

MEMORANDUM

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TO : The Files

THROUGH : General Development Officer Patrick McDuffie

FROM : Project Management Specialist - Carolyn Leacock

DATE : February 10, 1994

SUBJECT : Project Assistance Completion Report
Training for Employment and Productivity (TEP)
Project No. 505-0020

I. BACKGROUND

In 1984 the Government of Belize (GOB) embarked upon a development program that emphasized growth in the export and tourism sectors of the economy. Despite significant progress by the GOB, the development program continued to be constrained by critical shortages of skilled workers and managers in the public and private sectors. Training resources and facilities could not adequately support the economic development program. To foster continued progress toward the goal of export promotion and tourism development, the Training for Employment and Productivity (TEP) Project was initiated in September 1985 with an authorized funding level of US\$5,000,000 and a Project Assistance Completion Date (PACD) of September 30, 1990. The Project authorization was subsequently amended on August 16, 1989, to increase life-of-project funding to US\$8,700,000 and extend the PACD to September 30, 1993.

The Project's goal was to increase employment and productivity, leading to greater foreign exchange earnings from new and expanded enterprises and tourism. The amended Project purpose was to provide the management, public administration, and skills training necessary to promote private enterprise development, with special attention to small- and medium-sized businesses (SME), and to promote growth of tourism-oriented enterprises in Belize.

TEP consisted of two major components: (1) Private Sector Management and Technical Training for Export and Tourism Development; and (2) GOB Training for Vocational Education and Training for Export and Tourism Development.

The private sector component supported the strengthening of a private training organization, the Belize Institute of Management (BIM), through expanded management training activities, including training of supervisors from private sector firms, and of administrators and managers from public sector organizations. The Project also assisted in the development of BIM's capacity to provide technical assistance/advisory services to private firms and in the development of a program for small- and medium-sized enterprises for training, technical assistance and advisory services. Through a component for tourism training (1989-91), the increasingly important role that tourism plays in increasing employment, productivity, and overall economic development in Belize was addressed. Through this component, organizational development assistance was provided to the Belize Tourism Industry Association (BTIA), as well as assistance in upgrading BTIA's capacity to design and deliver tourism-related skills training to private sector clients, and to public sector clients as appropriate.

The public sector component was itself divided into two components. The first public sector component [Ministry of Education (MOE)] supported improvement of the GOB's capabilities in vocational and technical skills training, and enhancement of the status of skilled workers and vocational educators. This design was subsequently amended in 1992, and support was redirected to focus only on improving the Ministry's capability for delivering short-term skills training through the Center for Employment Training. The second public sector component (Public Administration) supported improvement of the capacity of 12 targeted Government Ministries to provide effective and efficient management and administration of the country's export and tourism development strategies. The Ministry of Economic Development (MED) and the Establishment Department were responsible for coordinating management and public administration training of public sector officials.

The Project was implemented through a Project Agreement with the GOB (1985-1993), a Cooperative Agreement with the Belize Chamber of Commerce and Industry (BCCI) for BIM (1985-89), and a Cooperative Agreement with BIM (1989-93), including a subgrant to BTIA for its organizational development (1989-91). Local currency equivalent to an additional \$500,000, generated from ESF cash transfers, was made available as counterpart funding to finance local currency costs of in-country training activities. \$200,000 of this ESF allotment was intended for a revolving loan fund for management training at BIM by the private sector.

Project assistance was provided in the form of technical assistance or advisory services, short-term training (in Belize, the Caribbean and the U.S.), long-term participant training in the U.S., supply of training materials and equipment, and organizational staffing and operational support.

II. PROJECT STATUS

A. **Planned Project Outputs**

The amended Project outputs are:

1. BIM is developed and staffed, offering diverse management and small business, public sector and skills training courses.
2. BIM's strategic planning is continuous and organization is developing additional profit centers to ensure sustainability.
- 3.. Managers, small- and medium-sized business owners, and supervisors are trained in appropriate skills in existing and new enterprises.
4. BTIA is developed and staffed, serving as the tourism private sector leadership organization and responding to training needs of its members.
5. A five year strategic plan is prepared by BTIA to define the direction and pace of the organization's development.
6. A training program responding to identified training needs of tourism enterprises in Belize is planned and implementation initiated.
7. MOE vocational and technical short-term skills training capability is improved and responding to the needs of private sector businesses and industry.
8. Improved capacity exists within the GOB for providing timely government services to execute the country's enterprise and tourism promotion strategy.

B. **Actual Project Outputs**

1. BIM's Organizational Development and Training Services

Objectives established for the organization were largely achieved in a physical and temporal sense, but while systems were created, functioned, and were further developed in the first five years, gains achieved appear to have been lost in the climate of management problems which beset BIM beginning in 1991.

