



KARANDAAZ PAKISTAN

Request for Proposal

RFP # 006

“COMPENSATION SURVEY FOR KARANDAAZ PAKISTAN”

Date: April 03, 2016

Deadline for Questions: April 07, 2016

Deadline for Karandaaz Responses: April 11, 2016

Deadline for submission of proposals: April 18, 2016

www.karandaaz.com.pk

SECTION 1. LETTER OF INVITATION**RFP no. 6**

April 03, 2016, Islamabad

1. The purpose of this RFP is to solicit proposals from companies interested in conducting a compensation survey for Karandaaz in order to benchmark the existing compensation of Karandaaz staff against industry standards.
2. Karandaaz Pakistan invites sealed proposals from interested and eligible organizations. More details on the Services required are provided in the Terms of Reference (Section 4 of RFP).
3. The company will be selected under open competitive procedures, in accordance with the procurement policies and procedures of Karandaaz Pakistan.
4. Both financial and technical proposals must be submitted before 05:00 pm Pakistan Standard Time on April 18, 2016. Offerors must prepare hard copy of the technical proposal and a copy of the cost proposals, and submit in separate **sealed** envelopes to the attention of 'The Procurement Department' 1-E, Ali Plaza, D Chowk, Mezzanine Floor, Nazimudin Road, Blue Area, Islamabad. The proposals must also be sent via an email to procurement@karandaaz.com.pk.
5. Any bidder/potential contractor feeling aggrieved may lodge a written complaint at ProcComplaint@karandaaz.com.pk not later than fifteen (15) days after the completion of evaluation process; however mere fact of lodging a complaint shall not warrant suspension of the procurement/award process.

Yours sincerely,

The Procurement Department

Karandaaz Pakistan

SECTION 2. INSTRUCTIONS TO FIRMS

A. General

1 Scope of Proposal

Karandaaz Pakistan issues this Request for Proposal (RFP) for the following services:
“Compensation Survey for Karandaaz Pakistan”

Throughout this RFP:

- i. The term “in writing” means communicated in written form (e.g., by mail, e-mail, fax)
- ii. “Day” means calendar day

2 Fraud and Corruption

Firms shall comply with Karandaaz Pakistan’s policy regarding fraud and corruption given in Section 3 of the RFP.

3 Eligibility

The minimum qualification criteria is mentioned in the Terms of Reference. The firm has an obligation to disclose to Karandaaz Pakistan any situation of actual or potential conflict that impacts its capacity to serve Karandaaz Pakistan’s best interests. Failure to disclose such situations may lead to the disqualification of the firm or the termination of its Contract. Karandaaz Pakistan’s policy with regard to conflict of interest is given Section 3 of the RFP. Firms shall provide such evidence of their continued eligibility satisfactory to Karandaaz Pakistan, upon request.

4 One Proposal Per Firm

Each firm shall submit only one proposal, either individually or as a partner in a joint venture. A firm that submits or participates in more than one proposal shall cause all the proposals with the firm’s participation to be disqualified.

5 Cost of Preparation of Proposal

The firm shall bear all costs associated with the preparation and submission of its proposal. Karandaaz Pakistan shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

B. Request for Proposal

6 Contents of the RFP

The RFP includes the documents listed below and any Addendum issued in pursuant to point 8 of this section 'Amendment of RFP'.

- Section 1 - Letter of Invitation
- Section 2 - Instructions to firms
- Section 3 – Procurement Policy – vendor conduct
- Section 4 - Terms of Reference
- Annexure A – Proposal Submission Form

7 Clarification of RFP

All questions and/or clarifications regarding this RFP must be submitted via email to Procurement@karandaaz.com.pk no later than 5:00 pm local time on April 07, 2016. All correspondence and/or inquiries regarding this solicitation must reference the RFP number. No phone calls or in-person inquiries will be entertained; all questions and inquiries must be in writing

Questions and requests for clarification—and the responses thereto—will be circulated to all RFP recipients who have indicated an interest in bidding by 5:00 pm on April 11, 2016.

Only the written answers will be considered official and carry weight in the RFP process and subsequent evaluation. Any verbal information received from a Karandaaz employee or other entity should not be considered as an official response to any questions regarding this RFP.

8 Amendment of RFP

At any time prior to the deadline for submission of bids, Karandaaz Pakistan may amend the RFP by issuing an Addendum.

Any Addendum issued shall be part of the RFP and will be communicated via the Karandaaz Pakistan website. Firms are advised to monitor the site for updates.

