

EVALUATION OF  
BUREAU FOR PRIVATE ENTERPRISE (PRE) GRANT  
TO  
YOUNG PRESIDENTS' ORGANIZATION

Prepared for:

Bureau for Private Enterprise  
Agency for International Development  
Washington, D.C.

Prepared by:

Checchi and Company  
1730 Rhode Island Avenue, N.W.  
Washington, D.C. 20036

June 5, 1987

EVALUATION OF  
BUREAU FOR PRIVATE ENTERPRISE (PRE) GRANT  
TO  
YOUNG PRESIDENTS' ORGANIZATION

TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY	i-iii
Chapter One	
INTRODUCTION	1
I. BACKGROUND OF GRANT	1
II. PURPOSE OF THE STUDY AND SCOPE OF WORK	2
III. EVALUATION METHODOLOGY	3
IV. STUDY CONSTRAINTS	5
Chapter Two	
THE YOUNG PRESIDENTS' ORGANIZATION	6
I. YPO BACKGROUND	6
II. THE YPO AND THIS GRANT ACTIVITY	7
III. YPO/A.I.D. RELATIONSHIPS	10
Chapter Three	
FINDINGS	11
I. INTRODUCTION	11
II. ACHIEVEMENT OF PRINCIPAL OBJECTIVES	11
III. MANAGEMENT OF PROJECT TASKS	17
IV. A.I.D. CROSSCUTTING EVALUATION ISSUES	22
Chapter Four	
LESSONS LEARNED	23
Chapter Five	
CONCLUSIONS	24
Chapter Six	
RECOMMENDATIONS	27

Table of Contents (cont'd)

APPENDICES

- A. ORIGINAL YPO GRANT
- B. YPO GRANT EVALUATION
- C. LIST OF INDIVIDUALS/ORGANIZATIONS CONTACTED
- D. EVALUATION QUESTIONNAIRES
- E. YPO DOCUMENTATION
- F. INDONESIA CASE STUDY
- G. SRI LANKA CASE STUDY
- H. JAMAICA CASE STUDY
- I. ABRIDGED CASE STUDIES OF COUNTRIES NOT VISITED
- J. RELEVANT CABLES AND OTHER DOCUMENTATION

## EXECUTIVE SUMMARY

The Young Presidents' Organization (YPO) was awarded a grant by A.I.D./PRE in September 1982. The purpose of the grant was to fund a pilot activity to bring together groups of key entrepreneurs in selected developing countries to give them the opportunity to benefit from the experience of proven U.S. experts in new, start-up business ventures. In fulfillment of the grant, the YPO was to conduct seminars, lectures, roundtable discussions and factory site visits related to entrepreneurial problem solving in the selected countries.

This study of the activities conducted by the YPO under the grant was carried out by Checchi and Company from October 1986 through February 1987. The study was to assess whether the YPO achieved the principal objectives of the grant regarding entrepreneurial and educational activities, and to assess the YPO's management of the project tasks. In addition, the study was to assess cross-cutting evaluation issues of sustainability, women in development and impact on environment.

The evaluators visited three countries where the YPO presented programs - Indonesia, Sri Lanka and Jamaica - to interview host-country nationals and USAID staff who had been involved. The evaluators also reviewed pertinent file data provided by A.I.D./Washington and USAID Missions. Interviews were also conducted with cognizant A.I.D. officers, YPO members and YPO staff who had participated in the grant activity.

There were two parts to each YPO country program: Phase I, a planning visit; and Phase II, an implementation visit. The planning visits to the target countries were almost all well handled and produced high expectations for the follow-on implementation sessions. For various reasons, the necessary preparatory work before implementing the learning/idea exchange sessions with host-country entrepreneurs was not effective. As a result, the team members often did not meet the expectations of their audience nor did they reach a large segment of potential participants. Most of this

shortfall could be attributed to the lack of time available to a team leader for administrative details, and to the fact that the YPO staff was heavily occupied with member service programs, leaving very little time for this activity. In each country visited by the evaluators, USAID Mission staff were called upon to fill gaps in project management and logistics, which they did energetically and well.

Small seminars on specific subjects, roundtable discussions and informal one-on-one meetings between YPO team members and indigenous participants were quite successful. The more formal case studies were regarded by host-country participants as representing an interesting approach to enterprise development but lacking specific relevance to their business problems.

The YPO members and staff who worked on this grant showed considerable talent and energy. Some useful YPO advice was reported by host-country entrepreneurs in each country the evaluators visited. In a few cases, joint business ventures between YPO members and host-country entrepreneurs were undertaken. New YPO Chapters were established in Kenya and Jamaica, and business contacts were made which could result in future enterprise development. As a side benefit of the YPO program, the study cites instances in which the YPO provided quick, helpful advice and benefit to USAID Missions during its country program planning and implementation visits.

The YPO has considerable knowledge and skills among its membership in the areas of enterprise development, entrepreneurial problem solving and continuing education. Members who participated in the grant activities are active business people who naturally were preoccupied with their own business interests which often did not always correspond to the stated objectives of the project. In many cases, they did not receive sufficient briefing on the business environment and entrepreneurial problems of the countries they visited. This hampered their ability to transfer knowledge relevant to their audience's interests in enterprise development.

Pilot activities frequently evolve in their purposes, objectives and methods of implementation as the work progresses. It is recommended that in any future activities of this type, the contractual arrangement and project administration allow more A.I.D. monitoring and control responsibility in order to build on the lessons learned from the ongoing work. Such a contractual arrangement should be one that is easily amended to reflect desired changes in the purpose and objectives of the future activity.

Implementation of a future activity of this type should be subject to the availability of an organization which has or can quickly develop the capacity to manage the changing requirements of pilot projects in developing countries. It is also important that the target countries be carefully selected to exclude those which are less likely to benefit from the implementing organization's skill because of major differences in the local business, legal, or economic environment.

INTRODUCTION

## Chapter One

### INTRODUCTION

#### I. BACKGROUND OF GRANT

The Agency for International Development (A.I.D.) Bureau for Private Enterprise (PRE) awarded a grant to the Young Presidents' Organization (YPO) on September 27, 1982. The purpose of the grant was to fund a series of pilot activities focusing on entrepreneurial problem solving in selected developing countries. The YPO was granted the sum of \$404,766 to conduct short seminars, lectures, roundtable discussions and factory site visits for key entrepreneurs in the target countries. Copies of the grant and grant amendments, now scheduled to run through April 30, 1987, are attached as Appendix A.

To date, the YPO has presented programs under this pilot project in Indonesia, Thailand, Jamaica, Sri Lanka, Nepal and Kenya. As this study is being completed, programs in several Caribbean Basin countries are under way.

The grant calls for the YPO to carry out its program in each country in two phases:

Phase I, a planning visit, usually made by the same YPO team leader who is to conduct the Phase II visit to the country. During Phase I, the team leader is to select, with the recommendation and approval of the USAID Mission, a host-country counterpart organization to help organize and implement the program. Phase I goals are to identify specific subjects to be addressed during Phase II, the likely host-country participant audience, methods to be used, and factories for site visits, in collaboration with the counterpart organization.

Phase II, an implementation visit held three to four months later, in which seminars, lectures, discussions and site visits are conducted for the benefit of indigenous entrepreneurs. Phase II is to be

carried out by a six to ten-member YPO team over a period of about ten days.

## II. PURPOSE OF THE STUDY AND SCOPE OF WORK

Checchi and Company was engaged by A.I.D./PRE to assess the effectiveness of the YPO in fulfilling the grant objectives and to provide information that would assist A.I.D./PRE in determining whether and in what manner this type of activity should be supported in the future. The assessment was conducted by a Checchi evaluation team consisting of Richard Black and William Pugh.

The Scope of Work for the evaluators is attached as Appendix B. The evaluators were to address the following issues related to project implementation:

### A. Did the Project Achieve Its Principal Objectives?

- Determine the extent of entrepreneurial activity generated by the grantee in the form of new business activities or other enterprise promotion.
- Determine the extent and effectiveness of the grantee's transmission of specific entrepreneurial knowledge and maximization of personal exposure to host-country entrepreneurs.

### B. Management of Project Tasks

- Determine if team leaders were familiar with the constraints on entrepreneurial activities in the target countries.
- Determine whether the team members' skills and experience matched the varied needs of entrepreneurs in each country.

- Review the selection of indigenous counterpart organizations as to their appropriateness and effectiveness for the project.
- Determine if Phase I timing was sufficient to identify the local needs, potential participants, and entrepreneurs/-factory owners seeking outside assistance.
- Assess which of the meeting methods used by the grantee were the most effective in achieving the grant objectives.
- Establish whether reporting requirements under the grant were regularly fulfilled.

In addition, the evaluators were to address the A.I.D. cross-cutting evaluation issues of Sustainability, Women in Development and Impact on the Environment.

### III. EVALUATION METHODOLOGY

Interviews - The evaluators conducted interviews (see Appendix C for a list of those contacted) either in person or by telephone with:

- selected YPO team leaders, team members, and New York staff;
- available representatives of the counterpart groups and program participants in the countries visited by the evaluators; and
- USAID Mission representatives as well as A.I.D./Washington personnel responsible for administering and monitoring the grant.

Overall, 70 people were interviewed, of which 42 were host-country participants. Since a complete list of program participants in each country was not available, it is not possible to determine the exact percentage of participants interviewed as a function of total participants; however, based on reports from representatives of counterpart organizations and other interviewees regarding total numbers of participants at each

session, it is unlikely that this figure would exceed 25 percent. Virtually all responsible A.I.D. officials were interviewed, as were appropriate officials of all counterpart organizations. Of the 47 YPO team members who took part in country programs held prior to this study, 12 were interviewed by the evaluators.

An A.I.D./PRE representative accompanied the evaluators on the field interviews held in Indonesia and Sri Lanka, as well as on those held with other A.I.D./Washington staff and with YPO staff in New York.

Research - The evaluators reviewed the following background materials:

- Files on the YPO program activities available at A.I.D.-Washington as well as in the USAID Missions in the countries visited.
- Cables, letters, memoranda, and other materials on each target country program including all available YPO reports to A.I.D./PRE on Phase I visits, plans and agendas for Phase II, and the Phase II completion reports.
- YPO file information.
- Questionnaires completed by participants in the two Kenya programs.

Field visits - The evaluators visited three countries:

- Indonesia (Jakarta and Denpasar) from November 10 - 17, 1986.
- Sri Lanka (Colombo) from November 18 - 24, 1986.
- Jamaica (Kingston) from December 8 - 14, 1986.

Information on YPO programs in Kenya, Thailand and Nepal was obtained from file data, telephone interviews with YPO team members, A.I.D. cables, and

the completed questionnaires sent from Kenya. Since Phase I of the YPO's Caribbean workshops is being conducted as this study is drafted, data regarding this portion of the grant activity are not available.

#### IV. STUDY CONSTRAINTS

Initially the evaluators had hoped to observe program implementation in Kenya, where the YPO conducted a second Phase II program during November 1986. It is unfortunate that this was not possible, since an on-site visit would have afforded a chance to corroborate the questionnaire data.

In the countries visited by the evaluators complete lists of the YPO program attendees were not available. Other identifying information on potential interviewees was limited. As a result, the evaluators were unable to make priority selections for interviews and, in fact, interviewed all identified contacts in each country who were available during the visit.

Another constraint was the time elapsed since the YPO implementation visits, which limited participant recall. For example, the Indonesia program took place three years before the evaluators' visit.

Many pilot activity impacts are intangible and hence unmeasurable. Many host-country participants made positive comments about the inspirational and educational aspects of Phase II programs. Some of those who made positive comments also experienced post-program entrepreneurial success. The evaluators could not directly attribute this success to participation in YPO programs.

Finally, there are basic limitations to the interview method, particularly in cultures where verbal politeness is highly valued and negative comments are discouraged.

---

THE YOUNG PRESIDENTS' ORGANIZATION

## Chapter Two

### THE YOUNG PRESIDENTS' ORGANIZATION

This chapter first highlights the history, objectives, organization, and programs of the Young Presidents' Organization. The chapter then focuses on the relationship of the YPO and A.I.D., with respect to performance of the grant activities. Additional background information on the YPO is included in Appendix E.

#### I. YPO BACKGROUND

The YPO was formed in 1950 by successful young U.S. CEO's to provide the basis for further education and an exchange of ideas helpful to them in running their companies. The current membership of the YPO is approximately 4,600, in 95 chapters in 50 countries. The primary objective of this member-run organization remains education and idea exchange among its membership. It is basically a member service group.

The YPO's board of directors represents the interests of the chapters, elects officers and oversees the general operations of the organization, including the international offices. There are four international offices with a paid staff of 65 employees. The main international office is in New York City where most of the educational programs for internal YPO benefit are coordinated. The other international offices, located in Hong Kong, Geneva, and Miami, are relatively small with no more than six professionals per office. About 25 percent of YPO members are located outside the U.S. and Canada.

In the 1970's, the YPO undertook its first development projects for the U.N. Industrial Development Organization (UNIDO). A committee, now called Relationships and Opportunities (ROC), was established within YPO to manage development projects. The YPO objective for involvement in development projects is to help develop membership and member contacts.

There is a Member-in-Charge for the A.I.D./PRE grant. This person reports to the ROC and team leaders report to him. All YPO members are considered

equals. Consequently, members can advise each other but cannot direct one another to perform particular functions, including those involved in the management and performance of the grant.

## II. THE YPO AND THIS GRANT ACTIVITY

### A. YPO Approach to This Grant Activity

According to the organization's New York staff, the YPO's basic approach to fulfilling the terms of the A.I.D./PRE grant has been that of voluntary individual member responsibility with a consequent low level of involvement by YPO staff.

When the grant was made to the YPO in 1982, it provided for YPO missions to seven countries selected from a larger list of A.I.D. target countries. The YPO based its selection of the seven countries on YPO interest in developing membership and establishing new chapters. The countries included in the initial selection were Kenya, Thailand, Sri Lanka, Indonesia, Jamaica, the Ivory Coast, and Peru. The program in the Ivory Coast was eliminated by the YPO after the planning visit, because the YPO felt the entrepreneurial base was not likely to benefit from the program and also because there was not sufficient YPO membership potential. The program in Peru was eliminated without a planning visit due to political unrest. Programs in Nepal, and in the Caribbean Basin nations of Grenada, Belize, Costa Rica and the Dominican Republic, were added in 1986-1987.

At the outset of the grant period, the Director of Education in the YPO New York Office was responsible for its administration. Effectively, start-up began in February 1983. Around that time, a description of the objectives of the grant were sent to the YPO membership; resumes were solicited from those interested in serving as team leaders; and a Member-in-Charge of the grant was chosen by the YPO's New York staff. The Member-in-Charge selected the team leaders for each country program, with assistance from New York staff members who reviewed resumes. The New York staff said recommendations for team leaders were based on the individual's interest in international business, teaching or speaking experience,

freedom from other YPO responsibilities, and ability to commit time to a country program.

Individual team leaders were given a great deal of latitude and responsibility in carrying out each country program. They were to establish the agenda and develop the work plan; monitor progress, especially between Phase I and Phase II; and see that all required reports were prepared and submitted in a timely fashion. They were also charged with preparing and receiving all correspondence related to the program. The YPO's New York Office was not necessarily copied either way. Team leaders could, however, request assistance of the YPO office in preparing correspondence and program materials if necessary. The YPO's New York Office had no direct responsibility for YPO performance on the grant activity, except to account for bills and payments, unless a problem was referred there.

The New York staff reported that it also screened resumes for prospective team members, handled some team member selection, tried to provide the team leader with a balanced team both as to fields of interest and regional knowledge, and occasionally vetoed a prospective team member. According to the Member-in-Charge, team leaders had final responsibility for selecting their own teams.

According to its New York staff, the YPO had objectives in undertaking this project which, while not necessarily in conflict with the objectives stated in the grant, were additional to the stated objectives. The YPO saw the grant as an opportunity for some of its members with international experience and interests to meet, teach and assist foreign entrepreneurs. The advantage to the YPO was the chance to extend its membership and its members' network of contacts. In addition, team members would gain knowledge of a country and its business opportunities, and meet senior members of its business and political community. The YPO staff believes that all missions met the YPO's own objectives. Its members had access to key host country officials, its membership increased, and new chapters were founded. The members who participated generally enjoyed their visits, learned much about the host countries and made useful host-country contacts.

## B. History of Grant Activity

The proposal leading to the award of the grant to the YPO originated in a meeting between representatives of the YPO and the Assistant Administrator for A.I.D./PRE in April 1982. The YPO's proposal to A.I.D. highlighted the organization's qualifying capability and experience. Among these qualifications were the YPO's ability to tailor its programs to a target country; previous successful foreign projects; the fit between YPO member capabilities and the renewed emphasis being placed by A.I.D. on private enterprise as a development strategy; and the YPO's long experience in conducting practical programs combining theory and practice.

The terms of the original grant are summarized in Chapter One and fully set out in Appendix A. Following is a concise chronology of important grant events to date:

May 1982	YPO submitted a proposal for the A.I.D. grant
September 1982	Grant award to YPO. Original grant amount was \$255,426.
June-July 1983	Thailand Phase I
July 1983	Indonesia Phase I
Oct.-Nov. 1983	Indonesia Phase II
December 1983	Jamaica Phase I
March 1984	Thailand Phase II
April 1984	Jamaica Phase I (cont'd)
May 1984	Kenya Phase I
June 1984	Grant term extended from September 26, 1984 to June 30, 1985. A logistical support fund of \$40,000 was established from unexpended funds allocated to Peru and the Ivory Coast, to be used for recruiting participants and making in-country arrangements.
Sept.-Oct. 1984	Kenya Phase II
October 1984	Sri Lanka Phase I

October 1984	Jamaica Phase II - Business Investment
November 1984	Jamaica Phase II - Business Education
May 1985	Sri Lanka Phase II
June 1985	Grant term extended to January 31, 1986
August 1985	Nepal Phase I
November 1985	Second Kenya Phase I
September 1986	Grant term extended to April 30, 1987. Additional funds of \$149,340 allocated for programs in Nepal and the Caribbean Basin (Grenada, Belize, Dominican Republic and Costa Rica)
November 1986	Second Kenya Phase II
Jan.-Feb. 1987	Caribbean Basin Phase I

### III. YPO/A.I.D. RELATIONSHIPS

Both YPO team members and staff reported that their dealings with A.I.D.-Washington under the terms of the grant have been satisfactory. From the beginning of the grant to the time of this study, the YPO has worked with five different A.I.D. project officers. This amount of turnover, which often cannot be helped in a government organization, inhibited continuity and consistency in the working relationship. While relationships generally have been good between the YPO and A.I.D., the New York staff believes there were, as a result of the turnover of A.I.D. project officers, some communication problems which tended to exaggerate program-related problems when they arose.

YPO team leaders and members reported that their dealings with USAID Mission personnel had gone very well and that these personnel were cooperative and extremely supportive of YPO planning and implementation efforts.

---

FINDINGS

## Chapter Three

### FINDINGS

#### I. INTRODUCTION

This chapter presents the findings of the evaluators which form the factual basis for the more generalized conclusions, recommendations and discussion of lessons learned in the three following chapters. Findings have been organized by topic to correspond to the issues raised in the evaluators' Scope of Work. The findings are based on the evaluation methodology described in Chapter One, Section III, which included visits by the evaluators to Indonesia, Sri Lanka, and Jamaica. Case studies for the YPO programs in these three countries are presented in Appendices F, G, and H.

#### II. ACHIEVEMENT OF PRINCIPAL OBJECTIVES

##### A. Entrepreneurial Activities

##### 1. Entrepreneurial Activity Generated

Measurable entrepreneurial activity in the form of new business ventures was generated by YPO programs in Jamaica. In the other countries visited by YPO teams there was no tangible entrepreneurial activity generated although, as noted in Chapter Two, there may have been some unmeasurable effects on host country entrepreneurial activity. Many program attendees interviewed in the three countries visited by the evaluators ventured into successful new business activities or enterprise promotion after YPO team visits. It is not possible to trace a direct causal relationship between these new business activities and the YPO's programs, although they may well be connected. Both YPO team members and host country participants in each country visited by the evaluators reported that good personal relationships and information linkages had been established which could lead to future business development.

The YPO appeared to target Jamaica, Indonesia, Sri Lanka, and Kenya particularly for development of entrepreneurial activity. This is reflected in the YPO agendas for these countries and in the results of interviews with local counterpart organizations, USAID staff, local participants, and YPO team members. USAID officials in Sri Lanka and Indonesia reported that YPO team members were eager to invest in new ventures with host country nationals, but found that there was not enough time to overcome the difficulties of operating in an unfamiliar business climate.

The YPO program to Jamaica was unique in that it involved visits by three YPO teams. The first visit, described in this section, was made by an investment-oriented team which achieved measurable success in enterprise promotion. The investment team was followed one month later by two separate educational teams. (See Section B.3. below).

Members of the investment team made considerable effort to produce tangible results which led to the implementation of a number of Trade Act Section 807 textile projects. These projects involved sewing and assembling in Jamaica of garments and textiles supplied duty-free from the U.S. One textile joint venture that was still in operation during the evaluators' visit involved 100 jobs and an investment of approximately \$100,000. Other contracts were smaller and have since been completed. Efforts also were made by the YPO team members to develop projects for the local manufacture of furniture and candles, but no projects developed from these efforts.

In Indonesia, the YPO sought to generate entrepreneurial activity by establishing a venture capital fund of \$30,000, funded in equal parts by the YPO team members and host-country entrepreneurs. This fund was dissolved after six months during which no suitable investment projects were identified. All parties with whom the fund was discussed agreed that it was a useful learning device and evidence of the large degree of trust built up between the YPO team and Indonesian participants on a short visit. They attributed the fund's lack of performance to its small size and to the fact that no formal provision was made for its management on an ongoing basis.

In Sri Lanka, some YPO team members explored joint venture opportunities with host-country participants. Efforts were made in the construction field, in spice exporting to the U.S., and also to find a Sri Lankan manufacturer to produce handicrafts for the U.S. market. While no investments have resulted from these efforts to date, some business contacts are ongoing.

In Kenya, some efforts were made by the YPO to develop joint ventures with local business people. One such venture, involving the manufacture of small tractors, reportedly will receive funding through a USAID credit facility.

Judging from interviews with YPO team members and a review of file data for Thailand and Nepal, the YPO teams saw little likelihood of generating specific entrepreneurial activity in these countries on a short visit. Therefore, the teams concentrated on other program objectives such as transmittal of entrepreneurial knowledge.

Host-country participants interviewed in Indonesia, Sri Lanka, and Jamaica indicated they had expected more joint U.S./local business activity to be generated as a result of the YPO program. They generally attributed the low level of results to the lack of time for interested YPO and host-country participants to develop a better understanding of each other and to work out necessary details. Also cited was the unfamiliarity of the host-country business climate to many team members, and the handling of followup activities on an individual basis rather than through host-country counterpart organizations which might have contributed to resolving problems. The grant does not provide for follow-on activity after Phase II, a fact not clearly communicated to host-country participants.

## 2. Status and Activity of Local Counterpart Organizations

In each country visited, the YPO fulfilled grant terms by using established local organizations, selected during the planning visit with USAID assistance and approval, to support in-country program activities.

These local counterpart organizations have continued to function and operate much as they did prior to the YPO visits. Their activities were little affected one way or the other by the YPO program. The Sri Lanka Business Development Centre (SLBDC), which was organized in part with USAID funding and technical assistance, has continued to work for enterprise development; USAID staff in Sri Lanka, and YPO team members, believe the SLBDC made significant new contacts in its business community during the YPO program. The two Jamaican counterpart groups, the Private Sector Organization of Jamaica (PSOJ) and Jamaica National Investment Promotion Limited (JNIP), reported that the YPO visit did not affect their status. In Indonesia, the local YPO acquired some new members as a result of the pilot program there, but the chapter has not grown nor is there evidence of its further involvement in development activities.

## B. Educational Activities

### 1. Effective Transmission of Entrepreneurial Knowledge

The YPO programs generally were cited by host-country participants as having introduced successful American entrepreneurs to the host countries and allowed these participants to learn something of U.S. business methods and accomplishments. The Jamaica, Indonesia, Sri Lanka and Kenya programs all provided a forum for persons in the audience to identify and meet individually with YPO team members of potential interest for future business dealings.

From the perspective of a majority of the participants interviewed, the most effective aspects of these sessions were the small, informal round-table discussions between the YPO and the attendees, as well as the informal question and answer sessions that followed formal presentations. Some of the individual YPO presentations received high marks for effective delivery; cited specifically were the discussions of marketing methods and quality control techniques. The majority of host-country participants interviewed reported that most other presentations did not focus on topics of interest to local business or show sufficient orientation to the local

business environment. While many participants interviewed, particularly in Indonesia, saw the case study approach itself as an interesting instructional tool, they did not perceive the actual content of the cases presented as relevant to their specific problems.

During Phase II in Indonesia, the transmission of entrepreneurial knowledge to host-country participants was seriously inhibited in presentations outside Jakarta where English is not spoken by many host-country business people. In Sri Lanka and Jamaica, English is either a second language or the official language. This is not true in Indonesia where translation of oral presentations and written materials was required to transmit knowledge to persons living outside the capital.

It is worth noting again that the time lapse between the YPO visits and this study made it difficult to measure the effective transmission of entrepreneurial knowledge by the interview method. Other potentially useful data, such as immediate post program evaluations by attendees, were not used by YPO teams.

## 2. Exposure of Host-Country Entrepreneurs to the YPO Team

Almost all host-country participants agreed that the best opportunity for effective exposure to YPO team members came at informal sessions, such as the roundtable discussions in Sri Lanka, and at social gatherings included on the agenda in both Sri Lanka and Indonesia. The Jamaica business investment program was unique in that members of the YPO team stayed at the homes of Jamaican entrepreneurs.

It is difficult to measure the results of even the most effective exposure of the YPO teams to host-country entrepreneurs. Certainly they got to know each other, mutual understanding was fostered and ideas were exchanged. As noted elsewhere in this study, some business and social contacts are continuing between YPO members and business people from Kenya, Indonesia, Sri Lanka and Jamaica. Entrepreneurs in each country visited by the evaluators described the YPO members they came to know best as knowledgeable, energetic and inspirational. These contacts may well

have had positive effects on the entrepreneurs' approach to business problems which the evaluators could not measure.

Many of the host-country participants interviewed stated that the seminar audiences were not broadly representative. Some participants suggested that more adequate advance publicity on the program contents, as well as on the YPO organization and the backgrounds of the team members, was needed to reach a broader segment of the local business community and help busy host-country business people decide whether or not the seminar warranted their time.

### 3. Jamaica Experience

Jamaica was the only country where the YPO program had a separate education component. This was a workshop aimed at educators interested in developing a coordinated approach to business education in Jamaica.

The first implementation visit under this education program component took place in November 1984. Four YPO participants met over a three-day period with a select group of senior faculty of Jamaican institutions of business education. The formal and informal exchanges by both sides were reported to have been stimulating and productive. The outcome of these meetings was the decision to form a Business Council comprised of senior representatives of all major business education institutions in Jamaica. This Council was officially launched in May 1985.

The Business Council sought to build on this successful experience by scheduling a second implementation visit, which took place in November 1985, with financing from a separate USAID Mission grant. The YPO staff director who ran this second program described it as a success. There has been no indication that the Business Council plans any additional follow-up activities.

### III. MANAGEMENT OF PROJECT TASKS

#### A. Recruitment/Orientation

##### 1. Team Leader Target Country Awareness

The YPO team leader for Indonesia was already familiar with that country and with some of the constraints of conducting entrepreneurial activities there prior to his Phase I planning visit. This familiarity proved valuable, resulting in what the USAID Mission believed to be a particularly successful planning visit and orientation for team members. The Thailand team leader also had prior country experience. Other team leaders, lacking this familiarity, developed their knowledge of the countries through background reading and Phase I visits.

In the three countries visited by the evaluators, USAID Mission staff and counterpart organizations gave team leaders considerable assistance during planning visits in meeting host-country business people, government officials, and representatives of private organizations. In each country, the individuals who were selected to meet with the team leader were knowledgeable about local business conditions, the specific needs of host-country entrepreneurs and the constraints affecting the conduct of entrepreneurial activities.

After returning from their Phase I visits, the team leaders assembled orientation and briefing materials for distribution to team members, and/or instructed the New York staff to compile and distribute such materials. The team leaders for Indonesia, Sri Lanka, the first Kenya program, and Nepal also telephoned some team members to share their understanding of the business environment in those countries.

The interviews revealed several instances in which team members did not receive timely and clear communication of what the team leader had learned from the planning visit. The importance of transferring this information effectively was identified early by the Indonesia team leader as a problem

needing resolution. However, this problem was not resolved and resurfaced in the subsequent country visits.