Since late 1989, BIM has had the full complement of staff (executive director and administrative support staff) described in the Project Paper, although the numbers and precise positions/assignments have changed as new situations were being confronted. Key management and administrative support staff positions have generally remained filled, although there have

been several changes in top management. BIM's technical staff positions have remained troublesome, with BIM being unable to recruit or retain appropriate personnel for these technical responsibilities. The general problem appears to have been the unavailability of Belizean managers with the appropriate mix of skills and experience. The turnover in key staff, coupled with the apparent unavailability of technical managers, made implementation of its strategic plan difficult for BIM. A cadre of part-time instructors was established, expanded and developed, with participant training in the U.S. and opportunities for understudying of consultants who provided training services to BIM. The full cadre of instructors exceeds 40 in a limited number of technical fields, although only a small percentage of these local instructors are actually available at any one time to deliver training seminars, constraining BIM's responsiveness to training needs.

BIM's advisory board was reconstituted along the lines of an informal body functioning in response to BIM's articulated needs for guidance. BIM's executive board has continued to determine the organization's direction through periodic strategic planning retreats and to oversee the business of the Institute through regular board meetings. The role of the executive board has been a troublesome matter, especially through the last two years of internal personnel and other management difficulties. Where BIM had been very successful in the 1985 to 1991 period under the capable leadership of an executive director, the Board had been largely passive, reacting appropriately in times of identified crises. While this laissez faire approach was not a direct hindrance to development, it soon became one with the first change in leadership at the executive director level in late 1991. BIM's Board remained passive, reacting slowly to the accumulating indications of executive management problems.

On an average, BIM has delivered about 42 seminars annually. Most of these seminars have been in general management topics with a few technical subjects being offered (computer applications, defensive driving). In recent years, BIM has been able to maintain the course numbers, but attendance has decreased to less than breakeven costs. This perhaps reflects a level of non-responsiveness to the training needs of the private and public sectors or a plateauing in the demand for general management training, and the need to open new niches for management development. BIM's Board has addressed this through a strategic plan which bases seminar delivery on needs assessments, requires penetration of the business consulting services market through an in-company, structured program of management development services beginning with needs assessments and ending with the delivery of services (training and consulting) to address the problems identified.

The small and medium enterprise (SME) program has never been fully developed or implemented by BIM, or exploited by small entrepreneurs. BIM developed an SME plan subsequent to an assessment of the SME "gap" target. The plan entailed the delivery of one-on-one business advice, technical assistance for business plan development, library services, seminars geared particularly to SME owners and managers, and monthly SME clinics. Despite media messages, few SME owners/managers sought assistance.

2. Strategic Planning, Training Center and Profit Centers

BIM has been successful in realizing strategic planning goals and constructing a training center, but not very successful in developing significant profit centers. BIM's Board has defined the direction for BIM's growth through periodic strategic planning retreats (SPR). While the 1991 strategic plan has been held in high regard by BIM's Board, implementation by an executive staff experiencing repeated turnover, and the consequent loss of institutional memory/direction, has never been effected. Another SPR was conducted just prior to PACD and the strategic plan developed reiterates the strategy defined in 1991.

BIM completed construction of its management and business development center by PACD. The building houses three training rooms with appropriate instructional aids, a business development/incubation center, administrative offices, a computer laboratory, and a small library. Equipping the center was delayed by weaknesses in BIM's organizational capacity, as well as by suppliers who did not maintain agreed schedules. Procurement was completed within a month of PACD and all equipment furnished for the center is in use.

The development of profit centers has been addressed in the strategic planning process. The new training and management development center in Belize City is the major profit center, as it is the primary site of management and related services. In the past, insignificant profit centers have included the rental of training equipment and provision of copying services.

Over the life of the project, BIM has been able to generate US\$219,214 as fixed deposits in its reserve account. These funds have been generated primarily from excess training income, although technical assistance and consulting services also provided a modest flow of income. This sum is the buffer which BIM will need to use conservingly in financially lean post-project periods.

3. Training of Managers

BIM exceeded its target for training both private sector and SME managers by a margin of 411%. It trained far more public

officers than planned, exceeding the target by 444%. Female participation in private sector management training was slightly less than planned at 45% where the target in the public sector was achieved with 52% female participation.

4. Organizational Development of BTIA

Organizational development of BTIA was initiated and meaningful gains achieved, although not without difficulties and extensions of time, before the component was transferred to another project. Whether the gains have been sustained, will have to be determined under that project. BTIA received organizational support for two years instead of the planned year. It established an office, recruited an executive director and administrative personnel, and acquired appropriate office and tourism training equipment. Financial, record-keeping and administrative systems were developed and implemented. Members of its executive board received participant and in-country training in areas related to leadership, tourism policy development, general management, and organizational and strategic planning, among other fields. Annual general meetings continued to be held according to BTIA's Memorandum and Articles of Association.

A long-term tourism advisor from the Caribbean was recruited by BTIA. While she served for less than the desired time, the advisor assisted BTIA with developing its five year plan, preparing tourism marketing strategies for promoting Belize as the gateway to the Caribbean and Latin America, and initiating certain tourism research activities in Belize.

