

**Activity:** Support to the institutional strengthening of the Enterprise Georgia

**Period:** April 1, 2020 – May 29, 2020

## **1. Brief information about the project**

To support business performance of private sector actors in construction, tourism and apparel sectors and to improve an institutional setup for cluster and business development with an ultimate objective of enhanced business performance of private sector fostering the socio-economic development in Georgia and its regions, the PSD TVET SC within the framework of the EU Programme “Economic and Business Development in Georgia”, Component 3: Greater business sophistication, implements the “Clusters4Development” Project (hereafter – the project) for the period of 3,5 years (from July 2019 to January 2023). The Project has been integrated into the PSD TVET SC implemented by GIZ on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

The Project is composed of four components: (1) development and pilot implementation of a market-oriented cluster in the construction sector; (2) development and pilot implementation of a market-oriented cluster in the tourism sector; (3) development and pilot implementation of a market-oriented cluster in the apparel sector; and (4) enhancement of institutional capacities for cluster and business development.

Within components 1-3, it is foreseen to support the establishment of sectoral clusters. This includes a cluster on “quality and innovation in construction materials”, up to three thematic clusters in tourism (1: Kakheti and Imereti local wine and food tourism cluster; 2: Imereti authentic accommodation cluster; 3: Imereti cultural heritage cluster) as well as a cluster “sustainable apparel vade in Georgia”. In Component 4, it is foreseen to support a conducive cluster development framework at the national level as well as to provide specific assistance to Enterprise Georgia (a business development agency under the Ministry of Economy and Sustainable Development of Georgia) to strengthen its role in promoting business development and providing demand-oriented services and support to the private sector. Throughout all four components, a focus will be put on ensuring direct impact on the business performance of private sector enterprises.

## **2. Background and context of the project**

Georgia has made substantial economic progress during the last years, with estimated annual Gross Domestic Product (GDP) growth rates over 4% (2017: 4.3%, 2018: 4.2%). Well-founded structural reforms have contributed to an enhanced business environment, including simplified procedures, advancement in e-government processes, improvements in tax administration including specific benefits for micro, small and medium enterprises (MSME) and to fighting corruption. As a result, the country ranks high in the Doing Business Report of the World Bank (2018: rank 9), being the only lower-middle income country in the top 10 countries of the index and having accomplished the highest number of business regulation reforms (2018: 47) since establishment of the index (2003).

Nevertheless, a range of critical constraints still impede business growth. Besides being a country with a small market (2017: 3,7 million inhabitants), it is characterized by a large number of SMEs (94% of all enterprises), which are contributing only 42% to employment and 15% to GDP. Regional disparities are significant, with 50% of SME located in Tbilisi. Despite regulatory improvements, the majority of SME predominantly operate in low added-value segments and show minimal export activities (2.9 % of small and 15.2 % of medium-sized companies export) with low levels of product/market diversification and sophistication. In addition, despite new business opportunities in view of the Deep and Comprehensive Free Trade Area (DCFTA), SME expect to face considerable challenges and short-term costs in order to comply with EU standards and to enhance competitiveness. SMEs still need constant support to enhance capacities and technological up-scaling, improve adherence to international industrial standards and quality frameworks, contribute to further product diversification and increase their access to global value chains. Moreover, cooperation among sector actors and with public authorities needs to be enhanced to fully exploit market opportunities.

To cope with challenges and unlock potentials, capacities need to be enhanced, both at management and technical staff level (e.g. product diversification, marketing, new production technologies, project planning, digitalization). This mainly refers to the significant number of small-scale companies in the sector, which typically lack adherence to quality and standards and have limited oversight on up-coming challenges and market trends. The proposed cluster-based approach will contribute to enhanced sector-wide technological and quality.

Enterprise Georgia (EG), an affiliated agency of the Ministry of Economy and Sustainable Development of Georgia (MoESD), is strategically positioned to play a central role to facilitate private sector (particularly SMEs) development through a variety of financial, technical and promotional support mechanisms. It is the key implementing partner of "Produce in Georgia" and is responsible for business support, export promotion and investment in Georgia sectors. Core functions of the agency are implemented by respective divisions. The Business division of the agency promotes entrepreneurial activity in Georgia by supporting entrepreneurs - assisting with the creation of new enterprises as well as the expansion and refurbishment of existing enterprises. The export division promotes the export potential of the country by increasing the competitiveness of local products and the overall volume of goods directed towards international markets. The Invest division's primary role is to attract, promote and develop direct foreign investment in Georgia. As the moderator between foreign investors and the Government of Georgia, the Invest division ensures access to updated information, provides an efficient means of communication with Government bodies, and serves as a "one-stop-shop," supporting investors throughout the investment process. Lately, the division for analysis, monitoring and evaluation was added to the structure of the agency to work on cross cutting issues and integration management within the agency.

To be able to fulfill its core functions properly, to streamline existing service offerings and to introduce new services in line with the EG organizational and business development strategies the agency audits its performance, runs periodic internal and external organizational and human capacity development needs assessment exercises and takes measures to address revealed needs as appropriate.

Based on the findings of the EG's recent USAID HICD assessment and the outputs of the organizational development workshop supported by the C4D project, capacity development measures to increase the

performance and overall efficiency of the Agency have been identified through specific trainings for the management and selected divisions of the EG.

The purpose of this assignment is to acquire services of a well-established local training and or/consulting company to prepare and conduct (a) a general management training for the mid and high-level management of the EG (13 persons) and (b) a presentation and sales skills development training for the EG staff working at the export promotion and investment attraction divisions (25-30 persons).

