

A.I.D. EVALUATION SUMMARY - PART I

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

IDENTIFICATION DATA

A. Reporting A.I.D. Unit: Mission or AID/W Office (ES# _____) <div style="text-align: right; margin-right: 50px;">REDSO/ESA</div>	B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan? Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY 88 Q 3	C. Evaluation Timing Interim <input type="checkbox"/> Final <input checked="" type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>
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D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)					
Project No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
698-0413.09	Support to Regional Organizations ESAMI Subproject	1982	8/88	\$500	\$500

ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director	Name of Officer Responsible for Action	Date Action to be Completed
Action(s) Required		
1. The Coopers and Lybrand report on financial management information systems, and the Price Waterhouse non-federal audit report, should be reviewed if further support to ESAMI is contemplated.	Deborah Orsini (AFR/TR/EHR)	3/88
2. Action should be taken to close out project ledgers as soon as possible.	Joseph Luguya (REDSO/ESA)	9/88
3. Prepare project completion report.	Joseph Luguya (REDSO/ESA)	12/88

(Attach extra sheet if necessary.)

APPROVALS

F. Date of Mission or AID/W Office Review of Evaluation:	(Month)	(Day)	(Year)
	May	26	1988

G. Approvals of Evaluation Summary And Action Decisions:				
	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director
Name (Typed)	Stafford Baker	Letter of 7/6/88 from Kasukwa Mutukwa	Deborah Prindle	Monica K. Sinding
Signature		Comments addressed in final evaluation		
Date	7/6/88			

ABSTRACT

H. Evaluation Abstract (Do not exceed the space provided)

The project's purpose is to strengthen ESAMI's capability to provide services to its client countries, to develop links with other institutions in Africa and overseas, and to place ESAMI in a better position to attract related outside financial assistance. The four major components of the subproject are an assessment of member country training requirements, development of an African case study teaching capacity and library within ESAMI, development of professional/institutional linkages, and assistance in strengthening internal financial management.

The purposes of this final evaluation (April, 1988) of the Support to Regional Organizations (SRO) Eastern and Southern African Management Institute (ESAMI) Subproject (698-0413.09) are to determine progress made toward achievement of project objectives, and to provide input into the planning process for potential future AID programming at ESAMI.

The evaluation included a review of project documents at REDSO/ESA in Nairobi and at ESAMI in Arusha, interviews with project managers and ESAMI officials, and attendance at management courses offered at ESAMI.

Although implementation was hampered by problems with project management at both ESAMI and REDSO, ESAMI has made progress toward the project purpose. The training needs assessment assisted ESAMI to develop ways to meet identified needs. The agricultural management courses have provided ESAMI with material useful to its curriculum, and have increased awareness of ESAMI in the region. ESAMI has increased its linkages with other regional, national, and international training institutions. Due to implementation problems, ESAMI staff completed the agricultural case studies using non-project resources; these studies are now included in course syllabi. The project has conducted two financial management strengthening activities at ESAMI, and a third activity, also funded from the project, is planned for August 1988.

In two areas there are lessons to be learned from this project. First, in the design of an institutional strengthening activity, the institution's own priorities must be well understood, and efforts to influence those priorities must be realistic and well conceived. Second, project management by a regional office such as REDSO/ESA poses inherent difficulties, and must be carefully planned.

COSTS

1. Evaluation Costs				
1. Evaluation Team		Contract Number OR	Contract Cost OR	Source of Funds
Name	Affiliation	TDY Person Days	TDY Cost (U.S. \$)	
Robert E. Armstrong	REDSO/ESA	8	200	REDSO/ESA
David McCloud	REDSO/ESA	8	250	REDSO/ESA
2. Mission/Office Professional Staff		3. Borrower/Grantee Professional		
Person-Days (Estimate) <u>13</u>		Staff Person-Days (Estimate) <u>5</u>		

A.I.D. EVALUATION SUMMARY - PART II

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

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| <ul style="list-style-type: none"> • Purpose of evaluation and methodology used • Purpose of activity(ies) evaluated • Findings and conclusions (relate to questions) | <ul style="list-style-type: none"> • Principal recommendations • Lessons learned |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

Mission or Office:
REDSO/ESA

Date This Summary Prepared:
June 17, 1988

Title And Date Of Full Evaluation Report:
Support to Regional Organizations ESAMI
Subproject Evaluation Report, May 1988

Project Purpose and Components

The purpose of the Support to Regional Organizations Project (698-0413) is to strengthen the capabilities of selected African regional organizations and to assist them in carrying out a number of economic and social activities of high priority to African development. The SRO ESAMI Subproject's purpose is as follows: "to support certain initiatives of ESAMI so as to strengthen this regional institution in providing a range of better services to its client or member countries, develop links with other institutions in Africa, Asia and the United States, and to place ESAMI in a better position to attract and use follow-on and related outside financial assistance."

The four major components of the subproject are:

- 1) assessment of perceived training requirements for 15 new member countries;
- 2) development of an African case study teaching capacity within ESAMI and an African case study library;
- 3) development of professional and institutional linkages between ESAMI and institutions in Africa, Asia and the United States; and
- 4) strengthening of ESAMI's internal financial management.

Purpose of Evaluation

The purposes of this final evaluation of the ESAMI Subproject (698-0413.09) are as follows: (1) to determine whether the activities funded under the project were implemented correctly and efficiently, and whether they have been effective in achieving the project objectives; (2) to assess lessons learned and develop recommendations for improving the design and implementation of similar projects; and (3) to provide input for planning potential future A.I.D. assistance to ESAMI.

Evaluation Methodology

The evaluation, conducted from 18-29 April, 1988, included a review of project documents both at REDSO/ESA in Nairobi and at ESAMI in Arusha, interviews with project managers and ESAMI officials, and attendance at management courses offered at ESAMI. Project documents reviewed included the REDSO/ESA project files, case material available

in ESAMI's Documentation Center, teaching material developed for the USAID funded courses, and the end-of-course reports for those same courses.