5. BTIA Strategic Plan

This objective was clearly achieved. By the end of the subgrant period with BIM, BTIA had developed its five-year strategic plan with the support of BIM, its new Board and executive staff, and the assistance of its long-term tourism advisor. This plan encompassed all key result areas for private sector tourism industry growth and development, including, but not limited to, in-country training needs, organizational strengthening of BTIA as the collective voice of tourist businesses, marketing and promotion of Belize as a tourist destination, the development of standards for use by tourist industry owners and operators, and the creation of new niches in which to market Belize to the international traveller.

6. Training for Tourism Enterprises

BTIA delivered the short-term tourism training seminars described by the Project at the nine major geographic travel destinations in Belize. Seminars covered areas such as hotel management, pricing of tourist services, tour guiding, hospitality management, front-desk services, catering and food preparation,

and bartending. A total of 18 seminars were delivered, using local trainers and short-term consultants.

7. MOE Vocational Capabilities Strengthened

MOE capabilities for short-term skills training were successfully developed and strengthened. The pre-CET years may have been viewed as largely problematic with few successes. The intended impact of vocational training support was diluted by systemic problems. However, some measures of the limited successes that can be attributed to the USAID investment in vocational education were the creation and staffing of the Vocational and Technical Training Unit (VTTU) in the MOE in 1986, the subsequent development of a national vocational education plan, although belatedly, obtaining commitment at the political level for skills training outside of the rigid academic orientation of the formal system, and the upgrading of technical instructors through short- and long-term training.

During the period of TEF Project support directed at short-term skills training, significant successes were achieved. The CET became operational, delivering short-term skills training to early school leavers and individuals of private sector businesses and industry and long-term skills training to students of the former junior secondary schools. With one year of operational experience, the CET intends to pursue the delivery of on-demand technical skills training to private enterprises.

Two new programs were established (construction trades and automechanics) with appropriate curriculum, equipment and staffing. Equipment was Project-funded, while curriculum development was essentially achieved by a team of developers employed by the VTTU and supplemented by consultations with industry and business representatives. Vocational instructors for the CET were largely drawn from the private sector, having generally extensive industry experience in their fields. All instructors received upgrading both in the U.S. and in-country in competency-based instruction, technical fields (masonry, carpentry, plumbing, welding, automechanics, and electricity), and orientation to the CET philosophy of skills training. Instructor competencies to deliver improved technical skills training in construction trades and automotive mechanics were thus increased. To support the management and administration of the CET, training was provided in the management of vocational institutions, the use of a management information system, counseling and job placement, and remediation of basic learning skills. CET staff were employed under contract to the CET as opposed to permanent appointments by the MOE and at higher than usual salaries for vocational instructors.

A coordinating/advisory committee comprised of business leaders, industry representatives, the MOE and the general community was established to manage the affairs of the CET. It now meets regularly, taking an active role in directing the growth of the CET. This committee structure has proven successful for the CET, providing relative autonomy and decentralization from the MOE, increasing input from the labor market, and allowing for better job placement services and resource identification.

8. Improved GOB Capacity to Execute Enterprise and Tourism Strategy

The GOB's capacity to implement its enterprise and tourism development strategy was improved through public administration training in management. One long-term participant received a bachelor degree in political science, a field selected because of its relation to public management which is offered only at the graduate level. Based on training needs assessments, short-term training was provided. The target for training of public service officers in public administration and related courses was exceeded. Instead of 400 officers receiving training, 1,776 public officers were trained (48% male, 52% female). An impact assessment of training received was carried out, and trainees indicated high level of satisfaction with training received. Changes in job performance were reported by some supervisors, although many trainees reported difficulty in utilizing training received because of a restrictive and unenlightened management environment.

III. STATUS OF COMPLETION OF PROJECT ELEMENTS

A. Technical Assistance (Long-term: \$2,635,033; Short-term: \$691,869)

The major contractor under this Project was General Electric (GE) Service Corporation for the period September 1986 to December 1990. The subcontractor was the American Management Association (AMA). GE and AMA provided long-term advisors and short-term consultants in management, vocational education and public administration. The GE contract also provided for equipment procurement for the MOE, and short-term training in all components. Subsequent to the completion of the GE contract (cost plus fixed fee, US\$3,440,388), short-term technical assistance was procured directly by BIM under its Cooperative Agreement and by USAID on behalf of the MOE. No further technical assistance was provided to the Establishment Department (public administration component) after completion of the GE contract. With the design of a new project, Development Training Scholarship (DTS) Project No. 505-0041 in 1991, assistance to the public sector for management and technical skills training was transferred from the TEP Project to DTS.

Performance by the long-term GE advisors was initially unsatisfactory in both the management and vocational training components of the Project. Neither of these advisors were the ones that GE had originally proposed. After several changes and interim advisors from the GE home office, a satisfactory management advisor was selected who functioned less as an advisor and more as an additional human resource (management trainer) for BIM which was short-staffed and growing.

In the skills training component, a satisfactory long-term skills advisor was never located. The VTTU suffered through several changes and finally accepted a series of shorter-term "advisors" working on select activities over approximate periods of three months each. Toward contract completion, GE's chief-of-party provided services as the resident advisor which were satisfactory to the MOE.

