



Centre of Excellence for Leather Skill Bangladesh Ltd. (COEL)

One stop skill solutions for leather

TERMS OF REFERENCE (TOR)

FOR

DEVELOPING A BUSINESS PLAN FOR 5 YEARS TO OPERATIONALIZE

STRATEGIC PLAN

Issued By:

**Centre of Excellence for Leather Skill Bangladesh Ltd. (COEL)
Dhaka, Bangladesh**

Terms of Reference

Business Plan for 5 Years to Operationalize Strategic Plan

Project Title	Business Plan for 5 Years to Operationalize Strategic Plan
Funded By	Swiss Agency for Development and Cooperation (SDC)
Implemented By	Center of Excellence for Leather Skill Bangladesh Limited (COEL)
Position Title	Independent Consultants / Firms
Reporting To	Head of Operation, COEL
Duration	02 Months including preparation, validation and finalization.
Project Location	Dhaka, Bangladesh
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Introduction:

The Centre of Excellence for Leather Skill Bangladesh Ltd. (COEL) is an initiative of Industry Skills Council (ISC) of the Leather, Leathergoods and Footwear sector. COEL was set up in 2010, to meet the technical skill needs of the leather sector. By providing skill solutions and trainings, COEL assists the leather sector to increase productivity and promotes decent work through social compliance and Occupational Health and Safety (OHS) in the work place.

COEL had begun Industry-led Apprenticeship program with the support of SDC in 2012. Through this intervention, COEL has established its relevance and played an important role in the footwear sector by providing skill training through formal apprenticeships. However, before stepping into other subsector (i.e., tannery and leathergoods) and deepening engagement with footwear, it transpired that COEL should have a comprehensive analysis of the existing as well as future demand of the whole leather-value-chain.

This Terms of Reference (TOR) covers an overall requirement to undertake a **Business Plan for 5 Years to Operationalize Strategic Plan**. The task is funded by Swiss Agency for Development and Cooperation (SDC) under Technical Assistance provided to COEL. The purpose of this business plan is to guide COEL to mobilize financial and human resources, generate revenue by way of creating strong demand from industry for COEL's **Skills training, ancillary service and TKH (technical-knowhow) solutions**. This will show how COEL can bring into more value added

service to the industry, impart trade specific technical education, commence mid and long-term product engineering course at COEL campus. *It will incorporate a business model that enables COEL to provide specific service as well as engage in programmatic intervention integrating multiple components as to cover overarching sustainability goals in the private sector.* It will suggest a policy on how COEL can acquire technical knowledge, build partnership with development agencies and forge collaboration with other reputed international institutes.

Objective:

The objective of this operational plan is to provide COEL with a business model with elaborate revenue and resource mobilization plan to advance the mission spelt out in the Strategic Plan and Guidelines.

In order to increase income and introduce new revenue streams, COEL will develop customized skill training and service modules for the industry. For this purpose, the business plan will set out an achievable development target for the next five years for COEL. This will require analysis of the training cost, service price and affordable package for the firms to be able to procure service from COEL. In addition, it will suggest different package that COEL can offer to extend its training and service to the local shoe making SMEs. It will also suggest, how COEL will be able to gradually transit from subsidized apprenticeship training program—now supported by development partners— to a commercial skill and service provider, where either industry or industry and government together will pay the fee. It will suggest a policy on how COEL can develop sets of capabilities it would require to remain relevant and cater to the evolving demands of the industry. This is being pursued with the objective to move towards achieving self-sustainable organizational development.

Duration of the Assignment:

The total duration of this Business Plan development will be 02 months including preparation, validation and finalization. The assignment shall be carried out starting in December, 2017 to January 2018 with the final deliverable. An indicative schedule for the assignment is as follows:

SL	Activity	Expected Completion Date
01	Preparatory work (Meeting, Consultation, Field Visit and other relevant tools for the Business plan)	15 th December-30 th December 2017
02	Documents review: 1. COEL’s two need assessment studies (a. Skill Need and Gap Analysis Report b. Ancillary Support Services Required for the Bangladesh Leather Sector) and COEL strategic Plan	20 th December – 27 th December 2018

	2. Leather sector Roadmap 3. Country Strategy of the relevant development partners such as SDC, GIZ, USAID, EU, ILO etc.	
03	1st Draft submission	30 th January 2018
04	2nd Draft submission and validation	7 th February 2018
05	Final Business Plan	15 st February 2018

Methodology:

The Business Plan for COEL for 5 years to operationalize the Strategic Plan and Guidelines for COEL’s sustainability will be based on the report and analysis obtained from Skill Need and Gap Analysis and Ancillary Support Services required for Bangladesh Leather Sector. The two prior assessments and the strategic plan will provide a clear picture about the nature of skill demand, technical education and corresponding service delivery provision that COEL can develop. This will require analysis of the training cost, service price, strategic investment and incentive package for the industries to promote and popularize service offered from COEL.

