

PD-ABD-998
76770

INCAE EXPORT MANAGEMENT TRAINING PROJECT
MID-TERM EVALUATION

FINAL REPORT

CONTRACT NO. PDC-0085-I-00-6098-00
WORK ORDER NO. 28

Authors:

Donald A. Swanson

Malcolm Young

JUNE 1988

This report was prepared under Development Associates contract with ROCAP/USAID Guatemala Contract No. PDC-0085-I-00-6098-00. The views expressed are not necessarily those of Development Associates nor ROCAP.

4550D/6.88

INCAE REGIONAL EXPORT TRAINING PROJECT EVALUATION

TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY.....	1
CHAPTER ONE: STUDY BACKGROUND, PURPOSE, AND METHODOLOGY.....	1
A. Background.....	1
B. Study Purpose.....	1
C. Study Methods and Procedures.....	2
CHAPTER TWO: OVERVIEW OF PROJECT ORGANIZATION AND MANAGEMENT.....	3
A. Institutional Context.....	3
B. Project Organization and Management.....	4
CHAPTER THREE: EXECUTIVE MANAGEMENT TRAINING.....	8
A. Case Studies.....	8
B. Competitiveness Seminars.....	10
C. Student Internships.....	12
D. Scholarship Assistance.....	14
CHAPTER FOUR: UNIVERSITY ASSISTANCE.....	17
A. Program for University Professors.....	17
B. Scholarship Assistance.....	21
C. Consulting Assistance to Other Schools of Management and Business Administration.....	24
CHAPTER FIVE: CENTER FOR POLICY STUDIES AND APPLIED ECONOMICS.....	27
A. Policy Dialogue of Public and Private Sector...	28
B. Applied Economics and Policy Research.....	31
C. Journal.....	33
D. Newsletters.....	34
E. Strengthening Economics Program.....	35
CHAPTER SIX: INCAE INSTITUTION BUILDING.....	37
A. Low Income Scholarship Program.....	37
B. Faculty Training and Renewal.....	38
C. Library Support.....	40
D. Additions to Physical Plant.....	41

	<u>Page</u>
CHAPTER SEVEN: ASSESSMENT OF USEFULNESS OF PROJECT....	42
A. Project Goal.....	42
B. Project Purpose.....	42
CHAPTER EIGHT: CONCLUSIONS AND RECOMMENDATIONS.....	46
A. Overall Conclusions and Recommendations.....	46
APPENDICES.....	53

List of Persons Interviewed

Interview Schedules

Table A: Competitive Seminars: Overview of Participant Characteristics

Table B: Informe de Seminarios de Competitividad Realizados

Table C: Overview of Component II: Research Status Reports

Table D: Budget of Expenditure Summary

Table E: List of Participants Interviewed

Table F. New MBA Economics Courses

EXECUTIVE SUMMARY

INCAE REGIONAL MANAGEMENT TRAINING PROJECT PROJECT NO. 596-0124

MID-TERM EVALUATION

Initiated by: ROCAP/USAID Guatemala
Conducted by: Development Associates
Date: June 1988

Project Goal: To stimulate export-led growth in the Central America and Panama Region by helping to improve export management training and encouraging policy reform with particular reference to non-traditional exports.

Project Purpose: To strengthen INCAE's capabilities in the areas of: export management training; assistance to other schools of business management in the region; and inter-sectoral policy dialogue.

Project Brief: \$6,590,000 Cost Reimbursement Project; five years; January 1, 1986-December 31, 1990.

Evaluation Methodology: A two-person team devoted 87 work days of effort to assessing service delivery compliance and the usefulness of the Project, and to making recommendations for follow-up actions. The team conducted over 100 interviews with participants and INCAE staff in Guatemala, Costa Rica, El Salvador, and Honduras in April 1988. They also reviewed documents and project records both at INCAE and ROCAP.

Findings: The INCAE Regional Export Management Training Project is functioning very well. Service delivery of project activities and expenditures are basically on target as planned. The overall quality of performance is between good and excellent.

There is some evidence that the project is emphasizing broad-level competitiveness of enterprises rather than focusing specifically on non-traditional exports. Also, there is not complete coherent integration of the four project components to assure that all support each other in a systematic fashion. At the same time, INCAE is having some difficulty in complying with ROCAP/AID policies and regulations as stipulated in the cost reimbursement contract.

More specific findings with respect to the Project's four major components are presented below:

Export Management Training, Component I

- Forty-eight of a planned 90 case studies have been produced in the areas of production, marketing, quality control, export strategies, and human resources.
- Forty-five competitive seminars are completed of a planned 125, with 2,050 of a planned 5,000 participants. The 39 participants interviewed indicated they had received new and useful information, and many indicated they were making practical applications at the enterprise level.
- The MBA summer internship program has served 13 of a planned 40 students, with good reports from participants.
- The ROCAP scholarship fund is being used as a general course subsidy. There is little or no reference to exporting in course publicity and, since there are only minimal pre-selection criteria, there is a general practice of permitting non-exporters and persons with no present or probable future connection with exporting into the competitive seminars. As a consequence, the potential impact of project funds is being seriously diluted.

University Program, Component II

- The Project has provided two of five planned six-week seminars, serving 100 of a planned 250 professors from 21 Central American universities. Participants and university administrators interviewed gave the two programs generally very high marks, although there was room for strengthening the two-week teacher training component the second year. There are fundamental design problems with respect to the future of this activity, however, and the current terms of the contract with ROCAP make its continuation infeasible. Thus, there is a need to make several strategic decisions and for the concurrent reprogramming of funds.
- Scholarships for university professors to study for an MBA at INCAE have been provided to 25 of a targeted 40 professors, but according to interviewed university deans and professors there is minimal potential for impact and, given the nature of the university system, there are better ways to accomplish project objectives.
- Consulting assistance is being provided to groups of university faculty and staff with reasonable success and there is local demand for increased efforts. However, virtually all funds for this activity have been expended.

Center for Policy Studies and Applied Economics, Component III

- The Policy Center has made a good start in setting itself up within INCAE. The three Center subcomponents function well as a whole and there is considerable international donor funding. However, the ROCAP funded portion, which represents approximately 33% of the total, requires major adjustments in certain areas.
- Six of a planned 25 Dialogue Seminars have been completed, with 363 high-level public and private sector participants attending in four countries. There are serious questions regarding the meeting of performance targets and apparently serious cost overruns, although the relationship between the Project and 28 additional seminars organized by the Center and thoroughly consistent with project objectives is unclear. In any event, the participants interviewed indicated a unanimous respect for INCAE and a desire for INCAE to continue general, consensus-building services while at the same time beginning to offer more in-depth, sector-specific or micro-level seminars. INCAE has done a good job of adapting its approach to the varying country conditions and should continue implementation of these activities as it sees fit.
- Consistent with project purposes, there has been an infusion of economic content into the regular MBA program through revised courses and the inclusion of new economic courses in the curriculum.
- The three issues of the INCAE Journal produced to date have been well-written and at a high level of sophistication, but they require better integration into the entire program as well as outreach strategies for diffusion.
- The INCAE newsletter is a limited, internal publication which falls short of the Project objective and requires considerable revamping to make it a useful product.
- The research studies subcomponent is of less value as originally designed and implemented than planned, but has considerable potential. This program should be reprogrammed considerably to place more emphasis on export-oriented research and region-specific studies, and be operated as a directed research program with studies defined and monitored by INCAE.

INCAE Institution Building, Component IV

- The library support subcomponent functions smoothly.
- Construction activities are complete.

- The low income scholarship program functions smoothly and provides excellent opportunities for permitting new kinds of students to enter the MBA program at INCAE.
- The faculty training and renewal subcomponent is functioning at a low level and there needs to be more effort and new approaches to supporting professors in the Project's best interests.

Project Impact

- Over two thousand business managers have been trained and can be expected to perform better. The policy dialogues have contributed to some degree to a more favorable climate in Central America for non-traditional exports. Thus, progress toward the Project's goal seems to be being made.
- In terms of the Project's purpose, there has been impact at the institutional level. There have been new export related materials developed and used in INCAE's program, relevant new courses are being offered, and a center for applied economics and policy analysis has been established. Also, there has been an increase in the faculty and staff throughout the institution who consider the issue of non-traditional export promotion salient and who are becoming experts in the field.
- Almost all export managers interviewed reported new knowledge, changed perceptions or valuable reinforcement of previous views as a result of the Project-developed cases and competitiveness seminars, and several could cite one or more examples of something they or their respective companies were doing differently as a result.
- The Project's impact on Central American universities has mostly been at the level of individual workshop participants, with virtually everyone reporting that their participation provided new information, altered their approach to teaching, and that their classes, in style or content, are different as a result. At the level of university departments, however, the impacts to date have been minimal; several have undertaken curricula reviews with INCAE's help, and several are preparing export-related cases under INCAE's guidance which will be used in many of their courses.

Conclusion: The Project is being implemented well and essentially as planned. There is ample evidence of the strengthening of INCAE's capabilities in the area of export management, although it is too early to assess seriously the long term effect of that capability on exports from the region.

Five overall concerns emerge from the assessment that cut across the four project components. They require important mid-course corrections and are presented as recommendations.

Recommendations:

Five overall recommendations are made:

1. Greater project integration is required to assure that project inputs work together toward export oriented outputs.
2. Greater compliance with AID policies and regulations is required.
3. Realistic planning for the sustainability of project activities needs to be initiated.
4. A system for tracking project impacts needs to be initiated to assure that the Project is being useful and as a basis for making future adjustments.
5. Re-programming and budget revisions are required based upon this mid-term review of the project's present status.

Essential recommendations are made in the body of the report to correct immediate distortions and assure compliance with the terms of the contract. Other suggestions are also made that can be taken into account to improve the Project.

INCAE EXPORT MANAGEMENT TRAINING PROJECT

PROJECT OUTPUTS

<u>ACTIVITY</u>	<u>LIFE OF PROJECT</u>	<u>MAY 1988</u>
<u>Component No 1: Export Management Training</u>		
Case Studies	90	48
Seminars (No.)	125	46
Seminars (Participants)	5000	2050
Seminars (\$ Scholarships)	\$720,000	\$396,829
Student Internships (No.)	30-60	13
Student Internships (\$)	\$164,660	\$45,991
<u>Component No. 2: University Assistance</u>		
Central American Teachers Program	250	100
CATP (\$)	\$759,790	\$486,000
MBA Level Training	40	25
MBA Level Training (\$)	\$500,000	\$185,616
Consulting Workshops	25	19
Consulting Assistance (\$)	\$245,200	\$210,564
<u>Component No.3: Center for Policy Studies and Applied Economics</u>		
Dialogue Seminars	25	6
Seminar Participants	1,000	325
Applied Research (\$)	\$199,899	\$ 39,781
Journals	20	3
Newsletters	30	2
Strengthening Econ. Program	\$477,745	\$113,008
<u>Component No. 4: INCAE Institution Building</u>		
Low Income Scholarships (No.)	40	25
Low Income Scholarships (\$)	\$477,745	\$333,841
Construction (\$)	\$122,929	\$122,929
Library Acquisitions(\$)	\$161,275	\$ 89,991
Faculty Training(No.)	10-12	2
Faculty Training(\$)	\$234,896	\$ 36,000

1

CHAPTER ONE: STUDY BACKGROUND, PURPOSE AND METHODOLOGY

A. Background

In December 1985, ROCAP contracted with the Instituto Centroamericano de Administracion de Empresas (INCAE) to execute the Regional Export Management Training Project No. 596-0124. The purpose of the agreement was to assist INCAE to:

1. Participate in the upgrading of business education in the region both by renewing its own management curriculum and by aiding other business schools to upgrade and reorient their own programs of management education; and
2. Provide executive training programs benefiting the region's business managers as they strive to move into non-traditional export markets.

This five year US\$ 6,590,000 contract has four components:

Component No. 1: Export Management Training Program

Component No. 2: University Assistance

Component No. 3: Center for Policy Studies and Applied Economics

Component No. 4: INCAE Institution Building

The Project is at mid-term and this evaluation is required in the contract between ROCAP and INCAE.

B. Study Purpose

In March 1988, ROCAP contracted with Development Associates, Inc. to evaluate this project with a two-person team with a 87 work day effort.

The objective of this evaluation was to:

1. Determine the extent to which INCAE has complied with the goals and purposes of the Project;
2. Ascertain the usefulness of the Project within the region; and
3. Generate recommendations for areas of improvement and for additional or follow-up activities.

C. Study Method and Procedures

The evaluation consisted of two interrelated parts. The first was a systematic performance audit of INCAE's project-related achievements at this midpoint of the contract. This involved intensive interviews with INCAE staff and reviewing documents and products to determine if they complied with the quantitative and qualitative requirements of the contract. The second part of the evaluation assessed the Project's usefulness in Central America. That is, it asked if there were indications the Project was stimulating export-led growth in the Region by helping to improve export management training and encouraging policy reform with particular reference to non-traditional exports. This involved interviews with participants in project activities and experts in the region.

Documents were reviewed and interviews conducted during April and early May 1988. During that time the two-person evaluation team conducted in depth interviews with 14 INCAE staff, 33 participants in export management training seminars, 26 faculty and deans of Central American business schools, 17 participants in high level policy dialogues, and 11 INCAE MBA students. The interviewees were selected in accordance with objective criteria established by the evaluators; and the interviews were conducted in Costa Rica, El Salvador, Guatemala and Honduras. Also, factual information about a probability sample of 10% of the participants in the export management seminars and about all participants in policy dialogues and the various scholarship programs was obtained from INCAE staff or records. In addition, project developed case studies, seminar papers and numerous internal documents were reviewed.