The GE long-term advisor provided for the public administration component was considered to have delivered very satisfactory technical services to the Ministry of Economic Development and the Establishment Department. The advisor worked well with counterparts and was able to execute many of the tasks planned in this field. Training needs assessments were done in each of the 12 target agencies and the needs identified were addressed through a combination of participant and in-country training and short consultancies.

Short-term technical assistance provided by GE was generally considered as good. In the management component, all planned tasks were completed. The combined services of GE and AMA were used by BIM to provide more than 90 technical assistance events, particularly the conduct of local training seminars. Seminars presented by AMA trainers were rated consistently very good (19, on a scale of 1 to 20). Training materials developed and left behind were also of good quality. However, these materials have rapidly become dated and still require adaptation to the local environment, a follow-up action within BIM's purview.

As with BIM, short-term technical assistance provided by GE was consistently good for the public administration component. Despite the fact that management audits planned per the project's design were derailed by senior managers and policy-level personnel, technical assistance based on management training needs assessments was responsive and timely. For vocational education, short-term consultancies were effective, for the most part. Curriculum development was satisfactory. The development of program standards was, however, hampered by the absence of occupational standards in Belize, although commonly used standards of the United States were adopted with knowing disregard for the development context of Belize. Technical assistance for in-country training was executed efficiently and was rated highly by the beneficiaries.

The General Electric contract was referred to the Regional Contracting Officer/Guatemala for closeout and contract closeout is pending completion of an IG audit.

B. Training (\$1,273,283)

Both long- and short-term training, in-country and participant, was supported under the Project in all components. A total of 172 persons (an unduplicated count) received short- and long-term training abroad, while 475 vocational and technical instructors and 1,776 public officers received in-country training in fields ranging from supervisory management and project management in the public sector, to inventory control and curriculum development for vocational education. Training activities are discussed in greater detail for each component in the following paragraphs.

1. Training in Management for BIM (\$168,072)

Thirty-five of BIM's cadre of part-time trainers received short-term participant training in the United States (primarily at the AMA) and the Caribbean. Fields of training included personnel management, financial management, activity-based cost budgeting, project management and evaluation, on-the-job training, and technical writing. Most courses were of 3 to 5 days duration, and in fact, these short programs were generally considered by trainees as being too short to offer more substantial development other than a refresher for trainers. However, it represented a balanced response to the limited availability of the trainers and the need to expose trainers to more recent developments in their technical areas.

2. Vocational and Technical Training for the MOE (\$822,627)

Eighty-seven leaders and policy-makers in vocational education from the MOE, managers and instructors from the GOB secondary and post-secondary schools and the CET received short-term training in the United States and the Caribbean. In addition, nine vocational education instructors from the GOB secondary schools received long-term (two years) degree training in the U.S. Of these, one received an Associate degree in residential electricity, two did not complete their bachelor degree programs (none of these two cases was attributable to poor academic performance), and six received bachelor degrees in vocational education with emphases on fields such as metalwork, electronics and construction technology. All returnees are currently employed as instructors in their technical areas either at the CET or one of the GOB secondary schools.

3. Public Administration Training (\$259,970)

Forty public officers benefitted directly from short-term participant training in the U.S. and the Caribbean. These

officers included personnel from the Customs Department, Immigration Department, Ministry of Economic Development, the Bureau of Standards, the Ministries of Agriculture and Fisheries, and Commerce, Trade and Industry. All trainees were from targeted agencies whose functions impacted on the economic development strategy of the GOB. Only one or two of these officers have since left the public service and are not employed in the country.

4. Tourism Training for BTIA (\$22,614)

During its relatively short life under TEP, the tourism component supported ten participants for conferences and seminars in tourism. All trainees (hoteliers, managers, and instructors) remain employed in fields affecting the tourist industry.

C. Equipment & Supplies (\$1,109,130)

1. BIM (\$375,235)

Under the two Cooperative Agreements which provided support to BIM, training equipment and supplies were procured directly by BIM. The inventory of equipment included overhead projectors, flip charts, computers and assorted applications software for training and office use, vehicles for office staff and equipment transportation, office and training furniture, videos and books for training, and photocopiers. BIM's equipment has been maintained properly according to approved property management standards. With the completion of the training center in September 1993, BIM acquired about US\$345,000 worth of additional training and office equipment.

2. MOE (\$653,039)

During the period 1985 to 1990, the vocational education component was provided with skills training equipment, replacement parts and supplies in nine different programs (refrigeration and air-conditioning, masonry, plumbing, carpentry, automechanics, catering and hospitality management, electricity, business and distributive education, and radio and TV repair) in eleven GOB secondary schools. The value of this procurement, carried out by GE, was US\$336,014. Inadequate inventory systems and control, inconsistent quality in and leadership by the GE contract advisors, coupled with hidden agendas in the management of the VTTU and weak management at the recipient schools, led to inappropriate equipment being purchased (improper voltages, sophisticated maintenance needs, excessive quantities of some items and parts, etc.), diversion of equipment to schools not intended to receive such, losses of pieces of equipment and tools, and general uncertainty of the status and location of items procured under the Project. Even though the institution of a computerized inventory system was effected in

1991, the impact of the Project's support in this area had already been constrained and minimized, Project resources being spread thinly over a broad base of schools and programs.