### **3. Relevance, Approach, Activities and Deliverables**

#### **3.1. Relevance**

The relevance of the assignment falls under Component 4 of the Project: enhancement of institutional capacities for cluster and business development.

#### **3.2. Approach to the Implementation**

3.2.1. The assignment shall be carried out in two phases:

##### **Phase (1): Preparations**

This stream of work shall consist of:

- 1) Finalization the thematic scope of each training in consultation with the EG and the Project to cover but not be limited to the following topics:
  - In case of the general management training: what are modern principles and concepts of management, what makes a good manager, how to find and hire right people, how to assemble and manage performing teams, how to motivate staff, what are challenges faced by managers and proved strategies to overcome, etc.
  - In case of the presentation and sales skills development training: what communicators do and should be doing, what main obstacles to communication are and how to overcome them, elements of verbal and non-verbal communication, how to prepare and deliver a well-structured, consultative, and audience-focused presentation that actively involves the clients, etc.
- 2) Development of tailor-made training courses to include for each of the intended training:
  - Preparing an overview of a training course;
  - Setting learning goals and objectives set for each topic covered by a training course;
  - Selecting teaching methods appropriate for attaining learning goals and objectives for topics covered by a training course;
  - Developing the agenda of a training course to fit with the following requirements:
    - Overall period of delivery of a training course shall not exceed four calendar weeks from its start date to be agreed with the EG;

- A training course should be delivered in sessions either during evening hours on working days (no longer than two calendar hours a day) or during the day on weekends (no longer than five calendar hours a day);
- Overall duration of all training sessions of a training course should not exceed 40 calendar hours.
- Deciding on methods of and developing instruments for gauging the attainment of learning goals and objectives for topics covered by a training course;
- Preparing training materials (presentations, reading materials, guides for group exercises, etc.) to be distributed among the participants of a training course;
- Elaborating the list of references for further reading for each topic covered a training course;
- Developing a participants’ attendance registration form;
- Preparing a training course certificate form;
- Preparing a training course assessment form.

**NB: Training units shall be consisted of (but not limited to) the modules listed above with at least 5 working hours assigned to each module.**

**Phase (2): Implementation of the trainings**

This stream of work shall consist of:

- 1) Implementation of the intended training courses in line with the agreed agendas;
- 2) Preparation of a final report to include, among other things, data on the participants’ level of interest, progress in attaining learning goals and objectives and recommendations for further HCD measures.

**3.3. Activities and Deliverables**

Several deliverables are expected to be submitted during the assignment period:

Phases / Activities	Deliverables	Due Date
<p><b>1. Preparations</b></p> <p>1.1. Finalization the thematic scope of each training course in consultation with the EG and the Project</p> <p>1.2 Development of tailor-made training courses</p>	<p>1.1. The finalized thematic scope of each training course (*.docx, English)</p> <p>1.2 for each tailor-made training course:</p> <p>.1 A full-fledged description the training course (*.docx, Georgian);</p> <p>.2 The agenda of the training</p> <p>.3 Training materials (*.docx, *.pptx, Georgian)</p> <p>.4 Participants’ attendance registration form (*.docx, Georgian);</p>	<p>April 3, 2020</p>

Phases / Activities	Deliverables	Due Date
	.5 Instruments to gauge the learning attainment (*.docx, Georgian) .6 The training course certificate form (*.pdf, Georgian) .7 Training course assessment form (*.docx, Georgian)	
<b>2. Implementation of the trainings</b>  1. 2.1 Implementation of the intended training courses in line with the agreed agendas;         2.2. Preparation of the final report.	2.1 The evidence of implementation in case of each training course shall include: .1 Participants' daily attendance lists (*.pdf, Georgian); .2 Photos taken during the training events (*.jpeg, *.png or similar) .3 The list of participants receiving certificates (*.docx, Georgian) .4 Filled-in training evaluation forms (*.pdf, Georgian)  2.2 Final report (*.docx, English)	May 29, 2020

**4. Conditions and payment terms**

Payment value will be made upon the completion of the tasks and submission of the final report to GIZ.

**5. Coordination and Communication**

Close coordination and reporting with the dedicated Programme Expert and the Team Leader, as well as an active cooperation with the EG is mandatory during the implementation of the assignment.

**6. Submission Requirements**

A bidder shall submit technical and financial proposals to comply with the following requirements:

- 6.1. The **technical proposal** shall contain information about the bidder's relevant experience (including the CVs of proposed staff) on the projects implemented in similar scope, expand on the approach and methodology to implement this assignment and include a related work plan.
- 6.2. The **financial proposal** shall clearly state all types of costs to be charged to the Project to implement this TOR. The financial proposal shall omit costs for the venue(s), facilities and refreshments for holding the trainings (these will be provided by the Project separately as needed).

**7. Criteria for the bidder**

- More than 5 years of company experience in designing and delivering the managerial trainings of similar scope for the public and private institutions in Georgia;

- Over 8 years of professional experience of proposed trainers and/or coaches in the development and implementation of a tailor-made trainings in the areas of human and institutional capacity building for public and private sector organizations in Georgia;
- Proven track record of delivering successful trainings in the areas of general management, organizational management, marketing, public speaking, effective communication and presentation skills development;
- Demonstrated experience in facilitating trainings, workshops and seminars and providing mentorship and on-the-job coaching to the personnel in public and private entities in Georgia;
- Good understanding and practical experience in conducting institutional and human capacity needs assessments;
- Excellent command of Georgian and English languages.