Findings and Conclusions

The evaluation noted progress toward achievement of project purpose as follows:

-- The regional training needs assessment, conducted early in the life of the project, assisted ESAMI management to identify training needs and to develop ways to meet those needs.

-- The agricultural management courses have provided ESAMI with useful course curriculum materials, and have substantially increased regional awareness of ESAMI's services. They have also improved regional understanding of agricultural management and policy issues. However, it is unlikely that these courses will be continued in the absence of additional outside support due to staff limitations.

-- Using its own resources, ESAMI has increased its interaction with other regional, national, and international training institutions, but project funds have not been used for this purpose, despite original plans.

-- The agricultural case study activity started much later than originally planned, and was suspended soon after its initiation along with all other project activities, pending resolution of financial mismanagement with respect to another A.I.D. ESAMI project, so little progress was made on this project activity. ESAMI staff later completed the planned studies using non-A.I.D. resources, so case studies are now included in ESAMI course syllabi.

-- The project has conducted two financial management strengthening activities at ESAMI, and a third is planned for August 1988. A number of financial management changes have occurred since September, 1987, when progress in this area was last assessed. A new chief and deputy for the Finance and Accounts Department were appointed and progress was assessed as part of a non-federal audit in May-June, 1988.

During project design, two assumptions were incorrect or overly optimistic: (a) that ESAMI would be able to implement the project with very limited REDSO/ESA monitoring, and (b) that the project outputs could be accomplished in only three years. ESAMI and REDSO/ESA each must assume some of the responsibility for the problems in project performance since the 1985 evaluation. Recommendations made in the mid-term evaluation of this project clearly raised the project management issue, including ESAMI's and REDSO/ESA's respective roles, but insufficient attention was given to implementing management improvements. ESAMI has not prepared narrative or financial quarterly progress reports, and REDSO/ESA monitoring has been too infrequent.

Principal Recommendations:

1. As ESAMI may not have the resources to continue the agricultural management courses, ESAMI should at a minimum attempt to integrate appropriate material developed for these courses into other course offerings of the Institute.

2. REDSO/ESA and AID/Washington should review the Coopers and Lybrand assessments of ESAMI's accounting procedures and financial management information system, and evaluate the results of the Price Waterhouse non-federal audit, if further support is contemplated.

Lessons Learned

In two areas there are lessons to be learned from this project. First, ESAMI's priorities were not adequately assessed during project design. Second, long distance project management by a regional office such as REDSO/ESA poses inherent difficulties. Quarterly REDSO site visits, and regular and comprehensive reporting by the grantee are essential to successful achievement of project objectives.

ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

May 1988 Evaluation Report

COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

In REDSO's view, the fact that project resources contributed little to the development of an African case study teaching capacity and case study library within ESAMI, and to the development of professional and institutional linkages between ESAMI and institutions in Africa and elsewhere, was more the result of project design than management or implementation. When the weaknesses in the original design initially came to light, the project's original work plans were modified to strengthen ESAMI's ability to manage donor resources and its own. While other approaches, for instance a redesign, might have been preferable, these were precluded by the short term nature of AID's support and the fact that the project had to be suspended mid-way. Discontinuity in leadership at ESAMI also hindered the development of revised work plans.

REDSO agrees with the evaluation's recommendation that the recent assessments of ESAMI's institutional capability should be carefully examined by REDSO/ESA and AID/W as a prerequisite to any further support.

Perhaps the most important lesson to be learned from this and other institutional development efforts, is that all critical factors must be identified and addressed at the outset, especially: (1) the institution's own development strategy; (2) institutional leadership; (3) willingness by A.I.D. to make a long term and sustained commitment of institutional support; and (4) viability of a strategy with incremental and limited objectives that can gradually move towards larger commitments of resources with the growth in mutual trust and experience.

REDSO recognizes that ESAMI is filling a unique role as a regional management training center with potential for further developing its training capability; REDSO will support endeavours to move ESAMI in that direction.

(ESAMI's comments are contained in the letter Ref. ESAMI/ADMIN/08/016 dtd July 6, 1988 attached to this report. The attached evaluation report was completed after review of these comments, and incorporates those accepted by the evaluation team.)

7117-1-A
11/11/87

SUPPORT TO REGIONAL ORGANIZATIONS ESAMI SUBPROJECT

(698-0413.09)

EVALUATION REPORT

Regional Economic Development Services Office,
East and Southern Africa

United States Agency for International Development

May, 1988

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EXECUTIVE SUMMARY

Project Purpose and Components

The umbrella Support to Regional Organizations Project (698-0413) has as its purpose to strengthen the capabilities of selected African regional organizations and to assist them in carrying out a number of economic and social activities of high priority to African development. The SRO ESAMI Subproject's purpose is as follows: "to support certain initiatives of ESAMI so as to strengthen this regional institution in providing a range of better services to its client or member countries, develop links with other institutions in Africa, Asia and the United States, and to place ESAMI in a better position to attract and use follow-on and related outside financial assistance."

The four major components of the subproject are:

- 1) assessment of perceived training requirements for 15 new member countries;
- 2) development of an African case study teaching capacity within ESAMI and an African case study library;
- 3) the development of professional and institutional linkages between ESAMI and institutions in Africa, Asia and the United States; and
- 4) assistance in strengthening internal financial management.

Purpose of Evaluation:

The purposes of this final evaluation of the Support to Regional Organizations (SRO) ESAMI Subproject (698-0413.09) are as follows: (1) to determine whether the activities funded under the project were implemented correctly and efficiently and have been appropriate to and effective in achieving the projective objectives, and whether the project goal and purpose have been met; (2) to develop lessons learned and recommendations for improving the design and implementation of similar projects; and (3) to provide input into the planning process for potential future AID programming at ESAMI.

