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SECOND YEAR EVALUATION

World Education, Inc.

Institutional Development Grant

Grant No. AID/SOD/PDC-G-0072

Project No. 932-0114

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I. INTRODUCTION

Historical Background of the IDG

World Education, Inc. (WEI) is a non-profit, private voluntary agency, founded in 1951. Starting from an emphasis on literacy training, WEI has developed over the ensuing decades an approach to non-formal education and development oriented training of LDC leaders through health, nutrition, family planning, food production and literacy programs.

WEI works now in 17 LDCs and plans to begin projects in four more in the near future. (Descriptions of these projects are included as Annex E.) By 1976, WEI had assisted over 50 indigenous agencies in more than 30 countries. To do so, WEI had depended on funds from private sources, international and inter-governmental organizations, private foundations, other PVOs and AID. In the early to mid-1970's, as WEI's expertise and reputation grew, demand for its services expanded. AID continued to give support through central funding arrangements and through OPGs. In 1975, WEI received a Development Program Grant (DPG) from AID.

When the DPG terminated in 1979, WEI had developed systems for more effective program analysis and evaluation, for staff and consultant development, and for information collection and documentation. Nevertheless, it became increasingly apparent that WEI's growth in programmatic excellence had not been paralleled by growth in its base of financial support or sophistication of financial management. WEI had not yet developed its resource capacity to sustain between projects its professional staff, its continuity of effort, its creative momentum. Still lacking were techniques for realizing real costs from its grants and contracts and for exploring and developing new relationships domestically or at the field level.

In summary, a private organization that AID felt had potential to contribute to the field of functional adult education was in danger of having to cut back its programming considerably. In April 1978, an IDG was negotiated to help WEI to maintain its staff and programmatic initiatives, while restructuring its financial management systems and to assure its future while broadening its base of financial support. The IDG provides \$793,000 in yearly allocations of diminishing amounts over three years: FY 1978 - \$198,000*, FY 1979 - \$326,092, FY 1980 - \$268,958. (*This amount covered the months of April through October 1979. An earlier grant, AID/TAB-3280 (extended) put forth \$202,000 for a FY 1978 total of \$400,000.)

The grant's stated purposes are threefold: (1) "to enable WEI to continue strengthening the capacity of indigenous agencies to design and develop basic education projects to meet the basic human needs of poor and undereducated men and women; (2) to maintain WEI's professional and administrative staff to carry out program liaison, planning, research, needs assessment, evaluation, documentation leading up to development of sound, innovative, quality, field programs and (3) to give WEI time to work from a reliable base of a three-year commitment, to plan and budget in advance, to broaden the private and inter-governmental base to find support for field projects being developed and to decrease dependence on AID."

World Education's Program

WEI has four distinct institutional objectives:

- (1) To train staff members of educational, social service and other development agencies in certain program skills. (See Annex F for a more detailed statement of this and the other three objectives.) The organizational components that have primary responsibility for meeting this objective are the regional units, including the four Regional Directors in New York, and the seven project staff members on site in other parts of the world.
- (2) To improve the knowledge base of the organization through research and development activities. The Technical Services Unit has primary responsibility for meeting this objective.
- (3) To disseminate knowledge and experience through publications, audio-visual media, and participation in professional seminars and workshops. The Publications and Documentation Unit is responsible for publications and media production and distribution, and the whole staff is called upon for participation in workshops and seminars.
- (4) To strengthen support for the organization's approach to education and development through liaison activities with related organizations and through distribution of periodic reports, newsletters and promotional materials. Responsibility for these tasks are shared by staff members throughout the organization, coordinated by the President's Office.

World Education projects have a common base of learning and development theory and of implementation parameters. Staff members are primarily staff trainers and consultants who work with counterparts in indigenous organizations to facilitate these individuals to help their communities identify their own needs, and to design and implement activities for meeting those needs. The specific skills in which WEI can provide training are:

- assessing the needs of the client group
- planning and designing educational programs
- developing learning materials
- developing instructional methodology
- using feedback and evaluation systems
- managing programs
- designing workshops and field operational seminars
- training trainers

(For more detailed information of these program skills, see Annex G).

The sector content areas into which these various skills can be merged are:

- agriculture/farming techniques/food production
- child care and child development
- civic responsibility/urban problems/social involvement
- earning a living/increasing family income
- family life (relationships, housing)
- family planning and human sexuality
- health/hygiene/alcoholism and drug abuse
- literacy skills
- nutrition

II. THE EVALUATION

Procedure

The evaluation team consisted of Edward Glaeser, PDC/PVC/OPNS, and Jeanne Moulton, DS/ED. After reading the documentation provided by WEI, the team visited WEI's headquarters in New York on November 13-15, 1979. The agenda was as follows:

- Day 1 - Review of WEI Progress Report on IDG, general discussion of WEI's general philosophy and approach and overall project portfolio as related to the IDG.
- Day 2 - Morning: Specific discussion of evaluation framework.
Afternoon: Separate interview with WEI Regional and Technical Directors and, with each, specific discussion of randomly selected field activities.
- Day 3 - Follow up interviews with selected staff, examination of selected project and financial files, exit interview.