## 2. Team Members Match to Host-Country Needs

Team leaders and YPO staff matched team members to host-country needs with varying degrees of success. The teams were selected from among those YPO members who volunteered their time after receiving information from the YPO. For this reason, matching of volunteers' skills and industry backgrounds with needs identified by the team leader during the planning visit was not always possible. In some cases, good matches were made, such as the inclusion in the Indonesia team of a person who spoke Indonesian. In Sri Lanka, USAID staff indicated that the team members' skills were well matched to the needs identified in Phase I. In other cases, team members' interests and experience were less relevant to the business conditions of the countries they were selected to visit. Some participants interviewed had difficulty understanding why such members had been included on the Phase II teams.

Most participants interviewed understood that a small team of company presidents could not respond on a 10-day visit to more than a few of their country's varied entrepreneurial needs. It was also generally understood that the team members were leaders of their respective companies, and that competing demands on their time could be responsible for some last minute cancellations and some failure to follow up on enterprise development possibilities.

## 8. Planning Activities

### 1. Selection of Counterpart Organizations

Selection of the counterpart organizations by the YPO team leader was always handled in cooperation with the USAID Missions. One could construct arguments for a different or additional selection in particular countries, such as Sri Lanka, but each alternative organization also had weaknesses as well as strengths in light of the grant objective, and

additional organizations may have compounded rather than resolved logistical and administrative problems.

In Thailand and Indonesia, existing YPO chapters were appropriate counterpart organizations in that they were familiar with YPO procedures and had mechanisms in place to facilitate follow-on communications and activities. The YPO Chapter in Indonesia, although too small to handle all of the administrative preparation for Phase II without assistance from USAID Mission staff, was an effective vehicle for project activities and did a good job of attracting host-country entrepreneurs to the Jakarta sessions. While the YPO Chapter in Thailand might have been effective, it withdrew its support from the program prior to Phase II implementation. In all other cases examined by the evaluators, the counterpart organizations cooperated and offered whatever assistance they could.

The organization selected in Sri Lanka, the Sri Lanka Business Development Centre (SLBDC), had only recently been organized with technical and financial assistance from USAID. In the USAID Mission's view, the SLBDC is a growing development-oriented group which benefited from its counterpart role by being required to perform new functions, and by making new contacts in the business community.

Representatives of counterpart organizations interviewed were almost unanimous in their belief that the Phase I visits were well handled and had achieved their objectives. But counterpart organization effectiveness was hampered by a lack of YPO follow-up between the two phases. In both Jamaica and Indonesia, advance program information was late in arriving. In Sri Lanka, the YPO made a decision for security reasons to provide no advance Phase II publicity. Without such difficulties, there might have been a larger, more representative audience with clearer understanding of what to expect from the Phase II program.

Some participants interviewed said that other established business organizations in their countries, such as the Rotary and the various Chambers of Commerce (many of which have large memberships and broad linkages with the business community), had not been asked to participate in assisting the

YPO. They felt that, with such assistance, audiences for the programs would have been larger and more broadly representative of local business interests. But as noted above, involving more indigenous organizations in the pilot program could have compounded administrative problems.

## 2. Planning Phase Timing

According to YPO Phase I reports and interviews with USAID Mission representatives involved with Phase I, the planning phase timing, agenda, and interviews were adequate for the team leaders to accomplish their responsibilities.

This excellent start was not reflected in most cases in the implementation programs. Indigenous groups, participants and USAID Mission personnel interviewed expressed the opinions that: (1) Phase I had led to expectations not fulfilled in Phase II; and (2) the problems and issues of interest to host-country entrepreneurs identified in Phase I were not fully addressed in Phase II. A main source of this problem was the lack of YPO team leader and staff time available between the two phases.

## C. Implementation

### 1. Effectiveness of Meeting Methods

The Phase II implementation programs generally combined a variety of formal training methods with opportunities for participants to exchange views and forge collaborative relationships on an informal basis. The mix of meeting methods included in the Phase II agenda for the Sri Lanka programs is typical. This agenda provided for a one-day joint venture workshop in which two case studies were presented; two days of roundtable discussions and informal meetings with Sri Lankan business people; an evening management forum; a visit by the YPO team to three manufacturing plants in the Colombo Free Trade Zone; one day of meetings with entrepreneurs outside the capital; and a two-day management theory and practice workshop, including formal presentations by YPO team members and one-on-one meetings with key host-country entrepreneurs.

The roundtable discussions and one-on-one meetings uniformly received high praise. Almost all host-country participants said the informality stimulated open interchanges on specific topics of interest to all parties. In Jamaica and Sri Lanka, some meetings were organized on an industry basis and led by one or two YPO members, a format which permitted more concentration on topical interests within industry groups. The question and answer sessions at the end of the formal presentations were also recalled as having been successful.

The formal presentations were generally viewed as having been less successful in fulfilling the program's objective of transmitting solutions to entrepreneurial problems. Most participants recalled the case studies as stimulating exercises which would have been of more practical value had the case situations been related to specific host-country entrepreneurial problems. Some focused presentations, such as those on marketing, packaging and quality control in Sri Lanka, were well received. Most other topics addressed by the YPO in formal sessions were considered to have been too general for practical application. Examples cited by participants included U.S. style labor relations and finance, both of which were not very applicable to the host-country setting.

## 2. Fulfillment of Grant Reporting Requirements

The grant-specified requirements for reports to be submitted by the YPO team leaders to A.I.D./Washington were fulfilled, with one exception. The reports reviewed by the evaluators were very good except for two which fell short of the detail and conclusions of the grant requirements. The early reports on the Indonesian and Sri Lankan programs were detailed and contained many valuable observations by team members. These observations could usefully have been taken into account in subsequent country visits had there been a mechanism within the YPO to communicate them clearly to subsequent team leaders and teams. A phase II report for one country visit was never submitted, despite repeated requests by the A.I.D. project officer.

#### IV. A.I.D. CROSSCUTTING EVALUATION ISSUES

##### A. Sustainability

A pilot project of this type is not sustainable after A.I.D. funding ends, although the benefits of entrepreneurial activity generated by the project may be sustainable. Some such benefits could well result from ongoing contacts between YPO members and host-country business people. Without periodic follow-up, sustainability of entrepreneurial problem solving and educational programs is not possible.

##### B. Women in Development

The Consultant interviewed women entrepreneurs who participated in the YPO program in each country visited. These were successful business women, many at the CEO level. None indicated any negative factors or obstacles to their participation in the program as the result of being women. Women participants reported the same responses to the program as male participants. Some felt they benefited while others felt the programs were not closely matched to their business problems. Two of the businesses in Jamaica which formed joint ventures with YPO team members were managed by women.

The YPO teams participating in implementation had one female member who visited two countries. In addition, the YPO used female staff assistants in the U.S. and one abroad to help with the administrative requirements of the programs.

##### C. Impact on Environment

There was no aspect of this Activity significantly impacting the environment.

LESSONS LEARNED

## Chapter Four

### LESSONS LEARNED

1. For pilot projects of this type, which by their nature evolve during performance, a contractual arrangement such as a cooperative agreement, that allows for a more substantial degree of A.I.D. involvement and monitoring of performance, is preferable to a grant.
2. A pilot project is also by its nature experimental, and therefore often achieves other or lesser objectives than those originally stated for the pilot project. In such instances, the success of a pilot project should be judged on the basis of the objectives it achieved rather than against the originally stated objectives.
3. In most cases, it would be beneficial for pilot projects of this type to have a narrower country or regional focus. This would permit advantage to be taken of lessons learned in a particular country or regional setting by more planned follow-on performance in that same setting.
4. Regular reviews are necessary between A.I.D. officials at the program/policy level and the party responsible for implementation in order to discuss differences of interpretation and opinion. Following such reviews, both parties involved can agree upon a clear direction for future performance.
5. In pilot activities of this type, formal educational methods should be supplemented by informal meetings and idea exchanges which allow host-country attendees to participate actively in the learning process.
6. Post seminar/workshop evaluation forms adapted to particular host-country circumstances should be completed by participants, and should then be evaluated by the contractor or grantee to determine which meeting methods were most effective and to modify subsequent host-country programs accordingly.

---

CONCLUSIONS

## Chapter Five

### CONCLUSIONS

1. Given the relatively small size of the grant and the duration of the activities in the countries visited by the YPO, full achievement of the grant's purpose and objective in such areas as entrepreneurial problem solving cannot be expected. To date, implementation of this pilot project has achieved the limited objectives of founding several U.S. host-country joint ventures and fostering idea exchange between host-country participants and YPO team members which could lead to future enterprise development. Many host-country participants achieved post-program business success. This may have resulted from program effects which the evaluators could not measure.
2. In the countries visited by the evaluators, the planning visit generally accomplished the purpose of Phase I as stated in the grant. Because appropriate funding was not available, there was insufficient follow-on work by the YPO between the planning and implementation phases, causing much of the value of the planning phase to be lost. This problem was compounded when the host-country counterpart group was small or administratively weak, causing a consequent, unintended burden to fall on the USAID Missions to assist implementation of the program. In all cases observed, USAID Missions responded quickly and effectively to this need as soon as it was perceived.
3. With few exceptions, indigenous counterpart organizations and Phase I participants believed that the objectives of YPO implementation visits were clear from the generally successful planning visits. The objectives established during the planning visits, however, were not adequately communicated in advance to the Phase II audiences, creating a sense of unfulfilled expectations among many indigenous participants and causing some disappointment among busy local business people attending sessions which did not match their expectations. Advance publicity about Phase II visits was often not timely, complete or accurate. Many participants believed the YPO team was in the host country primarily to seek new business

investments. Also, many appropriate participants did not attend sessions because of lack of information.

4. YPO team members, with some exceptions, were not sufficiently briefed on the realities of enterprise development in lesser developed countries, including cultural differences, the size and problems of indigenous business ventures, and the economic and political environment. Generally, YPO team members acquired some country-specific knowledge before or during implementation visits but this knowledge was insufficient to accomplish the purpose and objective of the grant. Prospective and actual YPO team members and leaders were very busy executives with tight schedules. This caused some potential team members to cancel when visit timing changed and was a constraint on time available for preparation by participating team members and leaders.

5. Many host-country participants had expected formal follow-on after implementation visits for joint enterprise development with YPO team members. Actual follow-on was on an informal individual basis because the grant did not provide for post-implementation visit funding. Participants tended to complain about lack of follow-on, and the ultimate result was a negative perception of the pilot activity as producing few concrete results.

6. Small seminars on specific subjects, roundtable discussions and informal one-on-one meetings between YPO team members and indigenous participants were quite successful. Host-country attendees uniformly agreed that roundtable discussions, seminars, and informal idea exchanges, which allowed their active participation, were effective and useful to their future business planning. The more formal case studies were regarded by host-country participants as representing an interesting approach to enterprise development but lacking specific relevance to their business problems. In places where English is not widely spoken by business people, such as Indonesia outside Jakarta, it would have been necessary to translate oral presentations and written materials in order to transmit entrepreneurial knowledge effectively.

7. Few of the lessons learned during early YPO team country visits on planning and implementation (e.g., the difficulties of logistics, the need for timely agendas and publicity, and need for country specific knowledge) were applied in other country visits. These lessons learned were stated clearly and accurately in the Phase II completion reports prepared by the YPO teams for Indonesia and Sri Lanka.

8. Some side benefits arose from the grant activity, such as advice from YPO team members to USAID Missions, the establishment of new YPO chapters abroad, and the establishment of contacts between team members and key indigenous business and government leaders, which may lead to enterprise development in the future. It is, however, impossible to speculate with any degree of accuracy on when and how this might take place.

9. There may have been unmeasurable benefits of this pilot project, arising from reports by host-country participants and USAID staffs that YPO team members were inspirational, dynamic, and energetic. This could have caused some "learning by example" of qualities applicable to entrepreneurial activities. Participants who described YPO presentations positively often experienced post-presentation business successes. The evaluators could not verify a connection between this positive experience and subsequent successes.

---

RECOMMENDATIONS

## Chapter Six

### RECOMMENDATIONS

1. Any future project of this type should concentrate on programs in one or two countries to establish its effectiveness. In larger countries, such as Indonesia, and those with significant differences in business climate from the U.S., such as Indonesia and Sri Lanka, longer implementation visits are required to obtain a sustainable impact on enterprise development. Funding should be available for necessary follow-on implementation visits to take advantage of lessons learned during initial implementation.
2. Any future pilot project of this type should provide for more direct A.I.D. monitoring and evaluation of performance to build from the learning experiences of the ongoing work, and thereby enhance project coherence and effectiveness. It would be appropriate for the contractual arrangement with the implementing organization to give A.I.D. explicit approval rights over each phase of the project. As the pilot project evolves, this contractual arrangement should be amended to reflect changing purposes and objectives. In this way, the project can remain sufficiently focused to be managed within the limits of available A.I.D. staff time.
3. In any future project of this type, a clear statement of the purposes and objectives of an implementation visit should be prepared well before the visit takes place. The agenda, information on the presenting group, and publicity about the purpose of the visit should be reviewed by A.I.D. before submission to the host country. This material should be forwarded to the host country for dissemination to target audiences at least three weeks before the implementation visit. In addition, the implementing organization should assess the program through the use of evaluation forms completed by the host-country participants immediately following presentation of program elements. The implementing organization should also evaluate its own performance of the project through regular internal reviews.

4. In any future project of this type, planning visits should be carried out by persons with prior host or similar country experience. Key goals of the planning visit should be to select one or more counterpart organizations capable of actively preparing and promoting the implementation visit; to identify precise problem areas to be covered; to identify the size and the type of businesses likely to be represented by the target audience; and to select the most appropriate methods of conveying knowledge and exchanging ideas. Accomplishment of these goals will greatly assist selection of the implementation team. In addition, after the planning visit, there should be staff specifically assigned to carry out the recommendations of the planning report so that the Phase II implementation corresponds to the goals established in the planning visit. This bridge work between Phase I and Phase II is of such importance that project funds should be provided for the considerable work that is involved.

5. In any future project of this type, the implementing organization should be one with: (a) substantial organizational experience in lesser developed countries; (b) a roster of experts with prior experience in countries likely to be visited; (c) quick response capability to provide experts in a context of changing purposes, schedules, and geographical sites for the activity; and (d) well-established home office management and monitoring controls. In addition, the organization should be sufficiently motivated either by the perceived realistic possibility of monetary return from the services and/or by an organizational commitment to public service.

6. If a future project of this type is to be conducted in countries or areas of countries where English is not generally spoken by the business community, it is essential that written materials be translated to the indigenous language, and that U.S. team members speak that language or arrange for professional translators to facilitate oral communication.

7. In any future project of this type, informal presentations such as roundtable seminars and combined social/business gatherings should be

emphasized in the agenda since such presentations encourage active participation by host-country attendees. More formal presentations such as case studies and lectures should be carefully adapted to address specific host-country problems in enterprise development.

---

APPENDICES

Appendix A

---

ORIGINAL YPO GRANT

September 27, 1982

Mr: Tom Olson  
Executive Director  
Young Presidents' Organization  
52 Vanderbilt Ave.  
New York, N.Y. 10017

Subject: Grant No. OTR 0001-G-SS 2299 00

Dear Mr. Olson:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to Young Presidents' Organization (hereby referred to as "YPO" or "Grantee"), the sum of \$255,426 to provide support for a program to conduct short seminars, lectures, roundtable discussions and factory site visits related to problem solving in entrepreneurial activities in seven target countries as described in the Schedule of this grant and the Attachment 2, entitled "Program Description."

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending September 26, 1984.

This grant is made to YPO on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description," and Attachment 3 entitled "Standard Provisions," which have been agreed to by your organization.

34

Please sign the original and seven (7) copies of this letter to acknowledge your receipt of the grant, and return the original and six (6) copies to the Office of Contract Management.

Sincerely yours,

*R. J. Torrey*  
R. J. Torrey  
Grant Officer  
Central Operations Division  
Office of Contract Management

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

Young Presidents' Organization

BY: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FISCAL DATA

Appropriation : 72-1121021.6  
 Budget Plan Code : PDAA82-13430-DG-61(246-34-099-00-61-21)  
 PIO/T No. : 940-0001-342-9047  
 Project No. : 342-9047  
 Total Estimated Amount: \$255,426  
 Total Obligated Amount: \$255,426  
 IRS Employer Identification Number: 13-1770417  
 Funding Source : AID/W  
 Project Officer: PRE/PPR: B. Bouchard (N.S. 516)

FUNDS AVAILABLE  
*[Signature]*  
 SEP 30 1987  
*0/04/90*  
 Program Accts. Division  
 OFFICE OF FINANCIAL MANAGEMENT

AFFACHMENT ONE

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to conduct the seven target countries (Jamaica, Ivory Coast, Kenya, Indonesia, Thailand, Peru, and Sri Lanka) short seminars, lectures, roundtable discussions and future site visits related to problem solving in entrepreneurial activities.

B. Period of Grant

The effective date of this Grant is September 27, 1982. The date through which commitments can be made on this Grant is September 26, 1984.

C. Amount of Grant and Payment

1. AID hereby obligates the amount of \$255,426 for purposes of this Grant. This represents the total intended award and no further funding is anticipated.
2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Standard Provision 7A, entitled "Payment-Federal Reserve Letter of Credit (FRLC) Advance."

The total obligated amount column under D. "Financial Plan", represents the total funds authorized to be expended by the Grantee during the period indicated. Total grant expenditures shall not exceed the grand total of the funds available. Within the grand total, the Grantee may adjust line item amounts as reasonably necessary for the performance of the work .

Financial reports shall be submitted to Project Officer listed on second page of grant letter. The final "SF-269-Financial Status Report" shall include an attachment that shows expenditures for the grant by line item.

D. Financial Plan: The following is the Financial Plan for this Grant. Revisions to this Plan shall be made in accordance with Standard Provision of this Grant, entitled "Revision of Financial Plan."

Cost Element	Total Obligated 9/27/82 thru 9/26/84						
	Peru	Jamica	Ivory Coast	Kenya	Indonesia	Thailand	Sri Lanka
Travel	\$ 15,280	\$ 6,424	\$ 19,444	\$ 25,072	\$21,364	\$16,744	\$18,508
Per Diem	\$ 14,204	\$ 19,928	\$ 18,656	\$ 15,265	\$18,444	\$16,536	\$17,808
Other Direct Costs	\$ 1,679	\$ 1,678	\$ 1,678	\$ 1,678	\$ 1,679	\$ 1,678	\$ 1,678
Total	\$ 31,163	\$ 28,030	\$ 39,779	\$ 42,015	\$41,487	\$34,958	\$37,994
Grand Total							\$255,426

E. Reporting and Evaluation

1. Following Phase I in each country the Grantee will prepare a detailed scope for the program in that respective country which will include:

- Potential participants
- Sessions to be held
  - Topics covered
  - Types of sessions (seminars, lectures, roundtable discussion)
  - Future visits
  - Other

These will be reviewed with PRE prior to proceeding.

2. The Grantee will prepare a summary report, in typewritten form of the program conducted in each country, including:

- Participants ( U.S. and host country)
- Sessions held
- Topics addressed

3. Two copies of reports required herunder shall be sent to the cognizant Program Office designated on the second page of the grant letter two weeks after phase I and within sixty days after Phase II for each country. Two copies of each report shall be submitted to the Office of Development Information and Utilization, Bureau for Development Support, Agency for International Development, Washington, D.C. 20523. The title page of all reports forwarded shall include the grant number, project number, as set forth on the second page of the grant letter, and project title .

F. Standard Provisions

The Standard Provisions for Grants with Non Profit organizations (dated 2/82 and attached as Attachment Three) constitute the Standard Provisions of this Grant. Alterations to these provisions dated 7/82 are also attached.

G. Special Provisions

The following Standard provisions are hereby deleted from this grant.

- 5A. Negotiated Overhead Rates - Predetermined
- 5B. Negotiated Overhead Rates - Nonprofit Organizations Other Than Educational Institutions
- 7B. Payment - Periodic Advances
- 7C. Payment - Reimbursement
- 10B. Procurement of Goods and Services Over \$250,000
- 11. Local Cost Financing With U.S. Dollars
- 12. Government Furnished Excess Personal Property
- 13A. Title to and Use of Property (Grantee Title)
- 13B. Title to and Care of Property (U.S. Government Title)
- 13C. Title to and Care of Property (Cooperating Country Title)
- 16. Voluntary Participation
- 17. Prohibition on Abortion - Related Activities
- 18. Voluntary Participation Requirements for Sterilization Programs
- 20. Patents
- 26. Participant Training
- 27. Health and Accident Coverage for AID Participant Trainees

ATTACHMENT TWO

PROGRAM DESCRIPTION

A. Purpose:

The purpose of this Grant is to conduct the seven target countries (Jamaica, Ivory Coast, Kenya, Indonesia, Thailand, Peru, and Sri Lanka) short seminars, lectures, roundtable discussions and future site visits related to problem solving in entrepreneurial activities.

B. Objective:

The objective is to bring together groups of key entrepreneurs in selected developing countries to provide the benefits of sessions on entrepreneurial problems-solving related to specific subjects utilizing proven U.S. experts in new, start-up business ventures.

C. Implementation

The Grantee will implement the program as outlined below and described in their unsolicited proposal. That proposal includes samples of past activities undertaken by YPO which were similar in nature to the one proposed herein. The exact nature (e.g., format to be used in each country) and topics to be addressed will vary by country and must await visits to the countries by the planning teams.

Utilizing experts from among its membership (see justification attached in Grantee proposal) the YPO will conduct programs in the following countries:

Jamaica  
Ivory Coast  
Kenya  
Indonesia  
Sri Lanka  
Thailand  
Peru

Reports will be compiled as a result of phase I and will be submitted to A.I.D. before Phase II is started. A list of suggested attendees shall be included in Phase I report.

At the beginning of the grant, two countries shall be selected for the initial Phase I/II procedure. After the process is completed for both phases for these two countries and reports reviewed, the balance of the

countries shall be completed. It is anticipated that Phase I will take about 2 months, with an additional week for report writing/discussions with AID, and then 4 months for Phase II.

In each country, YPO will work with an indigenous institution recommended and approved by the respective USAID Mission to do the following:

### Phase I

- Undertake planning visits (1 - 2 person team) to each of the countries listed to work with the indigenous institution selected to:
  - Identify problem areas to be addressed by the follow-on YPO subjects team;
  - Determine appropriate methods to utilize in providing the services - e.g., seminars, lectures, roundtable discussions;
  - Identify potential indigenous participants in the sessions; and
  - Locate potential factories for site visits as related to specific problem-solving.

### Phase II

- Follow-on YPO 6 - 10 member teams to undertake activities prescribed by planning teams in each of the countries listed; 5 - 10 day visits which may include:
  - Seminars/lectures on particular topics of interest/need to local entrepreneurs;
  - Roundtable discussions and;
  - On site factory visits to identify and suggest potential resolution to production, management, technology problems.

The examples attached in Grantee proposal illustrate the types of activities which will be undertaken by YPO in the countries selected. Additional detail will await the planning visits. Following these visits, a detailed outline of the topics addressed and sessions to be held will be developed.

---

YPO GRANT EVALUATION

## Background

Under Grant No. OTR-0001-G-SS-2299-00, AID provided the Young Presidents' Organization (YPO) with funds of \$255,426 to conduct short seminars, lectures, roundtable discussions and factory site visits related to problem-solving in entrepreneurial activities. This program was to be conducted in seven target countries: Jamaica, Ivory Coast, Kenya, Indonesia, Thailand, Peru and Sri Lanka. The period of the original grant was September 27, 1982 through September 26, 1984. The completion date was later extended to June 30, 1985 at no additional cost in order to compensate for a slow start-up. At the same time, the budget was restructured and a line item for logistical support at \$8,000 per country was added. The Ivory Coast project was cancelled after initial reconnaissance; the Peru project was also cancelled. The period of the grant was later extended further through January 31, 1986. In May 1986, an additional amendment was requested to extend the grant's completion date through April 30, 1987, and increase the grant amount to \$405,426. This extension would also expand the program to five additional countries: Nepal, Grenada, Belize, Dominican Republic, and Costa Rica.

According to the grant program description, the YPO program's objective is to "bring together groups of key entrepreneurs in selected developing countries to provide the benefits of sessions on entrepreneurial problem-solving related to specific subjects utilizing proven U.S. experts in new, start-up business ventures."

The grant program divides YPO's activities in each target country into two phases. In Phase I, a 1-2 person team performs a planning visit to the country to identify problem areas, determine methods to be used in providing services, and identify potential indigenous participants and factories for site visits. In Phase II, 6-10 member YPO teams make visits of 5-10 days each to perform activities prescribed by the planning teams, to include seminars, lectures, roundtable discussions, and/or on-site factory visits. In each country, YPO works with an indigenous institution recommended and approved by the country's AID Mission.

## ARTICLE I - TITLE

Young Presidents' Organization (YPO) Grant Evaluation

## ARTICLE II - PURPOSE

The purpose is to evaluate the effectiveness of the Young Presidents' Organization (YPO) in fulfilling the objectives of Grant No. OTR-0001-G-SS-2299-00 (September 27, 1982 through September 26, 1984, amended to extend through April 30, 1987). The evaluation should provide information to help PRE determine future direction and funding of YPO.

## ARTICLE III - SCOPE OF WORK

Study Approach: The evaluation team will conduct interviews and research to include the following: interviews with YPO team leaders and participants; with YPO New York staff regarding management strategy and operations; with host-country project participants; and with representatives of indigenous counterpart associations. Interviews will also be conducted with AID Mission representatives involved in counterpart selection and other liaison activities for YPO projects, and with AID/Washington personnel responsible for monitoring the YPO program. Research will include review of available documentation, including but not restricted to the following: scopes of work prepared by YPO for each project in preparation for Phase II activities; team summary reports; and YPO's final report.

The evaluation team will assess the pilot program, providing support documentation and analyses, in each of the following areas:

### A. Achievement of Principal Objectives

#### 1. Entrepreneurial Activities

Analyze the extent of entrepreneurial activity generated by YPO team visits, in the form of new business activities, or other enterprise promotion

Describe current status and activities of local counterpart organizations created or utilized by YPO.

#### 2. Educational Activities

Describe the extent and effectiveness of YPO's activities in (a) transmitting specific entrepreneurial knowledge and (b) maximizing exposure of host-country entrepreneurs to YPO team members.

### B. Management of Project Tasks

Provide information to answer the following questions, with supporting analyses.

#### 1. Recruitment/Orientation

Were the team leaders recruited familiar with the constraints of conducting entrepreneurial activities in the target countries? Were team members' skills matched with the needs identified in reconnaissance visits? Did teams include an appropriate mixture of skills to enable them to respond to the varied needs of the country projects?

## 2. Planning Activities (Phase I)

Analyze the effectiveness of YPO's strategy and operations in managing the program's planning activities, with attention to the following questions:

Were selections of indigenous counterpart organizations appropriate and accomplished in coordination with AID Missions? Did utilization of YPO chapters as indigenous counterparts prove an effective vehicle for project activities? Was Phase I timing sufficient for the assigned tasks of identifying problem areas, indigenous participants, and sites for factory visits?

## 3. Implementation (Phase II)

Which of the various methods utilized by YPO teams (seminars, discussions, case studies, etc.) were proven to be most effective? Provide description and analysis of materials and agenda which were most successful in fulfilling the program's objective of transmitting solutions for entrepreneurial problems. Were the grant's reporting requirements regularly fulfilled?

## C. AID Cross-Cutting Evaluation Issues

To the extent feasible, the evaluation team will address the cross-cutting issues established by AID/PPC/CDIE, January 1986, by briefly responding to appropriate questions on Sustainability, Women in Development, and Impact on Environment.

## ARTICLE IV - REPORTS

This evaluation should determine whether the objectives of the YPO Program have been accomplished in the projects achieved to date. Upon completion of research and interviews, the evaluators will provide oral de-briefings to AID and YPO personnel, describing their preliminary findings.

Within two weeks following this preliminary de-briefing, the contractor will prepare and provide 12 copies of a draft report, in a format to be agreed upon with the evaluation project officer. This report should describe the evaluation's findings and provide supporting analyses, conclusions and recommendations. The draft reports will be circulated among AID and YPO personnel for their review and comments. Two weeks will be allowed for this review. Based on the review, further research and analysis may be directed as needed. Two weeks will be allowed for this activity. The contractor will then prepare 12 copies of a revised draft for

a second review. Two weeks after receipt by PRE of this revised draft, comments will be returned to the contractor. Subsequently the contractor will have two weeks in which to provide 12 copies of a final report, incorporating the comments of the reviewers. One of these copies will be on 8 1/2 X 10 1/2 paper, unbound and of letter quality suitable for duplication.

ARTICLE V - RELATIONSHIPS AND RESPONSIBILITIES

The AID project officer is Carolyn F. Weiskirch, PRE/PR, Room 3311 NS, tel 647-5624.