Evaluation Methodology

The evaluation, conducted from 18-29 April, 1988, included a review of project documents both at REDSO/ESA in Nairobi and at ESAMI in Arusha, interviews with project managers and ESAMI

officials, and attendance at management courses offered at ESAMI. Project documents reviewed included the REDSO/ESA project files, case material available in ESAMI's Documentation Center, teaching material developed for the USAID funded courses, and the end-of-course reports for those same courses.

Discussions about project implementation included as participants Dr. Mwima-Mudeenya, chief program co-ordinator and chairman of the Management Development Committee (MDC); Dr. V. N. Mvano, vice chairman (Research) of the MDC; Dr. D. O. Omuodo, Senior Consultant; Mr. A. C. Mtowa, SRO subproject co-ordinator; Mr. A. Musana, senior librarian and head of the documentation center; and Mr. Okweyn and Mr. Makala, project accountant and financial accountant respectively.

Findings and Conclusions

The project has made progress toward achievement of its purpose and objectives as discussed below.

- The regional training needs assessment, conducted early in the life of the project, assisted ESAMI management in identifying training needs and developing ways to meet those needs.
- The agricultural management courses have provided ESAMI with course material useful to their curriculum, and have substantially increased the awareness of ESAMI's services in the region. They have also contributed to a better understanding of agricultural management and policy issues in the region. However, it is unlikely that these courses will be continued in the absence of additional outside support, in part because there is no staff member available to conduct the courses on a regular basis.
- ESAMI has, using its own resources, increased its linkages with other regional, national, and international training institutions, but has not used project funds to do so to any great extent, as had originally been planned.
- The agricultural case study activity was started much later than originally planned, and was suspended soon after its initiation along with all project activities when the issue of financial mismanagement arose with respect to another AID ESAMI project, so little progress was made under this project. However, ESAMI staff completed the studies using other resources, and studies are included in course syllabi.

- The project has conducted two financial management strengthening activities at ESAMI, and a third is planned. A number of financial management changes have occurred since September, 1987 (when progress in this area was last assessed), including the appointment of a new chief of finances and accounts department and a new financial accountant/deputy chief. A review of progress made will be conducted as part of an upcoming non-federal audit scheduled for May-June, 1988.

At the time of design, two assumptions were made which were overly optimistic: (a) that ESAMI was capable of full implementation responsibility with only limited REDSO/ESA monitoring responsibility, and (b) that the project goals could be accomplished in three years even when the outputs were of relatively minor importance to the institution's principal thrust of training.

ESAMI and REDSO/ESA each must assume some of the responsibility for the problems in project performance since the last evaluation. Recommendations made in the 1985 evaluation of this project clearly raised the project management issue, including ESAMI's and REDSO/ESA's respective roles, but those recommendations have not been followed. No narrative or financial quarterly progress reports have been prepared by ESAMI, and there could have been improved monitoring of project activities by REDSO/ESA.

Principal Recommendations

The following recommendations are made:

1. Although ESAMI may not have the resources to continue the agricultural management courses, there should be at a minimum an attempt to integrate appropriate material developed for these courses into other course offerings of the Institute.
2. REDSO/ESA and AID Washington should review the Coopers and Lybrand assessments of ESAMI's accounting procedures and financial management information system, and evaluate the results of the Price Waterhouse non-federal audit, to determine if further support is necessary.

With regard to the implementation of earlier recommendations, the recommendations in the 1985 evaluation report on this project (nos. 8, 9 and 12) clearly raised project management issues, but were not fully implemented over the past three years.

Lessons Learned

In two areas there are lessons to be learned from this project. First, in the project's design the priorities of ESAMI apparently were not adequately assessed. In the implementation of an institutional strengthening activity, priorities of the institution must be well understood, and efforts to influence those priorities must be realistic and well conceived. Second, project management by a regional office such as REDSO/ESA must be carefully designed and administered in order to account for the inherent difficulties of such management. Close monitoring, including at least quarterly site visits, and insistence on regular and comprehensive reporting by the implementing agency are essential to successful achievement of project objectives.

I. INTRODUCTION

A. Background

The Eastern and Southern Africa Management Institute is located in Arusha, Tanzania. ESAMI evolved from an earlier organization known as the East African Management Institute, which was founded in 1974 to serve the three member states of the East African Community (EAC). Following dissolution of the Community, the EAC Council of Ministers recommended that the Institute expand its membership and be formally recognized as a regional management training center for Eastern and Southern Africa. ESAMI was officially established in February, 1980, and currently has a membership of 18 countries. Between 1981 - 1985, ESAMI increased its regular course offerings from 31 p.a. to 44 p.a., and the number of participants in those courses increased from 643 to 835 (913 in 1984). Over the same period, it increased its tailor-made courses from 3 to 25, and the number of participants in those courses increased from 301 p.a. to 2,166 p.a. ESAMI also offers consultancy services, carries out research, and organizes conferences, seminars and symposia in particular for policymakers.

B. Purpose of Evaluation

The purposes of this final evaluation of the Support to Regional Organizations (SRO) ESAMI Subproject (698-0413.09) are as follows: (1) to determine whether the activities funded under the project were implemented correctly and efficiently and have been appropriate to and effective in achieving the projective objectives, and whether the project goal and purpose have been met; (2) to develop lessons learned and recommendations for improving the design and implementation of similar projects; and (3) to provide input into the planning process for potential future AID programming at ESAMI.

C. Evaluation Methodology

The evaluation, conducted from 18-29 April, 1988, included a review of project documents both at REDSO/ESA in Nairobi and at ESAMI in Arusha, interviews with project managers and ESAMI officials, and attendances at management courses offered at ESAMI. Project documents reviewed included the REDSO/ESA project files, case material available in ESAMI's Documentation Center, teaching material developed for the USAID funded courses, and the end-of-course reports for those same courses.