To give prospective firms reasonable time in which to take an Addendum into account in preparing their bids, Karandaaz Pakistan may, at its discretion, extend the deadline for the submission of bids, pursuant to point 17 'Deadline for Submission of Proposals' of this section.

C. Preparation and Submission of Proposals

9 Language of proposal

All documents relating to the proposal shall be written in the English language.

10 Documents Comprising the Proposal

The proposal shall consist of the following:

1. Technical proposal consisting of the following;
 - i. Firm's organization and experience;
 - ii. Comments and suggestions on the terms of reference, counterpart staff, and facilities to be provided by the client;
 - iii. Description of approach, methodology, and work plan in responding to the terms of reference;
 - iv. Examples of past experience
 - v. Work schedule and planning for deliverables; and
 - vi. Team composition, assignment, and key experts' inputs and Curriculum vitae (CV).
2. Financial proposal

11 Currencies of Bid and Payment

Firms may express the price only in PKR.

12 Proposal Validity

Proposal shall remain valid for ninety (90) days after the proposal submission deadline date established by Karandaaz Pakistan. A proposal valid for a shorter period shall be rejected as non-responsive.

In exceptional circumstances, prior to the expiration of the proposal validity period, Karandaaz Pakistan may request all firms who submitted their proposals to extend the period of validity of their proposal for a specified additional period. The request and the responses shall be made in writing. If the firm agrees to extend the validity of its proposal, it shall be done without any change in the original proposal and with the confirmation of the availability of the key experts. The firm has the right to refuse to extend the validity of its proposal in which case such proposal will not be further evaluated.

If any of the Key Experts become unavailable for the extended validity period, the firm shall provide a written adequate justification and evidence satisfactory to the Client together with the substitution request. In such case, a replacement Key Expert shall have equal or better qualifications and experience than those of the originally proposed Key Expert. The technical evaluation score, however, will remain to be based on the evaluation of the CV of the original Key Expert.

If the firm fails to provide a replacement Key Expert with equal or better qualifications, or if the provided reasons for the replacement or justification are unacceptable to the Client, such Proposal will be rejected.

13 Proposal Security

In this procurement, a proposal security is not required.

14 Alternative Proposals

Alternative proposals shall not be considered.

15 Format, Signing, and Submission of Proposals of Proposal

The firm shall prepare and email a scanned copy of the documents comprising the Proposal as described in point 10 on official company letterhead. Each document shall be signed by a person duly authorized to sign on behalf of the firm.

The Proposal shall contain no alterations or additions, except those to comply with instructions issued by Karandaaz Pakistan, or as necessary to correct errors made by the firm, in which case such corrections shall be initialled by the person or persons signing the Proposal.

16 Deadline for Submission of Proposals

Proposals must be received by Karandaaz Pakistan no later than 05:00 pm Pakistan Standard Time on April 18, 2016.

Karandaaz Pakistan may extend the deadline for submission of proposals by issuing an amendment in accordance with point 8 'Amendment of RFP', in which case all rights and obligations of Karandaaz Pakistan and the firms previously subject to the original deadline shall then be subject to the new deadline.

17 Late Proposals

Any Proposal received late by Karandaaz Pakistan will be considered only at the discretion of the evaluation team.

18 Withdrawal, Substitution, and Modification of Proposals

Firms may withdraw, substitute or modify their proposals by giving notice in writing before the deadline for submission of proposals prescribed in point 16 'Deadline for Submission of Proposal' of this section.

Each firm's withdrawal, substitution or modification notice shall be prepared, sealed, marked, and delivered in accordance with point 15 'Format, Signing, and Submission of Proposals of Proposal', with the subject line as: Responding to RFP for "COMPENSATION SURVEY FOR KARANDAAZ PAKISTAN - "WITHDRAWAL," SUBSTITUTION" or "MODIFICATION" as appropriate. No Proposal may be substituted or modified after the deadline for submission of proposals.

E. Proposal Opening and Evaluation

19 Proposal Opening

Karandaaz Pakistan shall open the proposals, including modifications made pursuant to point 18, within 5 working days after the deadline.

20 Confidentiality

Information relating to the examination, evaluation, comparison, and post-qualification of proposals, and recommendation of contract award, shall not be disclosed to firms or any other persons not officially concerned with such process until publication of the contract award. Any effort by a firm to influence Karandaaz Pakistan in the examination, evaluation, comparison, and post-qualification of the Proposals or contract award decisions may result in the rejection of its proposal. Notwithstanding the above, from the time of proposal opening to the time of contract award, if any firm wishes to contact Karandaaz Pakistan on any matter related to the bidding process, it should do so in writing at the address indicated in point 7 'Clarification of RFP'.

