

IPP Technical Evaluation

US Partner(s): Center International Private Enterprise (CIPE)
NIS Partner(s): Russian Chamber of Commerce and Industry (RCCI)
Location of site visit(s): Moscow and Yaroslavl
Date of visit(s): Oct. 28-29; Nov. 4 (Yaroslavl); Nov. 13.
Date report submitted to IREX: December 6, 1996

A) Discuss the strongest aspects of the technical and professional work being done by this partnership.

- The partnership

One positive aspect of this partnership that it is a true partnership. CIPE and RCCI have been continually communicating, which led to an improvement in the Management Training Manual and the training curriculum itself. This bodes well for any continuing work the two partners choose to do in the future. This partnership received high marks from the Russian side, RCCI. They have worked extensively over the past 5 years with a number of donors and organizations and feel that the working relationship they have with CIPE is the best. They expressed a strong desire to continue to build and develop their relationship with CIPE. The strongest aspects of this partnership are: the five day training seminars, the Management Course Training manual, and the small grants program.

- Five day training seminar

Under the grant, five day training seminars were held in a number of locations across Russia. CIPE has consistently provided qualified, professional, and experienced trainers to conduct the training seminars. This training yielded tangible results, the most important of which has been the shift in attitude of regional chambers and the RCCI towards accreditation. Although accreditation was originally viewed by most chambers as a centralized control mechanism, now many view it as a tool to better their own regional chamber operations. Tangible results of the training were felt in individual chambers. The Volgograd chamber hired salespeople who earned 5% commission on every new member they brought in. The Astrakhan chamber of commerce reorganized their committees to become more responsive and flexible. Instead of having standing committees, they now organize committees as new issues arise, and disband them as these issues are resolved.

- Management Training Manual

An important and successful aspect of the training is the accompanying Management Training manual that has been developed. This manual is a compilation of articles, information, and lectures translated into Russian. Russian participants of the training have found the manual to be extremely helpful during training, and report to use it as a stand-alone document. In fact, the RCCI is planning to make it available to all regional chambers in Russia electronically through its unified information system.

- Small Grants Program

The RCCI and CIPE awarded grants in the order of \$100,000 to regional chambers. This program encouraged the regional chambers and the RCCI to communicate constructively and work towards common goals. It also lent credibility to the partnership as a whole and enhanced its other components. The work of one of the grants in Yaroslavl, "Establishing an Exhibition Center", for example, was very successful.

Discuss the weakest aspects of technical and professional work being done by this partnership.

- US based training program

Russian participants of the US-based training program found it to be shallow and ineffective. They were especially displeased with the one week spent attending classes at an institute for chambers. They said the classes were too general and not applicable to their situation. They did find the one week of meetings useful and informative. However, because the training was during the summer they could not meet with as many people as they would have liked.

- Follow up consulting visits

Six months after each regional seminar, participating chambers were sent forms requesting feedback and asking if they required follow up consulting. It was originally envisioned that CIPE trainers would conduct these follow up visits. However, due to scheduling conflicts, Frank Dresser conducted all nine follow up visits together with Mr. Nichepurenko of the RCCI. CIPE Moscow plans to conduct two more follow up visits in mid-December for a total of 11. It was useful to conduct the follow up visits in a US-Russian team to provide continuity and sustainability. Unfortunately, Mr. Nichepurenko is one of the people who has been laid off at the RCCI. Little was suggested or explained as to what exactly was accomplished during these follow up visits or how useful they were.

- Organizational issues

Weighing down the work being done by this partnership in all of its aspects, is the organizational uncertainty within the partner institutions themselves. CIPE experienced a number of changeovers of key Washington staff which impacted the quality of its programming. For

example, the two trainers during the October 28-29 seminars said they did not receive information about the number and type of audience they would have in Russia (which would have allowed them to tailor their materials and lectures better). This slip was attributed to the fact that one of the CIPE Washington staff members had just joined the organization. Such key staff changes occurred many times during the life of this grant and although this is a natural process, it was not given the consideration it required. Compounding these organizational problems was the uncertainty of Frank Dressler's status and reporting relationship to CIPE, IREX, and RCCI. This caused confusion a number of times and delays or difficulties with some aspects of the program, especially with the small grants.