Discussions about project implementation included as participants Dr. Mwima-Mudeenya, chief of program co-ordinator and chairman of the Management Development Committee (MDC); Dr. V. N. Mvano, vice chairman (Research) of the MDC; Dr. D.O. Omuodo, Senior Consultant; Mr. A. C. Mtowa; SRO subproject co-ordinator; Mr. A. Musana, senior librarian and head of the documentation center; and Mr. Okweyn and Mr. Makala, project accountant and financial accountant respectively.

II. PROJECT DESCRIPTION

A. Purpose

The umbrella Support to Regional Organizations Project (698-0413) has as its purpose to strengthen the capabilities of selected African regional organizations and to assist them in carrying out a number of economic and social activities of high priority to African development. The SRO ESAMI Subproject's purpose is as follows:

to support certain initiatives of ESAMI so as to strengthen this regional institution in providing a range of better services to its client or member countries, develop links with other institutions in Africa, Asia and the United States, and to place ESAMI in a better position to attract and use follow-on and related outside financial assistance.

B. Project Components

The three major original components of the subproject are:

- 1) assessment of perceived training requirements for 15 new member countries;
- 2) development of an African case study teaching capacity within ESAMI and an African case study library, and
- 3) the development of professional and institutional linkages between ESAMI and institutions in Africa, Asia and the United States.

In addition, ESAMI is to "use its best efforts to plan and develop activities for private sector management training ...", and to request AID assistance as necessary in doing so.

Finally, Amendment No. 4 (December, 1986) to the grant agreement added the following as a project component: "Financial Management and Audit Assistance: The grant will finance the costs of technical assistance in internal financial management and the costs of external audit assistance." This last component is described in more detail in subsequent PILs.

In the implementation of the third component mentioned above, i.e. the development of professional and institutional linkages between ESAMI and institutions in, particularly, the United States, ESAMI with USDA/OICD support has organized a number of agricultural management and policy-oriented seminars. Since the 1985 project evaluation, these seminars have been the primary focus of the project. Other project activities have

included support for the writing of case studies, development of professional linkages with other institutions, a regional training needs assessment, and assistance with improvements to internal financial management.

C. Earlier Evaluations

An interim evaluation was conducted in April, 1985, and an evaluation report was prepared that same month. This final evaluation covers activities implemented since that time, and takes into account recommendations made in that report.

III. FINDINGS AND CONCLUSION

A. Scope of Work

The evaluation was guided by the following questions:

1. How have the agricultural management seminars/courses contributed to a better understanding of agricultural management and policy issues in the region, and to the development of professional and institutional linkages between ESAMI and other institutions?
2. Are the agricultural case studies relevant to, and being used as a part of, ESAMI's course curriculum?
3. How have the linkages which ESAMI has made with other institutions in Africa, Asia, and the U.S. over the life of the project strengthened ESAMI?
4. What private sector management training activities has ESAMI introduced, and what has been the impact of these activities in terms of further developing a capacity on the part of ESAMI to provide training to the private sector?
5. In what ways has USAID assistance to ESAMI to strengthen its internal financial management succeeded? What additional steps has ESAMI taken, either on its own account or with the assistance of other donors, to improve its financial management? What are key areas of continuing concern with respect to ESAMI's financial management, and how can these concerns be overcome?
6. Does ESAMI have the necessary staff with the proper mix of experience and skills and the other necessary resources to continue to provide the training and management needed to carry on the kinds of activities which this subproject has been funding?
7. What has been learned about the administration of regional projects by REDSO/ESA?
8. Were the assumptions made at the time of the design correct?
9. What progress has been made against the recommendations in the last evaluation?

The discussion of financial management activities referred to in no. 5 above must await the results of a non-federal audit of

the project accounts scheduled to begin May 30, 1988. It can be said, however, that major changes have taken place in the staffing of the ESAMI accounts department, and that these changes are likely to result in overall improvements to ESAMI's financial management.

B. ESAMI and Agricultural Training

Terms such as "agricultural management" and "capacity to do training in agriculture" and "development of agriculture case studies" have been used with regard to ESAMI activities. The definition of agriculture as used to modify training or management is not the traditional one normally thought of in the African setting or for that matter in a U.S. setting. ESAMI has never been an agricultural training institution teaching "farm management" or agriculture management as taught in an agriculture economics department of an American university or the University of Nairobi or at Egerton College. The approach taken to agricultural management at ESAMI could best be described in U.S. business school terms as "agri-business management". An examination of the courses and the participating institutions indicates that these courses are not directed to those interested in "farm management", but rather to those who support in a management capacity the agricultural sector in some way.

C. Project Components

1. Regional Training Needs Assessment

This assessment was completed early on during the life of the project, was the subject of the 1985 project evaluation, and was not reviewed specifically for this evaluation. ESAMI has expressed an interest in repeating this exercise to provide updated information for planning purposes.

2. Agricultural Management Courses

The management courses organized by ESAMI with AID funding have contributed to a better understanding of agricultural management by exposing a large number of governmental officials, parastatal and private sector managers of a wide range of organizations to the current management tools necessary to do the best job of managing their institutions or serving their clients. Five courses have been held using project funding, three on agricultural policy (1984, '85, '87), one roundtable on agricultural policy (1985), and one on agricultural project planning (1987). (A course on agricultural policy was held in 1986 but funded with other resources.) No set

number of courses were anticipated in the project paper. Instead, project funds were to help create the institutional capacity to hold such courses on a regular basis.

These courses were to be developed as part of an institutional strengthening exercise involving USDA and ESAMI. Through the provision of technical expertise, USDA was to assist ESAMI in the development of its own expertise in the area of agricultural management training. The courses have improved ESAMI's ability to organize this kind of training. Although the courses themselves may not be continued in the absence of donor funding, certain course material, in particular with regard to project planning and appraisal, is being integrated into other courses which form part of ESAMI's regular program.