21 Clarification of Bids

To assist in the examination, evaluation, and comparison of proposals, Karandaaz Pakistan may, at its discretion, ask any firm for clarification of the firm's proposal. The request for clarification and the response shall be in writing, but no change in the price or substance of the proposal shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by Karandaaz Pakistan in the evaluation of the proposals in accordance with point 25 'Correction of Errors'.

22 Preliminary Examination of Proposals

Prior to the detailed evaluation of proposals, Karandaaz Pakistan shall first review each Proposal and check the power of attorney or any other form demonstrating that the representative has been duly authorized to sign the proposal etc.

23 Determination of Firm's Eligibility and Qualifications

Then Karandaaz Pakistan shall determine whether the firm meets the eligibility and qualification requirements of the bidding documents. Firms failing to comply with the eligibility criteria indicated in point 3 'Eligibility' shall be disqualified.

Further, Karandaaz Pakistan shall determine whether the proposal is substantially responsive to the requirements of the bidding documents.

Karandaaz Pakistan's determination of a proposal's responsiveness is to be based on the contents of the proposal itself. A substantially responsive proposal is one, which conforms to all the terms, conditions, and specifications of the RFP, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the service; (b) which limits in any substantial way, inconsistent with the RFP, Karandaaz Pakistan's rights or firm's obligations under the contract; or (c) whose rectification would affect unfairly the competitive position of other firms presenting substantially responsive Proposals.

24 Evaluation of Technical Proposal

The proposals will be evaluated on the basis of "*Least Cost Technically Acceptable Criteria*" (LCTA). The technically acceptable criteria can be found in Section No. 4 of the RFP.

25 Correction of Errors

Proposals determined to be substantially responsive shall be checked by Karandaaz Pakistan for any arithmetic errors. Errors shall be corrected by Karandaaz Pakistan as follows:

Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.

The amount stated in the proposal shall be adjusted by Karandaaz Pakistan in accordance with the above procedure for the correction of errors and, with the concurrence of the firm, shall be considered as binding upon the firm. If the firm does not accept the corrected amount, the proposal shall be rejected.

26 Currency for Price Evaluation

N/A

27 Evaluation of Proposal Price and ranking :

The contract will be awarded to the firm with the lowest cost. However, the firm should meet the technically acceptable criteria mentioned in Section 4 of this RFP.

F. Award of Contract**28 Award Criteria**

Subject to 31 below, Karandaaz Pakistan shall award the contract to a responsible firm with a complete financial and technical proposal.

29 Karandaaz Pakistan's right to accept Any proposal and to reject any or all proposals

Notwithstanding point 28 above, Karandaaz Pakistan reserves the right to accept or reject any proposal, and to cancel the bidding process and reject all bids, at any time prior to the award of contract, without thereby incurring any liability to the affected firm or firms or any obligation to inform the affected firm or firms of the grounds for Karandaaz Pakistan's action.

30 Notification of Award and Signing of Agreement

The firm whose Proposal has been accepted shall be notified of the award by Karandaaz Pakistan prior to expiration of the proposal validity period in writing.

Karandaaz Pakistan will also promptly notify in writing each unsuccessful firm. After publication of the award. Also, Karandaaz Pakistan shall entertain a complaint from any firm that claims to have suffered or that may suffer, loss or injury due to a breach of a duty by the company in the conduct of this bidding process. Any bidder/potential contractor feeling aggrieved may lodge a written complaint at ProcComplaint@karandaaz.com.pk not later than fifteen (15) days after the completion of evaluation process; however mere fact of lodging a complaint shall not warrant suspension of the procurement/award process.

SECTION 3. PROCUREMENT POLICY – VENDOR CONDUCT

31 Corrupt or fraudulent practices

Bidders, suppliers, contractors and their agents (whether declared or not), contractors, sub-consultants, firms or suppliers, and any personnel thereof, shall observe the highest standard of ethics during the procurement and execution of contracts.

Karandaaz Pakistan shall not award contract if it is determined that the bidder, or any of its personnel, or its agents, or its consultants, sub-contractors, firms, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question. As part of bidding/ solicitation documents, Karandaaz Pakistan will seek declaration of 'Non collusive non corrupt practices' from each bidder. Format for such declaration is prescribed in section 3 of the standard bidding document. In pursuance of this policy, following terms are defined as follows:

- a. "Corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- b. "Fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- c. "Collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- d. "Coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- e. "Obstructive practice" is deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation.