To a lesser degree, the RCCI also experienced some organizational difficulties, but these were better contained, and the work flow of the grant was not significantly impeded. The most common problems were related to a misunderstanding between the partners and IREX as to who in the RCCI is responsible for which part of the grant. It now appears that Mr. Vavilov is responsible for most of the work being done with this grant. However, the Department of Education of the RCCI, which has been doing most of the hands-on work with CIPE, is to be dismantled as of December 30. The RCCI gave assurances that work will continue. It was evident from conversations with Mr. Vavilov that he was not fully aware of all aspects of the grant. This could lead to some sustainability and continuity problems.

Last, but not least, it should be noted that RCCI was and is still not fully aware of IREX's role in this partnership. This causes problems for IREX staff in tracking the progress of this partnership and for its staff in communicating effectively with the Russian partner. Information about IREX and its role in this partnership was conspicuously missing or minimized on reports, handout materials, and during presentations.

Recommendations for Improvement:

- Management Course Training manual

One simple improvement that should be made to the manual is to include section and page numbers. This would allow the audience to follow the trainer and the overheads more easily. This is especially important in sections where the participants are required to fill in the blanks. Section III is too long and would benefit from page numbering or from being subdivided. Most importantly, the manual requires some light editing by a Russian native speaker and editor who is familiar with the subject matter. At times the translation is too literal and improper, such as the use of "dobravoltse," when meaning "volunteers". In Russian, the connotation of this word is that of people who are enlisted to fight in a war. Also, although there are good lists of contact information in the US, unfortunately the addresses and the organizational names have been

transliterated or translated into Russian. If chambers wish to contact these organizations, they will need these addresses and names in English.

The contents of the manual are relevant and serve their purpose well. The manual could be further improved by adding actual examples of some materials, such as membership applications, real budgets, list of dues, etc. In addition, case studies could be incorporated. One possible case study is the accreditation process of the St. Petersburg Chamber of Commerce.

The dissemination of the manual has been quite poor; only 150 copies have been distributed. To improve dissemination, the chamber is proposing to have the manual bound and published properly once it is polished. The manual could also prove to be a minor source of funds. Also, CIPE should give the manual on diskette to the RCCI for inclusion in the chamber's information system.

- US Based Training Program

The two week US-based training program received low marks from participants. Russian participants of the US-based training program found it to be shallow and ineffective. They were especially displeased with the one week spent attending classes at an institute for chambers. They said the classes were too general, not applicable to their situations, and otherwise useless. They did find the one week of meetings useful and informative. However, because the training was during the summer, they could not meet with as many people as they would have liked. In addition, only one woman participated in this aspect of the program. However, the Russian participants did say that a previous CIPE organized training program funded by USIS was very good. They believe that CIPE can organize a good program if it is allocated sufficient funds. They recommended that in the future CIPE ensures that there are more women trainees represented.

The chamber suggested a reverse program be organized for US regional chamber leaders to visit Russian chambers. Such visits could lead to increased contacts, information flow, and informal training.

- Follow-up consulting visits

It is beneficial for the US trainers to conduct follow-up visits to the regional chambers following the one week of training. The training and the follow-up visits need not be in the same city. For example, the two trainers that came for the two day seminar in October could have provided follow-up consulting. It would have been beneficial, not just for the chambers, but also for the trainers themselves, who would have become more sensitized to the issues facing regional chambers in Russia. Also, before follow-up visits are undertaken, a clear work plan should be drafted with set goals. It is a good idea to continue to conduct these follow-up visits in US-Russian teams.