In terms of the definitions discussed above, the courses have probably made a much greater contribution to the understanding of agricultural management than might have been anticipated in the design of the project grant. The seminars have exposed bank loan officers and parastatal managers to ideas and concepts that are not traditionally defined in terms of the agricultural sector in Africa. The courses have used the same techniques, approaches and management concepts to analyze activities in the agriculture sector as would be used in industry. In measurable terms, the impact would be difficult to determine other than to indicate the fact that the project has supported course attended by nearly 150 participants who serve or will serve in important management positions in the East and Southern African agricultural sector.

One side benefit that ESAMI has gained by holding these courses is that the nature of the courses offered have drawn participants from client groups, such as rural development banks. Those client organizational linkages have resulted in increased demand for ESAMI services. In discussing this matter with Mr. Mtowa, who was responsible for the agro-industrial planning and appraisal course, he pointed out a not uncommon occurrence where a participant in the course from Lesotho has developed a proposal, from his finance organization, to have ESAMI offer the same course in Lesotho.

3. Case Studies

The intent of this activity was "to develop an African case study teaching capacity and an African case study library." Eight case studies were developed by ESAMI

staff under partial AID funding. Implementation of this project activity went very slowly for about two years, and then, soon after the participants began research for their respective case studies, all project activities were suspended as a result of the discovery of financial irregularities in the implementation of another USAID-funded ESAMI project. Therefore the planned visit of a case study specialist and finalization of the case studies never took place under AID sponsorship. Instead, the case studies were completed through the use of other resources by the ESAMI staff.

An examination of these case studies indicates that the studies are both relevant and are being used as part of the overall ESAMI curriculum. In addition, the ESAMI library has a collection of some fifty case studies of various length, complexity and quality. Some of these cases have been developed using local organizations as subject matter and reflect the attempt by ESAMI to develop a viable source of African based training and teaching materials. Finally, Mr. Mtowa and his staff have assembled a large group of short cases and case-like training materials for use in the agricultural policy course.

4. Development of Professional Linkages with Other Institutions

Discussions with Dr. Mudeenya, Director of Program Co-ordination, indicates ESAMI has continued to develop and maintain strong linkages with a number of national training institutions in the east and southern African region. ESAMI has formal agreements, through letters of understanding, with some six of these national institutions and maintains informal linkages with an even larger number of colleges, universities and smaller training institutions. At the international level, ESAMI also maintains linkages formally and informally with a number of training and educational institutions.

Since the last evaluation of this project, ESAMI has expanded and strengthened its relationships with a number of branches of the Indian Institute of Management (IIM). As a direct result of this project, Mr. Alois Mtowa visited IIM offices in Ahmedabad and Bangalore, and the administrative staff college and the small scale industries institute in Hyderabad.

For an organization such as ESAMI, which derives 60% of its revenue from its training activities, the maintenance of strong and effective ties to numerous professional

client or user organizations and other national training institutional as well as international, and donor related organizations, is essential for existence. As a result of our project, ESAMI has strengthened its linkages with a number of professional client organizations which has provided a source of future business. The benefits derived from the strengthened ties to international training institutions in India are more difficult to measure, especially in the short term.

5. Private Management Training

There have been no AID funded activities in the area of private sector management. However, with assistance from the Educational Development Institute's (EDI), ESAMI has developed several management courses for public sector employees, including senior managers' development programs (offered twice a year) and two public enterprise management programs: Success Factors in Public Enterprise and Performance Evaluation of Public Enterprise. All of these courses are well received by participants.

The most heavily subscribed of the entire group of open courses for public sector managers are the seminars in financial management (offered twice in 1987 and attracting 31 participants in one program and 44 in the second); auditing for internal auditors (offered twice in 1987 and drawing 37 participants in one program and 32 in the second); personnel management (offered twice in 1987 and attracting 35 participants in one program and 26 in the second); and human resources management (offered twice in 1987 and attracting 48 participants in one course and 35 in the second). These seminars have also received high ratings from the participants, according to course evaluations conducted by ESAMI and based on student responses to evaluation questionnaires.

6. Financial Management Activities

Project funds have supported a study (plus follow-up) of ESAMI's accounting procedures, a study of financial management information systems, and the purchase of equipment for the accounts department. Planned activities include computer training and a non-federal audit which will also review progress made in improving accounting procedures.

As of September 1987, little progress had been made in the implementation of recommendations included in Coopers and Lybrand's April 1987 report on ESAMI's accounting procedures. No review of these recommendations has been

undertaken since, but their review is included in the scope of work for the upcoming non-federal audit scheduled to begin May 30, 1988. The top financial management at ESAMI has changed significantly since September, 1987. Changes include the assignment of two new individuals to the positions of Chief, Finance and Accounts Department, and Financial Accountant. In addition, the Commonwealth Fund for Technical Cooperation (CFTC) is providing a cost accountant on an eleven month contract.

A definitive statement on improvements to ESAMI's internal financial management must await the submission of Ms. Carole Marshall's report on financial management information systems and the upcoming non-federal audit report. Once these two reports have been received and reviewed, this evaluation report section on the financial management activities will be completed.

REDSO/ESA and A.I.D. Washington should review the final Coopers and Lybrand assessment of ESAMI's accounting procedures and financial management information system, and evaluate the results of the Price Waterhouse non-federal audit to determine if further support is necessary.

7. Summary of Project Expenditures

The following table summarizes budgeted and actual/planned project expenditures by component.

<u>Component</u>	<u>Budgeted</u>	<u>Actual/Planned</u>
Training Assessment	\$ 53,000	\$ 105,000
Case Studies	188,000	42,000
Linkages/Agricultural Mgt. Course Development	181,000	278,500
Contingency	78,000	-
Financial Management	-	37,000
Audit	-	10,000
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Total	\$ 500,000	\$ 472,500

It is the evaluation team's understanding that an A.I.D. proposed deobligation of \$25,000 will result in an overall project funding level of \$475,000, leaving approximately \$2,500 of project funds unearmarked. The deobligation was initiated because the current PACD of May 31, 1988, would not allow additional project activities.