The report assesses the four project components separately. Statements of objectives were taken from project documents and the ROCAP-INCAE contract. Project activities and outputs were identified from INCAE and ROCAP documents. The report's findings were obtained from review of documents and from staff and participant interviews, with conclusions based on assessments of the documents and interviews. Recommended actions which follow from the conclusions are provided. Suggested alternatives are made based on interviews, discussions with INCAE and ROCAP staff, and lessons learned from other similar projects.

The report also includes an assessment of overall project usefulness and its impact in the region. Based on an assessment of the components and project integration, conclusions are made regarding the entire project.

CHAPTER TWO: OVERVIEW OF PROJECT ORGANIZATION AND MANAGEMENT

The Regional Export Management Training Project is a large and complex undertaking housed within a significantly larger, well established educational institution. To fully appreciate the Project and its progress requires an understanding of its institutional context and of the way the Project is organized and managed within INCAE. These are discussed briefly below as a prelude to the more detailed treatment of the Project's four major components in the chapters which follow.

A. Institutional Context

INCAE was founded in 1964 at the initiative of the Central American business community, with the assistance of the Harvard University School of Business and the Agency for International Development. The Institute is administered by a board of directors representing each of the five Central American countries and Panama and INCAE's rector and senior faculty.

INCAE opened its doors to students at its original permanent site in Managua, Nicaragua in the 1976-68 academic year and graduated its first class with a Master's degree in business administration in June 1969. During the 1980's INCAE moved its center of operations from Managua, where it still maintains limited operations, to a new campus in Alajuela, Costa Rica, included Ecuador as a member country, and actively began to extend its services to other Latin American countries.

Since 1980 the focus of the Institute can be divided into three parts which correspond to INCAE's three major areas of teaching and research: Business Administration, Economic Analysis and Policy, and Development Administration. As indicated in the table below, INCAE identifies 18 major programs distributed across its three major areas of concentration. Three of these are major components of this Project, while the other 15 relate directly to the Project to only varying degrees.

By the end of 1987, INCAE had graduated over 1,100 students with a Master's degree in Business Administration. At that same time, over 2,100 students had completed its intensive, six-week course in executive business management, and more than 32,000 had completed seminars for business executives and other special groups.

Thus, at the time the ROCAP grant was made, INCAE had been in operation for about 20 years and, although still settling into its new quarters in Costa Rica, had already developed its own organizational culture with its own operational systems and style. The goal and purposes of

the Project have been reasonably compatible with the established purposes of INCAE, but they are not identical and at times there is a tension between the two. Consequently, although for the past three years the ROCAP grant has provided INCAE with some of its annual operating budget, it has not dominated the institution. Indeed, the strengths and weaknesses of the Project's implementation can only be fully understood with a consideration of INCAE's institutional resources and constraints firmly in mind.

INCAE's PROGRAM AREAS: 1987

Business Administration

Master in Business Administration*	Executive Banking Management
Functional Administration	University Education**
Banking Administration	Competitiveness Seminars**
Executive Management	Executive Seminars

Economic Analysis & Policy Studies

Master of Business Economics	Sectorial Analyses
Dialogue Seminars**	Workshops
Macroeconomic Studies*	Publications*

Development Administration

Small & Medium Business Cooperatives	Self-help Organizations Housing & Urban Development
--------------------------------------	--

Source: INCAE Expansion Y Diversificacion: Estrategia Tripartita 1987-1990, 1987.

* Areas closely related to the REMTP.

** Areas directly corresponding to REMTP components.

B. Project Organization and Management

The Project is divided into four major components: (1) the Export Management Training Program; (2) the University Assistance Program; (3) the Center for Policy Studies and Applied Economics; and (4) INCAE Institution Building. According to the Project's operational plan, INCAE's rector is the director of the Project. He, in turn, is assisted by separate directors for Components I, II, and III and by a project coordinator. The coordinator plays a bridging role between ROCAP and INCAE; the role has never been conceived by INCAE as one involving coordination of activities within the institution except with respect to reporting and budgeting concerns which relate to ROCAP.

The director of project Component I is one of the two academic directors of INCAE; the other academic director also serves as the director of project Component III. Both of these men, who have been with INCAE many years and participated in the development of the Project, have major institutional responsibilities apart from the Project and devote time each year to publishing and consultancies apart from INCAE and the Project. The director of Component II is also a senior staff member with many years of experience at INCAE who has teaching and other institutional responsibilities apart from the Project. He became coordinator of Component II after the first year of the Project when the faculty member who designed the component and directed its first year left the institution. Assisting the directors of each of the components are various INCAE staff who devote from full-time to minor portions of their time to the effort.

Responsibility for the fourth project component, INCAE institution building, is divided by subcomponent. The first subcomponent, the low-income scholarship program, is the responsibility of the project coordinator. The second, faculty training and renewal, has not been the focus of anyone's attention since early in the first project year. The third, library support, is the responsibility of INCAE's librarian. And the fourth, additions to the physical plant, was the responsibility of the rector, with all work having been completed during the first project year.

In addition to the component directors, critically important to the Project's implementation are several INCAE administrative and support offices. As might be expected the INCAE Office of Finance plays an important role. In addition to routine accounting and record keeping functions, this office has been instrumental in determining INCAE's unit costs which formed the basis of the original budget and materially influence current project operations and forthcoming reprogramming decisions. Interviews with component directors and the project coordinator indicated that they did not have more than a cursory understanding of the basis of the Project's unit costs, but accepted the information provided them from the fiscal office.

Also of major importance, are the INCAE field offices in each member country. These offices have professional and clerical staff responsible for promotion of seminars and other INCAE activities, general and focused public relations activities, and handling logistical arrangements for activities taking place within the country and for students and participants traveling to INCAE functions abroad. These offices handle the promotion of most project activities, enroll seminar participants, provide a full range of logistical support for seminars held off of the

Alajuela campus. Thus, they are critical to the Project's implementation and success. The staff of these offices report to INCAE's director of External Affairs and formally relate to the Project through him. Although there seemed to be relatively open informal interaction between the project coordinator and the uniformly excellent staff in these offices, interviews with the office directors indicated that they had varying degrees of knowledge and understanding about the Project's basic purposes and that this lack of understanding may contribute to some dilution of project effects (see Chapter Three for further discussion and detail).

As indicated above, the rector of INCAE is responsible for the Project's overall coordination and direction. From the perspective that the Project is a major institutional undertaking which draws from most aspects of the institution and which has high external visibility, it is appropriate for the rector to be in direct operational charge. This arrangement is also reasonable given the fact that the two senior academic directors are each directly responsible for project components which are designed to have some interaction and synergistic effects, and one is the immediate supervisor outside of the Project context of the director of Component II. In terms of institutional status and power, only the rector is in a position to require coordination and mediate conflicts between the two academic directors or the directors of the INCAE support offices which are also important to the Project.

From the perspective of hindsight, however, the current arrangements for coordination and control have not been optimally effective. In essence, the rector has not been able to devote significant time or attention to the Project. In part this may have been due to a change in rectors after the Project's first year, with the rector who helped conceive the Project leaving the region and a new rector coming on the scene from outside INCAE. Given the scope and complexity of INCAE, its international operations, and its plans for continued growth and expansion, however, it is unlikely that the rector ever would have substantial time to devote to the details of the Project.

In theory, at least, it might be feasible for the Project to function with limited involvement from the rector but with strong day-to-day coordination exercised by someone recognized within the institution as his agent for project purposes. To date this model has not really been tried. The Project coordinator serves an administrative but not managerial function, and has been viewed within INCAE to some extent as a ROCAP functionary. Essentially, he is responsible for coordinating reports and information, but he has no formal or informal authority to obtain from

within the INCAE system more than programmatic information required by ROCAP. Though nominally responsible for fiscal reporting, for example, it was clear from observations during the evaluation that he did not have detailed information or even the access to the rationale for some of the figures he was able to provide.

Although it would be possible to suggest several potentially suitable models of project management and integration which would improve on the current situation, given the complexity of the organization, that the new rector is still in the process of firmly settling in, and the high caliber of the INCAE staff, it would be presumptuous and perhaps counter productive to do so. Thus, suffice it to say for the purposes of this evaluation that the matter of central leadership and coordination is an area of serious concern which should be addressed immediately by INCAE senior staff.

CHAPTER THREE: EXECUTIVE MANAGEMENT TRAINING

The Executive Management Training Program component is a comprehensive, self-supporting executive seminar program at INCAE. The four subcomponents assessed below include 1) case studies, 2) competitive seminars, 3) student internships, and 4) executive seminar scholarships.

INCAE is to produce new case studies in export-oriented themes which would then be used in the executive seminars for Central American business managers. INCAE MBA students receive summer internships in the United States.

These project activities are to assist Central American businessmen in fostering new export-oriented production and marketing, and increase the exports in the region.

A. Case Studies

Statement of Objective: Through the Project INCAE is to produce 90 new export-oriented case studies over a five year period. Cases are to be evenly divided among the five regional countries and in the content areas of production, marketing, quality control, finance, export strategies, and human resources. Case studies would be used in the competitive seminars, MBA programs, and the university assistance program.

Activities/Outputs: INCAE had written 48 case studies by the end of April 1988. These have been in the areas of production, marketing, finance, quality control, human resources, and export strategies. Another 10-15 case studies are in the process of development and are to be completed in 1988.

CASE STUDIES PRODUCED THROUGH APRIL, 1988

<u>CATEGORY/COUNTRY</u>	<u>GUAT.</u>	<u>EL SAL.</u>	<u>HON</u>	<u>CR</u>	<u>PMA</u>	<u>TOTAL</u>
Production	2	-	1	7	2	12
Marketing	3	5	-	1	-	9
Finances	-	-	1	4	1	6
Control	4	1	-	2	-	7
Human Resources	4	1	-	2	-	7
Export Strategies	1	-	-	5	1	7
TOTALS	14	7	2	21	4	48

Source: INCAE, 1988

Findings: In reviewing about 50% of the case studies we found them to be of a high technical level; they demonstrated well-thought out designs, problem-solving mechanisms, and seemed to encourage good discussion. As seen above, there is a good balance of case studies in the different content areas. There are fewer case studies for El Salvador, Honduras, and Panama and many more for Costa Rica and Guatemala.

The INCAE researchers/case study writers interviewed demonstrated good research techniques. At the enterprises they succeed in getting factual information, accurate descriptions of enterprises, synthesizing problems, and setting up the cases in a readable fashion. The cases reflected an awareness of the major problems facing the enterprises. Two enterprise participants interviewed had case studies written about their companies and stated that the case studies were accurate in fact and of good quality in assessment.

Participant evaluations of case studies are generally favorable. The issues raised in interviews dealt with: (a) the level of sophistication for some participants; (b) that virtually all cases related more to well-developed enterprises that are already exporting or intend to export; (c) the primary emphasis of the cases were at the factory level rather than at the distributor or marketing level; and (d) the difficulty that some participants had in understanding some economic analyses required to discuss and deal with the cases.

INCAE stated that it is aware of the level of sophistication issue, as it has been an issue for them for a while. They are also aware that additional studies are required in El Salvador and Honduras. They state that it is not possible to write case studies in Panama at present because of the political/economic situation there. They agree that more careful preparation and delivery of materials associated with economic analyses are required.

Conclusions: The case studies appear to be in good shape and on the right track. Output levels are consistent with project targets. Participant evaluations of case studies are good. More case studies are required in several countries and some adjustments would be warranted.

Recommended Actions:

1. Write several simplified case studies for new enterprises that assist in assessing entry-level issues and problems.
2. Provide detailed economic analysis worksheets with the case studies.

3. Develop more case studies that pinpoint specific and practical decision-making at the distribution or marketing level.
4. Conduct more case studies in El Salvador and Honduras. Cease conducting case studies in Costa Rica and Guatemala until there is a balance. Write case studies for Panama once the political situation changes favorably.

Suggested Alternatives

1. The Project Paper states that "Case studies and class notes will be developed and introduced into major components of relevant MBA courses." This is taking place but can be done in a more systematic fashion.
2. As stated in the PP (p. 22) there should be selection of channels of distribution. Place more emphasis and resources in researching the distribution systems in the export markets and provide this information to the MBA students and the seminar clients.
3. The Project Paper (p. 24) states that a casebook in Non-Traditional Export Management in Developing Countries is expected. This casebook could be used across Components I and II to assist universities.
4. University professors suggest that more simplified or adapted case studies suitable to undergraduate programs could be written for the PDU programs.
5. Participants recommend increasing the number of case studies in economic analysis so that they can be included in seminars, universities, and also the MAE and MEE programs. Case studies should stress micro-economic decision-making, but with considerations of the macro-economic external environment.
6. Participants recommend involving the case study writers in competitive seminars as resource persons or as trainers so that they can provide more in-depth information concerning the cases. Also, this will provide them with immediate feedback concerning whether the cases are being interpreted the way intended.

B. Competitiveness Seminars

Statement of Objective: INCAE is to provide 25 competitiveness seminars per year over five years for a total of 5,000 enterprise managers. These are to be normally three-day seminars. Seminars are given in the five Central American countries evenly distributed in the content areas of production, marketing, quality control, finance, export strategies, and human resources.

Activities/Outputs: INCAE has completed 45 competitiveness seminars to date for 2,050 participants in the five Central American countries.

Findings: All five content areas of competitiveness seminars are being held more or less evenly and in all five countries.

The course contents reviewed are well-thought out. INCAE states that much planning goes into each seminar ahead of time to assure that the content is relevant for the participants. INCAE professors report using a combination of new case studies, some older and revised case studies, "live cases," and educational materials as hand-outs for discussion. Participants interviewed reaffirm that the materials are of good quality and relevant for their needs.