- Organizational issues

IREX should make it a clause in the legal contracts for the grants it awards that the two partner institutions must make IREX's role clear on all products that are produced as a result of this grant. Before a product is released (i.e. the manual), it should be submitted to IREX for approval. This should also apply to all public relations activities that are undertaken within the grant, such as press releases and brochures.

B) What do the Russian or Ukrainian partners see as the "criteria for success" for their partnership project activities? How close are they to attaining them?

- Continued partnership

First and foremost, the Russian partners see as their "criteria for success" a continuing relationship with CIPE (and the US Chamber of Commerce). They view this relationship as strategic for the further development of other aspects of their work in the future. The RCCI has already established a good relationship with CIPE and the US Chamber of Commerce due to this grant, previous grants from other donors, and the nature of this partnership.

- Creation of a staff training system

RCCI's primary long-term interest in this partnership has been based on their need to create a system for training their staff and the staff of the regional chambers. The manual has brought the RCCI a step closer to creating such a system, as has the Training Programs Database (created through one of the small grants). However, there is still much work to be done in this field and the uncertainty surrounding the fate of the Education Department of the RCCI only compounds this problem.

- Accreditation program

The accreditation program is probably one of RCCI's most important strategic concerns. In November St. Petersburg was the first chamber in Russia to undergo the accreditation process. The RCCI and the regional chambers are working hard to develop this program further and expect about five more regional chambers to undergo the same process over the next year. The role of CIPE has been marginalized by the RCCI, which views this as an internal matter. However, they would like to continue to work on aspects of this program with CIPE to receive training and consulting. This part of the grant has progressed greatly (especially when the nature of these organizations is taken into account). However, accreditation cannot be expected to proceed much faster than it has in the past.

Recommendations for Improvement:

The grant is near completion. However, if it is to continue, CIPE and RCCI should draw up a detailed training plan which should include a train-the-trainers component.

(Other recommendations will be mentioned later in this report.)

C) Describe the technical merit and appropriateness of the following program components:

1. Training (This will be based on review of curricula, interviews of trainers and trainees, effectiveness of marketing, and observations, where possible, of training sessions.)

- Two day seminar in Moscow

As part of this evaluation, there was an opportunity to sit in on a two day condensed seminar organized as part of this grant in Moscow, October 28-29. It was an attempt to deliver to RCCI staff a condensed version of the usual five day seminar delivered by CIPE in the regions. Unfortunately, the new format was not effective. The trainers were under undue pressure, while trainees slowly dissipated (there were more organizers and observers the second day than trainees). During subsequent conversations with CIPE and the RCCI, it was apparent that both organizations believed this to be a failed experiment.

- Five day seminars

Generally, the five day seminars were quite successful and yielded real results (mentioned earlier in this report). Most of the success is due to the quality of the trainers selected by CIPE. They were experienced in their field and in an international setting. There was only one cited example of a weak trainer. Trainers were well prepared and made the material accessible to the audience. Also, the training materials themselves (handouts, manual, and overheads) were very useful, relevant, and in Russian. Participants received the training materials well in advance of the seminar and were able to familiarize themselves with the contents. The interpreters were quite good and served to enhance the training, rather than detract from it. The receptions organized prior to training were cited as very important for networking purposes between regional chambers and between chambers and trainers. The receptions provided a forum for receiving informal consultations and for the trainers and chamber leaders to learn from each other. One of the more important achievements of these seminars has been to increase the understanding of both the regional chambers and RCCI about the nature and process of accreditation. As a result, the chambers have become more willing to undergo accreditation and the RCCI has begun to view it more as a tool to increase chamber effectiveness and less as a control mechanism. Most importantly, the seminars improved communications between the regional chambers and RCCI.

- US based training program

(Please see section "A")

Recommendations for Improvement (What could be done to improve the quality of the training sessions? Are the teaching methods appropriate? Is the material current and accurate? What could be done to better market the training sessions?)