In addition, Carla Maged, PDC/PVC/PLD, assisted Mr. Glaeser in analyzing WEI's financial records and, on December 12, 1979, interviewed WEI's financial planning consultant in Washington.

Findings: Program and Finances

Program: In this section, we will discuss how WEI is progressing in carrying out their program in order to meet the grant purpose. Much of that purpose coincides with WEI's own organizational goals:

To ... strengthen the capacity of indigenous agencies to design and develop basic education projects to meet the basic human needs of poor and undereducated men and women; ... to maintain the professional and administrative staff to carry out program liaison, planning, research, needs assessment, evaluation, documentation, and dissemination leading up to the development of sound, innovative, quality field programs.

Because WEI has written a comprehensive assessment of how they are progressing toward this purpose, we will not rewrite such an account. Instead we will comment on particular achievements to date. For more detail on all activities, the reader is referred to documents reflecting WEI's own analyses of its progress toward fulfilling the objectives of the grant. Having reviewed these documents in light of discussions with staff members, we are confident that they accurately reflect progress to date.

The report that speaks most directly to the intent of this evaluation is the "Institutional Development Grant Progress Report" of November 13, 1979 (Annex A). This report lists the grant objectives, item by item, and accounts for what has been done to meet each one. Supplementing the report are three working documents prepared between May and October 1979; these provide a view of recent program and strategy issues, of the resulting "Plan of Action" through June 1980, and of progress on that plan during the First Quarter (July 1 - September 30, 1979).

These documents are "Program Department Strategy and Issues," May 23, 1979 (Annex B), "Plan of Action for 7/1/79 - 6/30/80," June 14, 1979 (Annex C), and "Plan of Action, First Quarter Progress Report," October 1979 (Annex D).

WEI had provided all inputs indicated in the Project Proposal. The staff was reorganized during the initial months of the IDG. All staff members work from a solid base of theory and experience. Able consultants have been added to the roster and all financial inputs are being provided on a timely basis.

The WEI staff in New York (headquarters) is dynamic, responsive to demands of clients, knowledgeable about their technical areas, regional assignments, and the overall operation. Important from the point of view of the grantee/donor relationship, they are straightforward and sincere. Only the difficulty in finding permanent directors of financial administration has marred the otherwise excellent personnel situation. The staff appears to have filled in ably between controllers and, as a result, have become rather more sophisticated in financial affairs, though regrettably at the expense of time that could have been spent on program and field support matters.

In WEI's program, two new areas of activity are noteworthy. First, in 1977, the staff decided to try to build up their activities in Latin America, where at that time they had no projects. At present, many small-scale efforts are being started throughout the region, and several large scale efforts are in the late planning or early implementation stages. Second, WEI staff members have made a successful effort to become well versed in evaluation techniques. These techniques are applied to WEI's own projects as well as shared with a wider audience interested in education project management and evaluation.

The diversity in geographic, skills, and sector content areas marks notable growth in expertise in an organization that, a decade ago, worked largely in teaching literacy skills in Asia. The growth appears to have resulted not so much from an increased number of staff members as from a continued strengthening of organizational memory and coherence. Staff members who have been with the organization over the years have increased their technical skills and broadened their regional and sectoral expertise. New staff members are more qualified than earlier ones were, both in their knowledge of certain regions and in technical skills. Thus, the staff has not increased as much in size as in richness of talent.

New York-based staff members responsible for the program work in either the Regional Units, the Technical Services Unit or the Publications and Documentation Unit. In addition, each staff member is assigned to a regional team: Africa, Asia, Latin America or the United States. This two dimensional organization increases the intra-organizational sharing of resources and responsibilities, and facilitates the bringing to bear of organizational expertise on projects throughout the regions.

Nevertheless, as indicated previously, staff as well as financial resources are spread thin across this range of activities. In order to devote sufficient attention to their own program, staff members have had to cut back more than

they would like on liaison activities such as attending professional meetings and maintaining regular contact with related organizations. They have also opted to reduce to a minimum their work as consultants to other PVOs and similar organizations. Finally, while the staff would prefer to maintain all its expertise in-house and to use its full time members as consultants to its own projects, it has become increasingly necessary to hire outside short term consultants in order to keep indirect costs low. Fortunately, such consultants are available in abundance, and WEI has been able to select carefully and to brief thoroughly individuals who work in projects on an occasional basis.

Outputs - The IDG's outputs are being produced on or ahead of schedule. No significant discrepancy between planned and actual outputs is evident. An examination of a large sample of WEI's reports and other publications show these to be of uniformly high quality. Many would seem valuable as technical aids to both LDC and U.S. colleagues. Distribution has grown consistently. In regard to program outputs, although the evaluation carried out in New York did not include field travel to project sites, study of field project files and discussions with the Regional Directors indicate that WEI is strengthening the capacities of indigenous agencies to do their work. (1) WEI is helping them to initiate activities in new geographic or sectoral settings or to research new systems, (2) The effects of these activities are being well documented, and host country institutions seem to benefit from WEI's help and to be able to continue NFE programs upon the departure of WEI.