According to participants the competitiveness seminars are intense three-day workshops lasting up to 12 hours per day, normally Thursday-Saturday. They include case study readings, small group discussions, plenary sessions, and problem-solving lead by the INCAE staff. They state that INCAE plays a facilitator and impartial role of setting up the possible resolutions of problems; there is no particular prescribed solution. The INCAE staff maintain a high standard of excellence and demonstrate competence in presenting the materials and, indeed, as management trainers.

Participant evaluations are unanimously positive. Participants are very impressed with the high quality of preparation, delivery, upgrade standards, and general overall presentation of new materials. Almost all participants stated receiving some new information in the seminars and almost all also stated that known material was placed in a new light. There was consensus that the case study technique, though demanding, is a far better method to teach and learn than the standard lecture approach. About 25% of the participants report having been able to apply some new information or analysis to their daily work.

Participants' only concern with the competitiveness seminars relates to the speed of covering some highly technical materials and, therefore, their not being able to comprehend or integrate the analysis. This is particularly true for the more sophisticated economic analysis. Many participants prefer to have better analytical matrixes for study and application at the factory level.

Conclusions: The competitiveness seminars appear to be of high quality and are well-received by the participants. The level of action based on a three-day seminar is very good, meaning that a good deal of information and a number of new strategies can be put into practice almost immediately.

Recommended Actions:

1. INCAE should slow down when covering very technical subjects so that participants can integrate the materials. Particularly in economic and financial modules of seminars, INCAE should devote more time to explaining and discussing economic calculations and economic decision-making so that participants have a complete grasp of these concepts and can use them in daily work.
2. Provide better hand-outs and worksheets for assessing economic problems.

Suggested Alternatives

1. As INCAE itself recommends, in addition to the end-of-seminar evaluations of service and delivery now being used, INCAE should go forward with its tentative plans to regularly conduct impact evaluations of the competitiveness seminars. The collected information should become a regular part of INCAE's overall project evaluation program.
2. We suggest that prior to seminars, INCAE could obtain a profile of the enterprises that includes a profile of production, marketing strategies, assess limitations, barriers, and problems that the participants would want solved at the seminars.
3. Participants recommend that INCAE should explore possibilities of longer seminars that include an export strategy theme and that includes all the specific technical components. This could also include an additional component of assisting managers in developing a market plan strategy and include specific information on distribution channels. The Project Paper (p. 25) makes provisions for such longer seminars.
4. We recommend that in addition to course materials now provided, distribute to participants additional educational materials developed in the Project. This could include, for example, the Journal, MBA economic analysis literature, and related materials.

C. Student Internships

Statement of Objective: The student internship program sends INCAE MBA students for a two month internship with American companies in the United States during the summer period June-August. The goal is to send 30 to 50 students for internships during the five year project.

Activities/Outputs: Thirteen students have had internships during 1986 and 1987. Another 10-15 are scheduled for internships during June-August 1988. This program is on target given the initial lag-time in initiating this new program for INCAE.

Findings: INCAE reports that the thirteen summer interns were recruited from first-year and graduating MBA students at the Alajuela campus. They have set up a selection process that makes sure that all interested students at INCAE can participate.

INCAE identifies U.S. companies who will receive student interns. They have identified companies in Los Angeles, New Orleans, and Miami. According to returned internship students interviewed there has been uneven reception of student interns at the U.S. companies because of poorly communicated expectations, absence of or unclear scopes of work, and problems with orientation and settling-in.

Five of 13 interns interviewed had positive experiences in the internships. At one level the interns reported receiving valuable on-the-job experiences that have made significant impact on their future studies and career choices, and that have enhanced their knowledge of exporting. At the deeper level, the experiences have been positive for providing in-depth and practical experiences to balance their academic studies.

INCAE states that the internship program is a good breakthrough in offering students practical work experience. It is a valuable institutional initiative to provide an additional service for its students.

All participants interviewed indicated that the opportunity cost of not working for the summer was outweighed by the benefits of the internship. None regret the experience, and all recommend the program highly for other INCAE students. They all stated that the living allowances they received were too little, even though what they received (\$1,000 per month in Miami and \$1,500 in Los Angeles) is most likely in line with Handbook, 10 stipulations.

Conclusions: This program is functioning very well with only minor adjustments required. Several issues related to improvements revolve around tightening up some logistical arrangements, clarifying scopes of work, and insuring that allowances given interns are in accord with AID regulations for technical training in a non-academic environment.

Recommended Actions:

1. Write selection criteria guidelines, and regulations for internships so that both INCAE and interns know clearly

the agreements and responsibilities of both parties. This should also include clear statements of the legal responsibility of INCAE for internships, money payments in accordance with AID regulations, and required reports upon return from internships.

2. Improve liaison with enterprises in the United States so there are clear scopes of work for interns. This is to make sure there are clear statements of expectations, roles, and expected end results.
3. Provide logistical support for interns so that they have provided housing when they arrive in the United States.
4. INCAE should make sure it is following AID regulations for participant training and the legal responsibilities for the students while in the United States are clear.

Suggested Alternatives

1. We believe that if funds were available, the internship program could be expanded considerably to include more MBA students who have completed their first year. If this were to occur, INCAE should consider decreasing its English language level requirement to include a wider selection of MBA students. Some students with lower levels of English could be placed with Spanish-speaking U.S. companies.
2. As discussed with INCAE, it is possible to increase INCAE's knowledge of U.S. companies who are importing by using other Component No. 1 resource lists, the INCAE library list, as well as direct communication with U.S. import associations. This would increase the network of available companies in the U.S.
3. Taking positive lessons learned from other projects, the internship concept could be broadened to include a MBA student intern with more than one company. The MBA student could be assigned to a city chamber of commerce, trade association, or other similar organization and be placed in several companies to get a broader experience. The internship could include observation visits, field trips, and other similar activities.

D. Scholarship Assistance

Statement of Objective: INCAE provides ROCAP-funded scholarships for enterprise managers for the competitive seminars. The goal is to provide about 5,000 scholarships of about \$200 to each participant over the five year project period.

Activities/Outputs: INCAE has provided 2,050 scholarships for the competitive new seminar participants to date. This is on target and in line with project output goals.

Findings: According to INCAE staff, scholarships are provided through its regional INCAE offices in the five countries. INCAE regional office directors report promoting the competitiveness seminars in a fashion almost identical to any other INCAE seminar. They register the first 40 participants as the minimal number of participants required for operating a seminar. Additional participants above the 40 also pay the same entry fee. INCAE regional offices reported having only minimal pre-screening and selection criteria for accepting participants for the export/oriented seminars and the seminar publicity available for review typically did not make mention of an export orientation. A probability sample of 10% of the respondents in each seminar revealed that in the judgment of the INCAE country staff about 50% of total participants are not involved in export nor have the intention to export.

INCAE regional offices reported being directly under the supervision of the external affairs office in Alajuela, Costa Rica. They stated they received their instructions from that office rather than the competitiveness seminar INCAE staff.

Conclusion: The lack of focused publicity and screening of participants dilutes the principal purpose of the seminars. That 50% of the participants are public sector employees, distributors, service industry employees, and individuals not related to an enterprise weakens the Project's potential for impact.

In effect the scholarship is a lump sum \$6,000 entry fee subsidy to INCAE to conduct competitiveness seminars. It is not being used as a scholarship fund for exporters. There are only minimal pre-selection criteria used.

Regional INCAE offices do not have intimate knowledge of the program because they are a step removed from the Project through the external affairs office.

Recommended Actions:

1. The selection of participants should be tightened considerably and clear and specific selection criteria for participation prepared and communicated to the INCAE country offices.
2. Competitiveness seminars should be promoted as export-oriented seminars and have pre-selection criteria for acceptance.

3. INCAE regional offices should have better knowledge of the Project through direct integration with the competitiveness seminar staff.
4. The INCAE scholarship policy needs to be delineated to include criteria for selection and qualification for scholarships.
5. Scholarships should only be provided to participants who are exporting or have the intention to export non-traditional goods.

Suggested Alternative

1. Provide targeted promotional activities with the chambers of commerce, government export promotion councils, and in coordination with other export development activities.

CHAPTER FOUR: UNIVERSITY ASSISTANCE

The purpose of this component is to strengthen curricula and course offerings at Central American schools of business management. More specifically, it is to strengthen the academic preparation and teaching skills of the region's undergraduate university professors, to multiply the impact of INCAE's research on export management, and to improve the content and organization of entire curricula as well as individual courses in management training institutions. There are three subcomponents, each of which will be discussed separately below.

A. Program for University Professors

Statement of Objective: This subcomponent is to provide training at INCAE for faculty from other Central American schools of management/business in export management and teaching methods. The expected output of this activity is 250 professors from other CA/P schools of business management trained at INCAE in six-week residential programs based on INCAE's case teaching methodology. The courses are referred to as PDU's (Programa para Docentes Universitarios). The currently in force project design provides that ROCAP funds will cover all INCAE costs for 50 participants in PDU I, 80% of the costs for 50 participants in PDU II, 60% for PDU III, 40% for PDU IV, and 20% for PDU V. The budgeted cost of a PDU is \$5400.

Activities/Outputs: In the first two years of the Project 100 professors have received six weeks of training at INCAE (PDU I and PDU II). Plans currently exist, with recruitment underway, for PDU III, to be held in the summer of 1988 for an additional 50 university professors.

OVERVIEW OF PDUs

	C.R.	El Sal	Guat.	Hond.	Pan.	Total
No. Attending PDU I	11	10	12	9	7	49
No. Attending PDU II	10	7	13	12	9	51
Total Attending	21	17	25	21	16	100

No. Univs. PDU I	4	3	3	2	2	14
No. Univs. PDU II	7	2	6	2	3	20
Total Univs.	7	3	6	2	3	21

Findings: PDU training has included treatment of state-of-the-art topics in business administration, including export management, and instruction in teaching methods and skills. In each PDU, four of the six weeks of

training have been devoted to the functional areas of business administration and two weeks to teaching methods. PDU I was exclusively for university professors, while PDU II combined professors with business managers who attended INCAE's four week Advanced Management Program (PAG). The plan for PDU III is to repeat the PDU II design.

Both PDU I and PDU II were rated highly by participants and university deans. Both sessions received excellent ratings by the 13 participants who were interviewed and by the 10 interviewed deans or business school chairpersons. PDU II was rated somewhat stronger than PDU I with respect to business administration content, but substantially weaker with respect to the two-week teaching component. All of the interviewed participants in PDU II made essentially the same five points: (1) the four weeks of PAG was excellent and the opportunity to interact with business managers was very valuable; (2) the intensity of the course dropped markedly following PAG and the participants felt they could and should have worked harder and gained more during the final two weeks; (3) the instructional style following PAG changed from being primarily participatory with substantial responsibility for performance placed on the participants to an instructor dominated style with the students playing a more passive role; (4) the fact that the regular INCAE student body was back on campus during the final two weeks reduced the PDU participants' access to faculty and computer facilities and made them feel relatively unimportant; and (5) future PDUs should continue to be coupled with PAG, but efforts should be made to up-grade the two weeks devoted to teacher training.

Three months following PDU I participants were sent a questionnaire seeking their assessment of the program and information regarding impacts of their participation on their universities. Twenty-two of the 49 participants (45%) responded to the questionnaire.

- In response to questions about increased knowledge in functional areas of business administration, 66% indicated they gained much (41%) or very much (25%) overall, with over 75% so responding with respect to the areas of business strategy and industrial analysis.
- With respect to classroom teaching, 65% indicated they had gained much (48%) or very much (17%) in the areas of preparation and planning, classroom management or class presentations.
- In response to an open-ended question regarding the influence of the PDU on their work at the university, 73% indicated it had improved their classroom teaching (with most providing convincing detail), while less than 2% (three respondents) indicated the PDU had had little or no effect.

Although there was no comparable evaluation of PDU II, project files contained unsolicited letters of thanks and support from university faculty and deans, with one of these noting that five faculty were engaged in follow-up activities.

Responses from professors and deans who were interviewed were consistent with the PDU I survey. All professors reported that they were utilizing new information and teaching techniques as a result of the PDU. In addition, several reported they had shared information with colleagues, and professors at the University of Honduras had run a workshop for other faculty based on what they had learned. The professors' reports were confirmed by all of the deans and business school chairpersons. They reported that professors returned to their teaching invigorated and full of new information and approaches. They all spoke highly of the experience and of its value to the faculty who attended and to the courses they taught. The deans could provide very few examples of multiplier effects throughout their departments, however.

Following the PDUs the participants organized into alumni groups which have met several times. There have been two regional meetings, and a third is planned for Fall 1988. These were organized at the initiative of the students, with the first including a workshop on the use of cases in university teaching and the second a workshop on macro economics put on by INCAE staff. Also, in Honduras, Guatemala and El Salvador the ex-participants have met as country groups to exchange ideas for improving their classes.

At each of the visited universities there was a small group of former participants interested in continuing education and ready to maintain their relationship with INCAE. The interviews indicated that several of these groups have formed a nucleus around which subsequent technical assistance activities have been arranged.

There are serious questions being raised at all universities about the cost of the PDUs and the viability of PDU III and onward. As currently programmed, the typical university professor (or their university) is being asked to pay well over the annual university-derived income of the average professor (i.e., the non-ROCAP cost of PDU III is \$2160, and the average part-time professor in Guatemala earns \$1824 a year from teaching and the average in El Salvador is \$1000) as well as to give up income from teaching and from their non-university employment. In the view of all deans and professors, the projected costs for future PDUs are prohibitive.