The detailed methodology will be elaborated by the consultants/firm on the basis of this TOR and documented in the Inception Report, which is subject to approval by COEL. These include but not limited to:

1. Inception meeting and finalization of work plan

Meetings are to be held with COEL as deemed appropriate, to review and discuss the process of developing the business plan, clarifying the roles and responsibilities and to receive correspondence.

2. Document Review

The consultant will review all relevant documents, including Strategic Plan and Guidelines for COEL’s Sustainability, Skill Need and Gap Analysis Report and the report on Ancillary Support Services Required for the Bangladesh Leather Sector and other background information relating to the context of this assignment. Consultant will also require to review Bangladesh leather sector Roadmap, Government policy and key development partners country strategy, such as SDC, GIZ, USAID, EU, CIDA ILO etc.

3. Business Plan Design

In addition to providing details regarding marketing instruments, the proposal shall indicate how the Consultant plans to manage the assignment design process, including finalizing data elements, and incorporating input from the COEL management and key stakeholders. The proposed questionnaire(s) and interview schedule(s) are to be submitted to COEL for review and finalization. The proposed design for this business plan should include the following:

4. Instrument for Business Planning

The analytical instrument will be designed to capture:

- a) General information about the respondent, including size and age of company, functional divisions, type of business, manufacturing operations, contact information, etc.
- b) Potential client/market behavior research
- c) Access to finance, access to potential market
- d) Identification of potential revenue streams
- e) Identification of likely client base
- f) Exploring the scopes of services for COEL in the tannery sub-sector based on the findings
- g) Any other relevant information.

5. Field Visit

Field visit to selected factories/areas/districts all over Bangladesh in which COEL is expected to carry out activities involving tanneries, and footwear and leathers goods manufacturers and MSMEs.

6. Key Informant Interview (KII)

The consultant/expert will conduct key stakeholder interview and have in-depth consultation with COEL management.

Key Outputs/Key Deliverables

- Interpretation of COEL vision and mission into a suitable operational plan based on the strategic road map. It is critical to capture all facets of the strategic plan in the form of organizational structure, governance and guideline a detailed operating procedure.
- Reflection of the strategic objectives in the form of:

- Service development Plan
- Resource Development Plan
- Process/Functional Plan
- Organizational Behavioral Plan
- Communication Plan
- Marketing Plan
- Financial Plan
- Taking the three segments of client base of COEL into consideration, i.e., manufacturers, up and downstream value chain players and trade association, provide with necessary detailed way-forward as to generate revenue from relevant value streams/cross functional streams/ third party partnership as suitable.
- To further build on in terms of detailing out plan/way-forward for the following:
 - Human resource Component
 - Trainers to run trade specific skill formation program
 - Talent development and Managerial Skill (soft skill development to be included under this)
 - ToT and certification
 - Service Component
 - Providing services (core, common, innovative) for relevant sectors (leather and beyond)
 - Social Compliance, OHS Audit services (what to cover and how to execute)
 - Electric, Fire safety and Energy Audit (what to cover and how to execute)
 - Digital grading and pattern making (CAD/CAM) services
 - QC inspection and quality assurance service
 - Lab services (setup/institutional formation/partnership etc.)
 - Shared service rendering (what are the generalized functions that all LFMEAB and BTA member factories possess that can be brought into COEL's portfolio having reduction in cost for the participating factories as well as revenue generation for COEL)
 - Business Solution
 - Identification of relevant productivity improvement technique for leather sector in the form of set audit protocols, checklists, standard operating procedures etc.

