

INVITATION TO BID (ITB)

PROJECT FOR THE STUDY OF ORGANIZATIONAL STRUCTURE, JOB ANALYSIS, JOB GRADING
AND SALARY SCALE.

Tender.No.NCSC-0004/18

1. National Cement Share Company (NCSC) intends to procure service, through open competitive tendering, for the study of organizational structure, Job analysis, job grading & salary scale construction for the fiscal budget year 2018/19
2. Bidding will be conducted through open competitive bidding procedure using a non-discretionary "pass/fail criterion (for pre-evaluation qualification) and through technical and Financial evaluation (for selection of Lowest Evaluated Bidder).
3. Bidding is open to eligible bidders (Private of Public Limited, Share Companies and Joint Ventures) of both Ethiopian and foreign companies.
4. A complete set of bidding documents may be acquired by interested bidders during the bid floating period, from our website www.nationalcementsc.com/bids;
5. Interested bidders may obtain further information via the following addresses:
tetemke.gebremedin@nationalcementsc.com, abdurehman.seid@nationalcementsc.com, Cellphone - +251 935404571/ +251 930 283 483
6. Bids must be duly received by NCSC at the following address:

foreign.purchase@nationalcementsc.com

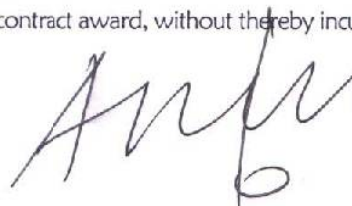

or

National Cement Share Company
Ethio-China Friendship Road Wellosefer, KT-12
Building 1st floor
Tel: +251 11 4 42 19 28/ +251 25 2 11 00 70
Cell: +251 935 985 083/+251 930 283 483

Addis Ababa, Ethiopia

On or before August 20 /2018 at 9:00am.

7. Bid opening shall be on August 23, 2018 9:30 a.m. at NCSC's DIRE DAWA HEAD office of the supply chain Department. Bids will be opened in the presence of the bidders' representatives who choose to attend the opening. Late bids shall not be accepted.
8. NCSC reserves the right to reject any or all bids, declare a failure of bidding, or not award the contract at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.

NATIONAL CEMENT SHARE COMPANY NCSC

TERM OF REFERENCE

**FOR THE STUDY OF ORGANIZATIONAL STRUCTURE,
JOB ANALYSIS, JOB GRADING & SALARY SCALE**

TENDER. NO. NCSC-0004/18

DIREDAWA



ETHIOPIA

1. COMPANY BACKGROUND & RATIONALE FOR THE STUDY

The establishment of the current National cement share company dates back to 1936 G.C. The first so called Diredawa Cement & Lime Factory was established in 1936 with a capacity of 70 TPD. It was later upgraded to a grinding capacity of 400 TPD. The factory operated with this capacity, serving the local market for some time. Later, another new plant, having a capacity of 3000 TPD was erected, in Diredawa, and commissioned in December 15, 2012. Following the erection of the new plant, the company was restructured by in-house committee of professionals (with the support of Mikir Consulting firm) covering the study of organizational structure, staffing plan and revising salary scale (which is still being used) in 2013.

Shortly after implementation of the study, however, numerous structural changes started emerging in response to various developments/challenges both within and outside of the company.

To address the new developments that surfaced in the post-structuring period, a new company-wide organizational structure, that embraces all on and off site departments of NCSC was implemented in 2016 and fully staffed by the management team. As per this structure, there now exist around 324 job positions and 1213 employees (staffing plan), incorporating all work units under the umbrella of NCSC. Currently, the company is staffed with a total of 1,462 employees (in Plants 1 & 2 of Diredawa, Koka plant, Adama marketing and Fleet operations departments and Addis Ababa support office), of which 1349 are permanent, 63 are contract employees, 16 are daily workers and 22 are expatriates;

After a while, however, new developments have recurred.

- Unlike the case in the past, the Cement Industry Environment in Ethiopia is becoming very competitive and NCSC, to this end, has developed new strategy. This must be accompanied/supported by appropriate structure for its implementation;
- The existing headcount is believed to be huge already. Besides, Plant-1, which was made re-operational in 2016/17 has now ceased operation, and until its conversion into production of other products in future, existing staff is temporarily reassigned in Plant-2 (3000 TPD).
- Given the ever intensifying stiffness in competitiveness of the cement industry, it seems right time now for NCSC to, among other things:
 - benchmark the best cement plants and rightly size its manpower;
 - focus on its core activities and outsource all non-core activities which outsiders could handle better; (such as housekeeping, gardening, etc..)



