



May 15, 2019

TO: Administrator Mark Green

FROM: Jack Leslie, Johanna Nesseth Tuttle, Co-Chairs, ACVFA Sub-Committee on Private Sector Engagement

RE: Recommendations to Utilize Private Sector Engagement to Support Journey to Self-Reliance

We have the pleasure of presenting the following recommendations in support of USAID's vision of partnering with developing countries on their Journey to Self-Reliance. Our sub-committee has worked since October 2018, to hear, discuss and assess the approaches that will best support this vision, and we have had the opportunity to review USAID's analysis, policies and procedures around PSE and talent management; and we have consulted with numerous USAID personnel, including USAID's Chief Human Capital Officer and USAID staff in the field. Our work and findings are included in the attached report, and below is an overview of those actions that we recommend that you and USAID take to most quickly and effectively support this change in culture and impact.

In summary, the Sub-Committee recommends that USAID leadership focus efforts in three key areas: leadership and culture; talent recruitment and development; and strategic mechanisms for implementation.

Lead a shift in USAID's culture. Your visible, persistent and consistent leadership of the importance of private sector engagement will be critical. You must articulate to headquarters and to the field that the Journey to Self-Reliance can only be achieved by supporting private sector-led growth in countries.

- Articulate this priority in all speeches and townhalls.
- Expect updates and reports from all missions on their effort to grow private sector engagement.
- Recognize those missions and sections of headquarters that make PSE a centerpoint of their work.
- Consider a Private Sector Development Excellence Award, to recognize the teams, companies and USAID employees who have achieved excellence in developing private sector-led approaches to development.

Hire and promote skills for engagement. A talented pool of professionals who can successfully engage with both private sector entities and internal stakeholders will be necessary to attract and advance the kinds of resources, commitments and activities that will be necessary to support PSE's role in the Journey.

- **Elevate the function.** PSE specialists must be supported at a high level by a leader who tackles problems and breaks through bureaucratic challenges. Establish and invest in a dedicated PSE office in Washington with the skills and resources necessary to support the broader Agency in building the capabilities, systems and guidance needed for PSE.

Designate a senior PSE leader for this unit with the stature to build trust and maintain credibility at all levels of USAID, from procurement officers to the Assistant Administrators and Mission Directors. Empower the PSE leader to drive change, and define tangible ways to hold him or her and all of Agency leadership accountable for demonstrating progress in implementing the PSE Policy.

- Hire differently. Seek out people with curiosity and generalist skills and knowledge, who are seasoned problem-solvers and engagers. Look for backgrounds in consulting, finance and stakeholder engagement.
- Incentivize and motivate talented PSE officers. Don't treat them differently from other specialists, but ensure that they are equally recognized for their skills, capabilities and successes. Given the limitations of incentive structures within the context of the U.S. Government, whereby it is difficult to provide financial incentives, USAID should focus on other types of incentives to encourage and hold all staff accountable for advancing PSE. Options to consider include recognition and integration of PSE into required career path steps that lead to senior executive roles within the Agency.

Utilize strategic mechanisms for implementation. A range of outlets and vehicles will be needed to deepen USAID's work with the private sector.

- Leverage and enable the local private sector. U.S. companies have significant investments globally; many rely on local businesses to fulfill contracts, provide employees and produce products. Working to build the local private sector is critical to the Journey; and to U.S. interests.
- Capitalize on new opportunities for development through financing. Build talent within Missions to utilize the new Development Finance Corporation.
- Update USAID's procurement processes. Improve understanding of the details, and ensure that USAID personnel, including PSE officers and Contracting and Agreement Officers, are able to utilize the process more comprehensively in order to support engagements, co-investments and partnerships; ensure that missions have guidance on their remit.
- Cultivate the Business Media. As the USAID Administrator, you should consider conducting a media tour to conduct targeted interviews and editorial engagements with key partners to discuss the role of, and opportunities for U.S. business, in the Journey to Self Reliance. In addition, encourage your own Public Affairs team and those in Missions and Offices to cultivate contacts and relationships in the business media, especially in their geographic areas and/or targeted industries.