INCAE has made a concerted effort to seek additional funding to help defray the cost of PDU III. As of late April 1988, eight formal requests for funding had been made with no success. They had been turned down by UNDP, the Hans Seidle Foundation, and several country specific organizations. They had also made exploratory requests to several U.S. foundations to no avail.

In addition to concerns about cost, several university deans were concerned about the timing of the PDU. At least in Guatemala, El Salvador and Honduras the PDU is scheduled during the academic year for the universities (although the first four weeks is vacation time for INCAE). In some universities this creates problems in terms of finding substitute or interim faculty. It also adds to the opportunity costs for the faculty and reduces the number of good faculty interested in attending the PDU.

Also, the relative utility of the PDUs as a mechanism for bringing about university improvement is questioned by several deans and professors because only a small proportion of the relevant faculty at many universities is expected ever to participate in the program. According to the deans and professors interviewed, recruitment of the most appropriate candidates for the PDUs has been hampered not only by high costs but also by family and employment constraints associated with being out of the country for six weeks and by the fact that the PDUs have been scheduled to occur during the academic year of many universities in the region.

Conclusions: Most impacts have been at the level of the individual professors and their courses (e.g., all say their courses are more participatory). There have been some broader impacts in some universities (e.g., PDU graduates conducting in-service workshops for other faculty and returnees participating in curriculum revision processes), but the tangible impacts beyond the level of individual courses have been minimal to date. Perhaps most important, the PDUs have created a climate which has stimulated successful follow-up technical assistance by INCAE and the demand for more assistance by the universities. Indeed, in Guatemala, El Salvador and Honduras the PDU alumni are organized, meet together periodically, and are prepared to work with INCAE staff in providing assistance to university faculty in their respective countries.

Economically, the PDUs are not viable as planned. In the past those who attended the PDUs were not necessarily the most appropriate from the universities' perspective, but rather the only ones who could afford to go. If 50 professors sign up for PDU III, and that is doubtful, they will be the few who can afford the substantial real and

opportunity costs involved and their attendance will have little to do with a rational plan to improve university teaching. The projected costs to participants for the planned PDU IV and PDU V are totally unrealistic.

Recommended Actions:

1. Go forward with PDU III, but subsidize 80% rather than 60% of the student costs and revise and strengthen the teaching component.
2. Drop plans for PDU IV and PDU V. They are not viable and the funds can be better used elsewhere.
3. Reprogram the funds from PDU IV and V to increase the level of subsidy for PDU III and into teacher training short courses (one or two weeks) at INCAE and in-country technical assistance for universities.

Suggested Alternatives

1. Participants recommend that INCAE review the planned calendar for PDU III and make certain that to the extent possible the seminar dates are in accordance with PDU participant needs and their university schedules.
2. Participants also recommend for PDU III, having participants arrive two or three days prior to PAG in order for there to be some group building and to provide a teacher-training perspective to PAG activities, and then providing for eight to 10 days of intensive and highly participatory teacher training activities immediately following PAG.

B. Scholarship Assistance

Statement of Objective: The purpose of this subcomponent is to provide faculty and graduates of other management/business schools with scholarships to attend the INCAE MBA program. Specifically, \$500,000 in scholarship monies have been allocated to this activity in the expectation that over 40 present and future professors and students from other business schools in Central America will be graduated from INCAE with the help of scholarships.

Activities/Outputs: Twenty-five (25) prospective faculty have received scholarships and are currently enrolled in the MAE program; 17 are to graduate in 1988 and eight in 1989. Recruitment for the remaining 15 planned scholarships is now underway, with all students to begin INCAE in the fall of 1988 and to graduate in 1990. Of those currently enrolled, 13 are from Costa Rica, two from El Salvador, six from Guatemala, four from Honduras, and none from Panama.

Findings: Virtually all scholarship recipients have at least some teaching experience and all state that they are committed to return to their universities to teach at least part-time. To be eligible for a scholarship the applicants must pass all INCAE admissions requirements, provide a signed statement attesting to their intention to return to their university and teach at least four courses a year, and provide a statement from their university assuring that they will accept the student back to the faculty upon completion of their degree. Such statements are on file at INCAE.

According to the interviewed university deans and department chairpersons, students are not sent to INCAE as part of a university or INCAE developed plan for program improvement; rather, universities have agreed to endorse the applications from capable young people who have become aware of the fellowships and applied. This view was shared by the three scholarship students interviewed.

Almost all students state that they will return to a university context in which they will teach only part time; according to deans and professors it is likely that some may teach as little as two hours a week. All will have jobs outside their university, and for most, if not all, this will be their primary interest and source of livelihood. When asked whether they believed sending faculty to INCAE to receive an MBA would significantly improve their departments, all but one dean indicated they considered the scholarships to be a less than optimal use of project funds. Essentially, the deans maintain that although the scholarships are excellent for the individuals involved and that these persons will indeed return and teach some courses, they will have relatively little effect within their departments. The deans certainly have no objection to the scholarship program, but all believe that it will have only a marginal impact on their departments, even in the long run.

The MAE program does not include a teacher-preparation component and none is currently included for the scholarship recipients.

Conclusions: The scholarship program is not likely to have a discernable impact on university departments. A fundamental problem of business school education in the region is the nature of the faculty, both in terms of preparation and commitment. According to deans, professors and other knowledgeable persons, most faculty at most schools have received no more than undergraduate training in the content matter of what they teach, they have received essentially no instruction in teaching methodology, and they are vocationally committed primarily to non-university employment. While the scholarship program addresses part of the issue of faculty preparation

(i.e., knowledge of the content area), it does not address the issue of teaching skills nor the essentially part-time nature of faculty commitment to the educational enterprise.

More specifically, the INCAE MAE program is designed to produce business managers. It is not, however, designed to prepare business school teachers, and at present makes no effort to do so. Although scholarship recipients will most likely return to teach at least part-time, they will probably return to assume full-time managerial positions, of the type for which they were trained at INCAE. These positions will provide them the major source of their income and presumably will become the major consumer of their commitment and time.

Recommended Actions:

1. INCAE should be under no obligation to award all, if any, of the remaining 15 scholarships. The remaining scholarships should be awarded only after steps are taken to ensure that there is a very high probability the recipient will return to teach a full course load. This should include an assessment of the teaching patterns at the university to which the student is to return and a critical assessment of the likelihood that agreements by the student and the university regarding future teaching responsibilities will really be kept.
2. Funds not used for scholarships should be reprogrammed for short courses for university faculty held at INCAE and in-country technical assistance.

Suggested Alternatives:

1. Participants and university deans recommend a teacher-training component as a supplementary requirement for currently enrolled and subsequent MAE scholarship holders.
2. As discussed with INCAE, INCAE should consider adding seminars and other special activities designed to provide all MAE students with opportunities to develop teaching skills, since many will at some point become affiliated with a Central American university on a part-time basis.
3. The Project Paper states (p. 37) that INCAE will attempt to mobilize \$540,000 in additional funds for an additional 100 university professors for scholarships. Assess the possibilities for accomplishing this objective and, if positive, establish an action plan for achieving this objective.

C. Consulting Assistance to Other Schools of Management and Business Administration

Statement of Objective: The objective of this subcomponent is to assess the needs of the various schools of administration in the region and on the basis of that assessment to provide them consulting assistance in curriculum and course development and to provide assistance in related other areas as a follow-up to the PDUs and scholarship subcomponents. Over the life of the Project it is expected that INCAE is to provide 25 technical assistance sessions to 10 to 15 schools of management/business in the region.

Activities/Outputs: Nineteen (19) technical assistance events have been provided to over 15 schools of management/business administration.

Findings: The Project began with a visit to each of the five countries during which contacts were made with 13 universities (3 in Costa Rica, 3 in El Salvador, 4 in Guatemala, 1 in Honduras, and 2 in Panama). These were followed during the initial year with two day diagnostic seminars held with five universities; one in El Salvador, two in Guatemala, one in Honduras, and one in Panama. These were well received by participants and several deans reported they found them useful.

Subsequently, topical workshops have been held in every country. These have included workshops on curriculum revision, preparation of cases, and use of computers in teaching. There was also a meeting of deans and rectors in Alajuela. These sessions have gone smoothly and been judged quite useful by participants. There is a demand for additional country-level seminars and for individualized technical assistance to particular universities, but virtually all funds for this subcomponent have been expended.

As a result of the technical assistance one university has revised its business curriculum in a fashion which made use of input from local businessmen and increased requirements in the area of macro economics (but not explicitly in the area of non-traditional exports); another is in the midst of a revision of its financial management curriculum. Faculty from several universities are in the midst of preparing cases which will be used in their curricula and which will be available to others.

Almost all technical assistance to date has been in a seminar format and has involved persons from several universities in the same country. There has been virtually no individualized assistance provided to date. A notable exception is a very well received seminar in use of

computers in teaching for the University of Costa Rica. Access to the universities and faculty participation has been facilitated significantly by the nucleus of returned PDU faculty on each campus.

Evaluations of individual workshops available at INCAE indicate that the technical assistance sessions have been well received. Evaluation forms were available on four curriculum revision workshops (Panama, Honduras, El Salvador and Guatemala) which included both open-end questions and an opportunity for the respondents to rate the courses' utility. In general, the open-end responses were all quite positive, and over 90% of the respondents in each of the workshops rated their utility as excellent or very good (overall, 69% gave them a rating of excellent). Evaluations from the Costa Rica computer usage workshop were similarly positive. There, 63% of those attending rated the sessions as excellent and 26% as very good in an end of course evaluation.

The university faculty and administrators interviewed all spoke highly of the quality of assistance provided. Several deans in particular felt strongly that technical assistance provided during university vacation times to faculty in their own country was the only way to impact significant numbers of professors; and that that was the only way to really improve their departments. When asked directly, deans in Guatemala, El Salvador and Honduras indicated that they would spend the Project's university improvement funds on locally delivered technical assistance rather than on either INCAE-based PDUs or scholarships for an MBA. They stated that 40% to 50% of their faculty could be counted on to attend, on their own time, three or four day sessions focused on teaching methodologies presented in the context of a state-of-the-art refresher session dealing with one or two particular areas of business management (e.g., how to best teach a session selecting the right import broker in the U.S.).

Conclusions: The impacts from this subcomponent have been slight thus far, but it has significant potential for impact on the university business schools. Most of the university deans believe it to have more potential for improving their Departments than either of the other components. They believe that short (three to five day), highly focused seminars provided in the country at a time when faculty can attend (i.e., during vacation periods) would reach between 40% and 50% of their faculty and over time could substantially improve the quality of instruction. Some persons also argue persuasively that several one- to two-week seminars for faculty held at INCAE in Alejuela during university vacation periods would also be useful (and worth the cost); such seminars would serve

to maintain or reinforce a core of faculty at the various universities who are very supportive of and willing to work with INCAE.

Recommended Actions:

1. Provide at least one well focused seminar per year in each country for university professors. Specific topics for each country and the seminar's design should be developed in conjunction with the PDU alumni in each country. The seminar should be held during vacation periods and at times convenient for the professors as it may be assumed that professors will neither pay to attend the seminars nor be reimbursed for their time.
2. Funds to continue this subcomponent should be reprogrammed from elsewhere in Component II.

Suggested Alternatives

1. Participants recommend that INCAE provide a one- or two-week PDU-type program at INCAE each year, with 80% or 90% of costs paid by the Project. The program should be offered at a time convenient for professors (e.g., November), and those who attend should be nominated by deans or department chairs on the basis of clear and relevant criteria, including that they teach at least one-half time.
2. Several university deans recommend that a senior member of the INCAE staff should devote at least one week per country each year to meeting individually with University deans and program chairs to discuss their program and to provide technical assistance in mutually agreed upon areas relating to the strengthening of export related curricula.

CHAPTER FIVE: CENTER FOR POLICY STUDIES AND APPLIED ECONOMICS

The Center for Policy Studies and Applied Economics is a new effort by INCAE to work in three new areas: (1) conduct high-level policy dialogues with public and private decision-makers; (2) conduct applied economic studies and publish a regional-level journal as well as a newsletter; and (3) strengthen the MBA program with the infusion of applied economic courses and begin a new Masters of Business Economics (MEE) degree program.

Overall Activities/Outputs: All these areas of the Policy Center have been put into place. In addition to ROCAP-funded activities, it has initiated a new Masters of Business Economics degree (MEE) that has financial support from the Inter-American Development Bank. The Center also conducts top-level dialogue seminars throughout the region with World Bank and AID Mission support. Finally, it conducts studies and publishes books with international financial support.

The Policy Center structure and activities are:

POLICY CENTER

POLICY DIALOGUE

- Inter-Sectoral Seminars
- Sector Seminars

RESEARCH/PUBLICATIONS

- Research Studies
- Economics Journal
- Book Publication
- Newsletter

ECONOMICS

- MBA Economic Courses
- New Masters of Economics
- Economic Materials

Overall Findings: The Policy Center is generally not well known outside of INCAE and even has some recognition difficulty within the institution. It is known for its individual subcomponents but not as a Policy Center.

ROCAP-funded activities were a major input in the creation of the Policy Center. The subcomponents of the ROCAP grant, to be assessed below, are the policy dialogues, applied economics and policy research, a journal and newsletter, and the strengthening of the economics program. Other important international funding has assisted the Policy Center and especially the MEE program. The Policy Center receives about 33% of its support from ROCAP and the rest from other

international sources including the USAID Missions, the World Bank, the Inter-American Development Bank, and the Hans Seidle Foundation.

The ROCAP-funded subcomponents are far behind the targets at the mid-term review. The Policy Center regularly cannot meet project output targets in a timely and adequate manner, suggesting there are underlying management issues with this component.

Conclusions: Paradoxically, the Policy Center as a whole is functioning well with good project outputs but the ROCAP-funded component is not meeting the target outputs.