- should consider the over 3500 ton/ two shifts capacity of the process plant capacity such as dispatch and re-consider the need for third shift in packing areas;
- reconsider existing job designs and re-organize same for better outcomes such as, stretching process technicians role to attendant role;
- should examine the need for assigning assistants in any process as a separate job position/description;
- examine and avoid casual labor in its work force;
- should resort to shifting the burden of covering expenses for maids and guards working in guest houses to individual guest house dwellers/incumbents;
- A new marketing wing is established in Somaliland to run the export marketing operations of the company;
- There exist concerns around the existing structure as to whether work units are organized well enough to effectively realize respective mandates effectively and efficiently;
- Draft Job descriptions and specifications are prepared but not yet tested and implemented. How appropriately and comprehensively they are designed to ensure clarity in division of duty & responsibility, facilitate result oriented performance management, are distinct from one another etc., needs to be rechecked;
- All jobs have specifications. How effective they are: in the context of available qualification, national curriculum, compatibility to requisite competencies of jobs, and ability to attract and retain staff and is able to facilitate career advancement of existing staff need to be examined;
- Whether existing jobs have been fully incorporated into existing job grades needs to be ascertained.
- The existing salary structure is at least 5 years old. It has not been revised and whether it is competitive and effective enough to attract, retain and productively deploy staff as well as ensure desired moral and motivation requires a revisit;
- The fleet operations department, incorporated some time ago into NCSC, under the marketing sector, currently manages operation and maintenance functions of existing 125 trucks. Procurement of above 300 additional trucks is in process already and will be received in not too long a time. This necessitates fitness of current organizational setup and resource organization to ensure quality service delivery.

Such developments made it necessary to re-engage in the task of restructuring, job analysis, job evaluation, grading and salary scale construction.



2. OBJECTIVES OF THE STUDY

This study shall have the following objectives;

- To develop a company-wide organizational structure that addresses existing structural ills, is fit to effectively and efficiently realize the strategies set for/by the company and that ensures effective operation, communication, co-ordination and decision making;
- To develop standard job positions and job descriptions across the company that address existing job design and content ills and fully accommodate requisite duties/responsibilities of respective work units,
- To develop job specification: corresponding to all job titles, are coherent with requisites knowledge/skill/attitude of assigned duties & responsibilities, is aligned to national curriculum and ensure manpower attraction, retention, productivity and career growth potential;
- Evaluate jobs, through appropriate tools and determine job grades considering job difficulties and complexities,
- Develop Salary scale- evaluating competitiveness of existing benefit packages of NCSC with similar companies in the industry, labor market and paying capacity of NCSC;

3. SCOPE OF THE STUDY

The study shall cover:

- Work unit wise – 3000 TPD plant, KOKA Plant, Fleet Operations, Sales & Distribution Department of Adama and Hargessa and the Addis Ababa Support Office;
- Consultancy work wise - organizational structure, job analysis (Job Description & Specification & staffing plan), Job evaluation, grading, construction and implementation guideline development (both for structure and salary scale);

4. STUDY APPROACH /METHODOLOGY/

The consultant is expected to be adept at the works, organize a multi-disciplinary team and formulate a clearly setout methodology. However, it is also expected to pursue the following generic approach.

The consultant:

- Is expected to pursue a client-centered approach in the course of data acquisition, report submission, discussion on findings etc... Hence shall work all the way with the project team of the client. (To this end, the client shall establish a project team which shall be responsible to follow, evaluate, and manage the contract with consultant);



- Furthermore, it is expected to engage in primary/secondary data collection to the extent it fully understands the company, the industry etc. This in turn we believe requires the consultant to locate study team at client site, until data collection tasks are completed;
- Is expected to start with a complete comprehension of existing situation, fully identify problems/limitations comparing against best practices/standards within similar industry and propose one or more resolution (as the case may warrant) recommendations at all stages of the process;
- Is expected to assign relevant professionals and adhere to professionally accepted practices in the course of the study;
- Is expected to follow a process approach and hence expected to portray the business processes of both support and operational functions;