D. Design Assumptions

At the time of design, two assumptions were made which were overly optimistic: (a) that ESAMI was capable of full implementation responsibility with only limited REDSO/ESA monitoring responsibility, and (b) that the project goals could be accomplished in three years even when the outputs were of lower priority to the institution's principal thrust of training.

Both of the above design misjudgements were a result of lack of understanding of the basic nature and function of the institution's principal dedication to "self-sufficiency" through funds generated from training. Of the three ESAMI institutional goals, i.e., training, consultation services and research, training is by far the most important for ESAMI and for which the staff is rewarded based on the measurable performance criteria of a minimum of 240 "student training weeks". If a teacher offered three courses of four weeks duration attended by 20 students each, he/she would meet that requirement. The second most profitable use of ESAMI staff time, in the short-term, is in the development of consultation services, again from the point of view of a staff member, a measurable and rewardable activity.

Faculty research is the least profitable activity from ESAMI's perspective and the most difficult task for faculty, with the lowest probability of reward by the institution. "Materials development" falls into the category of research and as such, there is less incentive to the staff member to develop a teaching case study. However, ESAMI management has indicated that research will be a higher priority for its staff, and intends to encourage staff to conduct more research as part of its upcoming long-term corporate plan.

E. Progress Against Mid-term Evaluation Goals

ESAMI and REDSO/ESA each must assume some of of the responsibility for the problems in project performance since the last evaluation. Recommendation Nos. 8, 9, and 12 of the 1985 evaluation report clearly raised the project management issue, and both ESAMI's and REDSO/ESA's respective roles. They are repeated below:

- "8. Given the number of grant-supported activities and the implications on ESAMI's staff workload between now and the completion of the project/grant, ESAMI must allocate an increasing amount of staff time to project/grant management. This should be possible with the recent recruitment of a second agricultural consultant and the pending appointment of a Deputy Director.

- "9. Pursuant to the above recommendation, REDSO/ESA must also monitor implementation of the project/grant more closely. This should ideally include a REDSO/ESA staff member's visit to ESAMI at least every 3-4 months.
- "12. As stipulated in the Grant, ESAMI should submit quarterly progress and financial reports within 30 days following the end of the calendar quarter. The progress reports should be prepared by the ESAMI project/grant manager (the Director for Agricultural Policy). Upon receipt of the reports, the REDSO/ESA Project Manager should forward copies to AID/Washington (AFR/RA and other interested offices)."

The above recommendations have not been fully implemented since the issuance of that evaluation report. As neither narrative nor financial progress reports were available in REDSO files, the matter was raised with ESAMI management. They admitted that no reports were available at ESAMI, and the project manager and project accountant stated that as far as they knew none had ever been written nor had they ever been informed that they were required. In terms of proper project management, it would seem that if REDSO had insisted that ESAMI submit the quarterly reports as specified in attachment C of the grant agreement, a number of delinquent actions might have been addressed in a more timely manner. Progress against other 1985 evaluation recommendations has been satisfactory.

F. Summary and Lessons Learned

ESAMI, in spite of its institutional management problems, has the overall potential to become a significant regional management training institution. At present, ESAMI is capable of supplying viable training services for mission supported management training in a number of different fields. Financial management, project implementation, and planning and appraisal courses are among the strong offerings. Conceptually, these management fields can be applied to a number of different subject areas, i.e. banking, agri-business, manufacturing, public health, and transportation. Additionally, the same management fields are relevant to private sector, government and parastatal organizations. It should be pointed out that ESAMI is first and foremost a management training institution with its greatest comparative advantage in training through its base course curriculum. It can offer management teaching in an indigenous setting, using well trained, qualified and experienced African instructors.

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The major lesson learned is that proper A.I.D. project/grant management is essential if the project objectives are to be achieved. In 1985 after three years of project activity, the mid-term evaluation pointed out the need for greater REDSO management attention to help ESAMI achieve the agreed-to project objectives. Even though the management recommendations for both ESAMI and REDSO were quite specific, they were not implemented.

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IV. RECOMMENDATIONS

The following recommendations are made:

1. Although ESAMI may not have the resources to continue the agricultural management courses, there should be at a minimum an attempt to integrate appropriate material developed for these courses into other course offerings of the Institute.
2. REDSO/ESA and A.I.D. Washington should review the final Coopers and Lybrand assessment of ESAMI's accounting procedures and financial management information system, and evaluate the results of the Price Waterhouse non-federal audit to determine if further support is necessary.

COMMENTS ON THE DRAFT EVALUATION REPORT OF:

1. Family Health Initiatives
ESAMI Subproject (698-0662.23)
2. Support to Regional Organizations
ESAMI Subproject (698-0413.09)
3. Assessment of Potential for Future Programming

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GENERAL COMMENTS:

1. Overall, the draft report largely reflects and addresses the themes discussed with the ESAMI team interviewed by the evaluators and the issues raised during the debriefing meetings to discuss the evaluation findings. This notwithstanding, there are some observations and conclusions in some parts of the report which we feel, were either made on the basis of incomplete information or do not convey the correct impression of what currently obtains or obtained in the past. Specific mention will be made wherever they occur.
2. It is ESAMI's view that the evaluators may have operated outside the terms of reference in respect of the agreed methodology for data collection by soliciting the views of the UNDP evaluation team which was at that time at ESAMI and those of non-regular ESAMI staff, as is reflected in some of the evaluators' findings. ESAMI therefore wishes that except for the views of Carole Marshall of Coopers and Lybrand, those other views attributed to the UNDP Evaluation team and non-regular ESAMI staff be deleted from the report.
3. The Family Health Initiatives subproject has two full time professional project staff, with one doubling as project coordinator. There is no Project Assistant as is indicated in the draft report. Both professional project staff were recruited on the basis of their professional qualifications, experience and technical suitabilities as required by the project. ESAMI wishes that references in the report to the effect that the project has only one technically qualified staff should be deleted.
4. The Director General of ESAMI is present at the Institute much more times than he is absent. The impression contained in the report about his "numerous absences" is certainly exaggerated and should be corrected. It was by coincidence that at the time the evaluators were at ESAMI, the Director-General was away on a very important mission to the Donors Roundtable at the Hague and this information was given to USAID in advance. In any case, he met the team in Nairobi upon his return.
5. There are a few points of inconsistency between what is recorded by the evaluator of the Family Health Initiatives subproject as findings from the field (Kenya and Uganda) and some of her conclusion and/or judgements. These will be pointed out under the specific sections and paragraphs where they appear.
6. The comments made on Private Sector Training especially on Small-Scale Industry projects and credit analysis programmes, were in ESAMI's view based on inadequate information as they do not reflect the true picture of what ESAMI and voluminous records available has been doing. The whole section therefore needs to be revised in the light of the factual

information given below.

II. EVALUATION REPORT SUMMARY: FAMILY HEALTH INITIATIVES -
ESAMI SUBPROJECT (698-0662.23)

C. Findings and Conclusions:

Page 5

3rd Paragraph:

- ESAMI acknowledges that there is lack of adaptation of the training materials.
- We, however, don't agree with the view that not enough emphasis has been put on creating strong regional training teams in each country that could continue with the training on their own, as this contradicts the evaluator's evidence from the field (Kenya and Uganda). It is ESAMI's stand that a lot of emphasis by ESAMI has been on creating strong regional and national training teams through the training of trainers at ESAMI as part of the project cycle and has provided back-up assistance for the trainers during in-country follow up training workshops. The evaluator had an opportunity to meet some of these trainers and coordinators and mentions in this report the significant role they are playing on improving family planning logistics management.

4th Paragraph:

- We disagree with the assertion that ESAMI has least experience in the area of FP supplies information system, for it was ESAMI in collaboration with CDC which identified weaknesses in this area within the participating countries. We fail to understand the criteria by which ESAMI is singled out for lack of experience. It is our view that the statement needs to be recast or reformulated to convey a correct perspective.

Page 6, 3rd Para

- It is not true to say that the previous coordinator of the project did not keep in close contact with REDSO. The facts of the matter is that he was in close contact with REDSO and that the only time contact was minimal was when the project was suspended. After the resumption of the project, contact with REDSO has been continuous after all there was no official complaint by REDSO to that effect. ESAMI wishes that the statement be deleted from the report.

E. Lessons Learned:

Para 4, 3rd Sentence

The sentence should be revised to read:

"ESAMI has close contacts with the governments in its service area" and not "with the governments of countries that are members of the institute".

EXECUTIVE SUMMARY

FAMILY HEALTH INITIATIVES ESAMI PROJECT (698 - 0662.23)

Page 3 para 1, 9th line:

The statement about ESAMI's least experience and CDC's technical assistance being critical does not in ESAMI's view convey much meaning here unless it is extended to detail as what exact technical assistance CDC provided to either ESAMI or to the countries to remedy the shortcoming(s).

Page 3, 2nd paragraph

Based on our recollection, it was clearly indicated to the evaluators that it was the responsibility of CDC to take the initiative in ensuring that ESAMI was adequately strengthened through skills and technical transfer. Such transfer was not necessarily to be dependent upon the appointment of a project coordinator, as institutional development in our view need not necessarily depend on the development of one individual within a system. The evaluators seem to have ignored the fact that there are some other ESAMI staff, who are not necessarily FHI project staff but who could or can effectively have contributed to carrying out this activity. Hence, ESAMI wishes that a statement be made in the report to reflect the inability or failure of CDC to address the issue of skills transfer for purposes of institutional development.

Page 7, 3rd paragraph:

A correction should be made to the effect that the two MOH officials attended a TOT conducted by ESAMI in Nairobi and not in ARUSHA.

III. EVALUATION REPORT SUMMARY: SUPPORT TO REGIONAL ORGANIZATIONS
SUBPROJECT (698 - 0413.09)

Except for minor points of clarification, this portion of the report captured all that was discussed.

C. Findings and Conclusions.

Page 10, 5th paragraph:

There is need to cross-check with RFMC and REDSO from which subproject did funds which were used for strengthening financial management at ESAMI come.

Page 11, 3rd paragraph:

It is not true to say that "case study" preparation and institutional linkage activities do not play a particularly important role in ESAMI's area of highest priority, i.e. training. ESAMI's current research thrust is in the area of developing local based training materials of which the case studies constitute a major component. As for institutional linkage activities, the statement appears to contradict what is stated in Section 4, 1st para, page 11 of the main evaluation report on this sub-project. ESAMI wishes this inconsistency to be removed/or rectified. A book on ESAMI Cases is currently being published in London.

IV. ASSESSMENT OF POTENTIAL FOR FUTURE AID PROGRAMMING

C. Private Sector Training:

It is ESAMI's view that this Section leaves a lot to be desired and lacks factual information of what has transpired in the area of SSI training. The information give below should help in correcting and clarifying many of the comments made about this subject.

Page 15, 2nd paragraph:

It is not true that ESAMI's first programmes in SSI development and training of SSI trainers were implemented with EDI's assistance from 1978 to 1982. The fact of the matter is that collaboration between ESAMI and EDI in developing SSI courses began in 1983 after a memorandum of understanding between the two institutions had been signed in July, 1982. Collaboration in this respect was to be for three years, ending in 1985. In fact the impressive results arising from courses successfully conducted by ESAMI, greatly influenced the signing of the memo.