- Suggest components, method of intervention to reduce quality failures and rejection in footwear and leather goods.
 - Develop the operational plan for COEL's venture into Product and Process Engineering.
 - Develop a business case on how COEL can provide solution to industrial waste management, recycling and disposal.
 - Detail plan and procedure where COEL guides businesses with guideline/necessary template to setup business operation (prepare and suggest those templates that COEL will follow)
 - How COEL can support relevant organization's Business Development and Capacity Extension plan. The plan should contain necessary checklists, layout, and formulations, project proposal templates.
 - Develop plan on how COEL can provide with CSR and sustainability solutions to enterprise and trade association.
- Operational plan that details out suitable Organizational type and framework (assess current AS-IS to future fit sustainable operation), Organizational Structure (resourcing needs both from Human and infrastructural), financing needs (gradual transition from existing mode to a self-sustaining revenue generation setup).
 - Capture the current and potential risk mitigation plans within the operational plan
 - A Standard Operating Procedure (SOP) will be a critical part of this Operations plan where all necessary organizational aspects will be covered (Core Operation, Revenue Generation, HR, Finance and Accountability norms).
 - An effective marketing plan will be another core part of the COEL Operational Plan that will dictate necessary marketing mechanism/media to ensure that COEL adopts fit for purpose market making.
 - In order to develop and sustain agility, COEL needs to have a system to actively find out how industry needs are evolving and COEL can adapt to the changing condition. How to develop a built-in mechanism and outreach program that will create feedback loops to receive inputs from industry as to quickly respond to the changing needs of industry.
 - COEL Operational plan should suggest in detail all the financial requirements with near to long term financing needs, figures/amounts, and potential source, in relation to its value generating streams captured above. The Financial Plan has to be presented in fixed as well as year-on-year (YOY) variable expenses along with prospective revenue generation schemes. All required templates should be provided for fulfilling the above.

- COEL endorses and participates in various projects of varying capacity involving linear and less complex private partners to international development agencies, GoB etc. Hence one of the critical aspects of the Operational Plan is to conceive and prepare necessary project proposal templates, checklists etc. to equip COEL's active engagement and participation.
- COEL Operational plan should interpret all relevant SDG goals (but will not be limited to that) into actionable steps and go beyond to consider key development actors' country strategy into COEL's engagement plan. The Operational plan should have TWO separate parts: A. Operations to cater linear or item wise service to firms and associated value chain players; B. Operations to manage program/project portfolio covering GoB/SDG priorities in a way that links private sectors needs with development partners' strategy and focus area.
- The COEL Operational plan should propose a time-measured table where year-on-year activities should be drawn out along with resource and financing amounts required at each time frame/phases. Also, corresponding revenue generations that needs to happen in each phase.
- Operations Plan will detail out a Program Management Structure following standard PMO structure with periodic Evaluation Meetings/forums with relevant stakeholders.

Key Tasks

- Analyze Bangladesh Leather Sector Roadmap, Government Policy, donor agencies and development partners' country strategy and mandates regarding skill development, and private sector development and considering their objectives, mandates and priority suggest project design for COEL.
- Take suggestions and insights from two prior need assessment studies made by COEL. Follow Strategic Plan and Guideline set out for COEL.
- Outline a strategy for soliciting more commercial training service users to pay for their training services.
- Outline a public relations strategy to improve the image of COEL and the awareness of the need to pay for the training services.
- Suggest how to develop an effective skill formation and training delivery system
- Complete Business Plan clearly detailing tasks and responsibilities of each department within the system;

- Forecast what share of the service market COEL can capture in the next 5 years
- Specifically describe all of the existing and proposed services by COEL and how they would add value to the clientele.
- Suggest ways for COEL to bring synergy with other ongoing skill development project and bodies, such as SEIP, ISC and NSDC.
- Suggest ways for collaboration with ILET for effective skill ecology to develop strong linkage between COEL, ILET, KUET and the industry.
- Develop a strategy for promoting the value of certification after training.
- Suggest how can COEL promote national policy to induce industry to recruit certified workforce and value their certification and also develop a value proposition for recruitment of certified work force.
- Provide a description of how COEL's human resources can be organized as well as define the responsibilities as per the authority chart.
- Review the legal structure of COEL's business (proprietorship, partnership, corporation, etc.)
- Identify and suggest any necessary or special licenses and/or permits, accreditation that COEL may require to operate the business further
- Identify the need for capacity development during the planning period regarding management, staff training, technical development and institutional development.
- Hold stakeholder meeting to validate the draft Business Plan.

