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Contractors say USAID forcing them into new jobs with fewer benefits

By **Michael Igoe** // 09 November 2022

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USAID staffer at a distribution port. Photo by: Jeremy Graham / Alamy via Reuters Connect

Contractors working inside the [U.S. Agency for International Development](#)'s Bureau for Global Health, or GH, allege that the agency's leadership approved moving them from one government contractor to another that is planning significant cuts to their benefits. They say these changes were not done transparently — and that a large portion of USAID's global health workforce is now being forced to quickly accept them if they want to keep their jobs.

In an open letter sent this week to USAID Administrator Samantha Power and Assistant Administrator Atul Gawande, who leads the Global Health Bureau, the contractors write that the situation “has had a negative impact on staff morale, motivation, and productivity – the opposite of the environment the Administration seeks to foster.”

The letter, which Devex obtained, had 340 signatures at the time this article was written.



“This is not what we were talking about when we said we wanted more equity in terms of contracts.”

— Anonymous USAID contractor working in the Global Health Bureau

Power has made growing a more equitable, inclusive, and diverse workforce one of her key priorities as head of USAID. Those goals are challenged by a byzantine system of hiring mechanisms that have evolved over decades with different regulations, benefits, and authorities — and [chronic issues](#) with strategic workforce planning at the agency.

A significant portion of USAID’s global health workforce — about 60% of the global health bureau, according to the letter — is made up of “institutional support contractors,” or ISCs. These are professionals with a wide range of titles, seniority, and expertise who are employed by a private company that USAID contracts to hire and manage parts of its workforce.

While they are not direct U.S. government employees, ISCs carry out many of the same job responsibilities and work alongside their government counterparts in the same offices.

In this case, one contract — the Global Health Support Initiative-III — ends on Dec. 31, and those hired under that contract will be transitioned to another one called the Global Health Training, Advisory, and Support Contract, or GHTASC.

The open letter — along with two people working inside the bureau who spoke to Devex on condition of anonymity — says the successor contract includes pay cuts, annual leave reductions, changes to paid sick leave and parental leave, and higher employee health insurance costs than what ISCs currently receive.

The two contractors who spoke to Devex said they expected the changes would apply to roughly 300 people inside the bureau, or nearly half its workforce. Devex was unable to independently verify the number of contractors likely to be affected.

“The suggested optics here are undeniable: GH ISCs are expendable, and by choosing a contractor with sub-par benefits, an intentional decision was made by GH leadership to maximize cost savings over the health and well-being of the ISC workforce,” the letter reads.

In response to an inquiry from Devex, USAID spokesperson Jessica Jennings wrote that USAID “greatly values the contributions of Institutional Support Contractors and is committed to creating a supportive work environment.”

“GHTASC was designed to achieve USAID priorities, including but not limited to engaging high quality contractor services to support USAID’s mission of providing effective health programming,” Jennings wrote.

The GHTASC project is managed by Credence Management Solutions, a government contractor based in Virginia.

“Fair, equitable, and competitive compensation and benefits are of the utmost importance to Credence and have contributed to our high employee retention rates and numerous awards and recognitions. For example, Credence has been named as a Top Workplace by The Washington Post for three years in a row,” Wanda Jaskiewicz, the GHTASC project director at Credence, wrote to Devex.

Part of USAID’s intention is to consolidate multiple hiring mechanisms under the GHTASC umbrella, according to the two contractors who spoke to Devex. That was billed as part of an effort to create greater equity among the bureau’s contractors, by bringing more of them into the same employment arrangement, they said.

“GHTASC combines four separate global health workforce mechanisms (with multiple prime and subcontractors). Each mechanism offered a different pay and benefits package. Consolidating these diverse and complex contracts into GHTASC with one standardized benefits package minimizes the previous inequities and benefits silos which have prevented USAID from strategically planning and preparing its workforce to meet the demands of future global health crises,” Jaskiewicz wrote.

“In addition, the vast majority of contractors transitioning to GHTASC are receiving salaries that will match or exceed their current salaries. and the benefits package as a

whole is comparable to or better than what the market offers as well as other global health workforce mechanisms,” she wrote.

In a major policy [speech](#) last year, Power said she would “prioritize equity among our staff — regardless of whether they are hired as Foreign Service Officers, Civil Servants, locally-hired Foreign Service Nationals, or third-party contractors.”

Instead, the two contractors told Devex this transition would erode their standing even further.

“The problem is that the mechanism they’re transferring us to is terrible in terms of benefits ... This is not what we were talking about when we said we wanted more equity in terms of contracts,” one of the contractors said.

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The contractors told Devex they were told that USAID’s decision to award the GHTASC project to Credence Management Solutions is currently being challenged, and that the bureau’s leaders have cited that ongoing legal process as a reason for withholding information.

“Given the procurement action is subject to a bid protest, we cannot provide specific details of the contract situation,” Jennings, the USAID spokesperson, wrote to Devex.

“The benefits packages provided to Institutional Support Contractors are established by the contract awardee organization as part of their competitive bid proposal and as a whole exceed competitive industry standards. Further, it is USAID’s understanding that there will not be salary reductions. USAID places a focus on diversity, equity, inclusion and accessibility in our procurement processes including for this award,” Jennings wrote.

Jaskiewicz wrote to Devex that GHTASC is working to provide the contractors with more information so they “better understand their total benefits and compensation package and support their onboarding process should they choose to move forward with Credence.”

Those inside the bureau also say they are being given as little as two days to sign their new employment offer letters and accept the reduction in benefits. They have already received termination letters from the company that holds the contract ending later this year. One current global health contractor described the approach as “bullying.”

“Many of us work in highly specialized roles that took months and sometimes years to fill. We are concerned that the GHTASC transition will result in high staff turnover, causing significant staffing gaps and irreparable harm to GH programming, particularly as we respond to multiple pandemics (e.g. COVID-19, Monkeypox, HIV/AIDS, etc.),” the letter reads.

“The transition phase is on a highly accelerated timeline (less than two months) that has been marked by an unacceptable lack of transparency and communication, which has bred confusion, stress and uncertainty for ISCs,” it states.

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