Recommended Actions:

1. INCAE needs an overall review and restructuring of this ROCAP-funded component.
2. INCAE needs to take seriously its commitment to its contractual obligations or to request re-programming ROCAP funds to other components.

A. Policy Dialogue of Public and Private Sector

Statement of Objective: The inter-sectoral policy dialogues are to provide a forum for top-level public and private sector leaders to discuss economic issues that might lead to more effective public sector policies adopted by regional governments in the non-traditional export areas. The objective is to have one inter-sectoral dialogue per year in each of the five Central American countries over the five-year project period, or a total of 25 inter-sectoral dialogue seminars.

Activities/Outputs: INCAE has conducted six inter-sectoral dialogues to date with ROCAP funds, including five country-level dialogues and one inter-regional sectoral dialogue. There have been no dialogue seminars in Panama because of the political situation in that country. The seminars have had 363 participants in the six seminars.

POLICY DIALOGUES

<u>DIALOGUE NAME</u>	<u>PLACE</u>	<u>DATE</u>	<u>NO. PEOPLE</u>
Future Economic Strategies	Costa Rica	Oct. 86	54
Engines of Development	Honduras	Dec. 86	40

POLICY DIALOGUES (Cont.)

<u>DIALOGUE NAME</u>	<u>PLACE</u>	<u>DATE</u>	<u>NO. PEOPLE</u>
Political and Economic Perspectives of El Salvador	El Salvador	Aug. 87	105
Political and Economic Perspectives of Guatemala	Guatemala	Sept. 87	88
Privatization and Stabilization Programs	Costa Rica	Nov. 87	36
Industrial Policies	Guatemala	Mar. 87	<u>40</u>
		TOTALS	363

Findings: The six ROCAP-funded seminars have been completed. Another 28 dialogue seminars have been conducted during the Project period with funding from individual USAID Missions in the region, the World Bank and other funding sources. A total of 34 seminars have been completed.

The Policy Center staff states that they have made a conscious effort to plan carefully each dialogue seminar so as to set careful agendas for these high-level seminars. This has required considerable prior dialogue on agendas with selected participants, negotiation of themes and content areas, and careful selection of participants. The regional INCAE offices have been involved in promoting these events.

According to participants interviewed, the INCAE Policy Center maintains a careful neutral and facilitator role in providing a forum for discussion. It presents analytical discussions of economic themes and issues for discussion by the participants. These one-day seminars are planned so that there are both small group discussions of major issues and plenary sessions to arrive at conclusions. INCAE does not promote a particular economic model, even though it maintains that the export-oriented economic model is most viable at the present time for the region.

Participants rated INCAE highly for well-written and highly analytical papers which are written for each dialogue seminar. They believed that the papers are thoughtful think pieces which stimulate discussion. They reported that the several case studies used at appropriate times, including economic policies used in South Korea and Taiwan, were appropriate. Outside speakers and resource people brought in to provide input were considered useful as well. The 17 policy dialogue participants interviewed

believe that dialogue seminars should continue and at the same level of intensity and level of sophistication.

Almost all participants interviewed recommended that INCAE become more involved with more micro-level sectoral seminars and with issues affecting individual sectors. They believe INCAE can make a contribution in such areas. Examples of topics they recommend being addressed include labor issues, public policy relaxation of export requirements, customs procedures, and other related areas. They also recommend that INCAE play a little more forceful role in having the public sector take the dialogue seminars more seriously than at present. Finally, they recommend that the consensus and summary papers written be somewhat more forceful in recommending potential actions for the future.

On the management side, there is a less clear picture. INCAE has successfully obtained other than ROCAP project funds to conduct 28 other dialogue seminars with many of the same participants as in the ROCAP-funded policy dialogues. INCAE maintains that all 34 seminars conducted to date are discrete and separate efforts with the possible exception of educational materials overlapping in use in different seminars.

The original budget stated that dialogue seminars would cost \$5,000 per two-day seminar. However, on average INCAE has spent \$11,900 for each one day seminar. At present spending levels INCAE can only produce another four seminars but is required to conduct 19 more seminars in the next 2-1/2 years.

Conclusions: The impact of the policy dialogues is difficult to measure in the immediate present. There is almost unanimous favorable belief that the dialogues have led to a good climate setting and in breaking down of some confrontations and suspicions among the different sectors. There are a few indications that some information from the seminars is used in further sector-level discussions, spin-off articles, and internal public sector discussions.

On the management side, there are critical issues that need to be addressed immediately. INCAE cannot continue to function at the present levels and keep its contract commitments.

Recommended Actions:

1. Broad level policy dialogues should continue along the same lines as conducted presently. At the discretion and decision of INCAE, seminars could be broadened to include a second level of seminars that deal with more specific, action oriented and end result oriented products.

2. INCAE and ROCAP need to discuss immediately how to handle the management impasse either through re-programming funds, requiring INCAE to adhere to its original targets through internal component budget revisions, or completing the target goals but using other outside funds.

Suggested Alternatives

1. Participants state that dialogue seminars could build on each other so that the conclusions and consensus arrived at in one dialogue serves as the basis for a second follow-up dialogue.
2. Several participants recommend that a "think piece" document could continue to be produced for each dialogue that encompasses principal dialogue issues. Participants recommend more specific focus "think pieces" with more specific targeted themes.
3. Participants think that INCAE should continue to provide a synthesis of principal conclusions, agreements, and possible action strategies for each dialogue seminar that is distributed to participants.
4. Several dialogue participants felt that in addition to "think pieces," provide specific analysis documents that contain a full picture of a specific country for export-oriented economy. This would include 1) general overview analysis, 2) specific strategic options available, and 3) possible actions.
5. Many participants want INCAE to increase participation of top-level government officials and request full participation during the entire dialogue so that the dialogues get full attention of decision-makers.
6. The research subcomponent could be tied more directly to the dialogue seminars in order to more effectively draw upon the research produced.

B. Applied Economics and Policy Research

Statement of Objective: INCAE is to fund and support independent research of applied economic and policy issues which affect the development of the region. This research is to be produced by INCAE scholars as well as sponsored research by outside researchers based on submitted proposals. The research efforts are to be a continuing effort to contribute to needed economic and policy discussion for rational policy decision-making.

Activities/Outputs: Eight studies are currently being written with three in their final stages. Another nine proposals were submitted and rejected. There are no other proposals outstanding.

A total of \$37,000 of the \$225,000 budget has been committed to date.

Findings: INCAE has set-up an elaborate selection criteria, selection committee, and has made a major effort to solicit research proposals from Central America and in the United States. INCAE published a research proposal bid announcement that was published in over 100 newsletters and journals in the United States and in over 40 universities and research institutions in Latin America. It has established a system for maintaining academic standards.

The research promotion yielded 17 proposals in the past two years. These were all reviewed by the INCAE selection committee. Nine proposals were rejected because the research topics did not fall within the Project objectives.

The eight studies being written were reviewed for appropriateness and are within the general objective of this subcomponent and the Project. The researchers, with one notable exception, appear to be well-qualified. Three studies are in the final stages and will most likely be published by September 1988.

There is some debate within INCAE as to the quality and relevance of these eight studies. Four studies are being written by researchers outside the region and may be too theoretical for immediate use within the region. Policy Center faculty, however, maintain that seven of the eight studies are relevant and will be of high quality. A five member INCAE panel has approved all eight studies. There is general agreement within INCAE that these eight studies should be reviewed carefully to make sure they can be used properly. Also, it seems clear from INCAE staff they want to change their system to directed research in the future.

Conclusions: According to INCAE staff, the present system is comprehensive and credible but is too time-consuming. On the one hand it is thorough, but it is not yielding the needed proposals.

INCAE is searching for a new approach for this subcomponent as the process is too complicated and time-consuming, and the research and study schedules are far behind the anticipated targets. Their internal recommendation is to restructure this subcomponent to have a two-pronged "directed research strategy." First, they would establish a research and study strategy over the next three years

with targeted topics for the five regional countries. Second, INCAE would identify and recruit researchers to conduct the studies within the research framework. Researchers would still be required to submit proposals and have them examined by the selection committee.

Recommended Actions:

1. Target research topics for specific themes that will affect more directly the goals and objectives of the Project and lend themselves to more directly supporting the intersectoral policy dialogue seminar.
2. Establish procedures for two-pronged approach of directed research of given topics and selected researchers.

C. Journal

Statement of Objective: INCAE is to produce four journals per year over the life of project that serve to disseminate research findings in Central America concerning applied economics and policy. There are to be 20 journals produced in the life of the Project.

Activities/Outputs: There have been three Journals produced to date.

Findings: The three Journals produced to date were read and assessed to be of a high academic quality and contain credible articles that do contribute to the economic dialogue in the region. About one-half of the articles are reproduced from other journals or are translated articles, while the other one-half are original pieces written specifically for the Journal. About one-half the articles are written by INCAE staff, faculty, or immediate consultants.

According to INCAE they published 3,000, 1,500, and 4,000 copies of the Journal respectively for the first three issues. They have recently started to place paid advertisements in the last issue to offset publication costs. To date, 125 readers subscribe to the Journal throughout the region.

Early in the Project INCAE decided that it did not want ROCAP-funded support for the Journal to alleviate any institutional compromise for objectivity. ROCAP agreed to this decision and re-programmed the Journal funds to the Low-Income Scholarship Fund but required that INCAE continue to produce the four issues per year. INCAE maintains it cannot produce four issues a year and recommends only two issues be produced per year.

Few participants interviewed had heard of the journals at all. The roughly 20% who had received the Journal gave it good marks for credible articles that could be used at the decision-making level.

Conclusions: The Journals themselves are credible products and appear to be well-accepted by the people who have read them.

On the management side, it has not been possible to produce four journals per year. Also, the distribution system is deficient as the journals are not reaching potential audiences.

Recommended Actions:

1. INCAE should continue to publish the Journal, maintain its present high level standards.
2. The distribution system needs to be planned and implemented to assure wider dissemination.
3. INCAE and ROCAP should make an administrative decision whether to reduce the number of journals to two required per year.

D. Newsletters

Statement of Objective: INCAE is to produce six newsletters per year over five years for a total of 30 newsletters that provide current information on export promotion in the region.

Activities/Outputs: Two newsletters have been produced to date.

Findings: The two published newsletters reviewed have focused on internal promotion of INCAE as opposed to the stated purpose of disseminating relevant and current information about export-oriented economic issues and policy discussion.

Conclusion: INCAE Policy Center staff view the newsletters as a burden and requirement rather than an opportunity to provide good information within the region. The two issues produced to date are below INCAE's potential for producing a meaningful piece of work.

Recommended Actions:

1. INCAE should take seriously its contractual commitment to publish six newsletters per year by arranging for interested and appropriate INCAE staff to produce this useful document.

Suggested Alternatives:

1. As discussed with INCAE, they could write more relevant articles, book reviews, current information about exports, export laws, international conferences, and other information in accordance with the contract.
2. In discussions with INCAE, we planned how they could disseminate the newsletter to dialogue participants, university professors, and participants in the competitiveness seminars in a systematic fashion.

E. Strengthening Economics Program

This subcomponent is technically a part of Component No. IV but is managed through the Policy Center and thus presented here.

Statement of Objective: INCAE is to strengthen and infuse applied economics within the regular INCAE MBA program so as to produce graduates with a more practical understanding of the nature of the business enterprise in Central America. This is to be accomplished through new economics courses, revised curricula for other MBA courses, and new economics materials written by INCAE staff.

Activities/Outputs: Nine new economics courses have been introduced into INCAE's regular MBA program starting in 1987 (see Appendix, Table F). These include basic economics, international economics, macro-economics, and micro-economics.

The MBA program has a revised curriculum that includes export-oriented content. INCAE has redesigned five courses to reflect this new orientation.

Over 50 new or revised case studies, literature, and Central American applied economics literature are being used in the new economics courses.

Apart from ROCAP funds, INCAE commenced in 1987 its new Masters in Business Economics program. The nine new courses are also used in the MEE program. It has also published five new economic books with IDB funds.

Findings: INCAE has restructured its entire MBA program during the last two years. INCAE considers this a significant shift in preparing its MBA students to work in Central America.

In reviewing the MBA and MEE curriculums it was noted that there is only moderate emphasis placed on export strategies and promotion. The didactic materials reviewed also deal with overall economic issues rather than focusing on export marketing.

MBA students interviewed are unanimously positive concerning the quality of the applied economic courses. They believe they add well to the MBA program.

ROCAP provided funds to INCAE to support the new Masters in Business Economics (MEE) on the condition that INCAE provide a demand analysis indicating that a demand exists for such a program and its graduates and that INCAE's long run financial viability would not be impaired by its creation. Those funds have never been used because INCAE never presented the demand study showing a need for this activity. INCAE worked with the IDB for two years to establish the MEE program and received IDB funding for this program without having to show how they would sustain the program. IDB is supplying both salary support and scholarships for this activity making ROCAP funds unnecessary. Thus approximately \$250,000 of project funds are not likely to be spent as planned.

Conclusions: The MBA program has been redesigned to include the infusion of micro- and macro-economics into the curriculum. There have also been nine new economics courses developed for the MBA and the new Masters of Business Economics programs. These are major accomplishments and demonstrate a solid re-structuring of the INCAE academic program.

INCAE's start of a new Masters of Business Economics (MEE) program should be viewed positively. The institution has moved forward in what it feels is a major and important step in educating future Central American business managers.

Recommended Actions:

1. INCAE and ROCAP should negotiate to re-program the budgeted demand analysis and MEE support funds within the Project.
2. INCAE should provide internal controls assuring that faculty salaries are being used exclusively for the redesigned MBA programs and are not being used for the MEE program.