- Two day seminar in Moscow

The two day seminar format should not be repeated, as the subject matters covered require more attention. It is an ineffective use of time and money to bring two US based trainers to Russia for only two days. It would be beneficial from a programmatic stand point, and for continuity, to bring trainers from the US for a one week seminar followed by one or two weeks of follow-up consulting visits to regional chambers. Seminars should not be held in-house because participants are then tempted to leave during the seminar to do "work". During the two day seminar held in Moscow, the audience kept leaving to attend other events at the RCCI, until only a couple of people remained. In addition, US trainers should receive a pre-departure orientation that includes information about Russia, such as the living conditions in Russia, Russian politics and economics, cultural differences between the US and Russia, the history and structure of the chamber, and information about the participants themselves. Of the two trainers who conducted the two day seminar in Moscow, one had been to Russia many times previously, and the second was visiting for the first time. Although both were good, professional, and knowledgeable trainers, the second trainer could have benefited from some pre-departure orientation about the Russian culture.

- Five day seminars

During conversations with RCCI staff, it became apparent that they are now ready for new courses. These courses should be more focused. Topics suggested include: developing a chamber's public image, marketing, public relations, a chamber's role in regional economic development, how to work with chamber members, and how to work with volunteers. Other courses cited by the RCCI were of a more general nature, such as staff motivation, time management, etc. Some of these topics are taught as part of the longer five day seminar program. However, they would best be taught by training organizations in Russia (especially Moscow and St. Petersburg) and at a much lower cost. The RCCI suggested surveying the regions to find out their requirements before further courses are developed.

- US based training

(Please see section "A" under "Recommendations for improvement".)

2. Products (These include curricula and training materials handbooks, audio/video/computer materials, translations, etc. developed in part or whole with funding from this grant.)

- Management Training Manual

(Please see Section "A".)

- Database of training programs

The database was designed as part of a small grant received by the RCCI. It contains information about business related training programs offered across Russia. The database contains information about 173 organizations offering this type of training and about 284 discreet programs. It is written using Paradox, Object Pal, and is fully searchable on any field. The database is undergoing a second round of revisions. The RCCI has just sent out additional questionnaires to training institutions. The response has been good, mostly because the RCCI is recognizable and credible. Part of this database is already on the RCCI central information system. Some chambers that have inferior equipment will receive a DOS version of this database on diskette. The chamber hopes to publish it on its WWW page and to require companies to pay a fee to access the information, thus making it a self-financing project. There are plans to sell the database as a booklet.

Recommendations for Improvement (What could be done to improve the quality of the products? Is the material current and accurate? What could be done to better market the products?)

- Management Training Manual

(Please see Section "A".)

- Database of training programs

The database of training programs is good, as is the process already established to collect and edit information. However, the database has not really been disseminated yet. Unfortunately, the person in charge of the database is part of the group of people from the RCCI Education Department that is being laid off. Mr. Vavilov is responsible for this database, but is not fully aware of its function or potential, nor is he fully supportive of it. Therefore, it is important in future negotiations with RCCI to ensure that this ready product is properly disseminated through the RCCI information network in both hard copy formats and on diskette. In addition, this database should be shared with other USAID funded organizations and programs. The Business Collaboration Center (BCC), which is managed by the Citizen's Democracy Corp, has a WWW version of a very similar database which is already available to many USAID grantees. RCCI and the BCC could share information and improve their respective databases.

3. Consulting - Follow-up visits

(Please see Section "A".)

Recommendations for Improvement

(Please see Section "A".)

4. Accreditation Program

This aspect of the grant is a success. In October, St. Petersburg became the first chamber to be accredited, just in time for its 75 year anniversary. Mr. Vavilov, who heads this program, has received applications for accreditation from ten other chambers. He believes that five of them will be accredited over the next year. The head of the Yaroslavl Chamber of Commerce, who also sits on the accreditation committee, echoed the same numbers and views in a separate interview.