5. WORK SCHEDULE

The consultant is supposed to complete the work within six calendar months, commencing from effective date of the contract agreement. Accordingly, it is expected to chart-out a clear work schedule that depicts adherence to set time frame;

6. CONSULTING TEAM ORGANIZATION

The consulting team:

- Is expected to have a minimum of 10 years relevant experience related to all the aforementioned works and, to this end, must be able to deliver verification testimonials from client organizations.
- Must have at least one successfully completed similar project, in cement industry with a capacity of at least 3000 TPD and to this end must be able to deliver valid evidence from client;
- is expected to be of multi-disciplinary nature to ensure comprehensive understanding of the business process. The team preferably is expected to have an electrical/mechanical engineering, finance, supply chain, marketing, human resource etc. educational background;

7. BID EVALUATION CRITERIA

7.1 GENERAL BID EVALUATION PROCEDURE AND CRITERIA

- Evaluation of bid shall constitute technical evaluation and financial evaluation;
- Bidders shall be first evaluated for fulfilling pre-qualification requirements. Those who fulfill requirements per the IFB shall be technical evaluated out of 100%. Those who fulfill minimum threshold point shall qualify for financial evaluation.



- Financial evaluation shall be made for technically qualified bidder, based on relevant dimensions, out of 100%.
 - Bidder with the least price offer shall secure 100% and bidders with relatively higher than the least price shall get score on prorata basis, comparing against the least priced financial offer;
- The technical evaluation and financial evaluation scores of each bidder shall be converted to 80% and 20% respectively;
- Finally, bidders shall be ranked according to their cumulative scores;
- Bidder with the highest score shall earn the 1st rank and the rest shall be ranked 2nd, 3rd etc.... as per their relative cumulative score standing)

7.2 TECHNICAL EVALUATION CRITERIA

- companies that fulfil pre-qualification criteria, as per the IFB, shall be considered for technical evaluation and are evaluated per the following criteria;

Sn	CRITERIA	weight
1	COMPANY PROFILE (FIRM EXPERIENCE)	40
1.1	Experience in management/organizational consultancy works	10
1.2	No of similar organizational development projects completed in cement industry in (structure, job analysis, grading, evaluation and salary scale construction)	30
2	staff competence	20
2.1	Relevance of education – by type and level	5
2.2	Experience in management/organizational consultancy works	5
2.3	Experience in (structure, job analysis, grading, evaluation and salary scale construction)	10
3	Project Team organization	20
3.1	representation of core competencies	6
3.2	no of staff assigned	7
3.3	Team organization with defined roles and relationships	7
4	Methodology	20
4.1	understanding of TOR	5
4.2	Soundness of Methodology	10
4.3	duration	5
	Total	100



7.3 FINANACIAL & FINAL EVALUATION CRITERIA

Financial and final evaluation shall be done as per 7.1;

8. DELIVERABLES

In general, the consultant is expected to provide draft and then final report for the core works. This remaining as it may, however, the consultant is expected to provide the following reports:

- Provision of charter document;
- Preliminary diagnostic findings and recommended actions pertaining to the aforementioned key study components;
- Organizational structure, jobs and corresponding staffing plan,
- job description & specification;
- Job grades and salary scales as well as implementation guidelines;

9. PAYMENT SCHEDULE

Payment is to be made against signed off deliverable and submitted progress report. The following are the basis but not or 'to be' for signing off deliverables. The details of the deliverables must be stated on the charter document provided by the consultant. Deliverables not meeting the required specification are subject to rework with no cost from National Cement Share Company.

- 10% on signing off the Contract Agreement (charter document) and after kick start of the project;
- 30% after the draft report is submitted;
- 50% after the final delivery of the study outputs and implementation guideline is submitted;
- 10% on the completion of help desk support of the consultant;

Note: As there will be a series of draft and final outputs, there is going to be further breakdowns of he 30% and 50% allotments



The image shows a handwritten signature in black ink on the left side of the page. To the right of the signature is a blue circular stamp. The stamp contains the text 'NATIONAL CEMENT S.C.' around the perimeter and 'CARTEL CEMENT S.C.' at the bottom. In the center of the stamp is a logo featuring a lion standing on a pedestal, with the motto 'BUILDING THE BETTER' written below it.