Inputs for equipment and supplies (US\$317,025) from 1992 to 1993 were focused on only one institution, the CET, and in only two program areas - construction and its related areas (plumbing, electricity, welding, carpentry, masonry), and automechanics. These inputs have had maximum impact on the skills training activities of the CET. They are used effectively, with all items procured being functional and appropriate.

3. Public Administration

The only equipment procurement for the public administration component was two computers and a printer for the implementation of a training information systems to track public officers who received training. The value of this procurement was about US\$5,000 and was actually charged under the MOE component of the ProAG.

4. Tourism Training (\$80,856)

BTIA was the recipient of US\$80,856 for the procurement of office and training equipment under its subgrant with BIM. BTIA's inventory system is in place and adequate control of its equipment is maintained. Most of the funds were actually used to finance office and tourism training and conferencing equipment - furniture, computers, audio-visual systems for training and conferencing.

D. Other Direct Costs (\$42,858)

BIM (US\$27,548) and BTIA (\$15,310) received Project funds in support of other direct costs. These costs included organizational representation, related project development, and materials development. Most of the funds were expended on organizational representation and development of training materials.

E. Evaluation & Audit (\$80,918)

This category of expenditures included the cost of conducting the mid-term evaluation of the TEP Project in 1988/89 by the Academy for Educational Development (\$57,253), and the cost of annual independent financial and compliance audits for BIM and BTIA. The audits have revealed no significant problems at either organization, although weaknesses have been identified and have been or are being addressed by the management of the two organizations. The final closeout audit of BIM's funds is in progress.

The mid-term evaluation provided the direction for the redesign of the TEP Project and its subsequent extension to 1993. Significant accomplishments were reported for BIM in management training, and satisfactory progress was also documented in the public administration component. The failure of the contractor to execute management audits of the 12 target agencies and the replacement of these audits by more innocuous training needs assessments was considered to be a significant departure from the original design and may have diluted the impact of technical assistance. The performance of the vocational education component was criticized for weaknesses in the following areas: program linkages with industry starting with manpower needs and curriculum relevance, and ending with program evaluation and employment of technical graduates, the improvement of the public image of skilled workers and educators, the absence of a national policy on vocational education, and the need for teacher certification systems through teacher training and practical industry/business internship.

F. General & Administrative Costs (\$307,758)

BIM received \$276,821 for support of its general and administrative (G&A) expenses between 1989 and 1993. This budget category covered allowable expenses for operating needs - rent, utilities, telecommunication, local travel and transportation costs, administrative staff salaries and benefits, and repairs and maintenance of facilities. This support for G&A expenses was provided on a declining basis, from 100% in 1989 to 50% in 1993.

BTIA was also provided with Project support for G&A expenses during the subgrant period. A fixed amount of US\$30,937 was expended for BIM's incurred G&A (overhead) in managing the tourism training component from 1989 to 1991.

G. Contingencies (\$0)

Contingency/inflation funds were provided to the CET and the two private sector components. These funds were not expended for contingencies by any component, and toward the end of the Project, it was agreed to use \$28,292 to support the cost of the skills training equipment needed by the CET.

H. Project Management (\$124,656)

Project management services were provided by a personal services contractor over the 1987 to 1993 period. While this budget category was not established until 1990, services were provided as long-term technical assistance administered by USAID. Since 1990, \$124,656 was expended in this area.

I. Training Center (\$520,103)

BIM received this sum for the construction of its training and business development center on land granted by the GOB through the University College of Belize. Construction of BIM's business and management development center which commenced in November 1992 was completed in September 1993.

The center is seen as a major part of BIM's sustainability. The land grant represented not only the GOB's support for the management development activities of BIM, but was a direct exchange for the use of the original BIM revolving loan fund (provided under the ESF program for use by small businesses for training at BIM) for public sector management training. This fund had never been formally established, despite the availability of the money. Differences between the credit lending institution (National Development Foundation of Belize) and BIM on the use of the funds were never resolved and neither were there ever any requests for credit support for local training from the private sector.

J. Start-up (\$380,574)

Start-up funding was provided to BIM (\$249,729) during the period 1985 to 1989 under the agreement with BCCI. BTIA also received start-up support (\$130,845) to cover its operating costs from 1989 to 1991. These expenses included salaries, benefits, rent, utilities, repairs and maintenance, office supplies, and the like.