ARTICLE VI - TERM OF PERFORMANCE

Estimated starting date is September 25, 1986 and estimated completion date is January 24, 1987. The evaluation will require the following travel: Jamaica, 6 days; Kenya, 7 days; Indonesia, 9 days. A seven-day work week is authorized for the period of travel.

ARTICLE VII - WORK DAYS ORDERED

Development/Management Specialist	48 days
Private Sector Analyst	<u>43 days</u>
TOTAL	91 days

---

LIST OF INDIVIDUALS/ORGANIZATIONS CONTACTED

## INTERVIEWS IN INDONESIA

H. Mataram, Director, Bali Chamber of Commerce and Industry  
J. Susila, Bali Chamber of Commerce and Industry

H. Sajuto, Chairman, Usaha Trisakti Group

D. Motik Pramono, President, Indonesian Business Women's Association

Netty B. Rianto, President, Klinik Specialis/Apotik "RETNA"

James W. Castle, Business Advisory Indonesia  
Mark A. Edleson, Business Advisory Indonesia

Larry Sukanda, Business Development Group, P.T. INDULEXCO

Vera Mewengkang, President, P.T. Sarana Komputer Utama  
Franklin J. Kline, P.T. Sarana Komputer Utama

I.G.M. Oka, Managing Director, Bank Dagang Bali

Suryo B. Sulisto, President, Satmarindo  
Peter Coen, Satmarindo

Kathleen Goodman, Institut Pengembangan Manajemen Indonesia

Paul Waters, Commercial Counselor, U.S. Embassy

D. (Terry) Myers, Project Development Officer, USAID Mission

## INTERVIEWS IN COLOMBO, SRI LANKA

Mano Selvanathan, Director, Sri Krishna and various other companies  
Ruzly Hussain, Director, various companies  
M.D. Pathmasiri Dias, Director, Small Business Promotion Institute  
Stephen Wade, formerly Regional Vice President, Mellon Bank - Sri Lanka  
C. Anton Balasuriya, Managing Director, Sri Lanka Business Development Centre  
Rohini De Silva and Mark A. Conley, Principals with law firm Conley & De Silva  
G.C.B. Wijeyesinghe, Partner, Chartered Accountants Ford, Rhodes, Thornton & Co.  
S.S. Jayawickrama, Secretary, Ceylon Chamber of Commerce  
Moksevi R. Preliis, Director, Development Finance Corporation of Ceylon.  
James J. Barnes, Commercial Attache, U.S. Embassy  
R. Kandasamy, Commercial Specialist, U.S. Embassy  
Alexander W. Shapleigh, Project Development Officer, USAID Mission  
Robert Chase, Director, USAID Mission

## INTERVIEWS IN KINGSTON, JAMAICA

Jamaica National Investment Promotion Limited (JNIP):

Corrine McLarty, Managing Director

Peter D. Martin, Director, International Division

Ambrose DaCosta, Sr. Director, Economic Development Division

Carol A. Rose, Sr. Economic Development Executive

M. Erskine, Sr. Public Relations Executive

Delroy F. Lindsay, Deputy Executive Director, Private Sector Organisation of Jamaica (PSOJ)

Geoffrey Messado, Managing Director, Gem Furniture Company

Cecil L. Wynter, Managing Director, Caribbean Candlelight Co., Ltd.

R. Anthony Williams, Managing Director, Jamaica Candle Corporation Limited

Charton Ferguson, Chairman, Shanelle Manufacturing Co., Ltd.

Sharlene Sleem, Managing Director, Satisfaction Sewn Products, Ltd.

Una Black, Managing Director, Unitex Export, Ltd.

Ralstin N. Smith, Chairman, Apparel Export International, Ltd.

John Marzonca, Marzonca Group, Ltd.

G. Hamilton, Assistant to the President, College of Arts, Science and Technology; also Secretary, Council for Management Development

George Briggs, President, Administrative Staff College, and Deputy Chairman, Council for Management Development

Dorothy Black, Economic Counselor, U.S. Embassy

Franklin Gillano, Commercial Attache, U.S. Embassy

Talbot Penner, USAID Mission

Debra Wahlberg, USAID Mission

A. I. D. WASHINGTON, D. C.  
INTERVIEWS

Russell Anderson, Director, Office of Project Development

Andrea Bauman, Former Project Officer

Malcolm Novins, Former Project Officer

Sande Reinhardt, Project Officer

David Rybak, USAID Officer in Jamaica during YPO programs

YOUNG PRESIDENTS' ORGANIZATION  
INTERVIEWS

Members and Staff

Lawrence Andrews

Jonathan Green

Robert Black

Carol Velander

TELEPHONE INTERVIEWS

MEMBERS

Michael Berolzheimer

Gary Rappaport

William Cassell

Robert Reed

Jim Dodson

Jon Shone

Mark Gitomer

Frances Todd Stewart

Sheldon Monsein

Marvin Walter

Ted Pincus

David Wechsler

---

EVALUATION QUESTIONNAIRES

QUESTIONNAIRE FOR YOUNG PRESIDENTS' ORGANIZATION  
SEMINAR ATTENDEES

Activity (ies) attended:  
Dates:

How and when did you hear about the YPO Program?

Was the notice timely and complete?  
Please explain.

How could the notice be improved?

Was the program location convenient and comfortable?  
Please explain.

Did you pay to attend the program? How much?

Was the program worth the cost to you?  
Please explain.

Please answer the following questions and briefly explain your answers:

Was the meeting or other activity well-organized and well-run?

What did you like best about the program?

What did you like least about the program?

Did you have any problems understanding the material presented?

Was there a language problem?

Was the presentation appropriate to local problems and needs?

Were there problems in hearing or seeing the presentations?

Was there any hand-out material included in the presentations?

If not, would it have helped you understand or remember what was covered in the program?

Were the program leaders knowledgeable on the subject?

Did they present the material well?

Were they cooperative and helpful?

Were the program leaders knowledgeable concerning the local investment climate and business community?

Were they aware of cultural aspects of the country?

Did the program meet your expectations?

Did you learn useful techniques which you have been able to use in your business?

Did you train or teach others anything you learned from the program?

Did you change your business approach as the result of the program? For example, did you change your management style, business structure, or organization?

Did you make new contacts with other local businessmen or government officials during the program which have been useful to you?

Do you think that there are many individuals who could benefit from attending such a program in the future?

Have you had any continuing contact with the YPO leaders?

If yes - with whom, and for what reason?

If no - did you want continuing contact with them?

Did you attempt or succeed in developing any business dealings with program participants, or with others you met through their contacts?

How would you change the program for individuals attending for the first time?

What would you like to have covered in a follow-up program for yourself?

Would you like to attend another YPO program?

Would you recommend the program to others?

Any additional comments you would like to make regarding the YPO program:

## QUESTIONS FOR A.I.D. MISSION/EMBASSY

What contacts did YPO have with your office prior to presenting its program in the country?

What YPO activities did you attend, help to organize, or otherwise have contact with?

What was the process used by YPO to select or create its counterpart organization in the country?

Was that selection appropriate, in your opinion?

If so, why?

If not, why not?

Was there good coordination and communication between YPO and the counterpart organization?

What is the current status of the counterpart organization?

What effect, if any, did the YPO activity have on it?

What opinions were expressed by local participants regarding the YPO activities?

Was YPO "groundwork" in preparation for the program adequate?

If you observed more than one type of YPO activity, such as a seminar and a small-group discussion, which did you feel to be most effective?

What activities were least effective?

In your opinion, what did the YPO team members see as the purpose of the program?

Please rate the YPO team members who you observed, or with whom you had contact, in the following areas. Please explain each answer briefly.

Did their skills match the needs of the local participants?

Were they well prepared for the seminars and other activities which they presented?

Were they knowledgeable concerning the local investment climate and business community?

Were they aware of cultural aspects of the country?

What suggestions would you give to improve the orientation YPO members receive prior to participating in these programs?

What percentage of the YPO activity was devoted to traditional seminars, site visits, and the like, and what percentage to more informal activity, such as discussions of possible joint ventures?

Was the length of time of the YPO program appropriate?

Did the substance of the seminar and/or other activity you observed meet the local participants' needs?

What was the extent of contact between YPO team leaders and members and the A.I.D. mission and/or Embassy during their activity in the country?

Would you recommend more coordination between YPO and the mission or Embassy? Please explain your answer.

Are you aware of any ongoing joint ventures or business dealings or other follow-up between YPO team members and local businessmen? Please explain your answer.

In your opinion, what are the best aspects of the YPO program?

In what ways do you think the YPO program might be improved?

Would you recommend another YPO activity in this country?

How would you suggest it be structured?

Do you have any other comments or suggestions regarding the YPO program?

QUESTIONS FOR LOCAL COUNTERPART ORGANIZATION OR YPO CHAPTER

How was your organization contacted to participate in the YPO program?

Did YPO supply your organization with timely information regarding the program as needed for your planning?

Was there good coordination between the YPO and your organization?

How has your organization changed since the YPO program in your country?

How many active members does your organization currently have?

In your opinion, was YPO "groundwork" in preparation for the program adequate?

Was local promotion for the YPO visit effective and informative?

Were there any problems encountered with start-up of the YPO program?

Was attendance as expected, and were attendees at appropriate management levels?

Were meeting locations good?

In cases where factories were selected for site visits or other problem-solving activities, were those selections appropriate?

Was adequate time allowed for carrying out the activities which made up the program?

What did you feel was the purpose of the YPO program presented in your country?

Which of the different YPO activities, for example, seminars or one-on-one meetings, did you feel to be most effective?

Which activities were least effective?

Did the content of the YPO's presentations address the attendees' needs?

Please rate the YPO team members whom you observed in the following areas. Please explain each answer briefly.

Did their skills match the needs of the local participants in the program?

Were they well prepared for the seminars and other activities presented?

Were they knowledgeable regarding the local investment climate and business community?

Were they aware of cultural aspects of the country?

What suggestions would you give to improve the orientation YPO members receive prior to presenting programs such as these?

Did your organization or individual program participants request follow-up from YPO?

What follow-up has occurred?

To your knowledge, did any of the program participants develop joint ventures or other business ventures with YPO members after the program?

In your opinion, what are the best aspects of the YPO program?

In what ways do you think the YPO program might be improved?

Would your organization like to participate in another YPO activity?

How would you suggest it be structured?

Do you have any other comments or suggestions regarding the YPO program?

0520A

Evaluation of PRE Bureau Grant  
To  
Young Presidents Organization  
Questionnaire for YPO Program Attendees

This questionnaire is in reference to: (please check one)

- a. The 1984 YPO program \_\_\_\_\_
- b. The 1986 YPO program \_\_\_\_\_
- c. Both the 1984 and 1986 programs. \_\_\_\_\_

1. How and when did you learn about the YPO Program?

2. Was the meeting or other activity you attended well-organized and well-run?

3. Did you understand the material presented?

a. If there was a problem, please describe it.

b. Did the presentations relate to local problems and conditions?

4. Was there hand-out material included in the presentations?
  - a. If so, was it complete and useful?
  - b. If not, would it have helped you understand or remember what was covered in the program?
  
5. Please answer the following questions regarding the YPO program leaders:
  - a. Were they knowledgeable regarding the subjects of their presentations?
  
  - b. Did they present the material well?
  
  - c. Were they knowledgeable concerning the local investment climate and business community?

d. Were they aware of cultural aspects of the country?

6. Was the program material relevant to your needs?

a. What did you find most useful about the program?

b. What did you find least useful?

7. Did the program meet your expectations?

8. Did you learn useful techniques which you have been able to use in your business?

a. Please explain.

9. Did you change any of your approaches to business as a result of the program, such as your management style, business structure, its organization, and so forth?

a. Please explain:

10. Did you make new contacts during the program with other local businessmen or Government officials that have been useful?

a. Please explain.

11. Have you had any continuing contacts with the YPO leaders?

a. If yes, with whom and for what reason?

b. If no, did you wish to have them?

12. Did you attempt or succeed in Developing any business dealings with program participants, or as a result of the program?

a. Please explain.

Attendee's Name \_\_\_\_\_

Attendees Firm \_\_\_\_\_

Date Form Completed \_\_\_\_\_

AGENDA

Meeting at YPO Headquarters

Friday, December 19, 1986  
9:15 AM

AGENDA: TOPICS FOR DISCUSSION

1) Background on YPO Involvement with This Grant

What was YPO interest in AID Grant?

Other projects of a similar nature

What are typical YPO projects?

2) Organization of the YPO

Charter/history

Membership

Committees

Executive office

3) The Executive Office

Responsibilities

Staff

Duties administering AID Grant

Were grant requirements normal routine?

- 4) YPO Understanding of AID Grant
  - Responsibility for effort between Phases I and II
  - Responsibility for changes made in agenda formats
  - Internal YPO review of progress on Grant
- 5) Role of Jonathan Green
  - Role within YPO organization
  - Role administering the Grant
  - How did his role evolve or change?
- 6) Responsibility for Staffing Each Mission
  - How was it accomplished?
    - Selection/qualifications
    - Country needs/requirements
  - Communication with country about YPO participants
  - Coordination among YPO before each mission
    - What was done
    - Is this normal procedure?
    - Role coordination responsibility
- 7) Responsibility for the Meetings
  - Organization
  - Attendance
    - Invitations/record of attendance
  - Evaluation
- 8) Responsibility for Mission Follow-up
  - Immediately following
  - Inquiries
  - Later contacts with assisting organizations

9) Executive Office Role

Jamaica

Why was the mission so different?  
Role in follow-up education meeting  
How was it conceived/planned?  
How did it proceed?  
How was it received?  
Results achieved

Other missions

Follow-up visits after mission  
Purpose  
What was achieved

Format changes in missions

Who was responsible?  
Why was it done?  
Who reviewed changes within YPO organization?

YPO chapters established after missions

Where  
Membership

10) Kenya II Mission

Program presented

Attendees

Results/evaluation forms

How did it vary from Kenya I

Follow-up plans for Kenya II

Executive Office involvement, if any

11) YPO Assessment of AID Objectives

Did program contribute to YPO?

Were the missions successful?  
Specific highlights and successes

Does YPO want continued involvement?  
On what basis?  
With what objectives?

12) YPO Interactions

AID-Washington

AID-various countries

Local country organizations

13) YPO Allocation of AID Resources (if appropriate to AID)

Spending by country

Planning costs

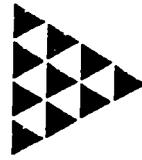
Mission costs

Follow-up costs

Services other than YPO members

---

YPO DOCUMENTATION



# Young Presidents' Organization **A Profile**

## **An Organization Exclusively for Young Business Leaders**

The Young Presidents' Organization is designed to educate and foster idea exchange among its members, each of whom has reached a high level of individual accomplishment.

The Organization consists of respected young executives who lead some of the world's largest and most influential manufacturing, financial and service organizations.

YPO's success as an educational forum for such a high-level and sophisticated membership lies in the fact that it is member run. With the assistance of a professional staff, members design programs to meet their special needs.

YPO is a totally unique forum which transcends national boundaries and offers its members ongoing opportunities to exchange ideas with peers around the world.

## **The History of Success**

YPO measures its success by the effectiveness of its educational activities for business leaders. The YPO tradition has been to provide important programs focusing on all aspects of professional life.

## **The Genesis**

In 1950, a group of successful, young chief executives gathered in New York to discuss how best to face the responsibility and challenges of corporate executive life. These business leaders exchanged ideas and friendship and, in doing so, established the core of the Young Presidents' Organization. This first meeting set the tone for the future.

## The Organization Today

	% of Total Membership
<b>Age</b>	
34 years or less	4
35-39 years	20
40-44 years	44
45 years and over	32
<b>Education</b>	
Less than college	9
College Graduate	51
Masters Degree	34
Doctoral Degree	6
<b>Type of Business</b>	
Manufacturing	35
Retail or Wholesale	22
Construction	11
Finance	9
Service Industry	18
Natural Resources	2
Transportation	3
Other	6
<b>Sales Volume</b>	
Under \$5 million	6
\$5-\$14 million	31
\$15-\$24 million	17
\$25-\$49 million	16
\$50-\$99 million	11
\$100 million or more	19
Average in millions	\$39.9
<b>Number of Employees</b>	
99 and under	23
100-499	47
500 or more	30
Average Number	343

The spirit of camaraderie that prevailed at that first meeting continues today on an international level. Now over 4,600 members, representing 95 chapters and 50 countries, gather together on local and international levels to discuss their concerns as leaders of major businesses.

The membership is drawn from a truly diverse business spectrum. Represented in YPO are individuals involved in manufacturing, wholesale and retail, construction, transportation, brokerage, finance and other service industries. The average sales volume of their companies is US \$40 million, and the average number of employees is 343. Over half of the membership is involved in business on an international scale. Approximately 78 percent of members' firms are privately owned.

The result is an unparalleled global network of professional knowledge and experience in which each member participates and from which each member benefits.

## Membership and the Organization

There is a high level of participation in all YPO activities because the Organization's dedication to individual excellence and leadership reflects the membership itself.

## Importance of the Chapter

Local chapters are the foundation and the cornerstone upon which the entire Organization rests. They are the base from which participation begins.

Each chapter is an autonomous unit with elected officers who are responsible for tailoring local activities and ensuring member participation.

Chapters participate in or host area activities. Areas are groups of chapters within geographical regions designated by the Board of Directors. Currently, there are 11 areas: eight in North America, and one each in Europe, the Trans-Pacific and Latin America/The Caribbean.

## The Board of Directors and International Office

The governing councils of each area are composed of chapter representatives who nominate members to the Board of Directors. The Board oversees the general operation of YPO, and is responsible for

ensuring that the Organization lives up to its goals and objectives. The Board elects the international officers who oversee the programs and activities of the Organization.

Also under the auspices of the Board is the International Office. This professional staff is located in New York City with offices in Geneva and Hong Kong. Members of the staff assure both the smooth and efficient operation of the Organization and of the many YPO-sponsored events worldwide. The staff provides training and other assistance to chapter officers to help guarantee successful local programs.

### **Membership Requirements**

Every candidate must meet rigorous standards for admittance into YPO and demonstrate outstanding leadership qualities. The specific criteria for membership are extensive, and there are no exceptions. Before any candidate is accepted, YPO must ascertain that certain quantitative levels of success have been attained.

- Every candidate must have become president or chairman and chief executive officer prior to the 40th birthday. The title managing director may apply outside of the continental United States. Applications may be submitted until age 44.
- An applicant's firm, if it is a manufacturing company or division, must produce annual gross sales of at least US \$4 million.
- If the applicant's company is a financial institution, average annual assets of US \$80 million must be demonstrated.
- If the business is an agency-type organization (i.e. brokerage house, travel agency), annual commissions or fees (net revenues) of US \$2.5 million must be shown.
- Regardless of the prospective candidate's type of business, there must be no fewer than 50 full-time staff on the payroll.

YPO is concerned with developing the totality of every member, so it must view the potential of each applicant. Each candidate must exhibit integrity in both personal and business affairs. An abiding belief in self-improvement is a necessary ingredient for successful entry into the Organization. And a willingness to embrace the YPO concept and its program is critical. There is no financial net worth requirement for membership. Upon admission, the new member enjoys full privileges and accepts the responsibilities of joining this exclusive network.

As a peer-run organization, members' active participation and their commitment to YPO goals is key to everyone's success. Local chapters have little interest in candidates who are not highly motivated about their involvement in the Organization.

### **The Global Network**

The Organization's greatest strength is its broad international scope. The process of understanding the complexity of business today is facilitated greatly by the integration of YPO chapters into one worldwide network.

Many members find that their participation in this network is one of the most beneficial and rewarding facets of their careers.

### **Education Programs and Activities**

Chief executives are always spearheading new benefit programs to compensate employees or enhance productivity. As members, chief executive officers are on the receiving end — enjoying valuable educational benefits created to help them as business leaders.

YPO offers a unique, comprehensive agenda of educational and other fulfilling programs throughout the year at the chapter, area and international levels.

## Chapter Meetings

Chapter meetings are the primary platforms and are held on an average of ten times per year. While there is no set format for these meetings, the common thread is idea exchange and education.

Through meetings, members are able to discuss problems that may affect their businesses. There are also formal presentations on topical business issues, discussions on relevant case studies, and visits to members' companies and plants. There are many activities in which the member can include his or her family.

## Presidents' Forum

The Presidents' Forum represents YPO's ultimate idea exchange medium, and has often been described as the essence of the Organization. The forum consists of small groups of chapter members who serve as a personal and confidential advisory board of peers for each member of the group. Its purpose is to provide participating members with objective advice and support on any issue or problem they encounter. It has the capability to enlighten participants and to add new perspectives to each individual's understanding of his or her business and the role of the chief executive. The proceedings of the Presidents' Forum are strictly confidential. As a problem solving group, this is an excellent way to face the challenges of executive life.

## Area Conferences

Area conferences are annual meetings hosted by individual chapters of an area on a rotational basis. Normally, three to four days long with an average attendance of 200, the conferences center on business, geopolitical and personal development topics. Well-known speakers add their insights to topics and focused sessions allow for idea exchange among members from chapters of the area holding the conference, as well as with guests from outside the area.

## Seminars

YPO seminars are focused programs for idea exchange on specific topics. In these seminars, usually lasting three days, small groups analyze issues ranging from management skills to economic concerns. Seminar formats differ. Some can take the form of a week-long course at a leading graduate school of business; others are organized around travel and business. All seminars are designed to expand and complete the corporate executive. They are led by the best professionals in the subject areas concerned, and many times this means fellow YPO members.

## Universities for Presidents

Universities are at the apex of the Organization's programs. Held several times annually in major world capitals, the university is a week-long program of educational events. As a focal point for young presidents from all over the world, the event can attract more than 1,000 participants.

Over 50 recognized experts, including world leaders, corporate giants and renowned academicians take part and discuss a wide range of issues. There is no better opportunity for members to immerse themselves in an educational program, discover a new culture and join a network of peers.

Universities also are sponsored for members and their families. Based on the same concept as a university for presidents, a family university is a week-long program featuring a variety of speakers who are experts in areas of interest to all age groups.

## State-of-the-Art Communications

YPO keeps members in touch with one another and with what is happening in the world today through innovative programs that utilize the latest technology.

An extensive collection of educational video and audiotapes recorded at various seminars, universities and area conferences is available through a tape

distribution program. Members can participate in important lectures and presentations they may have missed, review those programs which were especially helpful and interesting or enhance skills of their employees by sharing these programs with them.

Special video and audiotapes also have been recorded on selected topics, covering an outstanding panorama of business and economic related material.

Through their personal computers, members in most countries throughout the world can participate in the YPO Data Network. This exclusive computer network has electronic mail capacity, electronic conferencing facilities, and access to the YPO Faculty Data Bank (a speakers bureau), a business opportunities directory through which members with similar business interests can communicate, the YPO Bulletin Board and other interesting services.

Videoconferencing via satellite has been introduced as a format for chapters around the world to participate in discussions with renowned international figures. The success of this undertaking has led to expanded use of videoconferencing.

### ***Enterprise and Briefing***

*Enterprise* and *Briefing* are the Organization's main membership publications.

The magazine *Enterprise* offers members informative articles on business problems and economic trends written by qualified members, industry experts and decision makers.

*Briefing*, issued ten times a year, informs members of the latest YPO events, programs and news.

In addition, many chapters and areas provide weekly newsletters to keep members in touch locally and regionally, forming a comprehensive publication program serving the membership's wide-ranging needs.

### **Service to Members**

The Organization's professional staff is available to assist in the development process and should be consulted prior to launching any endeavor. Guidance, strategy, materials, liaison with appropriate officers and members, and administrative support can be provided.

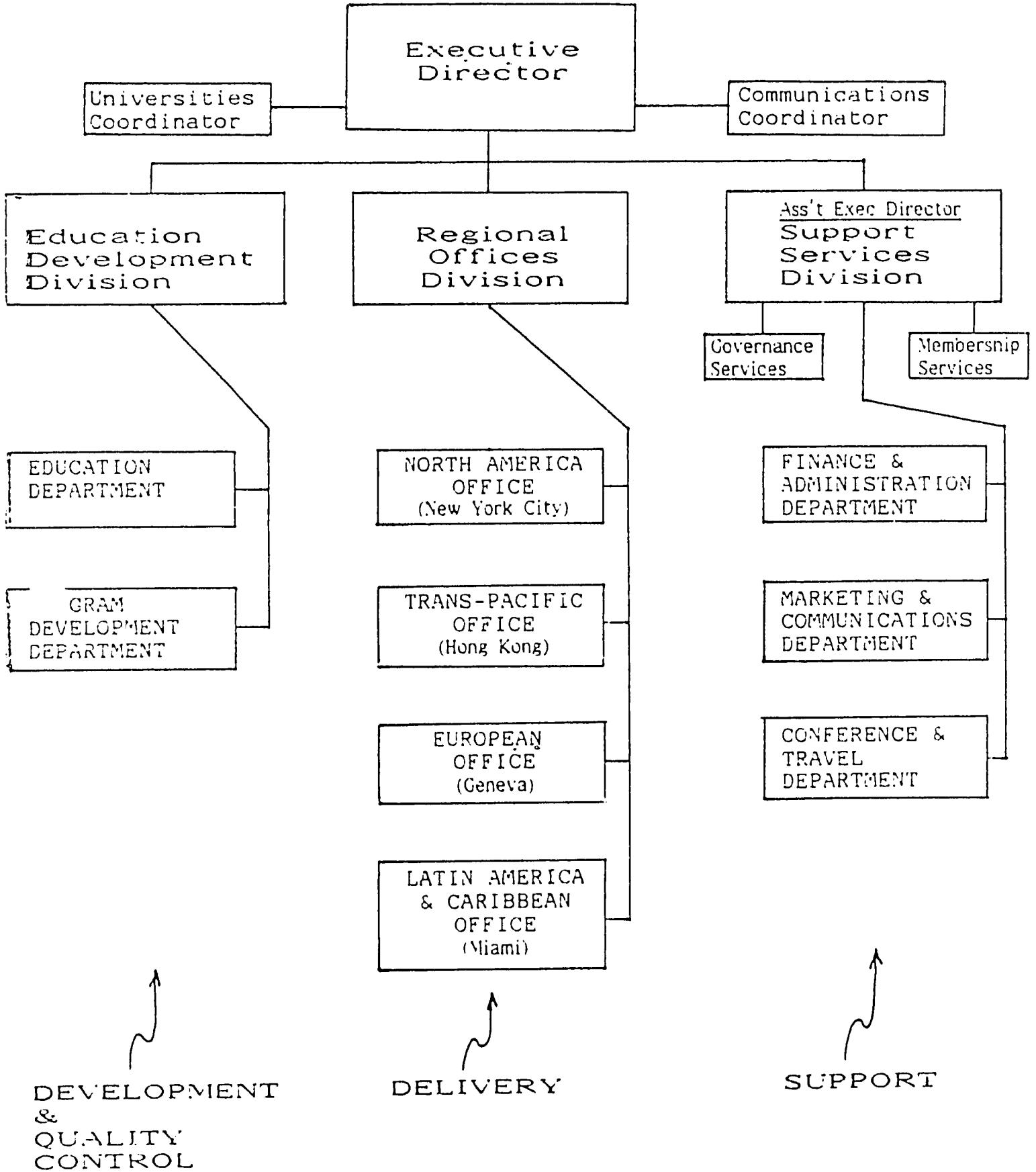
As soon as a new chapter is approved, it receives both the privileges and responsibilities of being part of the Organization's network. Its members then can be involved in all existing local, regional and international programs.

Young Presidents' Organization, Inc.  
52 Vanderbilt Avenue  
New York, New York 10017 USA  
Telephone: 212/867-1900  
International Telex: 422271 YPO UI

YPO European Office  
14, Route Morache  
CH-1260 Nyon, Switzerland  
Telephone: 022 61 20 59  
International Telex: 28136 YPO CH

YPO Trans-Pacific Office  
1002 Sutherland House  
3 Chater Road, Central  
Hong Kong  
Telephone: 852 5 268786/268825  
International Telex: 63000 YPO HX

New Staff Structure



---

INDONESIA CASE STUDY

Appendix F  
INDONESIA CASE STUDY

I. INTRODUCTION

The YPO program in Indonesia consisted of management theory and practice seminars, a case study, a venture capital fund project, and efforts to create an internship program for Indonesian executives to work in American business. The full program was presented in Jakarta. The YPO team also made one-day presentations on management theory and practice in Yogyakarta, Surabaya, and Denpasar, Bali. The program included several informal social occasions at which Indonesian executives could meet team members individually to exchange ideas regarding enterprise development. The Agenda for the YPO Phase II program is attached to this Appendix as Exhibit I.

The YPO Indonesia team leader visited Jakarta for the Phase I planning visit in July 1983. A ten-member YPO team presented the Phase II implementation program from October 31 to November 11, 1983.