Thank you for your interest in this topic. The private sector creates most jobs in developing countries and is a critical partner in the Journey to Self-Reliance. We believe that these steps will help USAID capitalize on the role the private sector can play.

**Recommendations for USAID on Implementing
the Agency's new Private Sector Engagement Policy**

Presented by

*USAID's Advisory Committee on Voluntary Foreign Aid (ACVFA)
SubCommittee on Private Sector Engagement (PSE)*



Recommendations for Implementing USAID's Private Sector Engagement Policy

Presented by the Advisory Committee on Voluntary Foreign Aid (ACVFA) SubCommittee on PSE

Background:

The following recommendations have been prepared at the request of USAID Administrator Mark Green by the Advisory Committee on Voluntary Foreign Aid (ACVFA) SubCommittee on Private Sector Engagement (PSE). ACVFA was established by Presidential directive after World War II to serve as a link between the U.S. Government and private organizations active in humanitarian assistance and development work.

The SubCommittee is pleased to bring expert voices to USAID from the natural resources, public relations, and consumer packaged goods industries, as well as the impact investment, multinational foundation, and development consulting spheres. We applaud USAID for seeking to increase effective collaboration with the private sector and adoption of market-based approaches across your work. We agree that this is one of the most important things USAID can do to grow the scale and sustainability of the Agency's development and humanitarian impact.

Members of the SubCommittee:

- Jack Leslie, Chairman Weber Shandwick (SubCommittee Co-Chair)
- Johanna Nesseth-Tuttle, Executive Director Niger Delta Partnership Initiative affiliated with Chevron (SubCommittee Co-Chair)
- Runa Alam, CEO and Partner Development Partners International
- Jon Banner, Executive Vice President Communications and President PepsiCo Foundation
- Richard Crespín, CEO CollaborateUp
- Alem Walji, CEO Aga Khan Foundation

Work of the SubCommittee:

The SubCommittee first convened in October 2018. Over the past five months, we have sought to bring experience from our companies and clients, particularly in the areas of culture and change management which is especially important to implementation of USAID's new [PSE Policy](#). In order to ensure strong understanding of the current opportunities and challenges facing USAID in PSE, members of the SubCommittee have:

- Reviewed and provided input into the PSE Policy
- Discussed the breadth of modalities and approaches to working with USAID, including PSE efforts related to procurement reform
- Reviewed current resources available to support USAID staff in PSE

- Sought to understand the needs of USAID staff for further support by reviewing the PSE Field Needs Survey conducted in 2018, as well as through direct interviews and discussions with Mission staff & Agency leadership
- Reviewed Agency staffing and talent analysis related to PSE, as well as USAID's Values & Leadership Principles and the DDI Congressional Notification--and spoken with the Agency's Chief Human Capital Officer on how PSE talent planning fits into the Agency's overall human capital plans
- Engaged in multi-stakeholder discussions on effective implementation of the new Development Finance Corporation, which will have strong bearing on USAID's ability to effectively engage the private sector
- Provided training and support to develop the knowledge and buy-in of USAID teams, including through Mission Director's Conference and the Agency's Private Sector Engagement Forum and other trainings
- Engaged in recent partnership development efforts with USAID, including Pepsi's collaboration under W-GDP, AgaKhan's partnerships in Central Asia and beyond, and Chevron's long-standing history of partnership across multiple countries

Recommendations:

In order to effectively implement the PSE Policy to support USAID's overall Journey to Self-Reliance strategy, the SubCommittee recommends that USAID leadership focus efforts in three key areas: Lead a shift in USAID's culture; Talent recruitment & development; and Strategic mechanisms for implementation:

- **Lead a Shift in USAID's Culture:** For the Private Sector Engagement Policy to succeed, it will take clear guidance and commitment for everyone on all sides of international development: USAID staff, implementers, civil society organizations, partner governments, and the private sector. It will also take significant culture change within USAID and its existing partner-base. Culture, people & leadership commitment are the only things that predict success in the future. Key areas to focus on to drive culture change include:
 - **Leadership At All Levels:** Administrator Green has clearly articulated his vision about the importance of private sector engagement on the journey to self-reliance; now it is vital for Administrator Green and his leadership team to lead the way in demonstrating and communicating that PSE is not a "nice to have," but rather an integral part of the long-term U.S. development strategy. For this message to carry forward at USAID, it must be strongly, proactively and consistently voiced by USAID's Mission Directors around the world.
 - **Metrics for Success:** The key to any change management initiative is setting clear and transparent metrics for success. It is critical for USAID to set PSE KPIs for staff, partners and Agency leadership. As the leadership voice for USAID,

Administrator Green will play an important role in: embracing delivery of these metrics as a leadership responsibility starting from the top; holding staff and partners accountable to meet targets and/or openly communicate challenges in meeting them; and jointly problem solving to provide support to overcome barriers to success. USAID may also use metrics for success as a way to clarify its expectations of private sector partners and hold them accountable for being good partners. In developing metrics for success, it will be especially important for USAID to also proactively communicate interest in and understanding of the metrics for success that matter to private sector partners, including development impact and financial returns.

- **Training & Mentorship:** In addition to depending on leadership, culture change requires intensive education and mentorship at all levels of an organization. USAID's current offerings for training in PSE are insufficient to drive the change in skills, understanding and buy-in needed across staff and partners. Interviews with Agency staff and a review of existing offerings suggests that significant investment needs to be made to expand USAID's PSE training and mentorship curriculum. The landscape of private sector engagement in development is continuing to evolve, and thus training in this area will need to be continually updated to incorporate new learnings and engagement modalities.

A meta-review of knowledge management programs revealed one key factor that determined the ultimate success of attempts to share knowledge: the ability of a USAID person to reach out to another USAID person who had been-there-done-that. Building off of that principle, USAID staff shared several merit-worthy ideas with the SubCommittee that we would like to highlight here for consideration as part of a broader training curriculum. They include: 1) *Share case studies with contact information highlighting PSE champions:* Officers need successful case studies to understand and work toward benchmarks for success. Sharing case studies that showcase successful programming across a variety of missions and technical areas can help officers understand what programs are most successful and which private actors are most willing to engage. Include the contact information, with permission, of the USAID people involved in the case. 2) *Develop immersive training sessions around PSE:* Offering comprehensive and standardized training sessions about how to engage the private sector will ensure that officers are working against the same measures of success, communicating and engaging with private actors effectively and operating their PSE programs consistently. Training sessions should be workshopped by officers with PSE experience and mandatory for all officers hoping to get involved with the private sector — especially for Agreements and Contracting Officer Representatives. 3) *Include legal/agreements/contracting officers in these*

courses in integrated cohorts with field officers. The support of mission-level legal, agreements, and contracting officers is imperative for the adoption and success of PSE in the field. In order for field officers to secure funding and support from private actors, legal, agreements, and contracting officers have to be briefed on best practices for procurement and protocol for addressing legal/financial concerns, and they must be comfortable with and incentivized to innovate and take smart risks in the design of USAID procurements. Training them in integrated cohorts alongside their field officers will promote a shared vision of how these instruments should be best deployed to accomplish the foreign policy goals of the United States, 4)

Incorporate different market challenges within training materials: As officers noted, different missions have varying levels of existing relationships with and needed support from local and multinational private actors. Therefore, training and recruitment materials need to address the following: how to engage local private entities, how to engage with larger multinationals and how to structure programming to meet the needs of the field within the allotted/granted budget. Training should also cover more specialized areas of PSE such as green bonds, utilizing local debt markets, agriculture supply chain management, etc... 5) *Create mentorship opportunities beyond a classroom curriculum:* Consider development of a private sector exchange program to bring private sector staff into the Agency and to send Agency staff to the private sector to gain experience. The Department of State has a current program that could serve as a model.