CHAPTER SIX: INCAE INSTITUTION BUILDING

The purpose of this component is to strengthen the institutional capability of INCAE in the area of export management. The contract with ROCAP specifies five subcomponents, one of which was previously discussed (strengthening the economics program). The expected outputs from the subcomponents and the current status with respect to each are discussed below.

A. Low-Income Scholarship Program

Statement of Objective: The objective of the subcomponent is to graduate 40 low-income students from the MAE program over the life of the Project.

Activities and Outputs: Since the start of the Project 59 students have received assistance through the low-income scholarship component. As of April 1988, 33 students had graduated from the MAE program, 24 were still enrolled, and two had dropped out prior to completion. Plans are for the remaining scholarship holders to enter INCAE in the fall of 1988 and graduate in 1990.

OVERVIEW OF LOW INCOME SCHOLARSHIPS

MAE:	XVIII '84-85	XIX '85-87	XX '86-88	XXI '87-89	TOTAL
Costa Rica	2	5	8	3	18
El. Salvador	1	8	6	-	15
Guatemala	7	7	2	3	19
Honduras	1	3	1	1	6
Panama	-	-	1	-	1
Total	11	23	18	7	59
Graduated	11	22	-	-	33
Still in Program	-	-	18	6	24
Dropped out	-	1	-	1	2

Source: INCAE, 1988

Findings: Students for the program are recruited by the INCAE country offices on the basis of clearly defined criteria. To be eligible for a scholarship a student must meet the academic entry requirements for INCAE and income and asset requirements of ROCAP. Student applications are reviewed by a special committee within INCAE which makes

final recommendations of candidates to ROCAP in Guatemala. According to INCAE policy, it is necessary for a student to maintain a grade point average of 75 in order to remain eligible for the scholarship (a grade point average of 72 is required of all other students to remain in school).

A review of INCAE files and interviews with three scholarship holders indicated that students receiving aid are appropriate and doing well. The interviewed students spoke highly of their experiences at INCAE.

Conclusions: The program is being administered smoothly. Outputs are on schedule, the scholarship holders are appropriate for the program, and they seem to be benefitting from it. Besides providing an excellent education to individual scholarship holders, according to several INCAE staff their presence in the MAE program adds diversity to the student body and thereby strengthens the overall program.

That being the case, it seems peculiar for INCAE to require that these students maintain a grade point average slightly higher than other students in order to retain their scholarships. The fact that these students are all university graduates who met the rigorous academic entrance requirements of INCAE, and who frequently had some work experience prior to applying to the program makes them not what one might immediately think of as a typical "low-income student." Nevertheless, consistent with the Project objectives, they are highly capable individuals who for economic reasons would otherwise be unable to attend INCAE.

Recommended Action:

1. Continue subcomponent as currently being implemented.
2. INCAE should not require that these students maintain a 75 grade average when a 72 is required of other students to remain in school.

B. Faculty Training and Renewal

Statement of Objectives: The objective of this subcomponent is to provide training at the PhD level to INCAE professors in disciplines relevant to export management. The Project Paper indicates that such training would be necessary in order to "meet the needs of the institution's new emphasis on export management" and to assure the sustainability of an export focus within INCAE. The specific outputs expected from this component over the life of the Project are six junior INCAE faculty members trained at the PhD level and six to 12 senior professors given refresher training in fields relevant to export management.

Activities/Outputs: To date two INCAE faculty have benefitted from this subcomponent. One professor is enrolled in a PhD program at the University of Houston, with an emphasis on MIS. The expected duration of his program is from August 1986 through July 1989, at a cost to the Project of \$50,000. One senior faculty member spent the period from August 1986 through July 1987 on sabbatical at Harvard focusing his attention on the area of policy implementation, at a cost to the Project of \$12,000. In total 16% of the funds allocated to this subcomponent have been expended and another 8% committed (for the remainder of the University of Houston PhD program).

Findings: The two individuals benefitting from this subcomponent are appropriate, as have been the academic programs they pursued. There are no specific plans for the expenditure of the remainder of the funds in this area.

Conclusions: The assumption that it was necessary to provide PhD training and substantial refresher courses to INCAE faculty in order to implement the Project was clearly incorrect; INCAE is implementing the Project reasonably effectively without the benefit of any of the outputs from this subcomponent. Also, the allocation of \$50,000 to cover the costs of providing one faculty member a PhD may not be consistent with applicable AID guidelines.

Given the ratio of expenditures to beneficiaries thus far, it is clear that the targets set forth in the Project Paper will not be achieved. Although the time to make maximum use of this subcomponent would most appropriately have been at the start of the Project, there is still ample time and opportunity to achieve the subcomponent's basic objective. Little has been done through the Project to enhance the knowledge and capabilities of INCAE's faculty with respect to non-traditional exports, but discussion with INCAE staff indicate that efforts along these lines would be beneficial and appreciated. INCAE should be commended for not expending project funds for faculty training and renewal frivolously and plans for the remainder of the Project should reflect the same restraint demonstrated to date.

Recommended Actions:

1. A review should be made of the terms of the scholarship provided to the INCAE faculty pursuing a PhD to insure compliance with all appropriate AID regulations regarding AID-financed university training, and appropriate follow-up action taken as needed.
2. INCAE should prepare a detailed plan for the remainder of the Project with respect to faculty training and renewal and the expenditure of funds allocated to this subcomponent. That plan should be agreed upon with ROCAP and govern the remainder of the Project.

Suggested Alternatives

1. In discussions with INCAE it was thought that they consider sponsoring a series of seminars and symposia on non-traditional exports to be provided for INCAE faculty on the INCAE campus. To the extent possible, MAE/MEE students could also participate. Leaders of the seminars would be experts in the field of non-traditional exports outside the INCAE/Harvard network (e.g., from the World Trade Center in New York, the World Bank, etc.).
2. In the likely event that the result of the preceding recommendations leads to the identification of a significant pool of no longer programmed funds, even after sponsoring a series of non-traditional export related events on the INCAE campus, such funds could be reallocated to such other project components as in-country technical assistance to universities.

C. Library Support

Statement of Objectives: The objective of this subcomponent is to enlarge and maintain the library at INCAE's Costa Rica Campus. More specifically, contract funds are to be used over the life of the contract to acquire approximately 1200 additional volumes or equivalents in the form of periodical publications in order to enable faculty and students to keep current with research and other published material in fields related to management.

Activities/Outputs: Project funds provide the INCAE/Costa Rica library with a budget of \$32,000 per year. Approximately \$13,000 are spent on subscriptions to periodicals and \$19,000 on the purchase of books.

Findings: The ROCAP funds are only for the purchase of publications and they are the only such funds the library has. This constitutes about 22% of the library's total budget for this year of \$148,192. The library has a total of about 25,000 books and 850 periodicals, and augments its book collection by about 160 titles a month. Of the 850 subscriptions to periodicals, 350 are paid for with ROCAP funds and the rest are obtained at no direct cost.

The INCAE librarian estimates that the cost of books and periodicals has increased about 10% a year, and since there is no inflation factor in the grant for the library this has resulted in a decrease of purchases each year. Notwithstanding, the current funding is judged to be adequate for the remainder of the Project.

With respect to the impact of expended funds, it is of interest to note that the library at INCAE is open to and occasionally used by others. In the seven months between September 1987 and March 1988 the library received 70 visits from users not associated with INCAE; 23 of these were from persons associated with the University of Costa Rica, 19 being students working on theses.

Conclusions: Activities and expenditures associated with subcomponent are proceeding smoothly and as planned. The only area of concern regarding this subcomponent pertains to the future, after the end of the ROCAP grant. The library is currently totally dependent on ROCAP for books and periodicals, but there is no apparent plan for meeting the library's needs after the current ROCAP contract is completed.

Recommended Action:

1. The subcomponent should continue as currently implemented, but a plan for post-ROCAP funding should be prepared within the next year.

D. Additions to Physical Plant

Statement of Objective: The objective of this subcomponent was to increase the available office space at INCAE. More specifically, it was to expand the faculty office building and thereby add additional faculty offices, secretarial space and student study rooms.

Activities/Outputs: Construction of the additional space is completed and the space is being used by faculty, secretaries and students. All activity under this subcomponent is completed. The total planned expenditure of \$122,000 has been utilized.

Findings: The construction appears to be well done and the space is being utilized as planned. Several faculty report that the addition of the space has been an important contribution to the overall smooth functioning of INCAE.

Recommended Action:

1. All activity on this subcomponent is completed and no recommendations are in order.

CHAPTER SEVEN: ASSESSMENT OF USEFULNESS OF PROJECT

The INCAE Regional Export Management Training Project is functioning essentially as planned and service delivery is of a reasonably high quality. Thus the question of project utility or impact is a logical next line of inquiry. While it is premature at this mid-point of the Project to make definitive statements in this regard, presented below are findings and conclusions regarding the preliminary impact of the Project in terms of the Project's purpose and goal.

A. Project Goal

The goal of the Project is to stimulate export-led growth in the Central America and Panama Region by helping to improve export management training and encouraging policy reform with particular reference to non-traditional exports. The combined actions of the INCAE Regional Export Management Training Project were to produce some practical results in both the immediate and long term. It was assumed in the Project Paper that export management can be improved through training of executives and that a supportive policy environment could be created through a better understanding of policy constraints and through constructive inter-sectoral dialogue.

Although it has not been possible to verify increases of non-traditional exports as a result of this Project, there are simply too many exogenous factors involved to make this determination, it is relevant to note:

- About 2,000 Central American managers have been trained by INCAE during the past three years. Even though about 50% of the participants are not involved directly or indirectly with export promotion and therefore the potential for impact is diminished by half, the competitiveness seminars have produced some concrete actions and others are expected.
- The political climate for non-traditional exports in Central America has been somewhat enhanced by the policy dialogues although there are no specific policies or legislation that can be traced back to the INCAE project.

B. Project Purpose

The purpose of the Project is to strengthen INCAE's capabilities in the areas of export management training; assistance to other schools of business management in the region; and inter-sectoral policy dialogue. Impacts in each of these areas are summarized below:

1. Strengthening INCAE's Capabilities

- Export-oriented promotion is being institutionalized within INCAE and is reflected in its new 1987-1990 institutional strategy. Faculty and staff are being recognized as experts of export promotion in the region.
- New export-related materials have been developed and are being used in INCAE's program.
- A new executive competitiveness seminar program has begun to train Central American export managers.
- For the first time INCAE is now working with the Central American universities to assist in strengthening and changing course offerings in the schools of business administration.
- A Center of Policy Analysis and Applied Economics has been established within the institution.
- INCAE's Policy Dialogue Program has established itself as a credible, neutral, academic and salient facilitator in export-oriented policy dialogue in the region.
- New economics courses have been introduced into the regular MBA program. Other MBA courses have been redesigned to include export-oriented economic modules.
- A new Masters of Business Economics (MEE) program was started in 1987. Though it is in the Project Paper, it does not have ROCAP funds and is therefore an interesting spin-off effect of the Project.
- INCAE faculty and staff have been contracted to carry out export-oriented activities within the institution.

2. Export Management in the Region

Two levels of impact were detected in the export managers through interviews:

- For about 50% of participants there was some new information received that might be applied in their enterprise.
- About 25% of participants interviewed had taken some kind of action based on the training program. Some examples are:
 - A new quality control system put into place at a shoe manufacturer.

- A new production cost system in place at a cracker company producer.
- A new inventory control system put into place at an aluminum furniture factory.
- The Summer Internship Program has assisted students to focus more clearly on their career goals, assist them in practical training to enhance their graduate studies, and to make pragmatic decisions in some of their new jobs after graduation.

3. Business Schools at Central American Universities

The strategy of training university professors is at least one step removed from direct effect or impact on the export promotion. However, positive change is taking place and project-related impacts include:

- Many university professors attending INCAE workshops have made changes in their courses which give them more of an export orientation and they have changed somewhat their teaching styles.
- Several universities have undertaken curricula reviews with INCAE assistance and several universities are preparing export-related cases under INCAE's guidance which will be used in many of their courses.
- One university has changed its curriculum to emphasize macroeconomics, a perspective which encourages export promotion.
- There are some fairly good indications that the university professors and deans have positive feelings about change and there may be residual effects at a later date. There is a desire at many universities to continue working with INCAE faculty in efforts to improve their own program.

4. Policy Climate in the Region

- There is a general consensus that the policy dialogues are helpful in creating a climate for possible changes and policy reform in the future. None of the participants interviewed reported any actual policy reforms or changes made based on the dialogue seminars in the region. There is unanimous consensus by participants to continue the policy dialogues with INCAE as the "neutral facilitator."

- Several newspaper and journal articles have been written based on the policy dialogues and materials presented. Some participants reported using policy dialogue materials in their policy decision-making work.
- ROCAP-funded dialogue seminars have spurred another 28 similar policy dialogues sponsored by USAID Missions, the World Bank, and the Hans Seidel Foundation.
- Some INCAE MBA students reported increased information of applied economics for their future professions. There are no graduates yet in either the reformed MBA program nor the new MEE program.

CHAPTER EIGHT: CONCLUSIONS AND RECOMMENDATIONS

This evaluation assessed the four project components for performance of activities, findings, conclusions, recommended actions, and suggested alternatives. These assessments provide an indication of individual project component service delivery and impact.

By summarizing project component conclusions some overall conclusions can be identified. Then in making summary conclusions on the overall project several major issues emerge that cut across all the project components. Those conclusions will serve as the basis for making overall recommendations.

A. Summary of Component Conclusions

The Export Management Training, Component I is providing good cases studies and excellent competitiveness seminars. The MBA summer internship program functions fairly well also. These three sub-components do well in complying with performance and service/delivery.