II. METHODOLOGY AND CONSTRAINTS

The evaluators, accompanied by an A.I.D./PRE representative, visited Indonesia from November 10 to November 17, 1986 to assess the effectiveness of the 1983 YPO programs. The evaluators spent two days in Denpasar and the rest of their time in Jakarta. The program assessment presented here corresponds to the topics stated in the Scope of Work (Appendix B).

The evaluators interviewed 13 host-country nationals who participated in the visit either as attendees or as representatives of the counterpart organization. USAID Mission staff, the U.S. Commercial Counselor, private business consultants in Jakarta, and an individual involved in providing technical assistance to related A.I.D.-funded private enterprise development programs were also interviewed.

A major study constraint was the time lapse of three years since the YPO program took place, causing some problems with recollections of interviewees. This recall problem is understandable, particularly when the program itself was so brief. Some key host-country participants were not available during the evaluators' visit. A complete advance list of participants was not available to the evaluators. Exit questionnaires prepared by the YPO and filled out by host-country participants after certain parts of the YPO program were not available. Language was a barrier to effective interviews on about five occasions, particularly in Bali. Finally, the evaluators recognize that the emphasis in Indonesian culture on consensus and verbal politeness may have affected the answers given by some host-country interviewees.

### III. ACHIEVEMENT OF PRINCIPAL OBJECTIVES

#### A. Entrepreneurial Activities

##### 1. Entrepreneurial Activity Generated

The main thrust of the YPO program for generating entrepreneurial activity in Indonesia was a joint venture capital fund, developed as an experimental project, to which selected Indonesians and the YPO team members each contributed half the total capital of \$30,000. It was intended that the fund would be invested in a small local venture that would generate some modest return for the investors. Among other possibilities considered for use of the fund was a shrimp farming investment, for which a business plan was drafted. Plans for the fund did not provide for any formal management nor did the fund size allow for it. The fund was liquidated and all monies were returned approximately six months after the YPO program ended when no suitable projects had been identified.

According to all parties involved, including USAID staff, this fund was a useful learning device. The YPO was educated about the constraints of establishing new ventures in Indonesia, and the Indonesians learned about the outlook and requirements of U.S. investors. The mere establishment of

the fund indicates the large degree of trust built between the YPO team and Indonesian participants during the YPO's short visit.

To date, no other tangible new business activities have arisen as a result of the YPO activity, although several sincere efforts have been made to establish businesses. One YPO member had handicraft samples sent to her for possible resale in the U.S. Concern about quality control has held this possibility in abeyance. Other efforts are ongoing, including a possible joint venture in Bali to grow and export vanilla beans. This possibility involves a U.S. YPO team member and Indonesian business people introduced to him by the Indonesian YPO chapter.

Other business and social contacts are continuing. These include visits by host-country participants in the program to the U.S. and visits to Indonesia by former team members. These contacts may result in new business activities in the future.

Almost all the Indonesians interviewed recognized the difficulty of promoting new enterprises in the often changing host-country regulatory and economic climate. They were impressed with the degree of trust established between Indonesians and the YPO team on a short visit. Trust was regarded by all those interviewed as a vital element in joint enterprise promotion in Indonesia.

Almost all Indonesians interviewed said it was not clear to them at the time of the YPO program that funds were not available for formal follow-up of possible new business activities. While initially disappointed by this fact, several host-country entrepreneurs with substantial business interests adjusted well to pursuing follow-up on an individual basis, showing their interest in the YPO and its program. Host-country business people with smaller firms did not pursue follow-on efforts due to financial constraints.

USAID staff indicated that a side benefit of the YPO activity was the assistance the Mission received from the YPO team in analyzing its program for enterprise development, particularly in the venture capital area.

## 2. Status and Activity of Host-Country Counterpart Organization

The host-country counterpart organization was the Indonesia YPO Chapter, which was in place prior to the YPO team visits. There have been no measurable changes in its status and activities since the YPO program took place. The Indonesia YPO Chapter now has about twelve members, which is the same size as at the time of the program in 1983. Some new members joined as a direct result of the program, thereby broadening the YPO's base in the host-country business community according to USAID staff. The Indonesia YPO Chapter has not been involved further in A.I.D.-funded efforts for new enterprise promotion.

### B. Educational Activities

#### 1. Transmission of Entrepreneurial Knowledge

According to USAID staff, the YPO team presence conveyed a sense of commitment to high YPO standards of business acumen, energy and risk-taking. These qualities of the YPO team constituted a significant aspect of entrepreneurial knowledge conveyed to host-country participants, judging from the interview results. As noted above, the venture capital fund and the mixed investment workshop from which it grew had the unique aspect of providing learning-by-doing for those participating.

Other parts of the YPO program had limited impact. The case study about a U.S. investor looking for an Indonesian co-venturer was regarded by all host-country attendees interviewed as too general to address their specific enterprise development problems. In Jakarta, the informal discussions after the case studies led to useful idea exchanges, particularly in focusing on the cultural differences which make it difficult for Indonesian and American business people to establish joint enterprises. The formal educational programs outside Jakarta were less successful because of their short duration, logistical difficulties, and the fact

that many host-country participants required interpretation of the presentations.

While not part of the Grant, it should be noted that the YPO, both during and after its program, made efforts to work with the USAID Mission on two possible educational activities: (i) placing Indonesians as interns in YPO member companies as part of USAID's Private Sector Development Project; and (ii) placing U.S. M.B.A. students in Indonesian management development institutes to develop case studies and curricula. To date, neither of these educational prospects has reached fruition because no funding source has been found.

## 2. Exposure of Host-country Entrepreneurs to the YPO Team

According to almost all those interviewed, exposure of host-country entrepreneurs to the YPO in Jakarta was quite good. Sessions were well attended by a broad base of more than 100 Indonesian business people. The Indonesia YPO Chapter and USAID succeeded in involving several key host-country business groups including the Chamber of Commerce, the Young Businessmen's Association, a management training institute, the University of Indonesia, and the Indonesian Business Women's Association. A lack of advance publicity and translation of materials reduced exposure of appropriate Indonesians to the YPO outside Jakarta.

## IV. MANAGEMENT OF PROJECT TASKS

### A. Recruitment/Orientation

#### 1. Team Leader Target Country Awareness

The team leader was familiar with Indonesia and the constraints on conducting entrepreneurial activity there before his Phase I visit. He developed this knowledge further during the Phase I visit. The team leader's Phase I Report reflected his sensitivity to the large gap between U.S. and Indonesian business values and regulations.

## 2. Team Members' Skill Match

Team members matched well with the lines of business identified in the Phase I visit. The team's range of skills included venture capital, management development, light manufacturing, handicrafts and agribusiness, all of which were related to Indonesian needs, according to USAID staff. The team had other very positive attributes, including an Indonesian speaker and two experienced business school lecturers.

Orientation for the team took place after its arrival in Indonesia. This brief orientation could not provide the team with sufficient background knowledge to engage in specific entrepreneurial problem solving. Indonesia is simply too large, too internally diverse and too different in business climate from the U.S. for such a brief orientation to be adequate.

The team was effective in its Jakarta presentations, according to almost all host-country participants interviewed. The team was able to convey its methods of solving business problems, but most participants did not believe these methods were relevant to their own situations. Finally, it was perhaps unavoidable that more than half the host-country participants were executives in businesses far smaller than the team members' own businesses. These Indonesian business executives stated that the team was addressing problems common to companies larger than theirs.

Both USAID staff and the team leader believed that the team conducted itself energetically and learned a great deal about business prospects in Indonesia as well as about the constraints on foreign investment or joint venturing there.

### B. Planning Activities

#### 1. Selection of Counterpart Organization

The selection of the Indonesia YPO Chapter as the counterpart organization was appropriate and was accomplished in coordination with the USAID Mission. The YPO chapter was the organization best able to convey the

nature of the YPO organization to host-country nationals and was also the best organization to facilitate individual team member follow-on after Phase II, some of which it has done.

The Indonesia YPO Chapter was and is a small organization of about a dozen members with no administrative staff. As such, it was unable to carry out all the logistical support required between the phases and during Phase II. Much of this work fell to USAID Mission staff who responded well and quickly, thereby paving the way for the Phase II visit.

## 2. Phase I Timing

Phase I timing was sufficient for the team leader to carry out the objectives of the planning visit. This was only possible because of the team leader's previous familiarity with Indonesia. Even so, the team leader suggested that in a country such as Indonesia with its large and diverse business community, additional staff assistance from at least one other person would have enhanced Phase I accomplishments.

The team leader also suggested that funding be made available for staff work between the two phases. According to him, the YPO New York staff was almost always fully occupied with other activities. This lack of staff assistance led to certain difficulties noted by the USAID Mission. For example, USAID said the team leader's brochure describing the implementation program was excellent but arrived too late to be used outside Jakarta or to attract the widest host-country audience in the capital. Both USAID and many participants said they were not clear about the Phase II program agenda or objectives before the team's arrival.

## C. Implementation

### 1. Effectiveness of Meeting Methods

The management theory and practice seminars included a case study followed by a question and answer period and panel discussions. As stated above, the case study (see Exhibit II) was regarded by most participants and

USAID as too general to be applicable to specific entrepreneurial problem solving in Indonesia. However, the case study presentations produced a side benefit by dividing participants into small groups. This allowed both the Indonesian participants and the YPO presenters to get to know each other and exchange ideas. The group panel discussions presented in the afternoon of the day of the case studies also contributed to this process. USAID staff believed that this idea exchange would have had a more significant impact on enterprise development had the management seminars been more than one day in length. Outside Jakarta, the management seminars were less effective because of lack of advance publicity and translation difficulties, according to most interviewees.

The mixed investment workshop which led to the venture capital fund was held for one day at the start of the Phase II visit and reconvened for one day at the end of the program. The Indonesian participants, some of whom were YPO chapter members, were heads of relatively large-scale businesses. The YPO team, Indonesian participants and USAID staff all believed this effort was a useful learning experience about the constraints on founding new enterprises in Indonesia even though it did not result in new enterprise development.

The mixed investment workshop and the informal parts of the management seminars created trust and understanding between team members and participants, leading to a network of new contacts which could result in future enterprise development.

## 2. Fulfillment of Grant Reporting Requirements

Both the Phase I and Phase II reports were submitted on time and contained detailed analyses of all aspects of the program in Indonesia. The reports also contained useful recommendations for future programs in other countries.

## V. CONCLUSIONS

### A. A.I.D. Pilot Activity

The major accomplishments of the grant activity in Indonesia were idea and information exchanges, particularly about the constraints for foreign investors to establish businesses or make investments in Indonesia. Indonesian participants learned about U.S. business methods and perspectives although it was difficult for the YPO team to convey the applicability of these methods and perspectives to host-country enterprise development. Any future project of this type in a large, diverse country like Indonesia should provide funding for more advance work to target country-specific problems and for adequate team orientation. More than one implementation visit would be advisable, particularly if the program is to be presented effectively outside Jakarta. A working knowledge of the Indonesian language is also needed by at least some, and preferably all, of the expatriate participants in programs to be presented outside Jakarta. Informal parts of the program should be longer in order to foster the free idea exchanges and trust which would make both transmission of knowledge and joint enterprise development possible.

### B. Planning Visit

The Phase I planning visit was successful and achieved its objectives. In a country such as Indonesia with its large, diverse business community, the planning visit could be improved if conducted by more than one person. In a future activity of this type, additional funding for work between the two phases is required for team orientation, preparation of country-specific educational materials, and in-country logistics.

### C. YPO Implementation Program

The Phase II program provided good exposure of host-country entrepreneurs to the YPO team. The mixed investment workshops project, small group sessions and informal sessions were effective modes of information exchange. The objectives of the program were often not clear to host-

country participants, largely due to the lack of timely advance publicity. It could be said that the program fell short of meeting the objective of the Grant because it did not address specific problems of enterprise development in Indonesia. Implementation outside Jakarta was impeded by lack of advance publicity and language difficulties. In Jakarta the program conveyed knowledge of U.S. entrepreneurial methods to participants, but not the relevance of these methods to the Indonesian business community.

#### D. YPO Team

The team represented a broad range of business interests applicable to Indonesia. The team as a whole, however, did not have the desired optimal background knowledge to engage in specific enterprise development problem solving with host-country entrepreneurs. Host-country entrepreneurs with small businesses believed the team addressed issues relevant to businesses larger than theirs. The team conducted itself energetically and adjusted quickly to problems arising during implementation. It provided advice on other projects to the USAID Mission. Individual team members have continued contacts with Indonesian entrepreneurs which may lead to future enterprise development.

#### E. The Indonesia YPO Chapter

The Indonesia YPO Chapter was the correct choice as counterpart organization. Other than acquiring a few different members, the YPO chapter was not affected by the grant. The YPO chapter assisted to the best of its ability in both phases of the program.

#### F. USAID

USAID/Indonesia believes that the YPO could be an excellent resource for A.I.D.-funded enterprise development projects. However, the USAID staff was unable to identify a specific use for the YPO on current projects nor could the evaluators. USAID Mission staff benefited from the YPO program

by meeting certain key members of the Indonesian business community. Mission staff greatly assisted in overcoming logistical problems before and during the implementation program.

EXHIBIT I

AID/YPO ENTREPRENEUR DEVELOPMENT PROGRAM

PHASE II MISSION

DAY-BY-DAY SCHEDULE OF ACTIVITIES

No later than  
Sunday, October 30

Arrival in Jakarta, Indonesia  
Tentative accommodations at the Jakarta Mandarin Hotel.  
Dinner by the pool.  
Tour of city available for early arrivers.

Monday, October 31

In-country orientation of USA YPO team  
Details to follow - Responsibility of US AID.

Potential Resources

Indonesian Government - Mohammed Sadli -  
Exec. Sec. KADIN  
Polywardana  
Habibi  
Sumarlin

AID and AID Consultants - Bill Fuller -  
Terry Myers  
Dick Silc  
Alex Sumaraw

U. S. Embassy Staff - Gus Kline -  
Commercial Attache'

Others - Nick Petroff -  
Am Cham

Jim Castle, et al -  
Data Resources

Harvey Goldstein -  
RMI and Am Cham

Supper with Jakarta YPO and day's participants  
- hosted by Gus Kline

Tuesday, November 1

Mixed (USA/Indonesia) Private Investment  
Project - Phase I - Responsibility  
Jakarta YPO - Mike Berolzheimer

EXHIBIT I  
(Continued)

Very brief initial:

- A) Presentation of 3-5 alternative investment possibilities.
- B) Discussion of legal strategies of and requirements for mixed investment in Indonesia.
- C) Discussion of the role of P. T. Bahana.
- D) More detailed presentation and discussion of the 3-5 specific investment alternatives.

Formal program ends by 4:00 PM to leave time for nap, swimming, shopping, etc.

Wednesday, November 2  
and  
Thursday, November 3

Management Theory and Methods Program: a cross-cultural exposure.

Attendance:

This meeting will be open to as many as 100 Indonesian participants. Sources: Jakarta YPO, Indonesian Management Association, KADIN, HIPMI, LPPM, etc.

Purpose:

The program is designed to communicate American management approaches to our Indonesian participants and Indonesian management approaches to USA YPO members.

Methods:

- 1) Case Study problems to be worked out in small groups (10 groups of 10 each) with answers being developed for (a) American approach; (b) Indonesian approach; and (c) possible new synthesis approach.

EXHIBIT I  
(Continued)

- 2) Presentations by Indonesian and U.S. executives.
- 3) Panel discussions.

Potential Resources:

Harlan Bekti	KADIN
Roger Mohoot	HIPMI
Utomo of SGV	Indonesian Mgmt. Assoc.
Dr. Sartozo	Am Cham
Jakarta YPO	LPPM
Habibi	

Friday, November 4  
Saturday, November 5  
Sunday, November 6

Fly to Bali - cultural orientation: music,  
native dance, rest, shopping

Accommodations

Bali Oberoi - on Kuda  
Tangesani Hyatt - on Sani

Monday Morning  
November 7

Fly to Surabaya - Arrangements by local KADIN,  
HIPMI and YPO.

Abbreviated management theory and practice  
meeting (plus visits to local industries?)

Tuesday Morning,  
November 8

Fly to Yogyakarta - Repeat Monday's program

Wednesday  
November 9

Return to Jakarta

Morning free

Afternoon - Visits to Plants or Other Business  
Sites - probably in small groups according to  
area of business specialty.

Dinner with PERMIAS - association of Alumnae of  
American Universities - Target Speakers: Amba-  
sador Holdridge and William Fowler, Director AID  
Indonesia.

EXHIBIT I  
(Continued)

Thursday, November 10

Mixed Private Investment Project - Phase II -  
Continuation of Tuesday's, November 1, program:

- E) Resubmit feasible investment alternatives.
- F) Selection of the best investment opportunity.
- G) Development of business plan, method of operations, etc.
- H) Develop typical investment agreements/instruments.

Friday Morning,  
November 11

Mission leader's birthday

Morning to be scheduled in Indonesia.

12:00 Noon - Luncheon/discussion with AID personnel regarding future AID programming ties to present mission; critique of current mission.

Supper - Guest of Jakarta YPO

OFFICIAL END OF MISSION

\* \* \* \* \*

Saturday, November 12  
Sunday, November 13  
(OPTIONAL)

Jakarta YPO members invite USA YPO members to island off Jakarta for weekend visit; snorkeling, swimming, etc. available.

November 17 - 20  
(OPTIONAL)

Bangkok Area Conference - A great chance to meet and get to know YPO members from Thailand and around the world and relate current mission to them.

2 - 8 November 1983

TITAN INDUSTRIES, INC. (TII)

In early November 1983, Mr. John Workman had to decide on whether to establish joint ventures for manufacturing sports equipment outside of the U.S. Mr. Workman was the V.P. of International Operations of Titan Industries, a conglomerate of corporations with 1982 sales of \$850 million U.S. In recent years, Titan had been finding that high quality imports from Korea, Taiwan, and Japan were undermining Titan's market position.

Mr. Workman was specifically interested in Titan's Athletic Division, which currently manufactured both exercise equipment and athletic clothing. The exercise equipment consisted of the traditional bar-bells and weights as well as the newly developed aerobic and "nautilus" types of hardware. The new equipment was manufactured primarily from formed metals, springs, wires, and cast iron weights. Matting materials, mats, and benches were also included in this attractively designed product group.

The athletic clothing line was made up of jogging suits, shorts, various types of socks, and light-weight windbreakers. Titan had developed a complete line of light-weight athletic gear made of the most modern of materials. Titan did not yet manufacture athletic shoes or other gear.

All of Titan's athletic products were of the highest quality. Quality control in manufacturing and in packaging was critical to the company's image. Titan tried to restrict its sales through carefully chosen top-of-the-line specialty stores and a few high quality department stores. The Titan symbol on a garment was considered to be a status symbol and could command a higher price.

Mr. Workman had initially evaluated joint venture opportunities in the Philippines, Hong Kong, Taiwan and Singapore. Potential long term instability of Hong Kong worked against that option. In April of 1983, a joint-venture had been approved for the Philippines: relatively cheap labor, high quality workmanship, a very favorable business environment, and reliable and proven partners were all available. Titan's initial investments would be \$250,000 U.S. for each facility. The Philippine Government had agreed to a total local investment of \$1 million U.S. Moreover, the Philippine Government had offered some very attractive long financing at low interest rates and significant tax benefits. However, when Benigno Aquino, Jr. was shot to death in August, Titan's Board of Directors reversed its earlier decision and Mr. Workman was forced to re-open his search.

In June of 1983, Mr. Workman had learned through a business associate that Indonesia might offer strong competition for Taiwan and Singapore. However, he knew very little about Indonesia; he had established some close friends in Singapore and in Taiwan and had begun to learn his way around in both places. He was leaning strongly towards Singapore because of a multitude of attractive incentives: low comparative labor rates, a well known and wealthy local partner, proven high quality of labor, government subsidies totalling \$1.2 million U.S., and very reliable shipping service to the U.S.

When Mr. Workman arrived in Jakarta on November 1st, he received a telex to the effect that Titan's potential partners in Taiwan had just offered a free executive residence near the proposed factory with numerous other pleasantries. The next day, Mr. Workman was scheduled to meet with both Indonesian businessmen and government officials. In working up export projections, Mr. Workman estimated \$5 million U.S. of exports during the start-up year and \$20 million U.S. in the second year. If manufacturing proved competitive, the manufacturing would probably be \$35 million U.S. in the third year with 20% growth thereafter. Titan projected that portions of the third year manufacturing would be shipped to European markets.

As Mr. Workman entered his first meetings with government and business contacts, he was feeling tired from the plane ride and had a very upset stomach. He had not enjoyed the rough flight from Singapore to Jakarta and was hoping that the meetings would be over with quickly. Having lived in Chicago all his life, the heat was beginning to bother him. Deep down, he hoped that Indonesia had less to offer than Singapore because he had personally felt so comfortable in doing business with his Singapore friends.

EXHIBIT I  
(Continued)

2) Presentations by Indonesian and U.S. executives.

3) Panel discussions.

Potential Resources:

Harlan Bekti	KADIN
Roger Mohoot	HIPMI
Utomo of SGV	Indonesian Mgmt. Assoc.
Dr. Sartozo	Am Cham
Jakarta YPO	LPPM
Habibi	

Friday, November 4  
Saturday, November 5  
Sunday, November 6

Fly to Bali - cultural orientation: music,  
native dance, rest, shopping

Accommodations

Bali Oberoi - on Kuda  
Tangesani Hyatt - on Sani

Monday Morning,  
November 7

Fly to Surabaya - Arrangements by local KADIN,  
HIPMI and YPO.

Abbreviated management theory and practice  
meeting (plus visits to local industries?)

Tuesday Morning,  
November 8

Fly to Yogyakarta - Repeat Monday's program

Wednesday  
November 9

Return to Jakarta

Morning free

Afternoon - Visits to Plants or Other Business  
Sites - probably in small groups according to  
area of business specialty.

Dinner with PERMIAS - association of Alumnae of  
American Universities - Target Speakers: Amba-  
sador Holdridge and William Fowler, Director AID  
Indonesia.

EXHIBIT I  
(Continued)

Thursday, November 10

Mixed Private Investment Project - Phase II -  
Continuation of Tuesday's, November 1, program:

- E) Resubmit feasible investment alternatives.
- F) Selection of the best investment opportunity.
- G) Development of business plan, method of operations, etc.
- H) Develop typical investment agreements/instruments.

Friday Morning,  
November 11

Mission leader's birthday

Morning to be scheduled in Indonesia.

12:00 Noon - Luncheon/discussion with AID personnel regarding future AID programming ties to present mission; critique of current mission.

Supper - Guest of Jakarta YPO

OFFICIAL END OF MISSION

\* \* \* \* \*

Saturday, November 12  
Sunday, November 13  
(OPTIONAL)

Jakarta YPO members invite USA YPO members to island off Jakarta for weekend visit; snorkeling, swimming, etc. available.

November 17 - 20  
(OPTIONAL)

Bangkok Area Conference - A great chance to meet and get to know YPO members from Thailand and around the world and relate current mission to them.

2 - 8 November 1983

TITAN INDUSTRIES, INC. (TII)

In early November 1983, Mr. John Workman had to decide on whether to establish joint ventures for manufacturing sports equipment outside of the U.S. Mr. Workman was the V.P. of International Operations of Titan Industries, a conglomerate of corporations with 1982 sales of \$850 million U.S. In recent years, Titan had been finding that high quality imports from Korea, Taiwan, and Japan were undermining Titan's market position.

Mr. Workman was specifically interested in Titan's Athletic Division, which currently manufactured both exercise equipment and athletic clothing. The exercise equipment consisted of the traditional bar-bells and weights as well as the newly developed aerobic and "nautilus" types of hardware. The new equipment was manufactured primarily from formed metals, springs, wires, and cast iron weights. Matting materials, mats, and benches were also included in this attractively designed product group.

The athletic clothing line was made up of jogging suits, shorts, various types of socks, and light-weight windbreakers. Titan had developed a complete line of light-weight athletic gear made of the most modern of materials. Titan did not yet manufacture athletic shoes or other gear.

All of Titan's athletic products were of the highest quality. Quality control in manufacturing and in packaging was critical to the company's image. Titan tried to restrict its sales through carefully chosen top-of-the-line specialty stores and a few high quality department stores. The Titan symbol on a garment was considered to be a status symbol and could command a higher price.

Mr. Workman had initially evaluated joint venture opportunities in the Philippines, Hong Kong, Taiwan and Singapore. Potential long term instability of Hong Kong worked against that option. In April of 1983, a joint-venture had been approved for the Philippines: relatively cheap labor, high quality workmanship, a very favorable business environment, and reliable and proven partners were all available. Titan's initial investments would be \$250,000 U.S. for each facility. The Philippine Government had agreed to a total local investment of \$1 million U.S. Moreover, the Philippine Government had offered some very attractive long financing at low interest rates and significant tax benefits. However, when Benigno Aquino, Jr. was shot to death in August, Titan's Board of Directors reversed its earlier decision and Mr. Workman was forced to re-open his search.

In June of 1983, Mr. Workman had learned through a business associate that Indonesia might offer strong competition for Taiwan and Singapore. However, he knew very little about Indonesia; he had established some close friends in Singapore and in Taiwan and had begun to learn his way around in both places. He was leaning strongly towards Singapore because of a multitude of attractive incentives: low comparative labor rates, a well known and wealthy local partner, proven high quality of labor, government subsidies totalling \$1.2 million U.S., and very reliable shipping service to the U.S.

When Mr. Workman arrived in Jakarta on November 1st, he received a telex to the effect that Titan's potential partners in Taiwan had just offered a free executive residence near the proposed factory with numerous other pleasantries. The next day, Mr. Workman was scheduled to meet with both Indonesian businessmen and government officials. In working up export projections, Mr. Workman estimated \$5 million U.S. of exports during the start-up year and \$20 million U.S. in the second year. If manufacturing proved competitive, the manufacturing would probably be \$35 million U.S. in the third year with 20% growth thereafter. Titan projected that portions of the third year manufacturing would be shipped to European markets.

As Mr. Workman entered his first meetings with government and business contacts, he was feeling tired from the plane ride and had a very upset stomach. He had not enjoyed the rough flight from Singapore to Jakarta and was hoping that the meetings would be over with quickly. Having lived in Chicago all his life, the heat was beginning to bother him. Deep down, he hoped that Indonesia had less to offer than Singapore because he had personally felt so comfortable in doing business with his Singapore friends.

---

SRI LANKA CASE STUDY

Appendix G  
SRI LANKA CASE STUDY

I. INTRODUCTION

The YPO program in Sri Lanka consisted of a joint venture workshop featuring individual presentations by the YPO participants, a workshop on management theory and practice, a roundtable meeting with local businessmen, an evening presentation to the America Friendship Society, three on-site factory visits and a mini-joint venture workshop in Kandy. All activities took place in Colombo with the exception of the Kandy workshop.

A YPO team leader performed the Phase I planning visit to Colombo, Sri Lanka from October 14 to October 22, 1984. A seven-member YPO team conducted the Phase II implementation visit from May 12 to May 23, 1985.

II. METHODOLOGY AND CONSTRAINTS

The evaluators, accompanied by an A.I.D./Washington representative, visited Colombo to assess the YPO's grant activities from November 18 to November 24, 1986. Ten Sri Lankan business people who had been involved with the YPO program were interviewed during this field visit. Interviews were also held with USAID Mission staff and U.S. Embassy economic and commercial officers. The files on the YPO program in Sri Lanka were reviewed by the evaluators in A.I.D.-Washington and at the USAID Mission in Colombo.

III. ACHIEVEMENT OF PRINCIPAL OBJECTIVES

A. Entrepreneurial Activities

1. Entrepreneurial Activity Generated

Through interviews in Sri Lanka, the evaluators found that while good personal relationships had been developed between YPO team members and some

host-country participants, no specific entrepreneurial business deals have been generated by the program activities.

Several efforts made by YPO team members to explore entrepreneurial ventures in Sri Lanka have not been successful to date. A joint venture construction project was discussed but not developed. A U.S. spice company made follow-up contacts regarding spice imports to the U.S., but no agreements were reached. A YPO member tried without success to find locally manufactured handicrafts for her U.S. company to market. Other efforts at joint enterprise development are still ongoing on an informal, individual basis. There have been some follow-up trips taken by Sri Lankans to the United States for visits with YPO members. A network of contacts has thus been established that may lead to future joint business development.

Some host-country participants interviewed said they had expected the program to be more specifically investment-oriented and to provide a mechanism for formal follow-up of joint venture opportunities. This mistaken impression can almost certainly be attributed to a lack of advance publicity about the objectives and scope of the program. As noted earlier in this report, A.I.D.'s grant to the YPO does not provide funding for follow-up activities. According to YPO team members, including the team leader, concern about civil unrest also discouraged joint venture development and other YPO investments in Sri Lanka.