- **Inspiration & Motivation:** Engaging with the private sector must not be viewed as an additional administrative burden or a check-the-box exercise. Building up well-functioning markets and solidifying business's role in society as a force for good must be seen as core to USAID's development mission. One way to make this shift is to recognize and reward leading actors --within USAID (including through staff performance metrics and incentives), within USAID's implementing partners, and also in the private sector. At Davos this year, the business conversation revolved around the idea that the private sector is increasingly called on to step up to address social issues -- both because its necessary for long-term profitability and because governments are failing to do their jobs. USAID can play a role in carrying forward the momentum of private sector interest in and understanding of their role in addressing social issues, including through efforts such as case-study competitions and an annual, highly-publicized award for businesses demonstrating excellence in development impact and collaboration.

- **Talent Recruitment & Development:** Research of large institutions that undertake a significant “pivot” like this indicates that success often takes turning over 30% or more of the workforce. Embracing PSE at USAID will require that USAID bring in new talent at all levels of the organization who have expertise across multiple industries in business case development, finance, supply chains, etc... -- and equally importantly, a commitment to relationship building and a real intellectual curiosity about and empathy for the interests and operations of private sector entities.
 - **USAID’s Future Workforce:** The goal of private sector engagement isn’t to just have greater collaboration with private sector entities. Rather, it is to achieve specific development objectives in collaboration with the private sector. This places a burden on the agency to clearly and broadly communicate its objectives in order to encourage the private sector to get involved--and also to recognize that one size does not fit all. The right PSE strategies will depend on knowledge of local context and industry dynamics. A great example of this is a program like Power Africa. In order to achieve this level of transformation across all sectors and geographies in which USAID works, there must be a fundamental shift in the skill profile and capabilities of USAID’s future staff --most especially FSOs and FSNs who work in the field. More often than not, it seems that it is the private sector that initiates partnerships rather than the Agency. USAID needs to be more proactive in its outreach to private sector actors to meet specific program and policy objectives; in order to do that field staff must have stronger expertise in private sector engagement and stronger relationship management skills. Best practices cited by some field staff included focusing on FSNs and PSCs who will stay in a country over a longer period of time and therefore often have greater success building relationships with local private sector entities. Additionally, in order to maximize development impact and fully utilize the instruments and resources of the new Development Finance Corporation, USAID needs to focus on hiring additional finance expertise into the Agency in the field and in Washington. In hiring, USAID should focus on recruiting candidates from the private sector, as well as from social impact investment firms and MBA programs. In recruiting, emphasize business, relationship, sales, finance, and communications skills. In addition, make PSE a career path or part of an existing career path on par with other equally important career paths. Current staff with expertise in PSE expressed interest in participating in the recruitment and interview process for future staff with private sector skills. Staff also noted the importance of hiring private sector skills across mechanisms and “backstops,” as well as the importance of planning for shorter-term staff (2-3 years) in USAID’s overall talent strategy.

- **Elevate the Function, with a Near-Term Focus on USAID/Washington:**
Acknowledging that transforming the full workforce may take some time, PSE staffing needs in Washington are at a critical moment. Implementing the new PSE Policy requires an increased focus on providing USAID Missions and partners with the tools, templates, guidance and training they need on how to co-create PSE strategies and programs with the private sector. PSE specialists must also be supported at a high level by a leader who tackles problems and breaks through bureaucratic challenges. The subcommittee recommends establishing and investing in a dedicated PSE office in Washington with the skills and resources necessary to support the broader Agency in building the capabilities, systems and guidance needed for PSE. It will be important for this office to have a strong, senior PSE leader with the stature to build trust, maintain credibility and drive change at all levels of USAID, from procurement officers to the Assistant Administrators and Mission Directors. In addition, increased staffing for PSE in USAID/Washington is required to update and increase the Agency's tools, guidance and training on PSE and to provide much-needed private sector expertise to Missions that don't currently have sufficient expertise in the field. Due to the nature of this work focused on behavior and culture change, internally and externally, it is important that there be a strong communications focus for the USAID/Washington PSE team. There is a significant risk at this moment in time that USAID is publicizing that it is "open for business;" however, most Agency staff around the world are not prepared to effectively engage. Increased support from USAID/Washington is required to help address this risk. The need for this increased level of support from USAID/Washington may diminish somewhat over time, as greater skills and capacity for PSE is developed in the field.

