

Office of International Training
AGENCY FOR INTERNATIONAL DEVELOPMENT (A.I.D.)

Date: 5/71
926062-0
PD-AAC-41

PROJECT AUTHORIZATION

A.I.D. Finance Center
Room 1033-NB

926-0-063

1. PROJECT NUMBER 926-11-995-062-63	3. COUNTRY Interregional	4. AUTHORIZATION NUMBER 062
2. PROJECT TITLE Executive Management Training		5. AUTHORIZATION DATE Continued
7. LIFE OF PROJECT		6. PROP DATED 5/71

a. Number of Years of Funding: Cont'd.
Starting FY 19 71, Terminal FY 19 Cont'd.

b. Estimated Duration of Physical Work
After Last Year of Funding (in Months):

FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 =			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY	--						
Operational FY	120						
Budget FY	67						
B + 1 FY							
B + 2 FY							
B + 3 FY							
All Subsequent FY's							
TOTAL							

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

NA

10. CONDITIONS OF APPROVAL OF PROJECT

In addition to the annual Summer/Autumn Program Budget Reviews scheduled by AA/PPG, in-house OIT Review will be continued on a quarterly basis.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL	CLEARANCES	DATE
 SIGNATURE OIT, Robert E. Matteson TITLE	OIT, Martin M. McLaughlin	5/13
	OIT/AD, John W. Asher, Jr.	5/10
	OIT/AD/FMB, Leslie A. White	5/10/71
	5/13	

MAY 13 1971

AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF INTERNATIONAL TRAINING

PROJECT PAPER (PROP) NARRATIVE

Project Title ⁹²⁶ - Executive Management Training
Project No. - 915-11-995-062
Implementing Agency - Undecided

A.I.D.
Reference Center
Room 1056 NS

A. Summary

Annually AID trains some 10,000 participants in the United States with the overwhelming majority - approximately 88% - of these receiving their training in specialized technical areas such as education, agriculture, health, industry and labor. As reflected in AID statistics on the occupational levels of the participants, however, it is a fact that the jobs of more than 50% of these participants are primarily managerial in nature. Moreover, because AID participants are selected because of their demonstrated potential, it can be conclusively presumed that those participants who do not presently occupy positions of substantial managerial responsibility will soon have them.

Despite the apparent importance of management to the participants and the palpable shortage of managerial skills in less-developed countries, programs in the United States have not provided a systematic opportunity for its study. The extent of this gap is reflected in a 1970 study showing that of 1166 Turkish participants in the field of agriculture only 21 have received managerial training. Moreover, for the most part the various universities, Government agencies and other institutions where AID participants are placed are not adapted to providing training in management in addition to the technical programming they offer.

The purpose of this project, therefore, is to provide short-term training in the principles of management of these technically oriented participants. As discussed below, it is proposed for interregional funding because it is complementary to technical programming activities.

B. Project Purpose

The anticipated results of this project are (i) to supply the participants with some usable knowledge of managerial concepts which will complement their technical training and make them immediately more effective on their return home and (ii) to provide the participants with an improved appreciation of the role and importance of management which is the necessary sine qua non for any long-term development of the managerial capabilities of the IDCs.

To the extent that significant numbers of AID participants are exposed to this program and receive an appreciation of the concepts of management, the project will alleviate the habitual weakness in management capability which has confounded much of AID's efforts in the LDCs. Moreover, in view of the retrenchment of AID and the lesser numbers of AID technicians overseas who can provide impetus to project management this program takes on added importance. It should respond equally to the needs of all regions.

C. Rationale

The programs carried out under this project will be one two-week duration and will complement the regular technical training that the participants receive. Participants will be placed in them during times which will not interfere with their technical training and it is therefore anticipated that this program will be provided regularly throughout the calendar years. During FY 1972 - the first full year for this project - it is expected that 400 - 600 participants will be placed in it.