## 2. Status and Activity of Local Counterpart Organizations

The Sri Lanka Business Development Centre (SLBDC) was selected as the counterpart organization at the USAID Mission's request. The SLBDC is a relatively new business group which is funded in part by the USAID Mission. According to USAID staff and representatives of other Sri Lankan business associations, the SLBDC had limited administrative capability at the time the YPO program was carried out, but made every effort to assist the YPO. The SLBDC has since grown in size and capability, and would be better equipped to support such a program today than it was in mid-1985. USAID officials also indicated that the very process of serving as the

YPO's counterpart organization helped the SLBDC to strengthen its administrative capability and to develop broader contacts within the Sri Lankan business community, thus enhancing its capacity to facilitate future enterprise development.

A member of the YPO's New York staff visited Sri Lanka in early 1986 to discuss formation of a YPO chapter with local representatives. Sri Lankan entrepreneurs who were enthusiastic about the prospects of a YPO chapter told the evaluators that membership criteria and costs would have to be scaled to Sri Lankan standards before a chapter could be founded. No chapter had been established at the time of the evaluators' visit.

## B. Educational Activities

### 1. Transmission of Entrepreneurial Knowledge

Sri Lankan participants in the YPO program commented favorably about the backgrounds of the YPO team members. The team's presentations on international marketing, packaging, and quality control were especially well received. More than half the interviewees felt the other presentations, including the case studies utilized, were too general in content. Some participants interviewed said they had hoped the YPO team would address such topics as finance, data processing, and exporting to the U.S.

### 2. Exposure of Local Entrepreneurs to the YPO Team

The YPO's Phase II team was the first delegation of its type to visit Sri Lanka. USAID staff and most of the key host-country participants interviewed believed the program had had a positive impact by introducing concepts for establishing U.S.-Sri Lanka joint ventures and by illustrating new business techniques applicable in Sri Lanka. The civil unrest in Sri Lanka at the time of the YPO program inhibited exposure of a broader spectrum of host-country entrepreneurs to the YPO team. According to the YPO team leader, the team sought to minimize advance publicity of

the Phase II visit due to the team leader's security concerns. Participants interviewed were unanimous in their view that other key entrepreneurs would have participated had they had knowledge of the program.

Representatives of other possible counterpart organizations suggested that more Sri Lankan business people would have attended the program had their respective organizations been involved. These representatives expressed the opinion that their groups were better established administratively and had more business contacts than the SLBDC. As stated above, there were sound reasons for selecting the SLBDC as the counterpart group because of its USAID-funded involvement in new enterprise development. It is also likely, given that the grant does not provide funding for work between the two phases, that selection of additional counterpart groups would have compounded problems of agreeing on an agenda and organizing the program.

#### IV. MANAGEMENT OF PROJECT TASKS

##### A. Recruitment/Orientation

###### 1. Team Leader Target Country Awareness

The team leader learned about the Sri Lanka business environment through background reading and talking to key host-country business people and USAID staff during his successful planning visit. It would not be realistic to expect the team leader to become fully familiar with the constraints of conducting entrepreneurial activities in a business climate as complex as Sri Lanka's, based on this brief exposure to the situation. The team leader made efforts to convey his knowledge to Phase II team members, but most of these efforts occurred after the team arrived in Sri Lanka because of the team leader's busy schedule between phases.

###### 2. Team Members Skill Match

In the opinion of USAID staff and most host-country participants, the YPO team represented a broad mixture of business interests applicable to the Sri Lankan business climate. Team member business interests included

consulting engineering; manufacture of electronics components; spice processing and sales; manufacture, import and export of kitchen textiles; production of housewares; and import and export of handicrafts. These lines of business are appropriate for Sri Lanka.

None of the team members had previously done business in Sri Lanka. Given their brief orientation, the team members showed high interest in Sri Lankan business conditions as well as energy in trying to learn about local business constraints. Most host-country participants believed that the team lacked adequate background knowledge about host-country business constraints such as labor laws, existing quality standards and the need for more trained middle management. In addition to good line-of-business matching, this country-specific knowledge is a prerequisite for problem solving and enterprise development. USAID staff also reported that the team was not always coordinated in its efforts, probably again due to the brief period available for orientation.

The evaluators interviewed three Sri Lankan entrepreneurs who had recently founded new businesses. These individuals said the team members' business skills and concerns were in areas applicable to businesses too large to be relevant to their own enterprise development problems.

## B. Planning Activities

### 1. Selection of Counterpart Organization

The SLBDC was an appropriate counterpart organization, selected at the USAID Mission's request. As noted above, the SLBDC was not the largest or best-established business development organization in Sri Lanka at the time, but it was already closely involved in new enterprise development in connection with other A.I.D.-funded projects. USAID staff indicated that the SLBDC benefited from acting as the YPO counterpart by making new Sri Lankan business contacts and by upgrading its administrative capacity to manage business education programs.

For its part, the SLBDC expressed disappointment that the YPO wanted no advance publicity of the program because of security concerns. The security concerns were those of the team leader. The evaluators cannot in retrospect assess the real extent of the security risk perceived in 1984. Without publicity or announcement of the program specifics, attendees had to be drawn from limited SLBDC contacts and those of a local business club. The SLBDC had hoped to receive the agenda, YPO information, and resumes of the team members well in advance of the program, but this did not occur.

During Phase I, the team leader met with a number of other host-country business groups and associations. These organizations, which included the local Rotaries with their very large business memberships, and the Chambers of Commerce, one of which has strong administrative capability, were not asked to participate in the YPO program because of the team leader's decision to use only one counterpart organization. One of the consequences was a lack of participation in the program by many young entrepreneurs who might have benefited from it. It is not clear that these groups' participation could have been managed effectively, given the lack of grant funding for work between the two phases.

## 2. Phase I Timing

The Phase I visit by the team leader lasted one week. According to USAID staff, the Phase I visit was well-planned and executed. The team leader became acquainted with the business environment and with the appropriate people to develop an effective program, to the extent possible for a person with no prior business experience in Sri Lanka. As noted in Section IV.A. above, a considerably longer orientation process is necessary for a person with no prior country experience to acquire meaningful knowledge of specific entrepreneurial constraints in a country as large and culturally different from the U.S. as Sri Lanka. The grant does not provide funding for this type of orientation.

It is noteworthy that six months elapsed between Phase I and Phase II, a longer time period than specified in the grant. This time lapse may have

contributed to a lack of coordination between the two phases when combined with the lack of grant funding for such work. The result was that momentum was lost and the high expectations created by the Phase I visit were not met in implementation, according to host-country persons familiar with both phases.

### C. Implementation

#### 1. Effectiveness of Meeting Methods

According to participants interviewed, the most effective elements of the YPO program in Sri Lanka were the roundtable discussion and the management theory and practice seminar. The business roundtable benefited from the fact that all host-country participants already knew each other. The meeting was moderated by a Sri Lankan, who generated stimulating and thoughtful comments from both sides. This informal exchange of ideas through free-flowing conversation allowed both team members and Sri Lankan participants to overcome their different cultural and business experiences, establish mutual trust, and find specific areas of common interest applicable to enterprise development in Sri Lanka. The management seminar succeeded because the subjects selected -- packaging, export marketing and quality control -- were relevant to host-country participants' current problems in expanding their businesses.

The case method technique was remembered by most participants as novel but lacking in meaningful substance. The cases, which according to the YPO report were revised after the team's arrival, were short and very general. One case was about a U.S. investor looking for a Sri Lankan joint venture partner, and the other dealt with the reverse situation in which a Sri Lankan sought an appropriate foreign investor for business expansion. The latter case study is attached as Exhibit I.

All host-country attendees interviewed agreed that the least effective meeting was the American Business Circle attended by senior Sri Lankan businessmen. The YPO team apparently had not been well briefed on the

composition of the audience and its interests. This was confirmed in the YPO Phase II report.

## 2. Fulfillment of Grant Reporting Requirements

The Phase I report was submitted three weeks after the Phase I visit. The Phase II report was submitted five months after the implementation of the program in Sri Lanka. Both reports contained detailed comments on the activities undertaken as well as the conclusions of the team leader on the results obtained.

## V. CONCLUSIONS

### A. A.I.D. Pilot Activity

The YPO's grant activity in Sri Lanka gave experienced U.S. and local entrepreneurs the chance to meet and share ideas that could lead to joint business endeavors. The concept of the program was endorsed by representatives of the Sri Lankan business community and by the USAID Mission. In discussions with both groups, comments were made that future programs of this type could be even more successful if funding were available to further coordinate the planning visit with the implementation visit, and to more fully brief the team implementing Phase II.

### B. Planning Visit

The Phase I visit was well planned and executed. The team leader made key business and government contacts in Sri Lanka. It would not have been possible for even the most sincere and energetic team members to become adequately familiar with Sri Lanka's complex entrepreneurial constraints without a much more elaborate and expensive orientation program.

### C. YPO Implementation Program

Those parts of the formal program which dealt with subjects specifically relevant to host-country enterprise development problems, such as the

management theory and practice seminar, were successful. Informal sessions were also successful in providing both YPO and Sri Lankan participants the opportunity to freely exchange ideas and identify shared concerns. Due to lack of funding for work between the two phases and lack of advance publicity, participants were not fully informed of what to expect from the implementation phase.

#### D. YPO

The program gave Sri Lankan business people exposure to successful U.S. entrepreneurs, and some program events left favorable impressions. Funding for formal follow-up of business prospects is not provided for in the grant, but links nevertheless were established on an individual basis.

Many Sri Lankan participants managed companies far smaller than those of the YPO team. The smaller entrepreneurs interviewed reported that the implementation program only addressed the problems of larger-scale businesses.

#### E. Sri Lanka Business Development Centre

While the SLBDC may not have been fully equipped to handle the local logistics required for the program, it benefited from its role as counterpart organization by acquiring new administrative skills and making new contacts in the Sri Lankan business community.

#### F. USAID

The USAID Mission staff selected the SLBDC as the counterpart organization because of the SLBDC's integration in other aspects of the Mission's country program for private enterprise development. The evaluators believe the choice of the SLBDC was correct. Since the SLBDC was a relatively new organization, Mission staff knew that acting as the counterpart organization would be in part a learning experience for the SLBDC, requiring some assistance from Mission staff to organize and accomplish the YPO program. This Mission assistance was provided and the SLBDC did benefit as noted in

Section V.E. As to the Phase II program, USAID Mission representatives, while acknowledging that the results of the YPO program had been limited, indicated that little more could have been expected from a visit of such brief duration.

106

S. FERNANDO AND SONSCONSIDERATIONS OF A JOINT VENTURE

In May, 1985, Mr T. Fernando was very interested in expanding his company, S. Fernando and Sons (SFS), especially in the area of exports. The Sri Lankan government had recently offered incentives to companies which increased exports; moreover, Mr Fernando felt that it would be patriotic to export and to create new jobs. SFS was located near Colombo, and manufactured small electrical fixtures, some lighting fixtures and components, and other products. SFS employed about 80 semi-skilled workers; total employment was 95. SFS had been started by Mr Fernando's father in 1965 and had grown modestly over these years; Mr Fernando Sr. was now 67 and liked to come into the shop and to help build the dies, tools and fixtures for new products; he also glanced over the accounting books each morning.

Mr T. Fernando had heard that many opportunities existed in working with foreign companies in export marketing, in capital infusion, and in technology transfer. He was specifically interested in manufacturing electrical or electronic products and felt that there were more possibilities in using plastic raw materials, such as polyvinyl-chlorides (PVC). Since plastics were often a by-product of petroleum refineries, Mr Fernando was wondering in which countries he might find a partner who would provide adequate capital, supply raw materials, market the Sri Lankan manufactured parts abroad and transfer the appropriate technology.

In talking with his younger brothers and family friends, they all felt that there were many opportunities with business people in the U.K. and Germany, both of whom exported plastics and chemical raw materials. They also thought about a few companies they knew from France and Italy but were a little concerned about language barriers. Some close family friends had gone into a joint venture with an American textile company in 1983 and things were going very well - the strong upward movement of the U.S. dollar during the past few years had made things go even more smoothly than expected.

EXHIBIT I  
(Continued)

9-385-001

. 2 .

Mr Fernando was aware that any joint venture had to be approved by the Greater Colombo Economic Commission (GCEC) or by the Sri Lankan Foreign Investment Advisory Committee (FIAC) depending on the area of operation and whether the product is exclusively for export and wondered where he should start. ~~Instead~~, he contacted the British, German and U.S. embassies for advice. In each case, the commercial officer asked Mr Fernando many, many questions: What kind of a joint venture partner was he looking for? How large a partner? A private company or a publicly held company? What attributes should the potential partner have? Who would supply any required capital? What percentage of the business were they willing to sell to a foreign investor? Did SFS have a Business Plan to show to potential partners? Could he take a trip to visit a potential partner? Each embassy felt confident that they could locate a good partner.

Many questions were ringing in Mr Fernando's head as he returned home from the U.S. Embassy on the morning of May 14th; he had arranged to have a round table discussion with his father and his two brothers. As he drove home, he wondered if maybe it would be easier if he simply worked with an established trading company - they were already in Colombo and probably knew all of the answers.

128

---

JAMAICA CASE STUDY

Appendix H  
JAMAICA CASE STUDY

I. INTRODUCTION

The YPO's grant activity in Jamaica consisted of two programs: a business investment program, and a business education program which was supported in part by a separate grant from the USAID Mission. Both programs grew out of the Phase I planning visits made by the team leader for the business investment program in December 1983 and again in April 1984.

The Phase II business investment program was conducted in Kingston from October 7 to October 11, 1984 by a nine-member YPO team. The program consisted of a business seminar at which each YPO member made a brief formal presentation, an informal "square" table meeting covering four industry sectors, and a series of appointments with Jamaican entrepreneurs to share points of view and discuss possible business ventures.

The supplemental Phase II business education implementation visit was carried out from November 13 to November 16, 1984 by a YPO team of four U.S. business educators. The program included a series of panel discussions, formal presentations by key Jamaican participants, field visits to selected educational institutions, and a summary session at the end for all participants. A follow-up business education seminar was held in Kingston on November 20, 1985. The seminar team consisted of two educators and was led by a YPO staff director from the New York office.

II. METHODOLOGY AND CONSTRAINTS

The evaluators visited Kingston from December 8 to December 14, 1986 to assess the effectiveness of the YPO programs. The evaluators interviewed 16 Jamaican business people and educators who had been involved in the YPO programs. Interviews were also conducted with USAID Mission staff and U.S. Embassy commercial and economic officers. The files on the YPO programs in Jamaica were reviewed at A.I.D./Washington and at the USAID Mission by the evaluation team.

The evaluators faced certain constraints in carrying out the program assessments. Because two years had elapsed since the programs took place, many of those interviewed had difficulty recalling the details of program components, or could not remember them at all. Another constraint was the absence of a complete list of Jamaican participants in the programs, which could have enabled the evaluators to make more advance appointments. As it turned out, a number of key participants contacted by the evaluators once in Jamaica were not able to make time available on short notice to be interviewed.

### III. ACHIEVEMENT OF PRINCIPAL OBJECTIVES (Business Investment Program)

#### A. Entrepreneurial Activities

##### 1. Entrepreneurial Activity Generated

The evaluators found that tangible entrepreneurial activity had been generated by the YPO business investment program in Jamaica in the form of several 'Section 807' projects. Under Section 807 of the U.S. Tariff Code, no duties are assessed on textiles and semi-finished garments which are exported for sewing and assembly in Jamaica, and then re-exported to the United States.

The projects included a small contract, now completed, for the assembly of insulated garments, and an ongoing joint venture project between UNITEX in the United States and Satisfaction Garments in Jamaica to manufacture ladies' outerwear for export. The joint venture involves an investment of US\$100,000 and employs about 100 people. Satisfaction Garments also received a Section 807 contract for sewing skirts.

Certain other efforts made by YPO team members to develop business ties with Jamaican entrepreneurs were not successful. One YPO team member explored the possibility of manufacturing furniture frames in Jamaica, but found it would be too costly. Another was interested in manufacturing specialty candles. The candle manufacturing proposal reached the stage of

follow-up meetings in the U.S., but eventually stalled because the Jamaican manufacturers could not obtain needed technical assistance. A third team member was interested in manufacturing medical alarm equipment in Jamaica, but this did not prove feasible.

Many of the participants interviewed, while pleased with the business relationships that had resulted from the program, said they had hoped for still more tangible results. A few commented that they had expected more follow-up from the program activities.

## 2. Status and Activity of Local Counterpart Organizations

One counterpart organization for the YPO programs was the Jamaica National Investment Promotion, Ltd. (JNIP), a very active government-sponsored organization charged with promoting foreign business investment in Jamaica. Based on interviews there, the evaluators found the JNIP to be a well managed organization with capable staff.

The other counterpart organization used by the YPO was the Private Sector Organization of Jamaica (PSOJ). The Executive Director of PSOJ said that use of the PSOJ by the YPO was important because of its 300 company membership. PSOJ is a growing organization which has come to play an increasingly important role in coordinating private sector activities.

### B. Educational Activities

#### 1. Transmission of Entrepreneurial Knowledge

Judging from the interview responses, the YPO team members for the business investment program succeeded in conveying to host-country participants some sense of the constraints of transacting business in Jamaica, largely through the example of their personal experiences rather than through formal presentations. Seven of the Jamaicans interviewed expressed the feeling that the YPO team members had not been made aware that their audience preferred discussions on the technical aspects of new

business concepts and management techniques to lectures on general business development and management principles.

## 2. Exposure of Entrepreneurs to YPO Team

All program participants interviewed believed that they had gained from the exposure to the YPO, although some gained more than others. They suggested that improved pre-meeting coordination could have produced a larger audience that was more broadly representative of Jamaican business interests. Representatives of the two counterpart organizations said that, with a greater amount of advance information from the YPO on team composition and agenda, they could have arranged for such participation.

## IV. MANAGEMENT OF PROJECT TASKS (Business Investment Program)

### A. Recruitment/Orientation

#### 1. Team Leader Target Country Awareness

Based on a review of Phase I reports and on interviews with concerned parties in Jamaica, the evaluators feel that the team leader was well briefed by the JNIP, PSJJ, host-country business people and USAID staff during his Phase I planning visits. In most cases, however, because of other business responsibilities between Phase I and Phase II, the team leader was able to transfer what he had learned from these visits to the team members only after the team had arrived in Kingston to implement Phase II activities.

The team leader's performance during meetings in Jamaica was described by some local participants as dynamic and stimulating, although a few participants stated that he seemed to be selling his services rather than seeking opportunities for local investment. Three interviewees commented that the team leader appeared to lack a genuine understanding of Jamaican business needs for starting new business investments.

## B. Team Member Skill Match

The businesses represented by the YPO team members included public relations, hotel management, garment manufacturing (3), synthetic yarn manufacturing, retail housewares, and health care electronics. Two local businessmen who attended the program suggested in interviews that the team would have been more closely matched to Jamaican interests and needs if it had included additional representatives of light manufacturing industries apart from textiles.

## C. Planning Activities

### 1. Selection of Counterpart Organization

The evaluators were told in interviews that the selection of the two counterpart organizations, JNIP and PSOJ, was an appropriate one that the USAID Mission had approved. It appeared to the evaluators that both organizations possess greater administrative capability than was utilized by the YPO. Representatives of both organizations felt they could have improved local participation in the program had earlier and more complete YPO input been available to them.

### 2. Phase I Timing

The two Phase I visits spanned a total period of about 10 days. USAID staff stated that the team leader was given every opportunity to meet appropriate local officials and business people, and to become adequately acquainted with the local business environment to plan the Phase II programs.

Interviewees who had been involved in the Phase I planning visits were almost unanimous in stating that these visits could have been more effective if the information acquired about the target audience and the Jamaican investment environment had been more widely reflected in Phase II implementation. The fact that it could have been due to limited coordination between the busy team leader and the team members, a problem

which should be addressed specifically in any future activity of this type.

D. Implementation

1. Effectiveness of Meeting Methods

The aspect of the program recalled most favorably by the interviewees was the roundtable meetings. These meetings, and the question and answer sessions which followed them, received praise for their informality as well as for their industry orientation which permitted participants to focus on specific industry problems.

Based on the interview findings, the program's formal presentations contained little information that was of interest to the participants except when the team members described their individual backgrounds. These descriptions helped attendees to identify specific YPO members with whom they might share common interests. The case studies seemed to have left little impression. It was difficult to find host-country participants who remembered them sufficiently to comment.

The business investment program was unique in that the team members stayed as guests in the homes of Jamaican businessmen. This created some logistical problems, but gave the team the opportunity to gain a better understanding of Jamaican culture, and also gave the Jamaican hosts a chance to learn from their YPO guests, their criteria and requirements for investing in Jamaica.

2. Fulfillment of Reporting Requirements

The team leader made two Phase I planning visits to Jamaica. The first visit, in December 1983, was reported in a letter to the Bureau for Private Enterprise on January 5, 1984. The second visit, in late April 1984, was reported in a Synopsis of Objectives and Implementation Steps, dated June 13, 1984.

Interviews with A.I.D./Washington staff and review of A.I.D. files indicate that the team leader did not submit a final report on the Phase II program.

V. BUSINESS EDUCATION PROGRAM

A. Achievement of Objectives and Management of Project Tasks

Jamaica was the only country where the YPO conducted a business education program separate from its business investment program. The purpose of the program was to assist host-country educators in developing a coordinated business education plan for Jamaica. A team of four YPO business educators implemented the first part of the program from November 13 to November 16, 1984. Senior members of various Jamaican education institutions were brought together for three days of meetings with the YPO team, during which the Jamaican participants were able to air their business education problems and elicit suggestions from YPO team members on how to deal with them. Participants interviewed felt that the YPO had helped the group to realize that its focus was to achieve not only sound management education, but also successful management performance. The outcome of this session was the formation of a Council for Management Development (Business Council) comprised of senior representatives of all major business education institutions in Jamaica. All Jamaican educators interviewed agreed that the YPO had made a major contribution in helping them to lay out a plan and establish objectives for achieving their goal of unifying business education interests in Jamaica. Based on the favorable comments offered by host-country participants, this round of meetings appears to the evaluators to have been one of the most successful aspects of the YPO's grant activity in Jamaica. One unique aspect of this program, which probably contributed to its success, was the use of formal presentations by each host-country participant on his or her areas of concern. These presentations gave the YPO panel a clear picture of the problems faced by Jamaican business educators.

The Business Council was officially launched in May 1985. A YPO seminar on marketing had been scheduled by the Council to coincide with its

inauguration, but had to be canceled because the timing conflicted with the annual exposition of the Jamaican Exporters Association (JEA). The seminar was rescheduled for November 20, 1985 and took place on that date with financial support from a separate USAID grant. A representative of the YPO's New York office staff and two outside educators conducted the seminar, which was attended by approximately 40 Jamaican business leaders. Judging from interviews with those involved, the seminar did not meet the expectations of the Jamaican participants. The Business Council wanted the session to stimulate the participants and sharpen their skills in 4-5 disciplines. All participants interviewed reported that the presentation was too elementary for the audience. No further YPO activity has been requested.

## VI. CONCLUSIONS

### A. A.I.D. Pilot Program

The business investment program and the business education program were both viewed favorably by those Jamaican participants who were interviewed. Nevertheless, from discussions with participants in the investment program, it was clear to the evaluators that future programs of this type would benefit from better coordination of the planning visit with the implementation visit.

### B. Planning Visit

The team leader came into contact with a wide range of key Jamaican business and government leaders during his Phase I visits. The two counterpart organizations possessed considerable organizational and administrative skills. The expectations generated by the planning visits were not entirely met by the business investment program. This was due in large measure to the team members' lack of detailed briefing prior to their arrival in Jamaica for implementation. This lack of activity between the phases is attributable to the fact that the team leader and team members were all active businessmen who could not spare the time for detailed pre-implementation briefings. This constraint would have been

resolved only in part had there been grant funding for activities between the phases. Such funding might have helped by partially compensating the team leader for time lost on his own business activities, and by allowing the YPO New York staff to support the team leader's briefing activities more fully.

C. Business Investment Program

The business investment program produced more tangible results than have occurred to date in the other target countries. These tangible results could lead to other joint enterprise development activities in the future. An additional outcome of the program was the formation of a new YPO chapter in Jamaica in 1986.

D. Business Education Programs

The first component of the business education program was clearly a success. The YPO team of four U.S. business educators appears to have been well matched to the needs of the participants. The Jamaican participants were knowledgeable, senior-level officials, each of whom made formal presentations. The well-planned field visits and the dynamic informal exchanges that took place among all participants were credited with assisting the Jamaicans to focus on appropriate objectives and to produce a plan for coordinating and enhancing business education. The second component of the program appears to have been less effective in addressing the needs of Jamaican business educators.

E. YPO

The YPO was able to show that it has much to offer in stimulating entrepreneurial activity through programs which are focused on topics of interest to local entrepreneurs.

F. USAID

The USAID Mission worked hard for the success of the programs. USAID representatives interviewed felt the grant objectives were still valid provided that future implementation focused on areas of local concern and on inclusion of team members with specific investment interests in Jamaica.

Appendix I

---

ABRIDGED CASE STUDIES OF COUNTRIES NOT VISITED

## Appendix I

### ABRIDGED CASE STUDIES OF COUNTRIES NOT VISITED

#### I. METHODOLOGY AND CONSTRAINTS

The YPO evaluation work order did not call for the evaluators to visit Thailand and Nepal for interviews. The evaluators' planned visit to Kenya was not possible. The review of YPO programs in those three countries was limited to interviews with available YPO team members and A.I.D. Washington personnel. File data available at A.I.D./Washington pertinent to the YPO activities in all three countries was also reviewed. Questionnaires, cabled to USAID Missions, were prepared by the evaluators to be answered by host-country participants in each country not visited by the evaluators. These questionnaires could only be distributed in Kenya.

Observations and limited conclusions on the activities in each country are summarized below. They are based on secondary data and must be regarded as tentative based on the limited information available to the evaluators.

#### II. KENYA CASE STUDY

The YPO conducted two programs in Kenya under the grant. The first program held in the fall of 1984 is the subject of this review. A second program was held in November 1986, but the evaluators had insufficient information to review this program.

The team leader conducted the Phase I planning visit from May 4-18, 1984. A six-member YPO team was in Nairobi from September 20 - October 5, 1984 for Phase II.

The program consisted of seminars held in Nairobi at the University of Nairobi, the Investment Advisory & Promotion Centre, and the Kenya National Chamber of Commerce. In addition, there were a number of factory visits and numerous informal discussions with representatives of host-country business groups.

The major entrepreneurial activity generated has been a project to manufacture small tractors in Kenya, for which A.I.D. may fund a credit facility. The YPO team also advised Kenyans on other projects and, in some cases, has maintained contact with them.

A majority of the YPO team said in exit interviews after the program and in telephone interviews with the evaluators that they had made a contribution by transmitting entrepreneurial knowledge. The formal YPO seminars were well attended (about 60 attendees each). The YPO team members made presentations at the seminars on various business topics ranging from planning to identifying the traits of a successful entrepreneur.

Some of the planned presentations had to be modified after the team's arrival since many of the attendees were business people whose businesses were just starting, requiring a different approach for some of the planned presentations. For instance, a planned talk on problem-solving was changed to one on establishing joint ventures. In addition, YPO team members responded with specific suggestions for solutions to a variety of business problems described by host-country entrepreneurs.

During the planning visit the team leader met Phase I objectives through his contacts with the host-country business community and USAID staff. The Phase I visit lasted two weeks which was longer than usual. The team leader met numerous local officials, business leaders, and appropriate USAID staff and embassy officials. The team leader conveyed his Phase I findings to team members in conversations before their arrival in Nairobi for Phase II. Each team member was also provided with advance written information on the Kenyan business environment.

The YPO Phase II team represented a cross-section of business interests that was suited to many host-country business interests, such as agribusiness, communications, and manufacturing. In addition, all the YPO team members were entrepreneurs who had founded their own businesses. The team had skills in a variety of relevant business functions so they were able to address a broad range of Kenyan business queries.

The indigenous counterpart organization used was the Investment Advisory and Promotion Centre. Its Managing Director worked closely with the YPO team leader and team during Phases I and II and played an important role in the success of the program. In addition, cooperation from USAID and embassy officials contributed to program success.

The most successful events in the program as reported by YPO team members were the seminars where American business practices were reviewed. Roundtable discussions were held with some host-country participants to learn about their specific problems and elicit guidance and suggestions from the YPO team members. The planned visits to factory sites also provided the opportunity for useful dialogue between the YPO and host-country entrepreneurs on Kenyan business needs.