- **Incentive Structures:** PSE should be formally and clearly established in the performance incentives of all USAID staff; however, updating performance review processes is unlikely to be sufficient. Given the limitations of incentive structures within the context of the U.S. Government, whereby it is difficult to provide financial incentives, USAID should focus on other types of incentives for PSE including recognition and integration into required career path steps that lead to senior executive roles within the Agency. If the Private-Sector Engagement Policy is to work, USAID will need to focus hiring and performance incentives toward creating internal "entrepreneurs" (or "intrapreneurs") who are proactive, goal-oriented and focused on both building relationships and solving problems created by the Bureaucracy. This kind of individual likely has a different role profile than USAID's traditionally successful staff who manage large contracts and teams. Giving these individuals enough flexibility and getting the incentives and reward

right will be key to their and USAID's success. Incentivizing staff to be "intrapreneurs" would be especially valuable within the Contracting and Agreement Officer cohort.

- **Hub & Spoke Structure:** The SubCommittee has reviewed the Congressional Notification for the Bureau for Development, Democracy and Innovation and commends USAID for proposing the planned PSE Hub. Establishing a "hub and spoke" system which creates specific expertise and then deploys this expertise to various missions will be important to success. It is important that the "hub and spoke" system connect to PSE expertise and responsibilities throughout the organization, including in the pillar bureaus (e.g., Bureau for Global Health) and in the Missions. Within USAID/Washington, this model should include deep expertise in key areas important to PSE, such as capital markets, finance, corporate social responsibility, supply chain management, workforce development, circular economy, etc... At the Mission level, the SubCommittee encourages USAID to consider creating dedicated PSE offices for each country team. Officers noted challenges in prioritizing private sector engagement in the field due to a lack of dedicated staff working to support those partnerships. Missions generally use private partnerships as a complementary activity to support their technical offices (health, education, democracy and governance, etc.), with no individual officers solely focused on PSE. However, with a dedicated PSE office and staff, PSE officers can create integrated programming across technical offices.
- **Strategic Mechanisms for Implementation:** One SubCommittee Member noted that in the past, "We thought about working with USAID and decided it was too hard. Or, we sent stuff over and never heard back." Publishing the new PSE Policy has not changed that reality. For many partners, this will still be true across the Agency. It is critical for USAID to focus on improving the ease of access and engagement for private sector partners, through the following strategic mechanisms and approaches:
 - **Focus on Local Partners:** The SubCommittee recommends a strong focus on local private sector engagement. Where U.S. companies are present, they can be excellent partners for their strong environmental, social safety, and financial governance practice. One specific and "low hanging" fruit opportunity would be to help local companies get integrated into the supply chains of US multi-nationals operating in the country of in adjacent countries. This offers perhaps the fastest "on-ramp" for economic development. In addition, local business leaders should be considered for inclusion in democracy and governance programming. They are often on the receiving end of corruption and, if properly organized, could become strong

advocates for effective transparency and governance at all levels. In all areas, building local private sector partners, is an important way to assure that the journey to self-reliance is successful. One of the key challenges is that local private sector partners often don't know how to reach into USAID and who to contact. For this reason, it is really important for USAID Missions to consider what their private sector communications and relationship management strategy should be, in a way that extends the global relationship management provided by USAID/Washington.