The major concerns in this component are:

- ROCAP scholarship funds are being used as an entry fee subsidy to INCAE to conduct competitiveness seminars.
- INCAE lacks a focused export-oriented approach to their competitiveness seminars and permits open admissions, thereby diluting the potential export-oriented impact of the component and project.
- Certain AID regulations and procedures are not being adhered to in the MBA summer internship program.

The University Program, Component II has provided good university professor training in two PDUs and consulting assistance is being provided to groups of university faculty and staff with reasonable success. The university professor scholarship program is being implemented well but is not likely to have discernable impact on university departments.

The major concerns in this component are:

- There are fundamental design problems with the PDU Program respect to the future of this activity because universities cannot pay for the future planned workshops.
- Scholarships for university professors will have only minimal effect on the universities because professors work only part/time.

The Center for Policy Studies and Applied Economics, Component III has made major strides in establishing the Dialogue Seminars, infusing the MBA program with economic courses, establishing the new Masters of Business Economics (MEE), and beginning new research studies. There are several managerial and administrative issues between INCAE and ROCAP that need to be worked out regarding cost accounting, performance levels, and contract compliance.

The major concerns in this component are:

1. The performance accounting for the Dialogue Seminars in which six had been held with ROCAP funds and another 28 seminars held with USAID and other international fund support.
2. Performance accounting of numbers of journals and newsletters to be produced in the project.
3. Research studies that are not supporting the export-oriented nature of the project.

The INCAE Institution Building, Component IV, is functioning smoothly in that the library acquisitions are being made, physical constructions are complete, and the low income scholarship program is functioning smoothly. The faculty training and renewal subcomponent is functioning at a low level and the assumption that faculty renewal was required to implement this project is being proven fallacious.

The only concern of this component is the faculty renewal program that needs to be reviewed and revised.

B. Overall Project Conclusions

In managerial or administrative terms, INCAE functions as a higher education institution and in a decentralized fashion. With so many varied activities in the institution faculty members have only partial awareness of other programs and projects other than those they work on. The ROCAP-funded project is only one of many different projects within the institution. Many other projects receive as much if not more attention from INCAE administrators. The ROCAP-funded project is implemented in different departments such as External Affairs Department, Academic Department, Finance Department, and the Rectors Office. Each department has its own perception of the project and its own agenda.

Functionally, there is no overall Project Director. The Rector is the nominal director and legal representative for INCAE but he has not had, nor will have sufficient time to devote to the Project. Therefore, there is not an

administrative mechanism for assuring that the project functions in a well-coordinated fashion. It is not surprising, therefore, that the well-meaning project actors function in the ways that they see fit.

In technical terms, INCAE has managed to put together an impressive faculty to implement this complex project. The technical assumptions underlying this Project are apparently valid; that training can provide human resources to enhance export promotion in Central America and Panama. Indeed, in all three training programs of competitiveness seminars, dialogue seminars, and PDU seminars, there have been excellent evaluations by participants.

There have been a few technical problems in design. The PDU program is a good example of poor design in that it appears impossible to have PDU IV and PDU V under the present design. Likewise, the consulting assistance to universities funds is practically used up.

The main technical issue, though, has been keeping INCAE to focus specifically on export promotion. It has had the tendency to take a broad view of training and education through its research, masters courses, and seminars. As a result, there has been some tendency to go off into different directions.

Assessing these overall conclusions we have been able to identify five major areas of more specific conclusions and recommendations. They form part of this general umbrella conclusion.

C. Project Recommendations

No. 1: Project Integration

Conclusion: There is not coherent integration of the four project components to assure that all support each other in a systematic fashion and there is considerable dilution of project efforts toward the goal of stimulating non-traditional exports through the incorporation of non-project-related issues and participants into project supported activities. Examples of this include:

- Competitiveness seminars deal with production and marketing in general rather than being pinpointed toward export promotion;
- Seminar participants are selected and provided with entry fee subsidies who work with non-exporting enterprises or who are from non-export-related public or private service institutions;

- University professor scholarships provided in which there is no clear indication or commitment that the results will lead to enhancement of non-traditional exports nor be of more than the most marginal benefit to the university;
- General level research covers broad socio-economic ideas but not focused toward non-traditional exports; and
- Dialogue seminars are not planned to support each other or build on the consensus established in previous sessions; nor are they sharply focused on export related issues.

Recommended Action:

1. INCAE should prepare a systematic, well-coordinated policy statement and action plan that serves as a guideline for all project activities. This would involve a consensus within INCAE on global strategy for the next 2-1/2 years, July 1, 1988-December 31, 1990, and then specific action strategies in each component.
2. Develop a mechanism within INCAE for regular cross-component discussion and coordination among principal actors in the Project. This internal review and coordination process should be led by INCAE's Rector with the Program Coordinator serving as convener and rapporteur; the coordinator should also be responsible for the strategy paper.
3. Regional INCAE offices should have a more direct relationship to the Project, and there should be mechanisms to insure coordination and adherence to project goals and objectives in project promotion and selection of project participants. They would be more involved in selecting country-level directed research activities.

No. 2: Compliance with ROCAP/AID Policies and Regulations

Conclusion: INCAE historically has functioned as a higher education institution that has received donations, endowments, and grants to the institution. Its general operational procedure is to consolidate funds and to provide general education. In embarking on the INCAE Regional Export Management Training Project No. 596-0124 it has maintained this same cooperative agreement philosophy. Yet, it has signed a Cost Reimbursement Contract with ROCAP. That contract has specific performance outputs, targets, and administrative regulations.

Some activities, administrative procedures, and regulations of a Cost Reimbursement Contract are not being adhered to in normal fashion. Some examples:

- AID regulations were not being followed with respect to payments for internships, sub-contracts, contractual agreements, and other regulatory procedures.
- Broad interpretations of contractual obligations are being made unilaterally by INCAE.
- Project targets are not being adhered to and there are no action plans for compliance.
- Costs are being calculated on unit cost basis rather than cost reimbursement basis. (It should be noted that in several cases unit cost is the stated and mutually agreed to mechanism through the budget for calculating reimbursement requests.)

Recommended Actions:

1. Steps should be taken immediately by INCAE and ROCAP to insure that the INCAE project staff are fully aware of applicable AID policies and regulations and that these policies and regulations are followed.
2. ROCAP should provide INCAE specific instructions concerning non-compliance and they should be adhered to by INCAE.
3. All project costs should be approved by a clearly designated individual at INCAE (e.g., the Project Coordinator) who will be aware of and responsible for compliance with all ROCAP contractual regulations.

No. 3: INCAE Sustainability Planning

Conclusions: The Project Paper states clearly that INCAE will provide certain counterpart funding for this project and it is doing it to a certain degree. Additionally, it will provide measures for sustainability of this new export-oriented effort after project funds terminate.

INCAE needs to start planning now for its long term sustainability after project funds terminate. There are several sustainability issues that serve as examples and concerns:

- The high cost of competitiveness seminars that are reportedly beyond the payment capabilities of most seminar participants. Without ROCAP funds it is doubtful that these seminars would be attended at the

present levels. The logical framework for this project states that INCAE will have a comprehensive, self-supporting executive seminar program at the end of the Project.

- PDU seminars definitely cannot be afforded by the universities or university professors.
- The maintenance of the library cannot be sustained without outside funds.
- The Center for Policy Analysis and Applied Economics requires a long term institutional plan as it is subsidized by ROCAP and other international donor funds.

Recommended Actions:

INCAE should prepare for itself, and provide for ROCAP, a long term strategy document which outlines how it intends to continue the Export Management Program after ROCAP funds terminate and more specifically how it intends to continue the University Programs and the Center for Policy Analysis and Applied Economics.

No. 4: Impact Tracking

Conclusion: INCAE is providing good service delivery but its actions stop once the training or educational event is completed. Traditionally INCAE has not provided follow-up nor consulting services to its clients. There is not now any mechanism for tracking impact of its actions to ascertain if it is doing any good.

Recommended Actions:

1. Follow through with the plan to assess impact of the competitiveness seminars as proposed by INCAE staff.
2. Devise a plan to track impact of recent and future MBA and MEE graduates to determine the impact of the revised curriculums on their work.
3. Devise mechanisms for tracking impact of dialogue seminars and other Project activities.

No. 5: Re-Programming and Revised Budgets

Conclusion: The mid-term review placed on the table several possible mid-term corrections, adjustments, and re-programming considerations. In all four components there are some re-programming and revised budget issues that need to be considered.

Recommended Action:

INCAE and ROCAP should hold a mid-term review of the Project and negotiate re-programming and a new line item budget based on changes made.

APPENDICES

- List of Persons Interviewed
- Interview Schedules
- Tables A to F

LIST OF PERSONS INTERVIEWED

INCAE STAFF

ALAJUELA, COSTA RICA CAMPUS

Dr. Melvyn R. Copen	Rector
Lic. Noel Vidaurre A.	Project Coordinator
Dr. John Ickis	Academic Director
Dr. Noel Ramirez	Academic Director
Dr. Roger Quant	Director, Component II
Lic. Iván Saballos	Researcher/Case studies
Licda. Carolina Solórzano	Researcher/Case studies
Dr. Robert Mullins	Competitive Seminars
Dr. Albert Trostel	Competitive Seminars
Dr. Thomas Bloch	Librarian

ROCAP STAFF

GUATEMALA CITY, GUATEMALA

Elena Brineman	General Development Office
Marc Scott	General Development Office

HONDURAS

INCAE REGIONAL OFFICE

Ing. César González	Executive Director
---------------------	--------------------

SEMINAR PARTICIPANTS

Francisco A. Pavón	Inversiones La Paz
Bernabé Sorjo	Resinera Maya
Yolanda Murillo	Comercial Curacao
Ramiro Cabajas	Promasa
Lizbeth Martell	Toscafeh
Thelma Cabrera	Industria Lechera Delta
Patricia Ponjol	Industrias Camena
Oscar Garay	Articulos Nacionales de Aluminio
Ileana Sierra	Industrias Lechera Delta

DIALOGUE PARTICIPANTS

Manuel Acosta Medina	Director La Tribuna
Andrés Víctor Artilles	Confederación Trabajador Hondureño
Dr. Carlos Falck	Presidential Advisor, Presidency
Edilberto Espinel	Director Ejecutivo, Centro Para Desarrollo Empresarial

UNIVERSITY DEANS AND PROFESSORS

Sra. Irma Acosta de Fortin	Rector, José Cecilio del Valle
Dr. Gerardo Murillo	Rector, Centro Universitario Regional del Norte
Sra. Norma Lainz de Ramirez	Univ. Nacional Autónoma
Sr. Marco Tulio Arguijo	Univ. Nacional Autónoma
Dr. Román Valladares	Univ. Nacional Autónoma
Sara Lilliam Kafie	Univ. Nacional Autónoma

AID/HONDURAS

James Grossman Director, Private Sector Office

GUATEMALA

INCAE REGIONAL OFFICE

Lic. Carlos Peralta Executive Director

DIALOGUE PARTICIPANTS

Dr. Carlos Rivas	Multi-Inversiones
Ing. José Zamora	Chamber of Industries
Sr. Juan Luis Bosch	Gerente Multi-Inversiones y Pres. Chamber y Industries

Sr. Rafael Viejo Banex

MBA INTERN STUDENTS

Bernardo Roehrs	Almacenes Paiz
Ing. Alejandro Batres	Promoción Inmobiliario
Ing. Carlos Roberto Alonso	ESSO CA.

COMPETITIVE SEMINAR PARTICIPANTS

Anabela Roldán	Imperial
Venancio López	Imperial
Lic. Alberto Chinchilla	Productos Alimenticios
Floralidma de Csaky	F & J, SA.
Ing. Hugo Ovidio Gurdiel	Alimentos Kerns
Sr. Manuel Kairé	Multirestaurantes
Lic. Fernando Paiz	C. Auto y La Maceta

UNIVERSITY DEANS AND PROFESSORS

Lic. Brenda Echeverria	Rafael Landivar Univ.
Jorge Nadalini	Dir. of Indust. Engineers, Rafael Landivar Univ.
Benedicto Monroy	Rafael Landivar, Univ.
Lic. Edgar Arroyave	Mariano Gálvez Univ.

COMPETITIVE SEMINAR PARTICIPANTS

Rafael a. Rojas	Costa Rican Cocoa Products
Alonso Trejos	Trejos Hnos. Suces.
Alfredo Lizano	INCESA Standard
Jorge Jarquin	ASBANA
Enrique Egloff	El Gallito
Walter Vega Montero	Max x Menos
Juan C. Cruz Solis	Sterling Products
Edwin Calderón Rojas	Calza Cal
Orlando Solano Alvarado	Almacén de Licores El Mañana
Humberto Sequeira	Metalex

DIALOGUE SEMINAR PARTICIPANTS

Jorge Woodbridge	President, Chamber of Industries and Commerce
Mario Carvajal	Congressman
Antonio Burgés	Vice-Minister of Finance
Jorge Guardia	COUNCEL S.A.