Between 1978 - 1982, ESAMI, without any external assistance had conducted 5 types of SSI development courses for SIDO Tanzania, the National Bank of Commerce, Tanzania, Government Ministries, etc. A total of 198 participants benefited from the courses as is shown below:

<u>Name of Course</u>	<u>No. of participants</u>
1. Industrial Administration for Small Industries	- 60 participants which included entrepreneurs, managers and industrialists.
2. Small Industries Promotion for generalists	- 16 Promotion managers.
3. Training for Small Industries Extension staff	- 80 of whom 40 were economists and 40 technical officers.
4. Training of Trainers for Small Industries	- 14 Instructors
5. Small Industries Development Programme.	- 28 Bank Managers.

It is also important to note that between 1983 - 1985 ESAMI/EDI jointly conducted only 3 courses which attracted a total of 70 participants, most of whom were loan officers and project officers from institutions involved in the financing and promotion of SSI.

Since 1986, ESAMI has organized these Courses without any input and financial assistance from EDI or any other external agency. A total of 141 persons have attended these programmes, of whom only 2 were sponsored by USAID.

Another important observation to make is that the contents of the previous ESAMI/EDI programmes were inadequate. According to the evaluations by the participants, too little or too much time was spent on modules either on development policy issues or on project preparation and analysis. The difficulties encountered in getting a proper balance between the two modules were mainly due to the heterogeneity of the participants. For example, participants from promotional agencies and financial institutions were more interested in spending more time on project analysis techniques while those from government Ministries dealing with policy and coordination issues on SSI development showed more interest in discussing policy issues.

ESAMI has felt the need to tailor courses to specific homogeneous groups, hence departing from the more general approach carried out in the past with EDI. This has resulted in ESAMI designing programmes for participants from financial institutions and others for promotional agencies and government ministries. Through this approach, ESAMI is now able to cover the subject of SSI development more deeply than before.

An added dimension has been the need to develop training materials in the African context and case studies relating to the

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African situation. One such case study is soon to be published under the CFTC/ESAMI Case Writing Project. Other indigenous case studies being used in our SSI programmes have been compiled over a period of time by our expert Mr. Mlagala who spent over 15 years working with SIDO in Tanzania.

From the aforesaid, it is not therefore correct and fair to assert and conclude that the training programmes in SSI have not been substantially revised and do not appear to be well attended. Neither is it true to conclude that once this training has been offered to most of the development officers in the region, demand becomes very limited. Conclusions of this kind need to be supported by concrete evidence and it is our view that they neither serve the interests of ESAMI nor those of USAID. On the contrary, demand for training in this area seems to be growing as is demonstrated by numerous enquiries and the improved performance of former participants. For example, we have standing requests for tailor-made courses from many banks in Tanzania, Uganda and Kenya as well as promotional agencies such as SIDO, IIE, ICDC, AFC of Kenya. To us this is demand growth. On the supply side, however, many applicants have not been able to attend the courses due to lack of foreign exchange to pay tuition fees or lack of sponsorships or fellowships from donor agencies. In our view, it is this demand/supply gap and how to bridge it which should be addressed and the role that USAID should play in providing the needed assistance.

Another issue of concern is the apparent distortion of the scope and the objectives of the Regional Seminar on Small Scale Industries development held in Nairobi December, 1987. It was not an attempt to promote additional enrollments through a regional seminar of policy makers. The objective was to "brainstorm" systematically, on issues affecting SSE development in Kenya and Tanzania with the idea of putting the "Research Project on Small Scale Enterprise Management" in its proper context. One of the objectives of this research is to undertake a critical appraisal of the issues and problems related to Small Enterprise Development with the view of suggesting ways and means of accelerating growth and development of both entrepreneurship and the enterprises themselves through improved managerial performance. A total of 14 Senior Level Bank Managers, Business Executive Directors, University Professors, SIDO and KIE Ltd. participated in the seminar and presented a number of papers on SSI Management and Development. Monographs and edited proceedings of the Seminar are being prepared.

The conclusion that both UNDP and AID have not agreed to finance a multi-faceted programme of direct training for SSI because they are neither convinced by the arguments advanced, nor satisfied with ESAMI's staffing, is very unfortunate. The current coordinator of our SSI programme is one of the most experienced experts and trainers in the region in the field of SSI development and Management. He has a distinguished career as an economist as well as a Banker. Before joining ESAMI four years

ago, he had been a Director of SSI Development and Management in SIDO of Tanzania for several years. While at ESAMI he has performed very well in training, researching and consulting in the field of SSI development, his efforts being complemented with other experts at ESAMI. It is therefore extremely intriguing that in the evaluation report the issue of staffing is highly downgraded and used to deny ESAMI financial resources to further develop training in this sector. We are no doubt open to additional resources in the field.

Furthermore, ESAMI disputes the conclusions of the of the assessment conducted by AFR/TR/EHR in the region under the HRDA Project. For example the idea that a regional institute is not the proper resource for directing training for small scale entrepreneurs. From our experience as briefly outlined above ESAMI has done well in this field and there is no reason why it should not do more in the future, even when training programmes are on a country to country basis. This observation is made to underscore the fact of ESAMI's flexible training approaches and decentralized training packages intended to meet the needs of clients in various countries of its service area. That is, ESAMI does not only conduct programmes of a regional nature, but also conducts country based programmes in the member countries, whenever need arises.

Finally, with the expertise that ESAMI has gained as a result of being involved in SSI development and management training for about a decade to date to which private sector participants have attended, it is also well disposed in training in "business consultancy skills". Given the network that ESAMI has established throughout its regional programmes, including country programmes for example credit analysis programmes, it is our feeling that we are capable of executing these and other related programmes without much difficulty. In any case, management development in various aspects of the private sector is one of ESAMI's mandates, and our efforts in SSI developments, is but one of the most important thrusts in the fulfilment of this mandate. Hence, non-recognition of this endeavour by the evaluation report is viewed by ESAMI as a serious omission which needs to be rectified and captured in a proper perspective.