WEI has on occasion had difficulty in responding to administrative needs of its field staff. Given the wide geographic scope of its projects and the heavy demands on staff time, the headquarter's staff is making an effort to improve its capability to respond to demands of field projects.

Finances: The third aspect of the grant's purpose concerns WEI's financial situation. It states: "The IDG will give WEI time to work from a reliable base of a three-year commitment, to plan and budget in advance, to broaden the private and intergovernmental base to find support for field projects being developed and to decrease dependence on AID." Attachment A, pp. 22-23 report on WEI's assessment of progress to date in improving its financial management.

The percentage of AID funds to total revenue in FY 1978 was 78%. In FY 1979, this percentage was down 7 points to 71%. Although speculative, it appears that by FY 1981 the percentage may be approximately 68-72%. It seems unlikely that the percentage would be much outside that range in the next several years; indeed, as explained below, it may again rise.

Study of WEI's financial situation indicates it has made significant strides in improving its financial outlook. Even though WEI is still heavily involved with AID and AID-related projects, it now has a more diversified project portfolio than it did when the IDG began. Using IDG funds on a declining annual basis to support its "core costs," WEI has taken steps to realize more real costs from all its grants and contracts. The organization has learned to budget more prudently, plan for reimbursement of indirect costs, and assign directly project line items that cannot be charged to the indirect cost pool. The WEI indirect cost formula has been standardized and its basis changed from

54% of direct salaries to the more advantageous and accurate standard of 36% of total direct costs excluding subgrants (funds passed through).

WEI receives a growing number of OPGs; the overhead on these grants is now based on the new indirect cost formula. It has begun to compete successfully with other non-profit and commercial firms for suitable contracts. Here, too, care is taken to insure that indirect as well as direct costs are recovered and that where possible management fees be collected. WEI has won a sub-contract on an AID project in Morocco and has been awarded an Indefinite Quantity Contract* (IQC) from AID. (*As negotiated, the IQC is not advantageous to WEI. The negotiation took place as WEI's overhead rate was being renegotiated and the old rate ended up being used. WEI hopes to renegotiate the IQC within AID.)

WEI has initiated an apparently useful system of quarterly reviews at which both program planning and financing are worked out in tandem. The first of these reviews was held in July 1979, and the second, in September. (See Annexes C & D).

In addition to the quarterly reviews, WEI has begun to produce the kinds of internal fiscal information needed on a periodic basis by its technical and regional staff for the program decision-making process. The main purpose of these planning activities is to insure that WEI will be able to continue its current level of operation when the IDG terminates in 1980 to support itself entirely by 1981 from funds generated by contracts, OPGs and donations.

When the IDG began, it covered 40% of the salaries of WEI's headquarters staff. By the end of FY 1979, WEI had reduced this level to approximately 25%, and it should drop further during the final year of the grant. The declining balance (funding) method used under the AID IDG may cause problems; the core employees and activities now covered by the grant will, upon its termination, be suddenly plunged into the indirect cost pool. Overhead rates will, therefore, rise, making it more difficult for WEI to bid successfully on contracts. In addition, WEI will be forced to dip, perhaps heavily, into its unrestricted funds. This adjustment will be especially severe in the first year after the phase out of the IDG. In high jeopardy will be WEI's Technical Services Unit and Publications and Documentation Unit. WEI is doing its best to be in a position to prepare for that eventuality. An issue, therefore, that AID together with WEI will have to address in the near future is how best to ease the transition period when the IDG funding for "core" support terminates.

WEI has made significant progress in fundraising. Private income, corporate contributions, and recent cash and deferred-giving campaigns have all improved WEI's financial profile. Especially important over the long term is the capital fund (now \$300,000), through which interest and dividends will provide passive income that will increase the availability of unrestricted funds. WEI has one staff member specifically responsible for fundraising; she has managed these activities: initiation of a board of trustee activities in fundraising, publication of a fundraising newsletter, management of donor lists, and broadening of corporate contacts.

These efforts, together with several proposals to a variety of organizations, have resulted in successful bids on new contracts and a number of new grants, a rise in non-AID project funding from \$173,000 in FY 78 to \$235,000 in FY 79.

In sum, WEI has reached a new degree of sophistication in its financial management. In terms of the project purpose, WEI has improved its financial planning and broadened the base of its support for field and headquarters activities. Although still deeply involved in AID-supported projects, WEI has succeeded in reducing its subsidized dependency on AID.

III. CONCLUSION

WEI is fulfilling all of the objectives set for itself under the IDG. Since the evaluation team found abundant evidence that the WEI staff is engaged regularly in self-critical analysis of the organization's philosophy and operations, and most, if not all, of the types of recommendations the evaluation team could have made were in fact being covered in one way or another by the WEI staff itself, no recommendations are included in this report. We highly recommend readers interested in or involved with functional education programs make a point of reading the annexes to this report to become more familiar with WEI, how it sees itself at this time, its plans, problems and prospects. WEI is a valuable resource in the field of non-formal adult education.

Distribution

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