The evaluators prepared questionnaires for attendees of the two YPO programs. These were sent to 43 attendees with the assistance of the USAID Mission. Responses were received from five who attended the first program, including one USAID representative and an Embassy commercial officer. Comments on the first program supported other interviews and reports reviewed by the evaluators. The program had been well organized and presented. The YPO team was knowledgeable and their presentations were generally understood and useful. The three host-country respondents felt the program had met their expectations and that they had learned useful techniques. The USAID respondent did not agree. The host-country respondents reported having made new Kenyan contacts at the meetings and each had follow-up contacts with at least one member of the YPO team.

According to the information available to the evaluators from YPO team members, YPO reports and the questionnaires, the first Kenya program

contributed to increasing the business knowledge and understanding of the host-country business managers who attended. The planning visit, though longer than usual, laid the foundation for a well orchestrated program. While the implementation program had to be adapted for indigenous audiences in Nairobi, the seminars as presented were well received by host-country attendees as a good beginning in teaching and sharing entrepreneurial experience. One entrepreneurial project resulted to manufacture small tractors, and ongoing YPO-Kenyan contacts may lead to other enterprise development.

Based on information available to the evaluators, the YPO team was effective in transmitting entrepreneurial knowledge and built considerable goodwill with host-country participants. One YPO team member learned some Swahili for the trip. The USAID Mission contributed to the program's success, and believed the results were worthwhile. These favorable results led to the second program held in November 1986.

### III. THAILAND CASE STUDY

The team leader visited Bangkok for the Phase I planning visit from June 27 to July 10, 1983. A five-member YPO team conducted the Phase II implementation visit in Thailand from March 15 to March 23, 1984.

The planned YPO program consisted of four principal components: a three-day seminar for chief executives in conjunction with Thailand Management Association (TMA) to be held in Pattaya; an evening public lecture in Bangkok on American management sponsored by the American University Alumni Association (AUA); a one-half day seminar in Bangkok for professors of business administration and company training officers; and one-day visits to outlying cities for seminars with host-country professors on management of Thai companies.

The USAID Mission in Bangkok cabled concerns about the planned management development seminars to Washington before the Phase I visit (see Appendix J). Their observations included:

- o Management seminars would be useful only if designed to address specific management/technology problems confronting executives in Thailand and if carefully planned and carried out;
- o The initially proposed level of YPO effort to identify key management/technology problems appeared to be inadequate;
- o Prior knowledge of the Thai private sector was critical to accomplish Phase I properly.

In addition, the cable suggested that success of the planned YPO training would depend on knowledge and practical experience of team members, and that the background of team members and their reputations would largely determine the number of participants.

The qualified assessment by the USAID Mission in Bangkok following the YPO implementation program was that the YPO did an excellent job.

As USAID reported, success of the implementation program required the Thai YPO Chapter's support. The YPO Chapter was active in supporting the YPO implementation program, but when brochures for the implementation program were received listing the Indonesian YPO Chapter as a sponsor, the Thai YPO Chapter's support stopped, so USAID was required to fill the gap.

The principal planned event was a formal program in Pattaya, a resort outside of Bangkok. The YPO team of five had an audience of only 12, so it was only marginally useful. The public seminar at AUA was attended by 90 and succeeded because of the skills and attitude of the YPO team and the lively informal presentations. A later session for 30 business professors and company trainers was also enthusiastically received. The final event, one-day field programs organized by the Siam Commercial Bank in Khon Kaen, Chiang Mai, and Nakhon SI Thammarat, had a total of 128 participants, and seemed successful.

The USAID Mission further commented on YPO implementation activities while this study was being conducted (see Appendix J). They reported the major problem with the YPO's Phase II implementation program was that the planning was not timely, and that the information on the agenda and YPO team members arrived late.

Based on limited information available to the evaluators on the Thailand YPO program it seems that the YPO team made a generally good impression and provided stimulating sessions, but that improved planning, coordination, and advance publicity for the key events would have attracted a larger audience of senior Thai entrepreneurs.

#### IV. NEPAL CASE STUDY

The team leader conducted the Phase I mission in August 1985. At that time, the U.S. Embassy raised doubts about the viability of a YPO Phase II program because of nature of the private sector in Nepal and other policy and political considerations.

The Phase II mission was approved by A.I.D./Washington in May 1986. The Phase II mission was held from September 18 to September 24, 1986 with four YPO members and three non-member participants. The originally planned YPO team was to be comprised of seven YPO members, but three could not participate because of other business engagements.

The Phase II program was designed to foster business development concepts, and was to consist of a business plan development segment and a business management training seminar.

An interview with a YPO team member indicated that the results of the program were limited because of the small business base in Nepal. Three entrepreneurial activities begun during the Phase II program are ongoing. YPO members are advising a textile yarn spinning mill and a state-owned leather tannings operation on methods and opportunities for marketing in the United States. A YPO member is also providing technical advice to Nepalese business people on starting Nepal's first two-color printing

facility. The host-country business people were primarily interested in advice on doing business with the United States.

Since the YPO team was small compared to other YPO implementation teams, and the host-country audience was relatively small, the presentations were mostly informal. There were no formal seminars, and the few formal presentations that were tried lacked any effective interchange so they were not continued. The informal sessions involved 15 business project plans prepared ahead of time by the host-country participants, with one YPO member discussing each plan with its authors.

There was no local counterpart organization, so the YPO used a team of three company presidents. The Phase II implementation visit was originally organized according to the Phase I plan, but the planned agendas were completely revised after arrival.

The most effective meeting methods were the one-on-one sessions in which YPO team members engaged in effective exchanges with the host-country participants on management principles. This was useful to the participating business people and contributed to their understanding of how to develop a business plan, and how to operate a business more successfully.

Appendix J

---

RELEVANT CABLES AND OTHER DOCUMENTATION

14/3

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01 JAKART 19591 01 OF 02 070118Z 7852 087408 AID7748  
ACTION AID-00

JAKART 19591 01 OF 02 070118Z 7852 087408 AID774

WITH MEMBERS OF INDONESIAN YPO. COULD BE FIRST STEP  
TOWARDS ESTABLISHMENT OF VENTURE CAPITAL EFFORT HERE. IN  
ADDITION, ONE TEAM MEMBER ORDERED SAMPLES OF HANDICRAFT  
FOR POTENTIAL IMPORTS TO UNITED STATES.

ACTION OFFICE ASDP-02  
INFO #163-01 ASEM-02 ASPT-02 PPCE-01 PPP6-02 ASPD-03 ASTR-02  
ES-01 RELO-01 MAST-01 ASSP-02 PRE-06 /026 AS 107

INFO OCT-80 EA-00 /035 V  
-----316512 070345Z /30

C). TECHNOLOGY TRANSFER: MEETINGS EXPOSED BOTH  
INDONESIANS AND U.S. TO A RANGE OF OPPORTUNITIES FOR  
TECHNOLOGY TRANSFER. YPO STATED ITS WILLINGNESS TO  
ASSIST USAID IN PLACING INDONESIANS IN MEMBER COMPANIES  
IN INTERNSHIPS AS PART OF USAID'S PRIVATE SECTOR  
DEVELOPMENT PROJECT. ONE TEAM MEMBER EXPECTS VISIT IN  
JANUARY FROM TWO INDONESIANS SEEKING INFORMATION ON  
ADVANCED MEAT PACKING TECHNOLOGY.

*wh  
pccp*

R 070057Z DEC 83  
FM AMEMBASSY JAKARTA  
TO SECSTATE WASHDC 1354  
AMEMBASSY BANGKOK

UNCLAS SECTION 01 OF 02 JAKARTA 19591

D). TRAINING AND CURRICULUM DEVELOPMENT: MANAGEMENT  
SEMINARS OPENED POSSIBILITY OF SIMILAR PROGRAMS IN FUTURE  
WHICH COULD BE LINKED TO MANAGEMENT TRAINING INSTITUTES.  
ALSO ONE TEAM MEMBER, PROFESSOR FROM WHARTON, SUGGESTED  
POSSIBILITY OF U.S. MBA STUDENTS WORKING AT INDONESIAN  
MANAGEMENT INSTITUTES ON DEVELOPMENT OF CASE STUDIES AND  
CURRICULUM.

AIDAC

E. O. 12356: M/A

SUBJ: YOUNG PRESIDENTS ORGANIZATION

E). ADVICE TO USAID: TEAM PROVIDED CONSIDERABLE ADVICE TO  
USAID ON ITS APPROACH TO VENTURE CAPITAL DEVELOPMENT AS  
WELL AS INSIGHTS INTO ITS PRIVATE SECTOR DEVELOPMENT  
EFFORT.

REF: BANGKOK 060940

1. NOV. 11, YPO CONCLUDED TWO WEEK VISIT TO INDONESIA,  
IN PRE-SPONSORED PROGRAM OF CROSS CULTURAL EXPOSURE TO  
MANAGEMENT THEORY AND PRACTICE. TEAM OF TEN YPO'S  
PARTICIPATED IN SEMINARS IN JAKARTA, BALI, SURABAYA AND  
YOGYAKARTA WITH MORE THAN 100 REPRESENTATIVES OF  
INDONESIAN BUSINESS ORGANIZATIONS AND ACADEMIC  
INSTITUTIONS, INCLUDING KADIN (INDONESIAN CHAMBER OF  
COMMERCE), HIPMI (YOUNG BUSINESSMAN'S ASSOCIATION), IWAPI  
(ASSOCIATION OF INDONESIAN WOMEN'S ENTREPRENEURS), YPO  
INDONESIA, LPPH AND UNIVERSITY OF INDONESIA. IN ADDITION  
TO LEADING THE SEMINARS, TEAM MEMBERS WERE ACTIVE IN  
EFFORT TO DEVELOP A JOINT VENTURE INVESTMENT TOGETHER  
WITH YPO INDONESIA REPRESENTATIVES AND IN INDIVIDUAL  
CONTACTS FOR POSSIBLE JOINT VENTURES OF THEIR OWN.

2. CONCLUSION: DESPITE SOME INITIAL SKEPTICISM, MISSION  
NOW BELIEVES THAT YPO OFFERS AN EXCELLENT RESOURCE FOR A  
VARIETY OF PRIVATE SECTOR DEVELOPMENT ACTIVITIES. YPO,  
WITH 3500 MEMBERS, REPRESENTS A UNIQUE COLLECTION OF  
TALENT AND CONTACTS WHICH CAN BE DRAWN UPON FOR TECHNICAL  
ASSISTANCE, TRAINING AND INTERNSHIP OPPORTUNITIES,  
INVESTMENT CAPITAL AND MANAGEMENT EXPERTISE FOR JOINT  
VENTURES, TECHNOLOGY TRANSFER AND MANAGEMENT TRAINING.  
THE FACT THAT MEMBERS WERE PARTICIPATING AS A YPO TEAM  
GAVE A SENSE OF PURPOSE, COHESION AND COMMITMENT TO MEET  
WHAT THEY TERMED YPO STANDARDS WHICH WOULD NOT HAVE BEEN  
PRESENT WERE THEY SIMPLY A COLLECTION OF INDIVIDUAL  
BUSINESSMEN.

3. MAJOR ACCOMPLISHMENTS:

A). INFORMATION EXCHANGE: VISIT GAVE INDONESIANS AND  
AMERICANS A CHANCE TO EXCHANGE INFORMATION ON U.S. AND  
INDONESIAN BUSINESS AND MANAGEMENT STYLES, INVESTMENT  
OPPORTUNITIES AND EXPECTATIONS IN A SETTING CONDUCTIVE TO  
OPEN DISCUSSION AND DEBATE. AMERICANS GOT GOOD IDEA OF  
OPPORTUNITIES FOR, AND CONSTRAINTS ON, BUSINESS AND  
FOREIGN INVESTMENT IN INDONESIA; INDONESIANS GOT A BETTER  
IDEA OF U.S. PERSPECTIVE AND THE REQUIREMENTS OF  
POTENTIAL U.S. INVESTORS.

B). INVESTMENT AND TRADE OPPORTUNITIES: IN ADDITION TO  
CONTACTS MADE THROUGH SEMINARS, YPO MEMBERS HELD  
INDIVIDUAL MEETINGS. AT CLOSE OF MISSION TEAM REPORTED  
THAT THREE OF ITS MEMBERS EXPECTED TO BECOME INVOLVED IN  
JOINT VENTURES IN INDONESIA, AND THREE OTHERS WERE HOPING  
TO DO SO. THE YPO TEAM AS A GROUP COMMITTED ITSELF TO 50  
PERCENT OF A 30 THOUSAND DOLLAR JOINT VENTURE INVESTMENT

4. FOLLOW UP: TEAM MEMBERS WILL BE EXPLORING WITH PRE  
POSSIBLE FOLLOW UP ACTIVITIES RELATING TO VENTURE CAPITAL  
DEVELOPMENT; USAID WILL FOLLOW UP WITH YPO ON POSSIBILITY  
OF YPO ASSISTANCE IN BUSINESS INTERNSHIPS FOR INDONESIANS  
AND ON PLACEMENT OF U.S. MBA STUDENTS IN LOCAL MANAGEMENT  
INSTITUTIONS. INDIVIDUAL TEAM MEMBERS WILL FOLLOW UP  
JOINT VENTURE AND TRADE POSSIBILITIES. USAID WOULD ALSO  
LIKE TO EXPLORE WITH PRE POSSIBILITY OF ARRANGING YPO  
VISIT ON A REGULAR BASIS-- PERHAPS ANNUALLY. AN ANNUAL

*TRANSFERRED  
PRE*

ACTION: *Meller*

1209-03

RECEIVED: 12/8/83

DUE DATE: 12/15/83

ANSWERED: .....

cc: *Brown, Bauchard, Kim  
Pain*

TRANSFER

TO: .....

DATE: .....

*NAN  
on-jay  
11/9*

*OCM - YPO*

UNCLASSIFIED

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01 JAKART 19591 02 OF 02 070128Z 7049 007410 A107763  
ACTION A10-00

JAKART 19591 02 OF 02 070128Z 7049 007410 A107763  
ABOUT THE CASE STUDY APPROACH.

ACTION OFFICE ASDP-02  
INFO AAAS-01 ASEH-02 ASPT-02 PPCE-01 PPPB-02 ASPD-03 ASTR-02  
ES-01 RELO-01 MAST-01 ASSP-02 PAE-05 /026 AS 307

8. USAID APPRECIATES PRE EFFORTS IN FINANCING AND ARRANGING YPO VISIT. WE ARE ALSO PARTICULARLY GRATEFUL TO YPO TEAM LEADER JON GREEN FOR HIS COMMITMENT TO DEVELOPING AND CARRYING OUT AN INNOVATIVE PROGRAM. HE DID AN EXCELLENT JOB OF SELECTING A TEAM WITH A WIDE RANGE OF INTERESTS RELATED TO INDOONESIAN NEEDS AND USAID CONCERNS--VENTURE CAPITAL, MANAGEMENT DEVELOPMENT, LIGHT MANUFACTURED EXPORTS, AGRIBUSINESS--AND IN CONDUCTING THE PROGRAM. WE LOOK FORWARD TO FOLLOW-UP ACTIVITIES WITH INDIVIDUAL TEAM MEMBERS AND WILL BE INTERESTED IN PRE'S RESPONSE TO POSSIBILITY OF A SECOND VISIT NEXT YEAR.

INFO OCT-00 COPY-01 EA-00 /036 V  
-----316524 070416Z /62-30

BOLDRIDGE

R 070057Z DEC 83  
FM AMEMBASSY JAKARTA  
TO SECSTATE WASHDC 0355  
AMEMBASSY BANGKOR

UNCLAS SECTION 02 OF 02 JAKARTA 19591

AIDAC

E. O. 12356: N/A

SUBJ: YOUNG PRESIDENTS ORGANIZATION

VISIT WOULD ALLOW BOTH USAID AND YPO TO BUILD ON CONTACTS MADE DURING THE FIRST VISIT AND TO PROFIT FROM LESSONS LEARNED DURING ITS PROGRAMMING.

5. PROBLEMS: DESPITE OUR ENTHUSIASM, USAID EXPERIENCED A NUMBER OF PROBLEMS IN PREPARING AND PROGRAMMING THE VISIT. INITIALLY, WE WERE UNCLEAR AS TO THE VISIT'S PURPOSE--WHETHER PRINCIPAL OBJECTIVE WAS MANAGEMENT TRAINING OR INTRODUCTIONS FOR JOINT-VENTURE INVESTMENT POSSIBILITIES OR TRADE OPPORTUNITIES; WE WERE ALSO UNCLEAR AS TO THE LEVEL OF LOGISTICAL SUPPORT EXPECTED FROM THE MISSION. CONSEQUENTLY WE WERE LESS CLEAR IN DISCUSSIONS WITH LOCAL BUSINESS ORGANIZATIONS THAN THEY EXPECTED AND LESS PREPARED TO LEND THE LOGISTICAL SUPPORT THAN REQUIRED.

6. RESPONDING TO QUESTIONS RAISED BY BANGKOR REFTEL, WE WOULD THINK IT IS EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, FOR YPO TO CARRY OUT SUCCESSFUL PROGRAM WITHOUT SUBSTANTIAL ASSISTANCE FROM USAID STAFF. AT LEAST IN INDONESIA, LOCAL YPO AND BUSINESS ORGANIZATIONS, DESPITE INTEREST IN PROGRAM AND GOOD WILL, UNABLE TO HANDLE THE PROGRAMMING REQUIRED. IN FUTURE, AID AND YPO SHOULD BE PREPARED TO SPEND MORE TIME ON ADVANCE WORK OR TO PROVIDE USAID WITH ADDITIONAL FUNDS FOR ADVANCE WORK. AT A MINIMUM, USAID NEEDS A CLEAR DEFINITION OF PROGRAM AND ACCOMPANYING MATERIALS AT AS EARLY A DATE AS POSSIBLE. FOR EXAMPLE, JON GREEN'S BROCHURE DESCRIBING THE PROGRAM WAS EXCELLENT AND CRITICAL TO RECRUITING PARTICIPANTS IN THE SEMINARS. WE RECEIVED IT WITHOUT ENOUGH TIME TO ASSURE CIRCULATION TO THE POTENTIAL PARTICIPANTS OUTSIDE JAKARTA. WE WOULD RECOMMEND THAT FUTURE YPO MISSIONS PREPARE A SIMILAR BROCHURE SO THAT IT CAN BE AVAILABLE WELL IN ADVANCE OF THE TEAM'S ARRIVAL -- AS MUCH AS A MONTH. SIMILARLY, HAVING CASE STUDIES AVAILABLE PRIOR TO THE SEMINAR TO ALLOW PARTICIPANTS MORE TIME TO PREPARE, WOULD BE HELPFUL, ALTHOUGH THIS NEEDS TO BE BALANCED AGAINST THE ADVANTAGES OF FLEXIBILITY FOR LAST MINUTE SUBSTITUTIONS OR REVISIONS. WE DID NOT ENCOUNTER PROBLEMS FINANCING YPO LOCALLY--YPO U.S. AGREED TO PICK UP ALL EXPENSES AND TO NEGOTIATE WITH PRE POST VISIT. USAID ABSORBED ALL COSTS FOR STAFF TIME AND TRAVEL.

7. OTHER USAIDS PROGRAMMING SIMILAR YPO SEMINARS MIGHT WISH TO WORK WITH LOCAL UNIVERSITIES OR MANAGEMENT INSTITUTES TO BROADEN PARTICIPATION. ALTHOUGH QUALITY OF INPUT FROM MANAGEMENT STUDENTS AT UI AND LPPM WAS DIFFERENT FROM THAT OF PEOPLE WITH BUSINESS EXPERIENCE, STUDENTS PARTICIPATED ACTIVELY AND WERE ENTHUSIASTIC

UNCLASSIFIED

150



# JNIP

## Jamaica National Investment Promotion Limited

3RD ROAD, KINGSTON 5, JAMAICA. TELEPHONE: (808) 929-7190-5, 929-8217, 929-8235, 929-4000  
FAX 8658 C.S.O. TELEEX: 2222 JANIPRO, JA.

January 21, 1987

Mr. D. Black  
Director  
Checchi & Company  
1730 Rhode Island Ave., N.W.  
Washington, DC 20036  
U.S.A.

Dear Mr. Black,

As a follow-up to your visit to Jamaica in December, 1986, we have tried contacting a number of persons whose companies did not derive any benefit from the Young Presidents Organization's mission to Jamaica in October, 1984.

To date, we have only received responses from the following:-

- a) Mr. David Chin of Davon Corporation
- b) Mr. Prem Chadeesingh of Regent Manufacturing
- c) Mr. Lloyd Samuels of Ruel Samuels Mfg. Ltd.

All three gentlemen have indicated that they gained nothing from the mission and even had difficulty recalling such a mission. They have therefore been unable to suggest reasons why they might not have benefitted from this exercise.

If we can be of further assistance to you, please do not hesitate to call on us.

With best wishes for 1987.

Yours sincerely,

Carol A. Rose (Mrs.)  
Manager, Missions & Seminars Unit  
International Operations Division

UNCLASSIFIED  
Department of State

INCOMING TELEGRAM 12/17

PAGE 01 OF 02 KINGST 13078 00 OF 03 140223Z 6527 028408 A106247  
ACTION: AID-08

KINGST 13078 00 OF 03 140223Z 6527 028408 A106247

ACTION OFFICE PNE-05  
INFO LADM-07 LADP-04 LADR-03 PPR-01 ES-01 RELO-01 MACT-01  
LACA-03 DO-01 /223 A1 1115

INFO GCT-00 COPY-01 CIAE-00 EB-08 DODE-00 ARA-00 L-03  
/812 W

-----362636 140227Z /66 38

R 132138Z DEC 84  
FM AMEMBASSY KINGSTON  
TO SECSTATE WASHDC 3758

FILE (1) Jamaica  
(2) YPO

UNCLAS KINGSTON 13078

AIDAC

AID FOR ANDREA MOHN, PRE BUREAU

E.O. 12356: N/A  
SUBJECT: YPO INVESTMENT VISIT - OCTOBER 7 - 11, 1984

REF: STATE 355606

1. SUMMARY: THE YPO INVESTMENT TEAM PARTICIPATED IN BRIEFINGS, SEMINARS AND INDIVIDUAL MEETINGS FROM OCTOBER 7 TO 11, 1984. THIS CABLE SUMMARIZES THE ARRANGEMENTS MADE FOR THE YPO TEAM BY THE JAMAICA NATIONAL INVESTMENT PROMOTION LIMITED (JNIP), THE PRIVATE SECTOR ORGANIZATION OF JAMAICA (PSOJ), AND USAID.

2. ALL MEMBERS OF THE YPO INVESTMENT TEAM ARRIVED IN JAMAICA ON SUNDAY, OCTOBER 7TH WITH THE EXCEPTION OF MR. MICHAEL LEVEN, EXECUTIVE VICE PRESIDENT OF AMERICAN HOTELS CORP. MR. LEVEN JOINED THE TEAM ON MONDAY, OCTOBER 8TH. OFFICERS FROM JNIP, PSOJ AND USAID WELCOMED MAJORITY OF YPO TEAM UPON THEIR ARRIVAL.

3. ON MONDAY, OCTOBER 8TH THE JNIP ARRANGED FOR A BREAKFAST MEETING BETWEEN MR. PINCUS AND THE YPO TEAM MEMBERS. THIS PERMITTED THE TEAM MEMBERS TO MEET ONE ANOTHER FOR THE FIRST TIME SINCE MOST OF THE MEMBERS DID NOT HAVE THE OCCASION TO MEET IN THE U.S. PRIOR TO THEIR DEPARTURE FOR JAMAICA. MR. PINCUS BRIEFED THE TEAM MEMBERS ON THE NATURE OF THE MISSION AND THE ITINERARY WHICH HAD BEEN ARRANGED BY THE JNIP AND THE PSOJ.

PRIME MINISTER SEAGA MET WITH THE YPO TEAM AT JAMAICA HOUSE LATER THAT MORNING AND EXTENDED A WARM WELCOME TO THE GROUP. IN HIS OPENING REMARKS MR. SEAGA DISCUSSED THE CURRENT STATE OF JAMAICA'S ECONOMY AND MENTIONED THAT THE GOVERNMENT WAS TRYING TO BUILD OTHER SECTORS OF THE ECONOMY INCLUDING TOURISM, AGRICULTURE, AGRIBUSINESS AND MANUFACTURING. THE PRIME MINISTER LAUDED THE EFFORTS OF THE JNIP AND STATED HE WOULD BE PARTICIPATING IN A CEREMONY TO MARK JNIP'S 30TH INVESTMENT IN JAMAICA. MR. SEAGA SAID THE INVESTMENT PROGRAM WAS FOUR MONTHS AHEAD OF THE SCHEDULE ORIGINALLY SET OUT BY THE JNIP.

MRS. CORRINE MCLARTY, MANAGING DIRECTOR, JNIP FORMALLY INTRODUCED MR. PINCUS TO THE PRIME MINISTER. MR. PINCUS MADE SOME GENERAL COMMENTS ABOUT THE YPO AND THEN INTRODUCED EACH TEAM MEMBER, THEIR TITLE AND THEIR COMPANY. THERE WAS MUTUAL AGREEMENT THAT THE YPO INVESTMENT TEAM WAS IMPORTANT FOR JAMAICA AND IT WAS HOPED THAT THE VISIT WOULD RESULT IN INVESTMENTS BY TEAM MEMBERS.

AFTER THE MEETING WITH THE PRIME MINISTER, THE JNIP HOSTED A LUNCHEON WHICH WAS ATTENDED BY LEADERS OF PRIVATE SECTOR ORGANIZATIONS (JAMAICA MANUFACTURERS ASSOCIATION, JAMAICA EXPORTERS ASSOCIATION, PRIVATE SECTOR ORGANIZATION OF JAMAICA, SMALL BUSINESSES ASSOCIATION OF JAMAICA, ETC.) AND PROMINENT JAMAICAN BUSINESS PEOPLE. A BRIEFING SESSION ON DOING BUSINESS IN JAMAICA WAS ARRANGED BY JNIP AFTER THE LUNCHEON. FOUR PRESENTATIONS WERE MADE BY REPRESENTATIVES OF THE PUBLIC AND PRIVATE SECTORS. TOPICS INCLUDED AN INVESTMENT OVERVIEW, PRIVATE SECTOR PERSPECTIVE ON JAMAICA, BANKING AND LABOR/LABOR RELATIONS.

3. ON TUESDAY, PRIVATE BREAKFAST BRIEFING OF THE YPO TEAM WITH THE PRINCIPAL REPRESENTATIVES OF THE EMBASSY, USAID, DEPARTMENT OF COMMERCE AND THE COMMERCIAL OFFICE. THE JAMAICAN ECONOMY, BUSINESS CLIMATE AND INVESTMENT POTENTIAL WERE DISCUSSED AT THE BREAKFAST MEETING.

AFTER THE BREAKFAST, THE PRIVATE SECTOR ORGANIZATION OF JAMAICA (PSOJ) HOSTED A SEMINAR IN WHICH MR. SAM MAHFOOD, PRESIDENT, PSOJ WELCOMED THE YPO TEAM AND REPRESENTATIVES OF PRIVATE SECTOR FIRMS. MR. MAHFOOD INTRODUCED MR. PINCUS, WHO GAVE AN OVERVIEW OF THE YPO AND ITS SPECIFIC MISSION IN JAMAICA. EACH OF THE YPO PRESIDENTS WERE INVITED TO MAKE BRIEF PRESENTATIONS ABOUT THEIR FIRMS AND AREAS OF INTEREST IN TERMS OF INVESTING IN JAMAICA. PRESENTATIONS WERE MADE BY THE FOLLOWING YPO TEAM MEMBERS:

- STEPHEN SINGER
- LOUIS LEVITT CO. INC.
- NICKORY, NORTH CAROLINA
- INTEREST - SYNTHETIC YARN AND POLYESTER FIBRES
- MICHAEL LEVEN
- EXECUTIVE VICE PRESIDENT
- AMERICAN HOTELS CORP.
- CHICAGO, ILLINOIS
- INTEREST - HOTEL INVESTMENT
- BRUCE AMES
- VICE PRESIDENT
- UNITOG CO. & ASSOCIATES
- KANSAS CITY, MISSOURI
- INTEREST - CLOTHING MANUFACTURERS (UNIFORMS FOR OTHER COMPANIES)
- 187 GARMENT PROGRAM
- MARK GITOMAR
- PRESIDENT
- CHARLAND SPORTSWEAR
- CHARLEROI, PENNSYLVANIA
- INTEREST - ESTABLISHING AN APPAREL PLANT
- DONALD HOAG
- SR. VICE PRESIDENT FOR MARKETING
- VICKS M' STIONS
- HOUSTON, TEXAS
- INTEREST - QUALITY CRAFT INCLUDING CANDLES AND RELATED PRODUCTS
- DENNIS SWAPRO
- CHAIRMAN
- LIFELINE SYSTEMS
- WATFSTOWN, MASSACHUSETTS

130

# Department of State

INCOMING  
TELEGRAM

PAGE 02 OF 02 KINGST 13070 00 OF 03 140223Z 6527 020408 A106247

KINGST 13070 00 OF 03 140223Z 6527 020408 A106247

- INTEREST - ELECTRONICS SYSTEMS FOR HOSPITAL AND COMMUNITY PROGRAMS FOR THE ELDERLY

- DUNCAN BROWN  
- PRESIDENT  
- DECISION DATA DEVELOPMENT  
- HORSHAM, PENNSYLVANIA  
- INTEREST - IBM COMPATIBLE SOFTWARE

- ROBERT READE  
- PRESIDENT  
- STYLE CRAFT INC.  
- MILFORD, OHIO  
- INTEREST - FURNITURE MANUFACTURING AND AVAILABILITY OF RAW MATERIALS

A QUESTION PERIOD WAS SCHEDULED AFTER THE PRESENTATION FOLLOWED BY A LUNCHEON IN WHICH HONORABLE DOUGLAS VAZ, MINISTER OF INDUSTRY AND COMMERCE WAS THE GUEST SPEAKER.