- **Relationship Management:** One of the biggest challenges in PSE is that companies get frustrated when trying to partner with USAID; they feel lost figuring out where to plug in. USAID's Relationship Management Program, established in 2014, did a good job of starting to address this for some companies -- but it was a part time job for junior staff in the Agency. They lacked the ability to focus the amount of time needed on the role, and as more junior staff they didn't have the pull to reach the more senior people when there is a problem. It is important for those in that role to build out strong relationship management and customer service skills, have USAID institutional knowledge and also strong transactional skills. The Relationship Manager Program was a step in the right direction to help address a real problem for PSE, but it only helped a handful of companies who received assigned relationship managers -- and it was inconsistent in its execution, at best. Going forward, USAID should consider adopting best practices from sales and customer service models to address this challenge, including creation of more full-time roles who can bring industry knowledge and expertise and focus full-time across an industry of companies, rather than five-percent of their time on just one company. USAID should also seek to invest in customer relationship management systems that enable stronger visibility and support of collaborations across the Agency, from Washington to the field; identify, recruit or train individuals who are interested in collaborative partners, and equip them with sufficient authority to build relationships, break logjams, and navigate procurement processes
- **Development Finance Corporation (DFC):** USAID faces significant opportunity to increase its breadth of PSE instruments and approaches through the new DFC, and it also faces significant risk as the largest cohort of development finance talent leaves the Agency to join the DFC and the linkages of the DFC into USAID are not yet clearly defined. Success of the DFC, in a way that is inclusive of and focused on development impact, is vital to USAID's ability to successfully implement the new PSE Policy. USAID should ensure that the development mission is front and center for the new DFC, and it must establish clear processes, targets and service level agreements to ensure that the DFC is set up to effectively integrate with and support

USAID's development mission and programs. Other US Government Agencies, particularly within the Defense and Intelligence space, may offer useful examples for how to establish a strong, mission-focused working relationship between USAID and the new DFC, including models for steering committees, formal liaisons, and other structural approaches for coordination.

- **Process Improvements and Creation of New Tools/ Guidance to Support**

Collaboration Discussions: One SubCommittee Member noted that: "The single greatest barrier to collaboration, at least from the private sector's perspective, is how difficult it is to operate within the confines of USAID's operations and procedures. A critical part of any private sector engagement policy will be both to streamline this process and provide clear and transparent guidance on reporting and assessment measures." The SubCommittee commends USAID for the recommendations outlined in the Effective Partnering and Procurement Reform plan released for comment in March of 2019 --most especially the focus on training contracting/agreement officers in PSE, as well as plans to launch the New Partners Initiative as a more inclusive partnership tool and plans to launch a blended finance/ impact investment funding window as a business oriented partnership tool. Implementing these reforms should be a top priority for the organization, as rules and regulations often stand the test of time and are a valuable way to institutionalize culture and behavior change in an organization. In addition, recent procurements like INVEST which follow somewhat the model that DoD used in creating programs like InQTel, have demonstrated creative solutions to expanding the Agency's partner network, while reducing the bureaucratic hurdle for private sector actors whose core business is not structured around US Government procurement requirements. Beyond these efforts, several more basic guidance documents would be especially useful in helping USAID Missions — and specifically AOR, CORs, AOs, and Cos — along with private sector actors to have more fruitful discussions -- such as a set of consistent, transparently published probing questions to ensure that key issues are addressed and all potential partners effectively understand each other. This could take the form of a value proposition table that both USAID and the potential private sector partners should fill in, which addresses: *What are our goals and objectives? What are our metrics for success? What can we bring of value to achieve these goals and objectives, inclusive of and beyond funding? What are we looking for our partner to bring to achieve these goals and objectives, inclusive of and beyond funding?* Adopting a more consistent and straightforward strategic framework across USAID's conversations with private sector partners could have significant benefit to reducing the frustrations and challenges felt on both sides of the discussion.

Appendix A: “Quick Win” Ideas for Implementation

Recognizing the value of building momentum, the SubCommittee has brainstormed some ideas for “short-term” wins for USAID to be able to demonstrate progress in implementing the USAID Private Sector Engagement Policy under Administrator Green’s leadership. Acknowledging USAID’s significant staff and resource shortages in this area, the SubCommittee recommends that Administrator Green consider these possibilities and select two to three ideas to resource and implement within the next nine months.