SUMMARY OF TEP PROJECT EXPENDITURES
1985 TO 1993

ACTIVITY	PUBLIC ADMIN.	VOC. ED.	CET/BELIZE	BCCI/BIM	BIM	BTIA	TOTAL
Long-term Tech. Asst.							
GE	399033	633803					
USAID-administered	96581	64010		821102	79370		
PVO-administered				288328	13940		
Sub-total	495614	697813	0	1109430	142274	96792	2635033
Sub-total				235584		96792	
Short-term Tech. Asst.							
GE	97660	102047					
USAID-administered	30876	75520	39998	274310			
PVO-administered							
Sub-total	128536	177567	39998	274310	63125	8333	691868
Sub-total				63125		8333	
Short-term Trning.							
GE	187947	405291					
USAID-administered	22305		128086	104021	51926		
PVO-administered					12125		
Sub-total	210252	405291	128086	104021	64051	22614	934295
Sub-total						22614	
Long-term Trning.	48718	289270					338968
Commodities							
GE		336014					
USAID-administered			317025				
PVO-administered				74360	300875	80856	
Subtotal	0	336014	317025	74360	300875	80856	1109130
Subtotal						80856	
Start-up				249729		130845	380574
Other Direct Costs					27548	15310	42858
Gen. & Admin.					276921	30937	307758
Training Center					520103		520103
Evaluation/Audits							
USAID-administered				55453			
PVO-administered				2675	18477	4313	
Sub-total	0	0	0	58128	18477	4313	80918
Contingencies							0
Project Mgmt.		124856					124856
TOTAL	884120	2030411	485089	1869978	1506584	390000	7166182*

* This includes accrued expenditures and is subject to change by the completion of closeout.

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IV. FINANCIAL SUMMARY

Amount Authorized : DA/ESF Grant: original \$5,000,000
 : amended \$8,700,000
 Amount Obligated : \$7,200,036
 Amount Committed : \$7,188,611
 Expenditures : \$7,186,532

Counterpart Contributions: Planned (LOP): \$3,258,303
 Actual : \$3,472,871

% of Total Auth. Obligated: 83
 % of Total Oblig. Expended: 99
 % of Total Auth. Expended: 82

V. PROJECT ACCOMPLISHMENTS

A. Numerical Targets

	<u>PLANNED</u> <u>LOP</u>	<u>ACCOMPLISHED</u> <u>Cum.</u>	<u>% of LOP</u>
1. Management seminars offered by BIM	240	333	139
2. BIM develops profit centers	2	3	150
3. Managers, SME owners & supervisors trained at BIM (M)	510	2304	452
(F)	510	1897	372
4. Votec programs upgraded	2	2	100 ¹
5. National vocational plan developed	1	1	100
6. Public image of skilled workers improved	Unquantifiable		
7. Public officers trained at BIM (M)	200	858	429
(F)	200	918	459
8. BTIA staffed and office established	1	1	100
9. BTIA 5-year plan developed	1	1	100
10. BTIA provides tourism seminars	18	18	100
11. Training (Persons)	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>	<u>M</u> <u>F</u>
Long-term	4 4	6 2	150 50
Short-term	92 95	127 64	138 67

1 Nine programs were initially planned for support. After difficulties in implementation, revision of the Project strategy resulted in the targeting of only two technical programs in one institution.

B. Institutional Strengthening

Overall, Project achievements from this perspective are mixed.

1. BIM

Under the management training component, for example, all major outputs were exceeded, and the demand for training continued to be relatively strong. However, during the past two years, BIM did not conscientiously practice what it promoted--good management. As a result, BIM's sustainability remained a serious issue at PACD. BIM has taken appropriate measures such as developing action plans, restructuring, and planning to offer new programs to respond to changing demand, but their serious and sustained implementation has yet to occur.

In the key result areas of management development services and financial sustainability, BIM remained vulnerable to changes in management and insufficient local technical capability. In other areas, including delivery of public training seminars and technical assistance services, progress has been impeded by reduced capacities. In an effort to improve BIM's technical capacity, 35 part-time faculty and full-time staff received short-term training in a variety of management topics, primarily through the seminars offered by the American Management Association. However, to effectively respond to training needs, the cadre of trainers needs to be more fully developed, supported by materials development and adaptation of these to the local conditions.

Completion of a new, well-equipped training complex, coupled with the development of a medium- to long-term strategic plan, the engagement of a competent managing director, and formation of a cadre of part-time trainers bonded to provide training services on behalf of BIM, can be expected to contribute significantly to BIM's survival as a management training institute. The recruitment of additional competent, full-time technical staff and the relationship between the Institute staff and Board of Directors need to be addressed because these issues have more recently undermined the capability of BIM and will contribute substantially to the success or failure of the organization. The Board's role will have to be matched against the authority and capability of technical and managerial staff operating as a team. The Board will need to perform an appropriate balancing act between policy-making and executive responsibility and action, although this may become a non-issue once executive leadership and technical staff are in place. Leadership in management at both the policy and executive levels, as key to successful program performance, will have to be reclaimed. BIM may have experienced success in the 1985-91 period in large measure because of good executive leadership. Its latter day decline may also largely be attributed to lack of leadership, in addition to the absence of strategic management and good financial planning, and reduced technical competence.

As originally designed, TEP would have provided support for vocational education improvements at two institutions, a secondary and post-secondary school, both operated by the MOE. Project design required strong management and administrative structures both institutionally and ministerially, and strong support from the MOE. Public policy on vocational education was non-existent. The policy environment at the start of the Project (1985) for development was underdeveloped. The economic climate of austerity did little to foster supportive conditions for providing effective and quality training interventions which responded to private sector development needs. Opportunities for collaboration with industry and business were limited. Entrepreneurship was underdeveloped.