The project has been developed in close conjunction with the Regional Bureaus and the Technical Assistance Bureau and has their complete support. The need for improved management capability has been identified as a key problem facing LDCs. The Bureaus are being requested to assist OIT in monitoring and evaluating this project. *CFW*

In theory there are three other alternative ways in which this program might be performed. The methods - and the reasons they were dismissed - are as follows:

1. Use Regional Funds to provide separate management programs for the LA, EA, NESAs, AFR and VN. This method would assure maximum homogeneity among the participants and, arguably, would permit increased country expertise to be injected into the programs. This is rejected, however, for the following reasons:

a. Neither cultural homogeneity nor country regional expertise is conclusively necessary or even desirable. Numerous multi-regional programs which have been conducted have not substantiated that homogeneity plays an important role with regard to country or regional expertise, it does not seem that in a short program designed to provide basic concepts of management that such expertise would necessarily come into play.

b. Because of the uncertain ebb and flow of participants from any one region, such regional programs would necessarily be under-enrolled on occasions if given on a regular basis throughout the year. The unit costs would therefore increase significantly.

c. Coordinating regional programs with the flow of participants, handled through OIT would create undue administrative problems.

2. Incorporating management training into the technical work done by the participants at various universities, PASA agencies and other institutions. To an extent this is already done on a random basis. Insofar as OIT program participants into hundreds of institutions, however, the problems associated with either regularizing or evaluating such training in the institutions are insurmountable. Moreover, most universities and Government agencies are not structured to incorporate short-term managerial training into their programs.

3. Providing management training based on PIO/P financing of the program costs. While under this program the participant costs (per diem and travel) will be provided under the PIO/P, it has been determined that the program costs need be centrally funded for the following reasons:

a. With this being a new project the Missions have not budgeted its costs into their participant training programs. They could not, therefore, finance it without readjustment. Moreover, without OIT and the contractor having experience with the number of participants in the programs and the frequency with which the programs will be offered any attempt to set PIO/P tuition rates would be highly speculative.

b. In any case, until the project has provided demonstrable results it is questionable that Mission technicians would divert their scarce program funds to this purpose.

c. Because the project is complementary to the technical participant programs funded by the Missions and accepted by the host governments it is more logical to centrally fund it.

D. Project Outputs

This project is in its pilot phase during the summer of 1971 when up to six (6) programs will provide training for between 120 - 125 technically trained participants. These programs will be conducted by three separate contractors utilizing different approaches. They will be fully evaluated by AID, the participants and the contractors.

Based upon the assumption that this evaluation is positive, the most successful contractor can begin regular programming during the Fall of 1971. It is projected that during the ensuing calendar year from 12 to 15 programs will be given for from 400 - 600 participants. These would include both regular AID participants and "contract" participants. In addition, follow-up training such as management correspondence courses are under consideration. (Such courses might also be offered non-participants nominated by the Missions). After FY 1972 it is projected that this project will continue to be provided for between 600 - 800 technical participants annually.

The objectives (qualitative outputs) of the program are as follows:

1. To provide the participants with an understanding of generally accepted concepts of administrative management and the role and relationship between top and middle levels in the management process.
2. To demonstrate for them the importance and functioning of management to both overall development activities and to specific projects.
3. To provide them practical approaches and management skills relevant to their present and anticipated responsibilities.
4. To provide the participants to the extent possible in a short-term program, an exposure to one area of individual choice in the administrative-management sciences.

In the short-run the success of this program will be determined by the AID evaluation which will be performed during the pilot phase. Throughout the conduct of the programs the individual participants will give their evaluations. OIT is also considering, as a separate contract, providing field evaluation of participants who have been home for six months to one year to ascertain the long-term impact of the project. In any event, Missions will be requested to provide feed-back they receive.

Assuming the correspondence course can be incorporated into the regular program, the extent to which the participants follow-through on this will provide an accurate gauge as to the success of the program in instilling an appreciation of management training in the participants.

E. Project Inputs

Project costs for the conduct of 15 programs of two week duration during FY 1972 are estimated at \$110,000. This would involve a pro rate cost per program of \$7,300 and a weekly cost of approximately \$150 for an assumed 25 participants. The estimated administrative costs to AID are

two months professional time and two months clerical devoted to program monitoring and coordination. There would be no Mission costs involved since adequate funding would have been provided in the PIO/P.

F. Course of Action

Proposals for the pilot phase of this project, funded from FY 1971 monies, are currently under review. The contractor who provides the most satisfactory program in the pilot phase will be requested to perform the regular contract. It has not been determined if this will be under fixed price or cost contracting.

The cost sheets are attached hereto.