Required Skills and Experience:

The consultant/Firm will have:

- For the purpose of this assignment, there should not be more than three (3) consultants.
- The individual or the group in combination must have particular expertise and professional experience in the following areas: A. Strategic and Organizational Change Management, Human Resource Development; B. Business Development, Marketing and Communication; C. Industrial Productivity and Efficiency Improvement, Employment Facilitation and Sustainability program etc.
- Excellent knowledge on leather industry, training organization and service provider working in this sector.
- At least 7 years of experience in management of technical assistance (consultancy) contracts.
- Minimum 7 years' experience in research and business consultancy
- Significant professional background in conducting qualitative studies and data analysis.

- Previous experience in developing Business Plan for international/national organization will be preferred.
- Relevant academic background (Master's Degree preferred) of consultants.
- Excellent analytical, interpersonal, communication and reporting skills.
- Ability to adapt and work with people from different cultures, gender, religion, race, nationality and age.
- Proved previous working experience consisting of substantial involvement in assessments, evaluations and/or reviews in related areas.
- Working experience with senior officials within government and nongovernment organizations.
- Full computer literacy
- Proven capacity to supervise and coordinate all administrative and technical aspects of the consultancy
- Excellent written and spoken English. Bangla would be an asset.

Requirements and Contractual Arrangements

The consultants are required to submit EOI, a technical proposal addressing all the requirements mentioned in the terms of reference along with a detailed financial proposal which provides a clear breakdown of all expenditures which are associated with the project. The company should also provide a company profile including the CVs of the team members who will be involved in this project including a list of their work relevant to the topic of the assignment. The consultant/firm will be selected by Swiss Agency for Development and Cooperation (SDC) and Center of Excellence for Leather Skill Bangladesh Limited (COEL). For the recruitment and engagement of the consultancy company, the SDC's rules and regulations for the procurement of consultancy services will apply. The contractual agreement will be with SDC, after concluding the negotiation through COEL.

Financial Bid

The Bidder shall indicate the fee of services it proposes to supply under the contract. All costs shall be inclusive of all taxes, duties, charges and levies of Bangladesh Government, as applicable, at the date of signing the agreement and subject to deduction of all statutory deductions applicable, if any. In case of upward revision to duties and taxes the Bidder will be responsible to incur the additional cost. The bidder has to include all costs like travel, lodging and boarding, local travel expenses etc. Incurred during the implementation and COEL will not bear any additional costs on these.

Resources

Funding will come from the development partner SDC in Bangladesh and the extension of coverage includes:

- 1) The consultant's fee, the Daily Subsistence Allowance (international rate) and field travel as per COEL rules and standards.
- 2) Meetings and validation workshop(s)
- 3) Transportation during the on-site visit(s)

General Instructions

- Consulting Firms / Consultant submitting the proposal must be a legal entity duly incorporated.
- Must have a valid Trade license, E-TIN number, VAT Registration number.
- All the communications to COEL including the proposal and the bid documents shall be signed on each page by the authorized representative of the bidder and authority letter should be attached with the bid.
- The bidders should submit their proposal in 2 sets of printed copies and a NRW CD as a single file in PDF Format.

Roles of Key Stakeholders

All stakeholders, particularly COEL management, key factory partners, SME, the development partners, BIOs, relevant agencies, and other key partners will be consulted throughout the process and will be engaged at different stages during the process. They will have the opportunities to provide inputs to the draft final assessment report.

Right of COEL

- COEL can modify the TOR document by an amendment after having due consultation with the parties.

- In order to accord prospective bidders reasonable time to take the amendment into account in preparing their bid, COEL may, at its discretion, extend the last date for the receipt of the bids.
- The bidders are allowed to resubmit their bid-if required, after such amendments.
- This agreement shall be subject to Bangladeshi Law.
- Before undertaking legal steps, the parties shall enter into discussion in order to find an acceptable settlement of such dispute by direct negotiation.
- COEL may, at its discretion, extend the deadline for submission of proposals by issuing a corrigendum through email to all confirmed proposers, in which case all rights and obligations of the contract and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

Submission of Proposal

Qualified candidate/firm are requested to email a cover letter, and profile (person and company) by **November 30, 2017**. In the cover letter, please indicate your relevant experience, availability, estimated man days to undertake the terms of reference above and your daily rate or lump sum fees. Only shortlisted candidates will be contacted.