I. Lead a Shift in USAID’s Culture

- a. **Establish private sector engagement/ development awards:** Create an award where USAID acknowledges both internal teams and private sector partners who are doing exemplary work in global development together. The award should be presented only once a year, potentially at Davos. USAID winning staff is able to attend Davos to accept the award at a dedicated side event along with private sector partners. Optional venue is a dedicated event in DC with Congressional allies, who can present the award and speak about the value of PSE.
- b. **Develop sponsored content:** Work with key private sector partners to arrange a paid content partnership with a leading business outlet, such as the New York Times or the Economist. The series will focus on the top 10 development challenges for the private sector to tackle. The content can feature existing partners commenting on what works and what needs to change at USAID, and celebrates “early adopters” or current PSE champions at USAID.

II. Talent Recruitment and Development

- a. **Elevate the PSE relationship management function:** To address concerns that the relationship management function was staffed at too low of a level, establish a leadership position for Private Sector Engagement overseeing this function. The mandate of the office is to represent USAID at key private sector meetings and events and to manage the overall portfolio of private sector partners, with an eye on increasing visibility and effectiveness of the partnerships and up-leveling the skills across USAID in private sector partnerships.
- b. **Establish an MBA/executive course in PSE:** Partner with a leading business school to establish a program on public-private partnerships in global development that aligns with PSE policy and USAID priorities. The program will be two weeks long and open to both private sector and USAID leaders. Potentially free to USAID staff – with private sector support. A model to explore is the Harvard Business School-Accion Program on Strategic Leadership in Inclusive Finance. To encourage

participation, consider how to award completion of program with salary increases or movement on the GS scale.

- c. **Establish a private sector exchange/ fellowship program:** In order to support both talent development and culture change at USAID, establish a two-way private sector exchange program to bring private sector talent into the Agency for one to two year rotations, and to send USAID foreign service officers and civil service officers out to the private sector for rotations to gain private sector perspective and experience. Structure this program to require that participating USAID staff continue in USAID's employment for a certain period of time after the rotation, or pay the Agency back for their time spent working outside the Agency. The U.S. Department of State has a similar exchange program that could serve as a model for USAID.

III. Strategic Mechanisms for Implementation

- a. **Conduct a business media tour:** Position the Administrator in key business outlets and event, where he can discuss the value of private sector engagement in development, including key conferences and industry events where companies investing in developing countries or development issues are gathered. Conduct targeted editorial board meetings that pair the Administrator with existing private sector partners to discuss key successes and a roadmap for the future. Place a byline for the Administrator in outlets that reach key opinion leaders and potential private sector partners.
- b. **Develop a short list of companies to target for engagement:** As an example, consider starting with US headquartered companies that have made major public commitments to the UN SDGs. Pick a set of issues (public health, ag, nutrition, conservation, water, etc) and dive in to figure out who's working on the same issues and target them.
- c. **Develop specific agreement templates:** One SubCommittee member noted a concern about going from today's message of "...there are only 2 tools: grants and contracts," to "...there are infinite tools." Consider convening a cross-functional team, including a lawyer, a CO/AO, an experienced COR/AOR, and a few veterans from companies that have worked with USAID and tasking them scenario-based planning focused on the kinds of outcomes the Agency would like to achieve through different agreement forms. These might include: an alliance of multiple peer organizations that agree to coordinate on a specific topic, an informal bilateral agreement to cooperate, a bilateral formal agreement to co-invest, a multiparty partnership funded by USAID, etc. Following these discussions, develop templates for the thinnest, shortest, most streamlined versions of potential agreements to achieve the desired outcomes in a compliant way. Then, provide training to AOs/COs and AORs/CORs on how, when, and why to use these "new tools." (Note

that this effort should include a focus on how to evolve the co-creation process to make it easier and less time and resource intensive.)

- d. **Make online resources friendly and welcoming:** Consider applying human-centered design (HCD) to USAID’s “front door”, e.g., webpages, resources, and tools that private sector might interact with in deciding if/how to engage with USAID. Design these resources with end-users in mind and prototype with them, and create “how to” guides for different types of private sector entities on how to work with USAID, e.g., “how to read a USAID agreement in 10 minutes or less,” or “how to read and qualify a USAID solicitation in 10 minutes or less,” etc.