AFTER THE LUNCHEON FOUR SECTORS HAD BEEN SELECTED BY THE PSDJ FOR SQUARE TABLE DISCUSSIONS BETWEEN YPO REPRESENTATIVES AND JAMAICAN REPRESENTATIVES OF PRIVATE SECTOR ENTREPRENEURS. THE SECTORS SELECTED WERE - TEXTILE AND TEXTILE PRODUCTS, MANUFACTURING, ELECTRONICS AND ELECTRICAL PRODUCTS, AND FURNITURE.

IN THE EVENING, THE USAID MISSION DIRECTOR HOSTED A COCKTAIL RECEPTION FOR THE YPO TEAM. SEVERAL PROMINENT MEMBERS OF THE JAMAICAN BUSINESS COMMUNITY ATTENDED THE RECEPTION.

4. ON WEDNESDAY, OCTOBER 10TH THE ENTIRE DAY WAS DEVOTED TO INDUSTRIAL APPOINTMENTS WHICH WERE SCHEDULED FOR YPO TEAM MEMBERS TO MEET WITH JNIP INVESTMENT PROMOTION OFFICERS AND JAMAICAN PRIVATE ENTREPRENEURS IN SECTORS OF SIMILAR INTEREST, I.E. TEXTILE, ELECTRONICS, CRAFTS, GARMENTS, ETC. THE IDEA WAS TO GIVE THE YPO REPRESENTATIVE AN OPPORTUNITY TO MEET ON A ONE TO ONE BASIS WITH JAMAICAN ENTREPRENEURS TO OBTAIN A BETTER UNDERSTANDING OF THE JAMAICAN BUSINESS PERSPECTIVE FROM THE ENTREPRENEURS' POINT OF VIEW AND TO DISCUSS POSSIBLE JOINT VENTURES. THESE INDIVIDUAL APPOINTMENTS ARRANGED BY JNIP CONTINUED THROUGH THURSDAY MORNING, OCTOBER 11TH.

5. THE FINAL EVENT WAS A DEBRIEFING LUNCHEON HOSTED BY THE JNIP IN WHICH THE PSDJ, AND USAID WERE INVITED TO ATTEND.

WITHOUT EXCEPTION, MR. PINCUS AND THE YPO TEAM MEMBERS FELT THAT THE JNIP, THE PSDJ, AND USAID HAD DONE AN OUTSTANDING JOB IN ORGANIZING AN EXCELLENT PROGRAM. SEVERAL MEMBERS OF THE YPO TEAM WERE VERY POSITIVE ABOUT INVESTING IN JAMAICA AND STATED THAT THEY WOULD BEGIN FOLLOW UP ACTIVITIES UPON RETURNING TO THEIR COMPANIES IN THE U.S. THE FOLLOWING COMMENTS REPRESENT YPO TEAM MEMBERS FEEDBACK ON THE PROGRAM AS TO HOW IT MIGHT BE DONE EVEN BETTER THE NEXT TIME.

- (A) THE PROGRAM COULD HAVE BEEN ORGANIZED TO ALLOW THE YPO TEAM MEMBERS TO VISIT THE FIELD THE FIRST DAY AFTER THEIR ARRIVAL WITH FEWER STRUCTURAL BRIEFINGS AND MEETINGS.
- (B) A MORE CONCENTRATED FOCUS WITH RESPECT TO THE VARIOUS PUBLIC AND PRIVATE SECTOR GROUPS AND

- THEIR RESPECTIVE ROLES. IT WAS SUGGESTED THAT THE FIRST DAY THE JNIP, THE PSDJ AND THE U.S. MISSION COULD EXPLAIN THEIR ROLE IN THE PRIVATE SECTOR TO THE YPO WHICH COULD BE FOLLOWED UP WITH DISCUSSIONS LATER IN THE PROGRAM.

- (C) TOO MUCH INFORMATION WAS PRESENTED TO THE YPO TEAM AT ONE TIME WITH SPECIFIC NEEDS NOT ADDRESSED UNTIL LATER.

- (D) IN MANY CASES, THOSE YPO MEMBERS WHO WERE SERIOUSLY INTERESTED IN INVESTING IN JAMAICA WOULD REQUIRE AT LEAST 3 - 4 FOLLOW UP VISITS BEFORE INITIATING STEPS FOR ACTUAL INVESTMENTS.

- (E) ONE TO ONE RELATIONSHIP BETWEEN INDIVIDUAL YPO TEAM MEMBERS AND PRIVATE ENTREPRENEURS WORKED OUT VERY WELL AND PARTICULARLY NOTED AS A HIGH POINT OF THE VISIT WAS THE ARRANGEMENT FOR YPO TEAM MEMBERS TO BE GUESTS IN JAMAICAN HOMES.

- (F) MORE INFORMATION COULD HAVE BEEN PRESENTED ON THE GEOGRAPHY OF JAMAICA INCLUDING OTHER CHARACTERISTICS SUCH AS THE LABOR SITUATION, AVAILABILITY OF FACTORY SPACE, TAX INCENTIVES, BASIC INFORMATION, ETC.

- (G) CASE STUDIES OF COMPANIES INTERESTED IN JAMAICA WOULD HAVE BEEN USEFUL TO THE YPO TEAM, IN ORDER TO HAVE AN OVERVIEW OF OTHER COMPANIES' EXPERIENCE. BASIC STATISTICS ON DOING BUSINESS IN JAMAICA SHOULD BE READILY AVAILABLE FOR DISTRIBUTION TO POTENTIAL INVESTORS.

- (H) FIVE DAYS SHOULD BE THE MINIMUM TIME FOR CONDUCTING A PROGRAM LIKE THE YPO VISIT.

- (I) THE OFFICE OF PRIVATE OVERSEAS INVESTMENT SHOULD BE AVAILABLE TO PROVIDE INFORMATION ON INVESTMENT GUARANTEE PROGRAMS.

6. THE SUCCESS OF THIS YPO VISIT CAN BE LARGELY ATTRIBUTED TO THE STRONG SUPPORT RECEIVED FROM LOCAL ORGANIZATIONS IN ORGANIZING THE PROGRAM AND THE ADVANCE PLANNING AND COORDINATION WHICH WAS REQUIRED TO MAKE THE VISIT A REALITY. IT IS OUR UNDERSTANDING THAT BOTH THE JNIP AND THE PSDJ ARE DOING THE NECESSARY FOLLOW UP WITH THOSE MEMBERS OF THE YPO TEAM WHO WERE SERIOUSLY INTERESTED IN DOING BUSINESS IN JAMAICA. (DRAFTED: ZPFD: DMRYBAX; APPROVED: ACTG/DIR: JSCHLOTTHAUER) HEWITT

UNCLASSIFIED

(53)

Department of State

TELEGRAM

PAGE 01 HAIROB 07999 1409362 0715 040700 4105231

HAIRCO 07999 1409362 0715 040700 4105231  
COMPLETED BY JACOB STEIN, MEMBER OF PRESIDENT REAGAN'S  
TASK FORCE ON FOREIGN PRIVATE INVESTMENT.

ACTION OFFICE ARE-06  
INFO ARAF-02 AFEA-03 AFOR-06 PPR-01 AFDA-01 RELO-01 TELE-01  
MAST-01 /022 44 014

INFO OCT-00 AF-00 /035 V  
-----107315 1409302 /30

0 109322 MAR 84  
FM EMBASSY NAIROBI  
TO SECSTATE WASHDC IMMEDIATE 1905  
INFO USDOC WASHDC

UNCLAS NAIROB 07999

AIDAC  
FOR PRE, SECSTATE FOR AF/EPS AND AF/E

E.O. 12356: 4/A  
SUBJECT: YOUNG PRESIDENT'S ORGANIZATION VISIT TO NAIROBI

REF: NAIROB 05096

1. EMBASSY HAS RECEIVED TWO COMMUNICATIONS FROM MARVIN WALTER OF YPO REGARDING ADVANCE TRIP OF WALTER AND REED MARCH 27 TO APRIL 11. ONE IS A TELEX ADDRESSED TO THE AMBASSADOR EXHIBITING HIS SUPPORT AND COOPERATION FOR THE MISSION AND STATING THAT DATES FOR ADVANCE TRIP CANNOT BE CHANGED. SECOND, IS A LETTER TO THE COMMERCIAL ATTACHE, DATED MARCH 6, IN RESPONSE TO A LETTER FROM CA TO WALTER. CA HAD RELATED BASIC INFO IN REFTEL AND ADVISED WALTER THAT A CHANGE IN DATES WAS NECESSARY BECAUSE OF OTHER COMMITMENTS. WALTER STATES SIMPLY THAT IT IS TOO LATE TO CHANGE THE DATES AND HE AND REED ARE COMING REGARDLESS.

2. IT IS IMPERATIVE THAT PRE IMMEDIATELY CONTACT WALTER AND INFORM HIM THAT NEITHER THE EMBASSY NOR USAID CONCUR IN THE DATES OF ADVANCE VISIT, THE TRIP MUST BE POSTPONED. U.S. MISSION IN KENYA HAS NEVER CONSULTED IN ADVANCE BY PRE ABOUT THE PROJECT ITSELF, OR THE PROPOSED DATES FOR EITHER THE ADVANCE TRIP NOR THE FULL MISSION. MOREOVER, REFTEL INQUIRY WHETHER THIS WAS A PRE SPONSORED ACTIVITY WAS NOT ANSWERED.

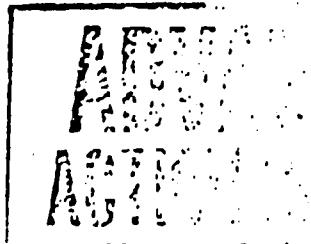
3. THE ADVANCE DATES ARE UNACCEPTABLE FOR SEVERAL REASONS - THE MISSION WILL BE GEARING UP FOR A MAJOR CODEL, THE COMMERCIAL SECTION WILL BE WORKING ON A STATE OF MICHIGAN TRADE MISSION, AND, MOST IMPORTANTLY, KEY PERSONNEL WHO ARE CRITICAL TO THE SUCCESS OF WALTER'S VISIT WILL BE OUT OF TOWN FOR THE ENTIRE PERIOD (THE CA WILL BE IN THE US ON CONSULTATIONS AND THE AID DIRECTOR WILL BE BACK FOR THE CDSC REVIEW). IT MAKES NO SENSE FOR WALTER AND REED TO COME AT A TIME WHEN WE CANNOT DEVOTE THE APPROPRIATE PERSONNEL AND TIME TO THEIR VISIT. ALSO, THE UTILITY OF AN ADVANCE TRIP SIX MONTHS PRIOR TO AN EVENT IS MARGINAL. THE TRIP MUST SIMPLY BE POSTPONED TO MID-MAY.

4. ON A MORE FUNDAMENTAL LEVEL, THIS MISSION WAS NEVER CONSULTED BY PRE PRIOR TO A CONTRACT BEING LET THAT INCLUDES KENYA. QUITE FRANKLY, ALTHOUGH WE ARE GENERALLY POSITIVE ABOUT THE YPO, HAD WE HAD A CHANCE TO COMMENT ON THIS PROJECT IT IS DOUBTFUL WE WOULD HAVE SEEN MUCH VALUE IN ITS APPROACH FOR KENYA. THE APPROACH IS REDUNDANT HERE AS A FAIRLY HIGH LEVEL OF INTERACTION BETWEEN THE KENYAN AND U.S. BUSINESS COMMUNITIES ALREADY EXISTS. FURTHERMORE, EXCELLENT VISIT THAT DID BUILD GOOD WILL HERE WAS RECENTLY

5. THE TYPES OF BUSINESSES HERE WHICH WOULD CONCEIVABLY BE INTERESTED IN THE YPO APPROACH ARE LARGER FIRMS WHICH ALREADY HAVE ACCESS TO PROBLEM SOLVING MECHANISMS AND ARE MEMBERS OF ORGANIZATIONS WHICH REGULARLY PROVIDE SIMILAR SERVICES. FINALLY, WE HAVE ALREADY TESTED THE WATERS AMONG POSSIBLE SPONSORING OR COOPERATING ORGANIZATIONS, AND, AS WE STATED IN REFTEL, THEIR REACTION WAS UNIFORMLY NEGATIVE. WE ARE INUNDATED WITH VISITORS WHO ARE STUDYING THE PRIVATE SECTOR OR WANT TO DO SOMETHING IN OR WITH THE KENYAN PRIVATE SECTOR. WE MUST BE SELECTIVE AND SEE LITTLE TO BE GAINED BY PUSHING FOR A VISIT WHEN THE KENYANS THEMSELVES ARE NOT ENTHUSIASTIC.

6. FOR NOW, IT WILL SUFFICE FOR PRE TO CANCEL THE ADVANCE TRIP SINCE WE SIMPLY CANNOT ACCOMMODATE WALTER AND REED ON THOSE DATES. PRIOR TO RESCHEDULING, HOWEVER, WE WANT TO ENTER INTO A DIALOGUE WITH PRE ON THE WHOLE APPROACH AS IT RELATES TO KENYA.

7. THIS TELEGRAM HAS THE CONCURRENCE OF THE CHARGE, EMBASSY ECONOMIC COUNSELOR, AND COMMERCIAL ATTACHE. (GCS/STURPF) HOUDEX



Marvin Walter  
(515) 232-332  
Robert Reed  
1000 47 - April

Leave April 30  
arr. May 2  
@ 2 weeks

0314-02  
3-14-84  
3-15-84  
CC: Brown, GB, RP, EH, SC, Habner  
file LCP 3  
Kenya  
12/1

UNCLASSIFIED

ACTION  
COPY

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01 OF 02 COLOMB 03752 03 OF 02 040816Z 6921 056648 A103683  
ACTION A10-00

COLOMB 03752 03 OF 02 040816Z 6921 056648 A103683

ACTION OFFICE PRE-06  
INFO ACPH-02 PPR-01 PELO-01 MACT-01 ASEA-02 /013 02 1004  
INFO LOG-02 COPY-01 CIAE-00 EB-08 JODE-00 NEA-07 EAP-00  
/016 W

-----203437 040817Z /11/88

R 040554Z JUN 88  
FM AMEMBASSY COLOMBO  
TO SECSTATE WASHDC 1050  
INFO AMEMBASSY BANGKOK

UNCLAS COLOMBO 03752

AIDAC

FOR: PRE, ANDREA MOHN  
BANGKOK FOR LARRY BROWN

E.O. 12356: N/A

SUBJECT: YOUNG PRECEDENTS ORGANIZATION

1. SUMMARY. YOUNG PRECEDENTS ORGANIZATION (YPO) CONCLUDED 13-DAY SRI LANKA MISSION ON MAY 23. THIS REPORTING CABLE SUMMARIZES COMMENTS MADE AT DEBRIEFING SESSION HELD MORNING OF MAY 23 ATTENDED BY YPO MEMBERS INCLUDING JONATHAN GREEN (TEAM LEADER), REPRESENTATIVES FROM THE SRI LANKAN PRIVATE SECTOR AND THE SRI LANKA BUSINESS DEVELOPMENT CENTRE (SLBDC), AND USAID. THE COMMENTS BELOW REFLECT SOME VIEWS DRAWN AT THE DEBRIEFING SESSION HELD ON MAY 23 AND ARE NOT INTENDED AS A DETAILED EVALUATION OF THE TOTAL PROGRAM. ON BALANCE, CONSENSUS WAS THAT YPO MISSION WAS WELL-RECEIVED BY THE LOCAL BUSINESS COMMUNITY AND RESULTED IN USEFUL EDUCATIONAL EXCHANGE. END SUMMARY.

2. THE YPO MISSION WAS PLANNED DURING A RECONNAISSANCE TRIP MADE BY GREEN TO SRI LANKA IN OCTOBER, 1984. OF THE ORIGINALLY PLANNED TEN YPO PARTICIPANTS, SEVEN ACTUALLY ARRIVED, ONE HAVING HAD TO PULL OUT ABOUT A WEEK PRIOR TO THE MISSION AND TWO OTHERS AT THE LAST MINUTE FOR UNAVOIDABLE REASONS. A YPO STAFF MEMBER BASED IN HONG KONG AND YPO CONSULTANT BASED IN BANGKOK WERE ALSO PRESENT DURING THE MISSION. USAID COORDINATED THE PLANNING OF THE AGENDA BUT THE PRINCIPAL SPONSORSHIP AND COORDINATION FUNCTION FOR ALL EVENTS ON THE AGENDA WAS GIVEN TO THE SLBDC. THE SLBDC IS A PRIVATE SECTOR, NON-PROFIT COMPANY WHICH IS BEING SUPPORTED BY USAID UNDER THE PRIVATE ENTERPRISE PROMOTION PROJECT. AID/PRE REGIONAL OFFICER LARRY BROWN, BASED IN BANGKOK, ALSO PARTICIPATED IN THE FIRST HALF OF THE MISSION.

3. FOUR MAIN EDUCATIONAL EVENTS WERE SCHEDULED: (A) A ONE-DAY WORKSHOP ON JOINT VENTURING; (B) A HALF-DAY BUSINESS ROUNDTABLE DISCUSSION WITH YOUNG SRI LANKAN BUSINESS LEADERS; (C) A HALF-DAY REGIONAL SEMINAR WITH BUSINESSMEN IN KANDY; AND (D) A ONE AND ONE-HALF DAY SEMINAR ON MANAGEMENT PRACTICES. IN ADDITION, THE YPO MEMBERS MET INDIVIDUALLY WITH BUSINESS PEOPLE THROUGHOUT THEIR STAY IN SRI LANKA IN WHICH PARTICULAR INTERESTS WERE PURSUED, INCLUDING, IN MOST CASES, THE POSSIBILITY FOR DOING FUTURE BUSINESS IN SRI LANKA. THE RESULTS OF THE FOUR MAIN EVENTS WERE:

(A) JOINT VENTURE WORKSHOP: THE WORKSHOP WAS ATTENDED BY 63 SRI LANKAN PARTICIPANTS. IT WAS CONDUCTED JOINTLY BY ALL SEVEN YPO MEMBERS USING CASE STUDY METHODS. TWO CASE STUDIES WERE EXAMINED, ONE FROM THE VIEWPOINT OF AN AMERICAN BUSINESS CONSIDERING AN INVESTMENT IN SRI LANKA (EXAMPLE WAS TEXTILE INDUSTRY), AND ANOTHER FROM THE VIEWPOINT OF A SRI LANKAN BUSINESS SEEKING AN AMERICAN JOINT VENTURE PARTNER. SMALL GROUP DISCUSSIONS OF EACH CASE WERE HELD AND ELICITED ACTIVE PARTICIPATION. THE LESSONS TO BE DRAWN FROM THE CASES WERE THEN PRESENTED IN PLENARY SESSIONS. FEEDBACK FROM PARTICIPANTS IN THE WORKSHOP WAS VERY GOOD BASED ON THE WRITTEN EVALUATIONS RECEIVED AND INFORMAL REACTIONS.

(B) BUSINESS ROUNDTABLE: THIS SESSION INVOLVED ABOUT 70 RELATIVELY YOUNG SRI LANKAN BUSINESSMEN WHO ARE AT OR NEAR THE TOP OF THEIR COMPANIES. A WIDE-RANGING EXCHANGE OF INFORMATION AND PERSONAL BUSINESS EXPERIENCE TOOK PLACE IN AN INFORMAL SETTING AT SLBDC PREMISES. THIS WAS IN ESSENCE A "FREE GROUP" OF THE YPO MEMBERS. THE ROUNDTABLE WAS FOLLOWED BY FURTHER SOCIAL AND BUSINESS CONTACTS, AND A MAJORITY OF THIS GROUP ATTENDED THE MANAGEMENT PRACTICES WORKSHOP (ITEM D). IT IS POSSIBLE THAT THIS GROUP WILL BECOME THE NUCLEUS FOR A SRI LANKAN CHAPTER OF THE INTERNATIONAL YPO.

(C) KANDY PROGRAM: ABOUT 40 BUSINESSMEN FROM KANDY AND SEVERAL OTHER DISTRICTS PARTICIPATED IN THIS REGIONAL PROGRAM. AS WITH PREVIOUS EVENTS, THE EMPHASIS WAS ON EXCHANGE OF INFORMATION, PARTICULARLY FROM THE YPO MEMBERS TO THE PARTICIPANTS, ON DOING BUSINESS IN A THIRD WORLD ENVIRONMENT AND THE CHALLENGES TO BUSINESS SUCCESS. THIS EVENT DREW HEAVILY ON THE SLBDC'S CONSTITUENCY OUTSIDE COLOMBO AND FIT WELL WITH THE SLBDC'S ONGOING PROGRAM TO PROMOTE BUSINESS DEVELOPMENT.

(D) MANAGEMENT PRACTICES SEMINAR: THIS WAS THE FINAL AND MOST INTENSIVE OF THE FOUR MAIN EVENTS. IT ALSO RECEIVED THE HIGHEST MARKS FOR OVERALL PERFORMANCE BY BOTH THE PARTICIPANTS (25 ATTANDEES) AND THE SLBDC. THE AGENDA INCLUDED ADDRESSES BY INDIVIDUAL YPO MEMBERS ON THEIR VIEWS OF MANAGEMENT TECHNIQUES WHICH HAVE LED TO SUCCESS IN BUSINESS, DETAILED SESSIONS ON PERSONNEL, MARKETING AND QUALITY CONTROL MANAGEMENT, AND OPEN DISCUSSIONS ON MANAGEMENT PRACTICES AND THEORIES GENERALLY AS THEY ARE APPLIED IN SRI LANKA, THE UNITED STATES AND ELSEWHERE.

4. OVERALL, DESPITE SOME INITIAL SKEPTICISM, THE CONSENSUS IS THAT THE YPO MISSION WAS SUCCESSFUL AND USEFUL TO THE PARTICIPANTS IN THE VARIOUS WORKSHOPS AND ROUNDTABLES. THE PRIMARY OBJECTIVE OF "EXECUTIVE EDUCATION" WAS ACCOMPLISHED, WITH THE CAVEAT THAT EDUCATION IS A PROCESS AND THAT CONCRETE RESULTS OF A PROGRAM SUCH AS THIS CANNOT BE QUANTIFIED. THIS WAS ONE OF THE FEW OPPORTUNITIES THAT THE SRI LANKAN BUSINESS COMMUNITY HAS HAD TO BE EXPOSED IN AN EDUCATIONAL SETTING TO A GROUP OF AMERICAN BUSINESS LEADERS. THE LENGTH OF THE VISIT ALSO ALLOWED FOR MORE EXTENSIVE PERSONAL CONTACTS WHICH MAY LEAD TO SPECIFIC BUSINESS RELATIONSHIPS, ALTHOUGH THIS POSSIBILITY WAS VIEWED AS ONLY A SECONDARY OBJECTIVE. THE YPO

UNCLASSIFIED

155

228

UNCLASSIFIED  
*Department of State*

INCOMING  
TELEGRAM

PAGE 02 OF 02 COLOMB 03752 00 OF 02 040816Z 6981 056648 A103643  
ALSO HAD SEVERAL SUGGESTIONS FOR USAID ON OUR  
OVERALL PRIVATE SECTOR INITIATIVES, SUCH AS  
THE MEANS WE MIGHT TAKE TO FOSTER A JUNIOR  
ACHIEVEMENT PROGRAM IN SRI LANKA, FOR WHICH  
ONE OF THE YPO MEMBERS WILL BE PROVIDING  
FOLLOW-UP SUPPORT. FINALLY, THE COLLECTIVE  
EXPERIENCE OF THE YPO MEMBERS WAS SHARED WITH  
AND WAS HIGHLY BENEFICIAL TO THE LEADERSHIP  
OF THE SLBDC, AND THE HANDLING OF THE FULL  
PROGRAM PROVED TO BE A PRODUCTIVE INSTITUTION  
BUILDING EXERCISE FOR THE SLBDC. REED

UNCLASSIFIED

156

ACTION COPY

UNCLASSIFIED Department of State

INCOMING TELEGRAM

PAGE 01 COLOMB 09047 270536Z

0750 035017 0105143

COLOMB 09047 270536Z

0750 035017 0105143

ACTION 010-00

PHASE II AGENDA. FYI MAY 27, 1985, IS LOCAL HOLIDAY HERE. END FYI.

ACTION OFFICE PRE HQ INFO ASPH-02 RELO-J: MAST-01 AGEE-01 /011 A4 0827

CHRISTINA H. SCHOUX USAID/CR LANKA C/O AMERICAN EMBASSY 218 GALLE ROAD COLOMBO 3 SRI LANKA TELEX 21305 AMR CF. REED

INFO OCT-03 PASO-08 /000 V

142570 270637Z '84

R 270141Z DEC 84 FM AMEMBASSY COLOMBO TO SECSTATE WASHDC 0366

NOTE: PASSED ABOVE ADDRESSEE BY UC/T

UNGLAS COLOMBO 09047

DIRECT RELAY

ADMIN AID

FOR AID/PRE

- TO: JONATHAN A. GREEN
- GREEN INTERNATIONAL, INC
- 504 BEAVER STREET
- SEWICKLEY, PA 15143
- TELEPHONE (412) 751 2770
- CABLE: GREENCO SEWICKLEY PA USA

Jon. Green at (914) 679-9404 Woodstock, N.Y.

C.O. 12356: N/A SUBJECT: PROPOSED MAY 1985 YPO MISSION TO SRI LANKA (PHASE II): AID GRANT NO. OTR 0001-G SS 2299 00

1. MISSION AND EMBASSY HAVE REVIEWED DRAFT PHASE I REPORT AND REQUEST CLARIFICATION FROM PRE ANQ YPO OF FOLLOWING POINTS:

- A. OF PROPOSED 3-DAY PROGRAM, ONLY 4 1/2 DAYS APPEAR TO BE DESIGNED FOR BENEFIT OF SRI LANKAN ENTREPRENEURS WHICH, BASED ON OUR REVIEW OF SUBJECT GRANT, SHOULD BE SOLE PURPOSE OF YPO TEAM VISIT. EMBASSY COMMERCIAL SECTION UNDERSTOOD THAT YPO PROGRAM'S PRIMARY FOCUS WOULD BE ON ASSISTING SRI LANKAN FIRMS TO IMPROVE TRACK RECORD ON REALIZING JOINT VENTURES WITH FOREIGN, AND ESPECIALLY U.S. COMPANIES. WHAT IS PURPOSE, FOR EXAMPLE, OF FULL DAY (HALF DAY EACH ON DAY 4 AND DAY 5) FOR YPO TEAM TO MEET QUOTE AT THE REQUEST OF THE AID/YPO MISSION PARTICIPANTS WITH APPROPRIATE PRIVATE FIRMS OR GOVERNMENT INSTITUTIONS UNQUOTE.
- B. WHAT KIND OF LONGER-TERM LINKAGES, REFERRED TO IN PROPOSAL, CAN BE ANTICIPATED AS A RESULT OF YPO MISSION HERE? WHAT LONGER-TERM LINKAGES HAVE OCCURRED IN THE OTHER SIX PARTICIPATING COUNTRIES AND HAVE ANY RETURN YPO VISITS TAKEN PLACE?
- C. IN CONCRETE TERMS, WHAT DOES YPO MISSION EXPECT TO HAVE ACCOMPLISHED BY END OF PROPOSED 3-DAY VISIT? WHAT PROGRESS CAN BE EXPECTED IN MEETING SRI LANKA - SPECIFIC PRIVATE SECTOR PROBLEMS/NEEDS IDENTIFIED DURING PHASE I? WE WONDER IF PHASE II MISSION MIGHT NOT PROVE MORE EFFECTIVE BY CONCENTRATING ON TWO OR THREE PROBLEM AREAS AT MOST.

2. DETAILED COMMENTS ON PROPOSED AGENDA PREPARED BY SANDY SHAPLEIGH IN CONSULTATION WITH SLBDC PRIOR TO SHAPLEIGH DEPARTURE FOR U.S. DECEMBER 3 ON RZR. HOWEVER, USAID AND EMBASSY NEED CLEARER UNDERSTANDING OF YPO OBJECTIVES AND EXPECTED RESULTS IN SRI LANKA PRIOR TO CONCURRING IN PHASE II VISIT.