The accreditation program is important for the RCCI and is integral to this grant. However, it is wholly under the control of the Russian partner, and rightly so, as chambers in the two countries do differ significantly. This makes it difficult for the US partner to have a say, but it can and has been offering assistance in the form of consultations, information, and training. The Russian partner credits the US partner for providing a chamber model that can be adapted to Russia. The RCCI has studied chamber models in other countries, such as England and Germany, but has found the US model best fits its needs. The Russian partner credits the US partner for providing much of the training required to begin the process of accreditation. In addition, the seminars organized with CIPE helped educate regional chambers about the importance of having an accreditation program and turn them towards this thinking. Accreditation is now perceived by many chambers and the RCCI to be a voluntary activity that will serve to make the regional chambers better and increase their chances for sustainability.

Recommendations for Improvement

The RCCI wants to continue to work towards establishing an accreditation program and feels there is still much to learn. As this is a complicated and lengthy process, it would be best if longer term consultants were dedicated to working with the RCCI on establishing a good accreditation program. It would be of great benefit for the US consultant(s) to also become very familiar with the RCCI and the issues it faces. The US consultant(s) should work together with the RCCI when the next chamber undergoes the accreditation process. This could serve three purposes. First, it would provide the RCCI with immediate feedback and advice from the US consultant. Second, it would be a learning experience for the US consultant who will become a better advisor for RCCI. Third, the US consultant could write this up as a case study which could then become part of the training materials used by CIPE and RCCI. Again, it is important for this to be a longer term consultant who does not come for one visit, but works with the RCCI and learns as they learn.

Another recommendation was suggested by the RCCI. They would like to receive a grant to design a computer program/database to systematize and computerize the accreditation process.

5. Small Grants

There were about 20 small grants awarded as part of this partnership. The main criteria for awarding the grants were that the proposal be an acknowledged chamber activity and that it be capable of becoming a self-sustaining activity. The review and selection process was as follows:

- 1) RCCI formed a small grant review committee which included Mr. Chesnokov, Mr. Vavilov, and head of the Tartarstan and the St. Petersburg chambers of commerce.
- 2) An announcement about the grants including application procedures and criteria was drafted by the committee, together with CIPE Moscow, and advertised through RCCI's centralized information system. (Local chambers were also encouraged to apply for the grant during regional seminars.)
- 3) The committee received grant proposals from the chambers and sent its recommendations for funding to CIPE in Washington. CIPE in Moscow commented on the recommendations made by the committee.
- 4) CIPE in Washington made the final funding decisions.

During this evaluation, two small grant projects were reviewed: The Yaroslavl Exhibition Center and the RCCI Training Programs Database. Although both projects are successful, the Yaroslavl exhibition center was particularly impressive.

The four year old Yaroslavl Chamber of Commerce used its small grant to establish a 150 square meter exhibition center on its 500 square meter premises in the center of the city of Yaroslavl (a regional center). The exhibition center fits very well within the chamber's overall activities, and is already a successful and self-sustaining activity. The permanent exhibition is operational and fees are charged for organizing exhibitions, presentations, and trade missions on behalf of regional and foreign clients. For example, a presentation has been held for the Swiss government and an exhibition organized for a German region. The exhibition center supports its own staff of four people. The grantee ran into minor problems receiving the full amount of the grant because CIPE wanted to disburse it in thirds, while the Yaroslavl chamber required the whole amount at once to buy shelving units and furniture.

(The second reviewed project that was funded by a small grant was a database of training programs designed by the RCCI. It is mentioned previously in this Section "C".)

Recommendations for Improvement

Although the small grants program is successful, it could be improved by better defining the role of CIPE Moscow. The RCCI, as well as CIPE, would benefit from a representative of CIPE being part of the committee, if only as an observer. There was confusion surrounding this aspect of the grant, as CIPE Washington appeared to want to control all the operations, while it and the Russian chambers continued to channel some, but not all of their communications through CIPE Moscow. It would have been beneficial to keep CIPE Moscow as the conduit of information,

since it is best positioned to monitor these grants programatically and contractually on behalf of the Washington office.