32 Avoidance of conflict of interest

Any firm participating in the procurement process should disclose any actual or perceived conflict of interest situation/condition. Any firm found to have a conflict of interest shall be ineligible for award of a contract.

A firm shall be considered to have a conflict of interest in a procurement process if:

- a. Such firm is providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of a project that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
- b. Such firm submits more than one bid, either individually or as a joint venture partner in another bid, except for permitted alternative bids. This will result in the disqualification of all bids in which the bidder is involved. However, this does not limit the inclusion of a firm as a sub-contractor in more than one bid. Only for certain types of procurement, the participation of a bidder as a sub-contractor in another bid may be permitted subject to the company's no objection and as allowed by the standard bidding documents applicable to such types of procurement; or
- c. Such firm (including its personnel) has a close business or family relationship with a professional staff of the company who: (i) are directly or indirectly involved in the preparation of the bidding documents or specifications of the contract, and/or the bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict

- stemming from such relationship has been resolved in a manner acceptable to the company throughout the procurement process and execution of the contract; or
- d. Such firm does not comply with any other conflict of interest situation as specified in the standard bidding documents relevant to the specific procurement process.

33 Duty of care

The supplier in performance of services for Karandaaz Pakistan shall exercise duty of care. Duty of care holds the supplier responsible for the safety and well-being of its personnel and any third party affected by its activities.

TERMS OF REFERENCE

Thematic Area:	Human Resources
Project Title:	Compensation Survey, Karandaaz Pakistan
Expected Start Date:	April, 2016
End Date:	May, 2016
Task Manager:	Human Resources, Karandaaz Pakistan

About Karandaaz Pakistan

KARANDAAZ PAKISTAN, a private company established in August 2014, promotes access to finance for small businesses through a commercially directed investment platform, and financial inclusion for individuals by employing technology enabled digital solutions. The company has financial and institutional support from leading international development finance institutions; principally the United Kingdom Department for International Development (DFID) and the Bill & Melinda Gates Foundation. The Consultative Group to Assist the Poor (CGAP), a member of the World Bank Group, provides technical support to Karandaaz Pakistan.

Karandaaz Pakistan has three core work streams:

- 1) **Corporate Investment and Credit (CIC)** focuses on providing credit and capital to high impact small and medium-size businesses, and business models that have potential to generate sustainable employment and offer attractive risk-adjusted financial returns.
- 2) **Digital Financial Services (DFS)** focuses on expanding the poor's access to digital financial services in Pakistan by working across the ecosystem of local actors – policy-makers, regulators, government departments, businesses, researchers and academics. The DFS Unit facilitates digitization of government and other payment streams, encourages experimentation with businesses, and provides support to innovative DFS start-ups.
- 3) **Knowledge Management and Communications(KMC)** focuses developing and communicating credible data to inform the core themes of the Company, including DFS innovation, women's empowerment and youth employment.

About the Project

DFID has requested Karandaaz Pakistan to conduct a compensation survey in order to benchmark the existing compensation of Karandaaz staff against industry standards.

The overall objective of the compensation survey is to provide direction and support to the existing Karandaaz' compensation structure so as to bring it at par with the industry standards. The goal of conducting this activity is to carry out a salary/compensation and benefits survey of competitors/comparator organisations which will ultimately be used to attest the compensation structure of Karandaaz, ensuring all staff positions are paid competitively in alignment with their job descriptions.

Scope of Work

Karandaaz wants to hire a company to conduct a compensation survey and find out the most updated information on compensation of individuals with similar expertise, qualifications and experience who are working in the financial, development or related sector. The hired company will be required to produce a small range of salary figures along with the benefits provided from the market that can be compared to Karandaaz existing salary grades and benefits structure. The ranges need to be identified for all the departments within Karandaaz Pakistan, i.e. HR, Admin, Finance, KMC, CIC, M&E and DFS against years' of experience and qualifications of an individual. The compensation details provided should include the benefits structure and basic salary. The table below provides a summary of required data.