INCAE CAMPUS PARTICIPANTS

UNIVERSITY PROFESSOR SCHOLARSHIP PARTICIPANTS

Lic. Sandra Finel	Univ. of Honduras
Evelyn Bendeck	Univ. of Honduras
Jaime Piza	UACA (Costa Rica)

MBA LOW INCOME SCHOLARSHIP PARTICIPANTS

Carlos de Paco	Costa Rica
Gustavo Rodas	Guatemala
Carlos Spiegeler	Guatemala

SUMMER INTERNSHIP PARTICIPANTS

Alejandro Cortés	Costa Rica
Estuardo Castillo	Guatemala

LIST OF INTERVIEW SCHEDULES

DIALOGUE SEMINAR PARTICIPANT INTERVIEW SCHEDULE

Seminario

- 1.- Dónde y cuándo asistió usted a el Diálogo de Políticas con los profesores de INCAE?
- 2.- Cuáles fueron los temas más sobresalientes tratados en el Diálogo?
- 3.- Se utilizaron algunos documentos, estudios de casos, u otros materiales para el Diálogo? Cómo se utilizaron estos documentos? Cuáles fueron las relevancias de estos documentos para el Diálogo? Usted ha tenido la oportunidad de utilizar estos documentos en alguna oportunidad después del Diálogo?
- 4.- Cómo le pareció la metodología de INCAE para llevar a cabo el Diálogo?
- 5.- Cómo le pareció el tema del Diálogo? Fue apropiado y significativo? Había nueva información interesante presentado y discutido en el Diálogo?

Impacto

- 1.- Durante el Diálogo, o inmediatamente después había alguna disposición favorable sobre los temas tratados dentro del Diálogo?
- 2.- En su opinión, ha tenido algún efecto positivo o negativo sobre cualquier política de el tema tratado dentro de su país o en Centro América?
- 3.- Usted tiene alguna evidencia sobre cualquier acción, actividad, seguimiento, o cualquier otro indicador de acción como resultado del Diálogo?

UNIVERSITY PROFESSOR SCHOLARSHIP INTERVIEW SCHEDULE

- 1.- Cuál es su Universidad? Cuánto tiempo fue Profesor?
- 2.- Qué materia enseña? Campo de estudio?
- 3.- Cómo fue seleccionado para estudios de maestría?
- 4.- Qué tipo de beca tiene?
- 5.- Cuál es su compromiso con la Universidad?
- 6.- Cuál es su objetivo de estudiar?
- 7.- Cuáles son sus planes de participar en la Universidad a su regreso?

Economía

Satisfacción cursos de Economía

Utilidad Cursos de Economía

UNIVERSITY DEANS AND PROFESSORS INTERVIEW SCHEDULE

Seminarios/Talleres

1.- Dónde y cuándo asistió a un seminario o taller dentro del Programa Docente de las Universidades auspiciado por INCAE?

2.- Cuáles fueron los temas principales tratados dentro de los seminarios?

3.- En general, cómo fueron tratados los temas en términos de metodología, materiales didácticos y otros recursos?

4.- Cuáles fueron los temas de información nuevos impartidos en estos seminarios y cuáles nuevos cursos basados en la información recibió en ellos?

5.- Cuáles acciones ha tomado usted sobre modificaciones de sus cursos o nuevos cursos basados en la información recibida en los seminarios?

A. Modificaciones

B. Nuevos Cursos

6.- Cuáles acciones han tomado otros profesores de su Universidad en las modificaciones de sus cursos o nuevos cursos basados en la información recibida en los seminarios?

A. Modificaciones

B. Nuevos Cursos

7.- Qué recomendaciones tiene usted para mejorar estos seminarios o talleres para que sean más efectivos para sus necesidades?

Programa de Becas

1.- Cuáles han sido los profesores con quienes ha participado como estudiante de INCAE con becas?

2.- Cómo fueron seleccionados?Cuál es la estrategia de la Universidad para seleccionar los profesores escogidos?

3.- Tiene la Universidad algunos graduados de este programa de Maestría?

4.- En su opinión, cuáles han sido los impactos, efectos de estos estudios de profesores en relación con el programa total de la universidad?

5.- Tiene usted alguna recomendación para mejorar el Programa de Becas para las Universidades con INCAE?

Impacto

1.- En términos generales, cuáles son los impactos o cambios que han ocurrido dentro de la Universidad debido al trabajo de INCAE con las universidades en seminarios, consultorias y programas de becas?

- A. Diseño de curriculum
- B. Metodología de enseñanza
- C. Nuevos Cursos
- D. Otros cambios

COMPETITIVE SEMINAR PARTICIPANT INTERVIEW SCHEDULE

Seminario/Taller

- 1.- Dónde y cuándo asistió al seminario de Exportación auspiciado por INCAE?
- 2.- Cuáles fueron los temas tratados en el curso del INCAE?
- 3.- En su opinión, cómo son los estudios de casos en INCAE como representación de los problemas o asuntos principales que confrontan los empresarios en su país? Son relevantes? Son aplicables? Cómo son aplicables o no aplicables?
- 4.- Qué es lo que más le gustó del curso de INCAE? Porqué?
- 5.- Cuáles fueron los temas más relevantes para su trabajo?
- 6.- Cuáles fueron los temas menos importantes para usted? Porqué?
- 7.- Qué recomendaciones haría usted a INCAE para mejorar el seminario en el futuro?
 - A. logística/Administrativa
 - B. Técnica

Impacto

- 1.- Hasta que punto está usted implementando algunos principios, conocimientos, o destrezas del curso dentro de su empresa? Puede darnos ejemplos de alguna actividad?
- 2.- Hasta que punto tienen estos cursos validez o importancia para ayudar a los empresarios centroamericanos a estimular el crecimiento de las exportaciones?

Journal/Noticiero

- 1.- Recibe el journal o noticiero de INCAE? Con qué frecuencia?
- 2.- Cuáles son las partes más interesantes e importantes?
- 3.- Cuáles son las partes menos interesantes e importantes?
- 4.- Cómo utiliza usted los materiales del journal o noticiero en su trabajo?
- 5.- Qué recomendaciones tiene usted para mejorar el journal o noticiero?

STUDENT INTERNSHIP PARTICIPANT INTERVIEW SCHEDULE

1.- Cuándo asistió a el Programa de Estudios/Trabajo?

2.- Dónde? Duración?

Empresa:

Tipo de Empresa:

Tamaño:

Actividad:

3.- Cuáles fueron sus actividades en la empresa?

4.- Cuáles fueron las experiencias positivas?

5.- Cuáles fueron las experiencias negativas?

6.- Qué utilidad tuvo la experiencia para su programa de Maestría y su futuro?

Economía Si _____ NO _____

Satisfacción Cursos de Economía

Utilidad Cursos de Economía

TABLE A: COMPETITIVENESS SEMINARS: OVERVIEW OF PARTICIPANT CHARACTERISTICS

	TOTAL NO. OF PARTIC.	TYPE OF ORGANIZATION BUSINESS	ORGANIZATION SERV. ORGAN.	PUBLIC SECTOR	BUSINESS EXPORTS	DIRECTOR OF DEPT. OR ABOVE	FEMALE
C.R.	649	91%	3%	6%	66%	87%	2%
Salv.	342	82%	18%	-	43%	96%	21%
Guat.	440	89%	--	11%	33%	50%	25%
Hond.	319	63%	15%	22%	52%	54%	33%
=====							
TOTAL	1750	84%	7%	9%	51%	73%	17%

Source: Development Associates elaboration

Note: Table number of participants based on regional INCAE participant lists. Percentages based on stratified random sample of different 45 competitive seminars and rated by regional INCAE offices.

TABLE B: INFORME DE SEMINARIOS DE COMPETITIVIDAD REALIZADOS
ENERO 2. MARZO 29, 1988

AREA/PAIS	GUATEMALA	HONDURAS	EL SALVADOR	COSTA RICA	PANAMA	TOTALES
PRODUCCION	3-pts.122	1-pts.45	2-pts.122	3-pts.116	1-pts.37	9-pts.442
CONTROL	1-pts.40	2-pts.68	3-pts.88	2-pts.90	2-pts.62	10-pts.348
MERCADEO	2-pts.96	2-pts.101	1-pts.32	3-pts.166	1-pts.45	9-pts.440
FINANZAS	3-pts.127	1-pts.42	1-pts.23	2-pts.97	1-pts.51	8-pts.340
ESTRATEGIA				2-pts.101	1-pts.31	3-pts.132
RR. HH.	1-pts.55	1-pts.31	1-pts.77	1-pts.79	1-pts.32	5-pts.274
ADMINISTRACION		1-pts.32			1-pts.42	2-pts.74
TOTALES DE PERIODO	10-pts.440	8-pts.319	8-pts.342	12-pts.649	8-pts.300	46-pts.2050

TABLE C: OVERVIEW & COMPONENT 2
(RESEARCH STATUS REPORTS)

SUB-COMPONENT	LOP GOAL	PERIOD					TOTAL
		1	2	3	4	5	
		OCT.'85 MAR.'86	APR.'86 SEPT.'86	OCT.'86 MAR.'87	APR.'87 SEPT.'87	DIC.'87 MAR.'88	
Diagnostic and Tech. Assistance Seminars	25	5 (1)	0	5	6	3	19
Central America Scholarships PDUs	250	0	49 (2)	0	51	0	100
MBA Level Training							
a) No. Receiving Scholarships	40 (3)	4.3	19 (4)	17 (4)	17	25	25
b) \$ Expended (5)	\$555,074	\$36,675	\$13,000	\$97,125	\$32,375	N/A	\$185,616
Funds Expended for Consulting Assistance	\$273,846	0	0 (6)	89,887 (7)	106,685 (8)	N/A	\$210,564

NOTES

- 1.- Initial 5 diagnostic seminars; internal INCAE reports indicated there was to be a 6th. seminar in Costa Rica on Dec.'86, but this did not occur.
- 2.- In addition to the 49 from Central America there were 2 from Paraguay (not supported by ROCAP).
- 3.- These are full scholarships. ROCAP has approved partial scholarships, so the LOP total persons assisted may exceed 40.
- 4.- This is the number receiving scholarships. Thus, between period 1 and 2, 15 persons were added; and between period 2 and 3, 2 persons apparently left; 8 new persons began in fall 1987.
- 5.- The expenditure data in the status reports to ROCAP make little sense. That is: (a) the pattern of expenditures seems to have no relationship to scholarships holders; (b) sum of expenditures in periods 1-4 = \$179,175; while the cumulative totals shown for period 2 is \$13,000 and for period 4 is \$97,125.
- 6.- The Status Report to AID shows \$89,887, but excludes it from the following reports.
- 7.- This was for 4 curriculum design workshops (in Costa Rica and El Salvador).
- 8.- This was for 6 curriculum design workshops (in Guatemala, El Salvador, Honduras and Panama).

TABLE D: BUDGET & EXPENDITURE SUMMARY

	(1) LOP BUDGET *	(2) CUMULATIVE DISBURSEMENT 2/29/88	(3) 90 DAY PROJECTION EXPENDITURE	(4) DISBURSEMENT OR COMMITTED (2+3)	(5) % DISBURSEMENT OR COMMITTED (1)/(4) **	BALANCE
COMPONENT 1						
I. A. Cases	1,044,716	442,790	48,584	491,374	47%	553,342
I. B. Seminars	798,888	316,829	80,000	396,829	50%	402,059
I. C. Summer Intern	183,660	45,591	---	45,941	25%	138,009
	2,027,204			933,794	46%	1,093,410
COMPONENT 2						
II. A. PDU	832,138	486,000	0	486,000	59%	345,138
II. B. Consulting Assist.	288,161	210,564	37,607	248,171	86%	39,990
II. C. Scholarships at INCAE	555,074	185,616	44,785	230,401	42%	324,673
	1,675,373			964,572	58%	709,801
COMPONENT 3						
III A. Staff Support	531,231	200,998	26,493	227,491	43%	303,740
III B. Policy Dialogues	134,071	71,594	11,000	82,594	62%	51,477
III C. Journal/Newsletter	254,510	25,821	2,700	28,521	11%	225,989
III D. Sponsored Research	226,024	39,781	2,600	42,381	19%	183,643
	1,145,836			380,987		764,849
COMPONENT 4						
IV. A. Library	178,684	89,991	6,600	96,591	54%	82,093
IV. B. Construction	122,929	122,929	---	122,929	100%	---
IV. C. Low Income Stus.	555,074	333,841	31,296	365,137	66%	189,937
IV. D. Faculty Training	260,769	36,000	5,000	41,000	16%	219,769
IV. E. Rocap Liaison	91,180	57,019	7,914	64,933	71%	26,247
IV. F. Strengthening Econ. Prog.	532,951	113,008	13,275	126,283	24%	406,668
	1,741,587			816,873	47%	924,714
TOTAL	6,590,000	2,778,372	317,854	3,096,226	47%	3,493,774

* These figures include a prorata share of funds included in the basic budget set aside for overhead, contingencies and inflation; they correspond to those in the quarterly reports from INCAE to ROCAP.

** Estimated expenditures through May 31, 1988 (approximately mid-point of the project).

TABLE E: LIST OF PARTICIPANTS INTERVIEWED

CATEGORY	COSTA RICA	EL SALVADOR	GUATEMALA	HONDURAS	TOTAL
Enterprise Participants	10	7	7	9	33
MBA Internships	1	-	4	-	5
University Professors	2	2	4	5	13
University Deans	3	4	3	3	13
Policy Dialogue People	4	5	4	4	17
Low-Income Students	1	-	2	-	3
MBA Students	1	-	-	2	3
TOTALS	22	18	24	23	87

Source: Development Associates

TABLE F: NEW MBA ECONOMICS COURSES

COURSE NAME	YEAR PROVIDED
Economics Seminar	3rd Semester, Year Two
Macro-Economics	1st semester, Year Two
Economic Fundamentals	1st Semester, Year One
International Economics	1st Semester, Year Two
Micro-Economic Analysis	1st Semester, Year One
Macroeconomics	1st Semester, Year One
Macroeconomics	3rd Semester, Year Two
Environmental Analysis	2nd Semester, Year One
Political Systems and Comparative Economics	3rd Semester, Year One

Source: INCAE, Center for Policy Analysis, 1988