3. LOOK FORWARD TO YOUR RESPONSE THIS MESSAGE. BASED ON IT, WE WILL PROVIDE SPECIFIC COMMENTS ON PROPOSED

UNCLASSIFIED

157

UNCLASSIFIED  
Department of State

OUTGOING  
TELEGRAM

PAGE 01 STATE 290709  
ORIGIN AID-00

3774 083179 A106266

STATE 290709

3774 083179 A106266

ORIGIN OFFICE PPR-01  
INFO ACEM-02 ASPN-02 ASPD-03 ASTP-02 RELO-01 MAST-01 PRE-06  
/D18 A4 329

INFO OCT-00 NEA-07 /887 R

DRAFTED BY AID/PRE/PPR: AMOHN: SE  
APPROVED BY AID/PRE/PPR: EBOUCHARD  
AID/PRE/PPR: LBROWN (INFO)  
AID/ASIA/PNS: JGUNNING (DRAFT)

-----007635 290522Z /38

O 290410Z SEP 84  
FM SECSTATE WASHDC  
TO AMEMBAGY COLOMBO IMMEDIATE

UNCLAS STATE 290709

AIDAC, PASS TO GANDY CHAPLEIGH

E.O. 12356:

TAGS:

SUBJECT: YPO - ADVANCE VISIT OF TEAM CHAIRMAN JON GREEN

1. AS DISCUSSED DURING RECENT SHAPLEIGH TOY IN AID/V AND BY TELECON, THE YOUNG PRESIDENTS ORGANIZATION (YPO) IS NOW READY TO PLAN ITS PRE-FUNDED TEAM VISIT TO SRI LANKA. CHAIRMAN OF YPO SRI LANKA TEAM, JON GREEN, PROPOSES TO ARRIVE COLOMBO OCTOBER 15 FOR APPROXIMATELY ONE WEEK TO CARRY OUT INITIAL RECONNAISSANCE FOR A TEAM VISIT. JON GREEN REQUESTS 2 HOUR MORNING SESSION OCTOBER 15 WITH USAID SHAPLEIGH FOR MUTUAL BRIEFING AND USAID ADVICE AND WOULD APPRECIATE ASSISTANCE IN MAKING INITIAL CONTACTS WITH APPROPRIATE PRIVATE ENTREPRENEURS.

2. PRE'S GRANT FUNDS TRAVEL AND PER DIEM FOR YPO TO CARRY OUT THEIR STANDARD SHORT-TERM ENTREPRENEURIAL TRAINING PROGRAM IN FIVE PRE TARGET COUNTRIES. THE OBJECTIVE IS TO USE THE PROVEN U.S. ENTREPRENEURIAL RESOURCE UNIQUELY QUALIFIED IN START-UP OF SMALL BUSINESS VENTURES TO ASSIST THEIR INDIGENOUS ENTREPRENEURIAL COUNTERPARTS. CUSTOMIZED YPO TEAMS HAVE CARRIED OUT MOST SUCCESSFUL TRAINING VISITS IN INDONESIA

(NOV. 1983) AND THAILAND (MARCH 1984). TEAMS ARE VISITING KENYA (SEPT. 1984) AND JAMAICA (OCT. 1984). SRI LANKA IS TARGET COUNTRY PROGRAMMED FOR POSSIBLE 5TH COUNTRY TEAM VISIT.

3. YPO PROJECT WAS INTENTIONALLY DESIGNED IN TWO STEPS TO MINIMIZE THE IMPLEMENTATION BURDEN ON USAID AND EMBASSY PERSONNEL.

THE STAGE I ADVANCE VISIT IS CHARGED WITH DEVELOPING A MEANINGFUL PRACTICAL PROGRAM THAT SIMULTANEOUSLY MEETS THE NEEDS OF THE U.S. MISSION, YPO, AND THE INDIGENOUS ENTREPRENEURIAL CLASS, WHO ARE BY DEFINITION IN THE SMALL AND MEDIUM BUSINESS RANGE. IF INVESTIGATION IDENTIFIES AREAS/ISSUES THAT COULD BE EFFECTIVELY ADDRESSED BY YPO'S UNIQUE COLLECTION OF TALENTS AND CONTACTS, THE ADVANCE TEAM PROCEEDS TO TAILOR-DESIGN A PROGRAM FOR THE COUNTRY FOR PHASE II AND DETERMINES THE MOST EFFECTIVE METHOD TO CARRY OUT THE PROGRAM (LECTURE, CASE-STUDY ANALYSIS, ROUND-TABLE DISCUSSIONS, ONE-ON-ONE FACTORY SITE VISITS ETC.). COOPERATING CLOSELY WITH USAID, THE ADVANCE TEAM ALSO IDENTIFIES A LOCAL PRIVATE CO-SPONSORING ENTITY (S) AND POTENTIAL PROGRAM PARTICIPANTS INCLUDING THOSE FOR WHOM PLANT VISITS WOULD BE HELPFUL.

UPON RETURN TO THE U.S., THE ADVANCE TEAM CHAIRMAN RECRUITS FROM U.S. YPO MEMBERSHIP THE COUNTRY-SPECIFIC EXPERTISE INDICATED FOR PHASE 2. TEAM COMPOSITION AND PROGRAM ARE FINALIZED WITH USAID AND PRE APPROVAL. AGAIN TO KEEP THE BURDEN ON THE U.S. MISSION TO A MINIMUM THE GRANT INCLUDES SOME LOGISTICAL SUPPORT FUNDS FOR YPO USE DURING THE PHASE II TEAM VISIT IF NECESSARY.

4. GREEN ALSO SERVED AS THE CHAIRMAN OF THE SUCCESSFUL YPO INDONESIA TEAM. BASED ON THAT EXPERIENCE, HE REQUESTS THREE SESSIONS THROUGHOUT THE WEEK WITH SHAPLEIGH AND COMMERCIAL OFFICER AND FINAL DEPARTURE BRIEFING SESSION WITH MISSION DIRECTOR FULLER TO ENSURE TEAM DESIGN IS FULLY RESPONSIVE TO USAID AND COUNTRY NEEDS, AND THAT ALL ARE MUTUALLY IN ACCORD WITH PROGRAM CONCEPT. MISSIONS AND YPO HAVE FOUND IT MUTUALLY BENEFICIAL TO TAKE ADVANTAGE OF THE ENTIRE OPPORTUNITIES UNIQUELY AVAILABLE TO EACH. ONE DESIRED RESULT OF TEAM VISIT IS THE PRODUCTION OF AN INDIGENOUS YPO TYPE ORGANIZATION IN COUNTRIES VISITED.

5. WE APPRECIATE VERY MUCH ANY ASSISTANCE YOU CAN GIVE TO JON GREEN. CONTACT OFFICER FOR YPO TEAMS IN PRE/PPR IS ANDREAMOHN. PLEASE CABLE CONCURRENCE TO GREEN'S

VISIT AND ADVISE SHOULD YOU NEED ANY FURTHER INFORMATION. GREEN AVAILABLE FOR WEEK OF OCTOBER 22 IF WEEK OF OCTOBER 15 NOT PREFERRED. SHULTZ

UNCLASSIFIED

150

ACTION  
COPY

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01  
ACTION AID-00

BANGKO 51119 201052Z

5876 869777 AID7580

ACTION OFFICE PRE-06  
INFO ANPO-05 PPPB-02 PSC-03 ANTR-05 PPR-01 RELO-01 ANEA-02  
/026 A4 320

INFO LOG-00 CIAE-00 EB-00 OODE-00 EAP-00 /008 W  
-----276376 201112Z /38

R 201049Z NOV 86  
FM AMEMBASSY BANGKOK  
TO SECSTATE WASHDC 3968

UNCLAS BANGKOK 51119

AIDAC

E. O. 12356: N/A

SUBJECT: EVALUATION OF THE PRE GRANT TO YPO

REF: (A) STATE 355575, (B) 84 BANGKOK 18019

1. WE APPRECIATE PRE'S INTEREST IN EVALUATING THE YPO EFFORT BUT DO NOT FEEL IT WOULD BE COST EFFECTIVE TO LOCATE AND ASK THOSE WHO ATTENDED THE YPO PROGRAMS TO FILL OUT QUESTIONNAIRES TWO AND A HALF YEARS AFTER THE YPO SEMINARS TOOK PLACE. REF (B) PROVIDED USAID'S ASSESSMENT OF THE YPO EFFORT SHORTLY AFTER IT OCCURRED.
2. THE MAJOR PROBLEM WITH YPO'S PROGRAM WAS THAT THE YPO TEAM LEADER DID NOT DO AN ADEQUATE TIMELY JOB IN PREPARING FOR THE PROGRAM. INFORMATION ON SEMINARS AND TEAM PLANS ARRIVED LATE. THE MAJOR BROCHURE ANNOUNCING THE PROGRAM MISTAKENLY IDENTIFIED YPO INDONESIA AS THE LOCAL SPONSOR INSTEAD OF YPO THAILAND. THIS CAUSED THE SMALL LOCAL YPO CHAPTER TO WITHDRAW SUPPORT. ALTHOUGH THE PROGRAM WAS DESIGNED TO REQUIRE NO USAID SUPPORT, ULTIMATELY MUCH USAID INVOLVEMENT WAS REQUIRED. WITHOUT STRONG LOCAL SUPPORT IT WAS NOT POSSIBLE TO INTEREST MANY THAI BUSINESS PEOPLE IN ATTENDING THE MAJOR SEMINAR PROGRAM. THOSE WHO COULD SPEAK ENGLISH ALREADY HAD MANY CONTACTS WITH WESTERN BUSINESS PEOPLE. DESPITE THESE DRAWBACKS, MUCH OF THE PROGRAM WAS ENTHUSIASTICALLY RECEIVED IN ESSENCE BECAUSE OF THE HIGH QUALITY OF THE YPO TEAM.
3. SINCE THIS PROGRAM THE LOCAL YPO CHAPTER HAS GROWN CONSIDERABLY IN SIZE AND PRESTIGE BECAUSE IT SUCCESSFULLY HOSTED A YPO UNIVERSITY IN BANGKOK IN 1985 THAT WAS ATTENDED BY MORE THAN 600 YPO DELEGATES.
4. WE FELT IN 1984, AS NOTED REF (B), THAT A SUBSEQUENT YPO SEMINAR PROGRAM WOULD BE VERY USEFUL. WITH THE EXPERIENCE YPO GAINED THROUGH THE FIRST ROUND OF SEMINARS AND THE ADDED STRENGTH AND PRESTIGE OF THE LOCAL YPO WE ARE EVEN MORE CONVINCED THAT THIS WOULD BE SO. ANY SUCH PROGRAM THOUGH MUST BE DESIGNED TO ENSURE THAT YPO CAN HANDLE BOTH THE U. S. AND LOCAL ARRANGEMENTS. BROWN

UNCLASSIFIED

159

ACTION  
COPY

UNCLASSIFIED  
Department of State

CO  
INCOMING  
TELEGRAM

PAGE 01  
ACTION AID-00

BANGKO 37335 130531Z

3843 091696 AIC9395

-----  
ACTION OFFICE: PRE-01  
INFO AAAS-01 ASPT-02 GC-01 GCAS-01 GCFL-01 ASPO-03 ASTR-01  
PVC-02 FVPP-01 RELO-01 MAST-01 /018 A2 013  
-----

INFO OCT-00 EA-12 /047 W

-----156302 130532Z /38

R 130527Z JUL 83  
FM AMEMBASSY BANGKOK  
TO SECSTATE WASHDC 6048

UNCLAS BANGKOK 37335

AIDAC

EO 12358: NA  
SUBJ: WILLIAM CASSELL, YOUNG PRESIDENT'S ORGANIZATION

REF: STATE 150897

1. MR. CASSELL DEPARTED BANGKOK ON JULY 10 AFTER WHAT WAS APPARENTLY A VERY SUCCESSFUL PLANNING VISIT FOR FUTURE YPO ACTIVITIES. HIS YPO CONTACTS AND PREVIOUSLY KNOWN FRIENDS PROVIDED ENTRE TO MANY KEY PUBLIC AND PRIVATE SECTOR INDIVIDUALS. IN CARRYING OUT HIS WORK, MR. CASSELL WAS THOROUGH AND SELF-SUFFICIENT AND NEEDED NO ASSISTANCE FROM USAID. AT THE SAME TIME HE KEPT US FULLY INFORMED OF HIS ACTIVITIES AND WELCOMED OUR VIEWS. HE WAS ALSO WELL RECEIVED BY KEY INDIVIDUALS IN THE AMERICAN CHAMBER OF COMMERCE. WE LOOK FORWARD TO WORKING WITH HIM DURING HIS NEXT VISIT.

2. MR. CASSELL PLANS TO RETURN TO BANGKOK O/A JANUARY 18 WITH 6 AMERICAN YOUNG PRESIDENTS WHO WOULD JOIN WITH THE THAI MANAGEMENT ASSOCIATION AND THE SMALL YPO GROUP HERE (15 ACTIVE MEMBERS) IN PUTTING ON A SEMINAR IN PATTAYA FOR ABOUT 25 THAI PRIVATE SECTOR PRESIDENTS. THE THEME OF THE SEMINAR IS TENTATIVELY QUOTE THE ROLE OF THE PRESIDENT UNQUOTE. THE USYPO GROUP WOULD THEN PUT ON A ONE DAY SEMINAR IN BANGKOK FOR BUSINESS PROFESSORS AND INDUSTRY TRAINING PEOPLE AND WOULD FOLLOW THAT WITH ONE DAY SEMINARS BY TWO YPO PEOPLE EACH IN KHON KAEN, CHIANG MAI, AND SONGKHLA. AT OUR REQUEST CONSIDERATION IS BEING GIVEN TO EXPAND THE PROGRAM IN RURAL AREAS, TO INCLUDE POTENTIAL ENTREPRENEURS AS WELL AS THOSE ALREADY SUCCESSFUL, AND TO INCLUDE THAI PRESIDENTS IN THE GROUP THAT WILL PRESENT THE RURAL SEMINARS. DEAN

UNCLASSIFIED

160

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01 BANGKO 18019 00 OF 02 052215Z 3200 068668 A108792  
ACTION AID-03

BANGKO 18019 00 OF 02 052215Z 3200 068668 A108792  
AUDIENCE OF TWELVE. LATER EVENTS WERE MORE SUCCESSFUL.

ACTION OFFICE AID-03  
INFO ASPT-02 PPLC-01 PPPB-02 PPOC-01 ES-01 RELO-01 MAST-01  
ASSP-02 OO-01 /014 AT 1207

INFO OCT-08 COPY-01 EB-00 EAP-00 ANAE-00 /844 V  
-----146362 052218Z /72-62

R 850711Z APR 84  
FM AMEMBASSY BANGKOK  
TO SECSTATE WASHDC 0526  
INFO AMEMBASSY JAKARTA

UNCLAS BANGKOK 18019

E.O. 12356-NA

SUBJECT: YPO SEMINAR PROGRAM IN THAILAND - MARCH 15-23,  
1984

1. SUMMARY: THE YPO TEAM WHICH PRESENTED A SERIES OF SEMINARS IN THAILAND FROM MARCH 15-23, 1984 DID AN EXCELLENT JOB. THIS CABLE REPORTS THE RESULTS OF THE VARIOUS SEMINARS, ADVISES PITFALLS TO BE AVOIDED, RECOMMENDS THAT PRE FUND A SECOND YPO SEMINAR PROGRAM IN THAILAND IN FY 85, AND SEEKS PRE'S INTEREST IN FUNDING SUCH A PROGRAM. EMO SUMMARY.

2. THE ORIGINAL CONCEPT OF THE YPO PROGRAM AS WE UNDERSTOOD IT WAS THAT YPO, IN CONJUNCTION WITH THE LOCAL YPO CHAPTER, WOULD DEVELOP A TEN DAY PROGRAM IN THAILAND WHICH WOULD RESULT IN THE TRANSFER OF U.S. MANAGERIAL AND ENTREPRENEURIAL SKILLS TO THE THAI PRIVATE SECTOR. IT WAS EXPECTED THAT IN-COUNTRY SUPPORT WOULD BE PROVIDED BY THE LOCAL YPO GROUP AND THAT MINIMAL USAID INVOLVEMENT WOULD BE NECESSARY. AS A RESULT OF A VISIT HERE IN JULY 1983, THE U.S. YPO COORDINATOR FOR THAILAND DECIDED THAT AN APPROPRIATE PROGRAM WOULD BE: (A) A TWO AND A HALF DAY SEMINAR FOR ABOUT 25 TOP THAI BUSINESS PEOPLE IN A RESORT AREA (PATTAYA) TWO HOURS FROM BANGKOK WITH A FORMAT INVOLVING PANELS CONSISTING OF U.S. AND THAI YPO MEMBERS; (B) AN EVENING PUBLIC SEMINAR IN BANGKOK SPONSORED BY THE AMERICAN UNIVERSITY ALUMNI ASSOCIATION (AUA WHICH OPERATES WITH USIS GUIDANCE AND ASSISTANCE); (C) A HALF DAY PROGRAM FOR UNIVERSITY BUSINESS PROFESSORS AND PRIVATE SECTOR TRAINING OFFICERS; AND (D) A ONE DAY FIELD PROGRAM IN THREE REGIONS WHICH WOULD BE SET UP BY THE LOCAL YPO GROUP AND WOULD INVOLVE TWO YPO AND TWO LOCAL YPO MEMBERS PUTTING ON A SEMINAR IN EACH REGION. A AND C WERE TO BE SET UP BY A LOCAL MANAGEMENT ASSOCIATION WHICH SPONSORS MANY MANAGEMENT TRAINING PROGRAMS.

3. THE SUCCESS OF THE OVERALL PROGRAM DEPENDS A GREAT DEAL ON THE VOLUNTARY SUPPORT OF THE LOCAL YPO GROUP. SUPPORT FROM THIS GROUP WAS SLOW IN COMING. DESPITE ENCOURAGEMENT AND FOLLOW-UP BY USAID, THE LOCAL YPO CHAPTER, LATE IN THE GAME, REFUSED TO ORGANIZE OR PARTICIPATE IN THE FIELD PROGRAM. ORGANIZING THIS PROGRAM WAS LEFT TO USAID BY YPO. JUST WHEN THE LOCAL YPO GROUP WAS BECOMING ACTIVE AND ENTHUSIASTIC ABOUT THE PATTAYA PROGRAM, BROCHURES ADVERTISING THE PROGRAM WERE RECEIVED (LATE) FROM YPO BY THE LOCAL YPO WHICH NOTED YPO INDONESIA WAS A SPONSOR, NOT YPO THAILAND. LOCAL YPO SUPPORT QUICKLY DISSIPATED.

4. AS A RESULT, THE PATTAYA PROGRAM, WHICH FOR YPO WAS TO BE THE MAIN EVENT, WAS ONLY marginally useful. THE PATTAYA EVENT CONSISTED OF THE YPO TEAM OF FIVE, TWO COORDINATORS FROM THE MANAGEMENT ASSOCIATION, ONE COORDINATOR FROM THE LOCAL YPO ONE AID STAFF, AND AN

5. NEXT ON THE SCHEDULE WAS THE PUBLIC SEMINAR AT AUA AN AUDIENCE OF ABOUT 90 RESPONDED ENTHUSIASTICALLY TO THE LIVELY INFORMAL PRESENTATIONS OF THE YPO TEAM. AU- REPORTED THAT OF THE MANY BUSINESS TYPE PROGRAMS THEY SPONSOR, THIS WAS BY FAR THE MOST SUCCESSFUL PRIMARILY BECAUSE OF THE SKILLS AND ATTITUDE OF THE YPO TEAM. AUA ARRANGED THIS PROGRAM. AUA IS EAGER TO HAVE THE SAME TEAM RETURN FOR A THREE DAY PROGRAM INSTEAD OF JUST AN EVENING SESSION.

6. THE FOLLOWING MORNING THE SESSION FOR UNIVERSITY PROFESSORS AND BUSINESS TRAINERS WAS ATTENDED BY ABOUT 30 PEOPLE. THIS AUDIENCE WAS EQUALLY ENTHUSIASTIC. THE ONLY COMPLAINT WAS THAT THE PROGRAM WAS TOO SHORT.

7. THE FINAL EVENT WAS THE ONE DAY FIELD PROGRAM WHICH WAS HELD IN KHON KAEN, CHIANG MAI, AND NAKHON SI THAMMARAT. AT THE REQUEST OF USAID, THE FIELD PROGRAM WAS ORGANIZED BY THE SIAM COMMERCIAL BANK (SCB) THROUGH ITS BRANCH OFFICES. AS WE EXPECTED, SCB SAW THIS AS A MARKETING OPPORTUNITY. THIS PROGRAM WAS ALSO VERY SUCCESSFUL AND HAD A TOTAL AUDIENCE OF 128.

8. IT IS CLEAR TO US THAT FOR PROGRAMS SUCH AS THIS, SUCCESS DEPENDS ON TWO MAJOR FACTORS, STRONG LOCAL ORGANIZATIONAL SUPPORT, AND MATCHING THE PRESENTERS WITH THE AUDIENCE. THE PATTAYA PROGRAM FLOPPED BECAUSE VERY WEAK LOCAL SUPPORT WITH ATTENDANT COMMUNICATION PROBLEMS WAS COMBINED WITH A YPO GROUP WHICH IN THE PROMOTIONAL MATERIALS DID NOT APPEAR TO HAVE THE WEIGHT NECESSARY TO DRAW THE ATTENTION OF TOP BUSINESS PEOPLE WHO WERE THE INTENDED AUDIENCE. THIS LATTER PROBLEM MAY BE SOMEWHAT

PECULIAR TO BANGKOK WHICH IS VISITED BY NAME BUSINESS LEADERS AND WHICH DAILY IS THE SCENE OF MANY SEMINARS. ALSO, ATTENDANCE WOULD HAVE BEEN BETTER IF THE PATTAYA PROGRAM HAD BEEN HELD IN BANGKOK AS USAID HAD EARLIER SUGGESTED. THE OTHER EVENTS WERE VERY SUCCESSFUL BECAUSE OF THE SKILLS OF THE TEAM - THEIR INFORMATION WAS EXCITING FOR THE AUDIENCE - AND BECAUSE THERE WAS STRONG LOCAL SUPPORT. ONE FURTHER FACTOR WHICH SHOULD BE KEPT IN MIND FOR FUTURE PROGRAMS IS THAT THE YPO TEAM HAD VIRTUALLY NO CONCEPTION OF WHAT AID DOES. SUCH TEAMS SHOULD BE BRIEFED BY AID BEFORE THEY BEGIN THEIR PROGRAMS.

9. BASED ON OUR EXPERIENCE WITH THIS TEAM, WE THINK THIS MECHANISM CAN BE VERY SUCCESSFUL IN TRANSFERRING NEEDED MANAGERIAL KNOW-HOW AND AN ENTREPRENEURIAL SPIRIT HERE, AND WE ASK PRE TO FINANCE THE RETURN OF THIS EXCELLENT GROUP IN FY 85. USAID IS WILLING TO TAKE THE LEAD IN COORDINATING THE PROGRAM HERE, WHICH WOULD HAVE USIS SUPPORT THROUGH THE AUA. THIS PROGRAM WOULD FOCUS ON A RURAL ENTREPRENEURIAL AUDIENCE AND A DIVERSE BANGKOK AUDIENCE. THE PROGRAM WE ENVISION WOULD BE FUNDED BY PRE, AND WOULD INVOLVE A THREE DAY PROGRAM SPONSORED BY AID, AUA, AND THE AMERICAN CHAMBER OF COMMERCE IN BANGKOK, A TWO DAY PROGRAM WITH UNIVERSITY FACULTY SPONSORED BY AID AND IHET IN BANGKOK, AND A SERIES OF FOUR TWO DAY PROGRAMS IN RURAL URBAN AREAS SPONSORED BY AID, IHET, AND LOCAL CHAMBERS OF COMMERCE. THE TOTAL PROGRAM WOULD BE ABOUT 18 DAYS.

10. PLEASE ADVISE IF PRE IS WILLING TO FUND SUCH A PROGRAM. ROY

UNCLASSIFIED

161

ACTION  
COPY

# Department of State

8200547

INCUMBING  
TELEGRAM

PAGE 31 BANGKO 29114 290715Z  
ACTION A10-35

2789 882679 A102947

BANGKO 29114 290715Z 2789 882679 A102947  
ASSISTANCE. MR BACHARAT ALI WILL BE CONTACT  
WITHIN MISSION. DEAN

ACTION OFFICE PRF-31  
INFO ASPT-02 ASDP-02 GC-31 GCAS-31 GCFL-01 MO-04 ASPD-03  
OPIC-10 RELO-01 HACT-31 /027 A4 728

INFO OCT-08 AHAD-01 /036 V

-----970555 281145Z /38

R 280657Z MAY 82  
FM AMEMBASSY BANGKOK  
TO SECSTATE WASHDC 3734

UNCLAS BANGKOK 29114

AIDAC

E.O. 12065: NA  
SUBJ: MANAGEMENT DEVELOPMENT SEMINARS

REF: (A) STATE 134544, (B) BANGKOK 27660,

1. WE HAVE DISCUSSED REFTEL WITHIN USAID AND WITH PRIVATE SECTOR REPRESENTATIVES, AND HAVE CONCLUDED THAT MANAGEMENT SEMINARS DESIGNED TO ADDRESS SPECIFIC MANAGEMENT AND TECHNOLOGY RELATED PROBLEMS CONFRONTING SENIOR EXECUTIVES IN THAILAND PRIVATE SECTOR WOULD BE USEFUL IF CAREFULLY PLANNED AND CARRIED OUT TO ADDRESS PRIORITY PROBLEM AREAS.
2. WE ARE CONCERNED, HOWEVER, THAT PROPOSED LEVEL OF EFFORT FOR ANALYSIS TO IDENTIFY KEY MANAGEMENT OR TECHNOLOGY RELATED PROBLEMS APPEARS INADEQUATE. WE ALSO SUGGEST THAT TEAM MEMBERS' PRIOR KNOWLEDGE OF THAI PRIVATE SECTOR IS CRITICAL FACTOR IN CARRYING OUT THIS EXPLORATORY WORK.
3. IN ADDITION TO GOOD GROUND WORK BY FIRST TEAM, SUCCESS OF YPO ARRANGED TRAINING ALSO DEPENDS UPON KNOWLEDGE AND PRACTICAL EXPERIENCE OF MEMBERS OF FOLLOW-UP TEAM. BACKGROUND OF PERSONS CONDUCTING SEMINAR AND THEIR REPUTATIONS WILL LARGELY DETERMINE NUMBER OF PARTICIPANTS.
4. WE ASSUME YPO ARRANGED AND AID FUNDED MANAGEMENT TRAINING IS NOT ONLY FOR THE BENEFIT OF MEMBERS OF YPO LOCAL CHAPTER. THIS SUBJECT TRAINING SHOULD BE OPEN TO ALL INTERESTED PERSONS IN PRIVATE SECTOR TO HAVE REASONABLE IMPACT.
5. USAID BELIEVES THERE ARE SEVERAL COUNTERPART ORGANIZATIONS IN THAILAND WHICH ARE QUALIFIED TO ARRANGE DIFFERENT TYPES AND LEVELS OF MANAGEMENT TRAINING. MANAGEMENT TRAINING ARRANGED AND CONDUCTED BY A FOREIGN ORGANIZATION WOULD BE USEFUL ONLY IF IT IS COUNTRY/BUSINESS/INDUSTRY PROBLEM SPECIFIC, HIGHLY TECHNICAL, AND IS FOR THE BENEFIT OF VERY SENIOR EXECUTIVES OF PRIVATE SECTOR IN THAILAND.
6. WE PROPOSE THAILAND MANAGEMENT ASSOCIATION (TMA) AS THE MOST APPROPRIATE COUNTERPART ORGANIZATION. WE HAVE DISCUSSED POSSIBLE TMA PARTICIPATION WITH TMA REPRESENTATIVES WHO HAVE EXPRESSED WILLINGNESS TO WORK WITH YPO IN SUBJECT ACTIVITY. CONSIDERING TIME AND EFFORT REQUIRED, WE HAVE MADE NO ATTEMPT TO COMPILE LIST OF PROBLEM AREAS REQUESTED IN PARA 5.C REFTEL, HOWEVER, WE REFER AID/V TO PRE RECONNAISSANCE TEAM MEMBER MARGARET GRAHAM'S REPORT ON MANAGEMENT PROBLEMS.
7. PLEASE ADVISE IF USAID MAY BE OF ADDITIONAL

AAP/PR

2 1982 JUN -1- PM 1: 22

RECEIVED

UNCLASSIFIED

162