The subsequent expansion of the Project to encompass eleven GOB secondary schools in 1986 through 1990, did nothing to address the basic problems of the implementing context of TEP. The transitions which occurred under the TEP Project altered project design from an already complex (1985-1986) program of support in several skill areas at two very different institutions, to a highly complex (1986 to 1990) nine skill areas program at eleven secondary schools, and then finally, to a situation of low complexity (1992-1993) at one institution. In addition to the absence of an explicit GOB vocational education policy in the 1985 to 1990 period, there was also little direct support for system improvement. Despite the political rhetoric, verbal support was never translated into increased political will or financial support for system improvement. At the eleven schools, institutional weaknesses were manifold. Vocational management capabilities were not mature. Businesses and industries were just as ever disconnected from formal skills training. Economies of scales in vocational training programs were not achievable given the diversity of courses and schools and the relatively small student population. While the pre-CET conditions for implementation were complex and fraught with problems, the low level of support at the macro-economic and political levels and the micro (institutional) levels resulted in a situation in which project complexity far exceeded the capacity for successful implementation.

Where USAID's investment was too scattered and diluted in the initial years of the Project, impact was consequently not as strong as desired, and USAID put all activities on hold until a mutually agreeable focus could be agreed upon with the GOB. Activities were stalled for more than a year, but it resulted in a well-defined program focused on one institution. A mediocre assistance program in vocational education consequently was transformed into an outstanding success.

Support for the new Centre for Employment Training (CET) of the MOE which began operations in September 1992 was highly successful in comparison to the preceding years. Project design was the least complex, although the very same problems (inappropriate equipment, poorly prepared and lowly paid teachers, restricted curriculum development, and lack of participation of the private sector in training) were being

addressed. Low complexity was matched by a high level of support. Political will was evident; as a consequence, financial support increased dramatically both from the GOB and other countries (Mexico, Taiwan, Canada); a single institution was being supported in a narrower range of program areas; the management structure at the CET, the VTTU and the MOE was clearly stronger; the participation of industries and business in the coordination and planning of CET activities was conscientiously planned and executed; on all sides there was high commitment to the target population of out-of-school youth and unskilled workers. All these conditions reinforced system support. The combination of high support and reduced complexity resulted in a productive partnership of donors, host country, private sector and target groups.

The CET has continued to provide quality, short-term training (six-month cycles) for youths and adults in automotive mechanics, construction trades, hospitality management, and radio and TV repair, in addition to technical training for two secondary schools. Remedial programs and job placement services are integral to the functioning of the CET. Enrollment exceeds 200 students and a private/public sector coordinating board manages the overall affairs of the CET. Under the USAID-supported program, equipment has been procured for the automotive and construction programs, including welding, and instructional materials (books and audiovisual aids) have been provided in support of these courses. A management information system which will improve student services, admission and academic tracking was purchased and staff trained in the use and maintenance of the system. This MIS was also anticipated to assist in the plans for expansion in Belize and for accreditation through the CET program in California. ESF support for the construction of the new automotives workshop extension has been provided and construction is almost complete. Participant and in-country training of staff and instructors in technical trade areas and in the management and administration of a CET program has been provided. The overall CET program continued to progress smoothly. CET/Belize's operations are generally considered to be exemplary. The MOE anticipates replicating the CET program in other parts of the country.

The revised USAID strategy of focusing assistance on specific programs in one institution was an outstanding success. To date, an estimated 4,461 (34.3% of total secondary school enrollment) secondary school students (2,837 males and 1,622 females) have benefited from TEP Project support for vocational education.

3. BTIA

The BIM/BTIA subgrant terminated as scheduled in October 1991. BTIA continued to receive USAID support for tourism development through the Tourism Management Project (No. 505-0044). Administrative and financial systems were put in place and the organization has slowly moved through the developmental stages of forming, storming and norming.

4. Public Administration

An assessment of the achievements from an institutional perspective in this component is extremely difficult to make. Management training in public administration was provided in excess of the targets and in agencies in addition to the targeted ones. The provision of training is, however, poor indication of institutional strengthening because high numbers of trainees and good seminar ratings on evaluation forms are superficial measures of success. In the public sector, performance appraisal systems are not implemented beyond inadequate annual confidential reports. Public officer promotions are typically based on seniority and personal connections. There is, therefore, no real and reliable measure of trainee performance and impact on the job which can be linked to training received.

Moreover, training is not sufficient to accomplish meaningful changes in performance. Training, combined with consultancies, can effect behavioral and systemic changes that will increase the utilization of training on the job. It was this combination that Project design required, but when it was determined that management audits were not going to be done and would be replaced with straightforward training needs assessments under the Project, the opportunities for consulting in the target agencies and instituting organizational change were severely reduced.