A number of RCCI grant review committee members, such as the St. Petersburg chamber official, also submitted proposals. This is a conflict of interest which could have been avoided if committee members were drawn from chambers that agreed not to submit a proposal for funding under this program.

A few of the chambers reported that they had difficulty understanding the filing, reporting, and administrative procedures of the grant. It would have been beneficial to hold a special one day seminar for potential grantees to explain to them all procedures and requirements.

D) What additional technical assistance do you believe the Russian or Ukrainian side could use to improve their work in general?

The RCCI would benefit from a full-time, dedicated US CIPE representative in Moscow to work with them on their training and accreditation programs. In addition, a very focused training plan for RCCI and regional chambers should be drawn up if this grant is to continue.

E) What new directions, do you see as a natural follow-on for this project? Are there others working in the sector that this group might contact and/or collaborate with?

The work being conducted under the small grants should be monitored and any products produced as a result disseminated to other interested organizations working with IREX and USAID.

RCCI would benefit from contacting the following organizations:

National Governor's Association (An NGO based in Washington with an office in Moscow.)

US-Russia Chamber of Commerce (office in Moscow and Washington.)

National Democratic Institute (a US based NGO with an office in Moscow that conducts association training and lobby training.)

Business Collaboration Center for database on training institutions and programs in business.

Environmentally Sustainable Economic Development (a New York based NGO presently working in parts of Russia.)

F) How do you assess the partnership's sustainability plan? What is your sense of how close the partners will be to meeting these goals?

It is difficult to judge the sustainability of a project heavily dependent on training when the future of the training department at the RCCI is not clear. RCCI was going to begin offering the training previously conducted by CIPE, but there is no indication that RCCI has any capacity to do this, or that local trainers have been developed.

CIPE will not continue to have a full-time American presence in Russia. Frank and Winnie Dressler are scheduled to leave at the end of this year. They will be replaced for 4-6 weeks by CIPE's Evaluation Officer, Mr. Eric Johnson. Unfortunately, this will impact the sustainability of the institutional partnership developed between RCCI and CIPE (and the US Chamber of Commerce). There is no doubt that these ties will continue. However, it would be beneficial for the Russian regional chambers if the program was extended to include regional chambers in the US.

The small grants program is sustainable because the projects that were funded by it were required to be sustainable. Judging by the Yaroslavl Exhibition Center, most of these projects will continue well past the life of the grant.

The RCCI will continue to forge ahead to develop an accreditation program. This is evident by their recent accreditation of the St. Petersburg Chamber of Commerce.

G) Other comments:

Unfortunately it was not possible to arrange a meeting with CIPE's only Russian employee in Moscow. It would have been beneficial to speak with her to further judge the sustainability potential of this grant.

Is there a plan for the office equipment acquired for the Moscow office when the grant ends?

Meetings held, sites visited, and events attended

Alexander P. Raevsky, Head of Department, Business Education Center, RCCI

Alexey V. Bogachov, Deputy Chief, Main Department for Relations with Territorial Chambers, RCCI

Ludmila N. Usova, Expert, Business Education Center, RCCI

Alexander E. Udachin, Deputy Chief of Business Education Department, RCCI

Vladimir V. Vavilov, Chief Main Administration for region chambers development, RCCI

Valery A. Lavrov, President, Yaroslavl CCI

Hellen E. Tkachenko, International Relations Specialist, Yaroslavl CCI

Vladimir L. Lavrov, Director of Information and Analytical Center, Yaroslavl CCI

Frank W. Dressler, Director, CIPE Moscow

Winnie Dressler, Executive Assistant, CIPE Moscow

Mark Levin, CIPE Trainer

John J. Meehan, CIPE Trainer

Observed database of training programs

Visited Yaroslavl Chamber of Commerce

Sat in on October 28-29 CIPE training courses at the RCCI in Moscow