Grade	Years of Experience	Qualifications
CEO	Minimum 15 years	Minimum Masters
Director	10-15	Minimum Masters
Senior Manager	8-10	Minimum Masters
Associate – Level 2	6-8	Bachelor’s / Masters
Associate – Level 1	4-6	Bachelor’s / Masters
Analyst – Level 2	2-4	Bachelor’s / Masters
Analyst – Level 1	0-2	Bachelor’s / Masters
Skilled Support Staff	0-2	Bachelor’s

The salary survey methodology should include but not be limited to the following:

1. Review existing Karandaaz documentation that guides remuneration including personnel policies, job descriptions and terms of contract
2. Conduct a survey, targeting a suitable number of competitors/comparator organisations (these organisations must be pre-vetted by Karandaaz) from financial (commercial banks and microfinance intuitions), development (international donors/ non-profit companies) and telecom sectors to benchmark the salaries, allowances and entitlements/benefits offered at Karandaaz. The hired firm must match Karandaaz’ positions with those of competitor organisations as closely as possible to facilitate an accurate determination of salary levels for various positions and job groups.
3. Gather information regarding:
 - a) Salary information including benefits, working conditions, standard work week, cost of living increases/increments, etc.
 - b) Job data including the number of incumbents in the job classification, average salary of the incumbents, salary ranges for positions with specified minimum and maximum salaries, bonuses, overtime payments, reporting relationships, etc.
4. Recommend a salary scale that matches other competitors/comparator organisations. This salary scale should be in accordance with the job description and generalize ability of the job based on
 - a) Similarity of functions, and
 - b) Hierarchy within job family

Timeline

Upon signing of contract with the selected firm, the organisation should be able to submit a list of competitors for approval from Karandaaz within 14 days of signing the contract.

After the companies have been selected and approved by Karandaaz, the salary data from the competitors should be submitted within the next 20 days. This is a tentative timeline and further discussions will be held with the selected firm to ensure that this time frame is reasonable.

The final report should be submitted within 7 calendar days, after the salary data has been submitted and the first deliverable, as specified in the table below, approved.

Deliverables	% Payment
Submission of compensation survey data collected from the competitor/comparator organisations approved by Karandaaz Pakistan	50%

Submission of final report, including the suggested salary grades for Karandaaz Pakistan	50%
	100%

Minimum Qualifications Criteria

Firms wishing to be considered for the services described herein should have the following qualifications:

- Minimum 05 years of experience and strong knowledge in effective human resources management, including HR Surveys
- Should have conducted at least three salary surveys in Pakistan capturing firms in development, financial/ telecom sector
- Should have a proven track record of conducting salary surveys, job matching, and construction of salary scales for NGOs, Section 42 Companies or multinational organisations (a list of existing and past clientele needs to be submitted for this purpose)
- Should be GST and Income Tax registered (tax exempted firms will have to provide tax exemption certificate)
- The personnel proposed to conduct this survey should have relevant qualifications
- Must submit audited financial statements for the last year
- Familiarity with local rules, legislation and practices governing human resource policies and labour laws will be an advantage

Interested parties are kindly requested to submit a brief statement on how their qualifications and/or experience can lead towards the successful deliverable of this study within the required timeframe. This statement should be accompanied with a detailed individual/company/organisation profile (including areas of expertise and experience, examples of relevant ongoing and past consultancies, services provided and staff capacity), an updated and comprehensive CV of the consultant(s) who will carry out this assignment. The technical and financial proposals should be submitted via email to procurement@karandaaz.com.pk along with a hard copy sent to Karandaaz office address stated below:

1-E, Ali Plaza, Mezzanine Floor, D-Chowk, Blue Area, Islamabad.

Ownership/Control of Work and Product/Publication

All materials produced or acquired during the appointment – written, graphic, digital, coding related, audio/video or otherwise - shall remain the property of Karandaaz Pakistan unless and to the extent such rights are explicitly relinquished (in whole or in part) by Karandaaz Pakistan, in writing.

Karandaaz Pakistan furthermore retains the exclusive right to publish or disseminate in all languages reports arising from such materials.

In the event of early termination of the appointment or non-renewal upon the contract's expiration, the firm shall, deliver copies of all materials and data developed with Karandaaz Pakistan funds to the task manager at Karandaaz. Any material developed by the firm under these TORs may not be used without written prior approval by Karandaaz Pakistan.

PROPOSAL SUBMISSION FORM

Dear Sir/Madam,

Having examined the Solicitation Documents, the receipt of which is hereby duly acknowledged, “THE FIRM NAME” undersigned, offer to provide consulting for “INSERT REFERENCE NUMBER” to Karandaaz Pakistan in accordance with the Price Schedule attached herewith and made part of this proposal. “THE FIRM NAME” undertake, if our proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

“THE FIRM NAME” agree to abide by this proposal for a period of 90 days from date fixed for opening of proposal in the invitation for proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any proposal you may receive.

Dated: this-----day of -----2015

Name, Designation and Signature of the “firm Representative”