VI. PROBLEMS AND DELAYS

BIM continues to face the need to improve its business and service performance and address its financial sustainability. BIM's management will have to much more actively confront the problems of its internal management, the financial sustainability of the organization, and the need for creativity in implementing its new management development focus. BIM reported financial losses during the final year of the Project despite USAID support. The decline in excess revenues transferred to the escrow account will consequently reduce sustainability if a turnaround does not occur shortly.

The procurement of vocational training equipment was slow and problematic under the GE contract. This was resolved with the change in the strategy for assistance and USAID administration of procurement. Other problems of design were also resolved with the re-orientation of assistance to the CET. There were no major problems in the public administration and tourism training components.

In terms of project design, the Training for Employment and Productivity Project called for the provision of support in very distinct, discrete and different sub-components--public administration, vocational education, and private sector management and tourism training--identified as inhibiting employment and productivity of the Belizean workforce. This design was problematic and difficult to implement. Private sector, short-term technical training was never integrated as envisioned with the formal skills training in the GOB vocational education component. While private sector management training and public administration training made better bedfellows,

diversity in needs among the four sub-components, and differences in the structure and administration of the vocational and civil service systems ensured that the components remained separate, never integrated or approached as a single project.

VII. LESSONS LEARNED

A. Management Training Institute

(1) Sustainability is a critical factor in organizational development and is the core of program and activities planning. Viability is an essential ingredient, but even with this present, sustainability is not assured. Sustainability must be deliberately planned for at the project design stage. Not-for-profit organizations in general, and management training institutions specifically, are not immune from the need for total quality assurance because fundamentally they are private sector business firms. They must be managed as businesses, driven by the need to ensure consistent quality in business performance if sustainability is to be achieved.

(2) The business of management training and development is successfully achieved only when the training institution pursues its business activities fully applying the following principles:

- a. the regular use of strategic management beginning the cycle with planning, carrying it through to implementation, and ending with evaluation of its purpose, objectives and services;
- b. full participation of its clients in determining training needs and developing responsive (both quality and relevance) programs;
- c. the exercise of true leadership (proactivity as opposed to reactivity) internally to the institute and externally to the public, both acting and being perceived as a leader;
- d. the recognition of the critical importance of all institute staff (administrative, technical, managerial, training) for stability (reduced turnover), performance (competence), and credibility (integrity and motivation);
- e. sound financial planning;
- f. development of its faculty;
- g. the practice of regular program evaluation from basic levels of numbers of participants to behavior changes and performance results for the client company; and
- h. organizational autonomy.

B. Vocational Education

The lessons learned from this experience in vocational education were that:

- (1) project design is more apt to result in successful implementation and achievement of purpose if based on a full assessment of the conditions affecting implementation (policy environment, institutional and ministerial management and administrative structures and capabilities, business/industry linkages, etc.) rather than on exclusive identification of needs for skills training in the technical fields;
- (2) vocational training policy is most likely to be successful if it provides for youth and unskilled worker development and linkages between employers and training schools;
- (3) multiple sources of funds (counterpart, donor, international, private sector) increase the chances of sustaining vocational educational development where government resources are scarce and competition is great.

C. Public Administration

Public sector management training is important for increasing skills and knowledge of government officers, but in itself cannot effect change in performance unless there is a supportive management and policy environment. The impact of inputs for training, in addition to being difficult to evaluate, is unlikely to be meaningful in the context of systemic (employment and productivity) changes if public policies and top management are not oriented to creating change and improving performance.

D. Tourism Industry Development

Tourism industry development may be essential for economic development in Belize, but the vehicle for project assistance in this area should have been determined by a more holistic analysis of the needs (not just training), conditions for implementation and appropriateness of fit with other project components.

VIII. FINAL RECOMMENDATIONS

A. Vocational Education

Given the huge success of the CET strategy for vocational education development, USAID should recommend other donor support for vocational education investment in Belize through the CET mode, despite the capitally intensive nature of the activity, all other factors being equal.

B. Management Development

No direct involvement in BIM's activities should be maintained, but USAID should continue to be supportive of the organization by encouraging links and business opportunities with international firms seeking services that are within BIM's scope of action, providing information on management development activities worldwide as it becomes available to USAID, and including BIM for

consideration in future USAID RFPs and solicitation documents as appropriate.

IX. POST-PROJECT USAID MONITORING

Post-project USAID monitoring of the management component will be effected through the participation of the project manager on the elected Board of Directors of BIM. This will provide access to financial and technical performance data on BIM as it operates in its newly constructed facilities. The provision of annual technical and financial reports for PVO re-evaluation will also allow periodic monitoring of performance.

Monitoring of the vocational education component will be accomplished through liaison with the management of the CET, access to semi-annual reports from the CET to the MOE, and periodic site inspection visits to the CET facilities, and through meetings with MOE personnel regarding system developments and new donor-supported projects in vocational education.

Monitoring of public administration development and tourism industry development will continue to be provided through the current USAID projects (DTS and TMP).

Attachments:

1. TEP Project Log Frame
2. TEP Project Status Report for the Period April to September 1993
3. Evaluation Summary - Academy for Educational Development

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