting, and inadequate staff capacity in the Finance Department. The full support of the KSPH Management Committee as well as the academic faculty would be necessary to address these challenges.

HFG initiated the activity by conducting an assessment of KSPH financial management capacity using the Organizational Capacity Assessment Tool and developing a capacity strengthening plan. Over a three-year period, HFG implemented the plan with periodic adjustments and KSPH has achieved the following noteworthy results.

1. Updated financial procedures manual based on the OHADA chart of accounts for use by the core academic programs and all research projects. All accounting staff participated in the updating of the financial procedures manual to assure understanding and buy-in.

2. Obtained 24 licenses for using the accounting software Quick Books, training all accounting staff in its use. KSPH now uses Quick Books throughout the school with a noticeable improvement in financial reporting.

3. Consolidated the accounting system covering all management units of the school.

4. Produced regular monthly, year-end financial reports, and annual budgets.

5. Produced the financial information needed to determine the indirect cost rate. KSPH is now using this indirect cost rate in developing budgets for donor-funded projects.

6. Strengthened the finance team by hiring two additional people – a Finance Officer and an Internal Auditor – in addition to the three previous members. HFG assisted in the development of the terms of reference for these two positions and in the recruitment process.

Going forward, KSPH has the tools in place for an effective financial management system. The key to sustaining these gains is the unwavering and strong support from the KSPH five-person management committee.

LOOKING FORWARD

SUSTAINABILITY

The institutional improvements described in this report have had a significant impact on the reform process. The results of a second institutional assessment indicate that the Human Resources Directorate and both provincial health divisions have much enhanced capacity to carry out their core functions under a decentralized system. These operating units have a defined organizational framework, strategic and operational plans, more clearly defined roles and responsibilities, improved internal management, strengthened capacity in key areas, and some modest but improved capacity in information and communication technology (ICT).

Equally important, the MOH currently has models and examples for institutional improvement that can be used to strengthen other central directorates and other provinces. HFG has demonstrated the usefulness of the PICAL tool for institutional assessment and for developing capacity

“Without the support of HFG, the implementation of the reform risked being thrown off course by turbulences. The support of HFG allowed for a smooth landing of the reform.”

- Mbombo Kabantu Marie Louise, Director, Directorate of Health Care Facilities
strengthening plans as well as extensive documentation for specific capacity strengthening interventions.

The demand for institutional strengthening has increased since HFG initiated technical assistance activities in 2015 as evidenced by requests for HFG assistance from other directorates and the level of interest by senior MOH officials. The MOH’s ownership of the HFG activity bodes well for the sustainability of HFG’s efforts. This ownership is due to a number of factors. First, HFG worked in a highly collaborative way and aligned its support to MOH priorities and processes. Second, HFG took a systems approach by taking into account the three levels of the health pyramid – national, provincial, and health zone – and working with other central agencies such as the Civil Service Ministry in the development of employee reference documents. Third, HFG called upon central MOH staff, to jointly implement activities to ensure the link between central processes and guidelines and strengthening at the provincial level. MOH staff served as trainers and coaches on numerous activities. Finally, HFG developed and distributed materials that other directorates and provinces can use to replicate interventions.

The capacity strengthening process is far from finished. While both central directorates and both DPS have made significant progress, all organizations require additional support. Foundational institutional capacity building requires adequate time (usually three to five years of sustained support) to ensure sustainability. This is especially true in a weak institutional setting in a resource constrained environment as is the case in DRC.

**LESSONS LEARNED**

- **Demand for institutional capacity building is a pre-condition for success.** In the DRC, both USAID and the MOH strongly supported institutional capacity building from the beginning despite some initial resistance in the MOH. However, as HFG worked with the staff of the client institutions and built credibility, the staff became highly supportive. Energy and enthusiasm for institutional capacity building activities were high throughout the HFG activity. It is obvious that the needs differ among organizations, but the extension of the practice of institutional analysis helps to reduce this resistance and leads to the establishment, especially at the central level, of a collective understanding of the organization’s needs.

- **Aligning institutional capacity building efforts with MSP priorities, systems, and processes is likely to result in increased ownership.** One of the hallmarks of HFG’s approach was to align activities carefully with MOH priorities and processes and use MOH resources to the maximum extent possible. For example, when HFG asked the provinces to develop annual operating plans, central MOH staff familiar with the process and templates facilitated the planning process. In a number of technical areas, such as results-based management and financial management, HFG used MOH staff to conduct training on these topics to ensure that MOH procedures were the basis for the content. HFG worked through MOH in all activities to bring about this alignment.

- **An institutional capacity building approach grounded in the principles and practice of organizational development can be highly effective in bringing about improvements and lasting change.** From the beginning, HFG grounded the approach in the principles of organizational development. This meant using a systematic approach to conduct institutional assessments and using the findings to develop capacity strengthening plans. In addition, the approach required constant engagement with the client organization and a comprehensive view of what it takes to be a functioning organization. Principles of functional organizations include a defined mandate, a strategy, clear organizational structure, clearly defined roles and responsibilities, sound internal leadership management, and skills for working in teams. HFG was fortunate to have identified a number of skilled Congolese organizational development consultants to put these principles into action.

- **A systems approach in which the national, provincial, and health zone levels are strengthened simultaneously is effective.** Decentralization is inherently a systems activity that requires working on all levels and across ministries, especially the Civil Service Ministry, the Ministry of State and Decentralization, and the Ministry of Higher Education. The Civil Service Ministry was a particularly important stakeholder because it had to approve the organizational framework and engaged in a number of HFG activities.

- **Institutional capacity building requires a multi-year time horizon.** In the case of DRH and the two DPS, HFG had time to make noticeable improvements. In the case of the DOGSS, delays in approving the revised organizational framework and selecting senior leaders were challenges to making progress on institutional strengthening. In the last two years of the HFG activity, HFG conducted limited but useful institutional capacity building with five other organizations. Bringing about required changes requires follow-up.

- **PICAL offers great promise as a standard methodology for measuring institutional performance.** The results from an assessment using PICAL were well accepted by the client organizations. The results will become more powerful over time as stakeholders repeat the assessments at regular intervals, annually or bi-annually.