

PD-AAQ-682

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b> <b>PROJECT IDENTIFICATION DOCUMENT</b> <b>FACESHEET (PID)</b>	<b>1. TRANSACTION CODE</b> <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	<b>Revision No.</b>  	<b>DOCUMENT CODE</b> 1
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<b>2. COUNTRY/ENTITY</b> JAMAICA	<b>3. PROJECT NUMBER</b> 532-0084
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<b>4. BUREAU/OFFICE</b> A. Symbol: LAC      B. Code: 05	<b>5. PROJECT TITLE (maximum 40 characters)</b> MANAGEMENT TRAINING
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<b>6. ESTIMATED FY OF AUTHORIZATION/OBLIGATION/COMPLETION</b> A. Initial FY: 85 B. Final FY: 87 C. PACD: 89	<b>7. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 = )</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="2">FUNDING SOURCE</th> <th>LIFE OF PROJECT</th> </tr> <tr> <td colspan="2">A. AID</td> <td>4,000</td> </tr> <tr> <td rowspan="2">B. Other U.S.</td> <td>1. -</td> <td>-</td> </tr> <tr> <td>2. -</td> <td>-</td> </tr> <tr> <td colspan="2">C. Host Country</td> <td>1,000</td> </tr> <tr> <td colspan="2">D. Other Donor(s)</td> <td>334</td> </tr> <tr> <td colspan="2"><b>TOTAL</b></td> <td><b>5,334</b></td> </tr> </table>	FUNDING SOURCE		LIFE OF PROJECT	A. AID		4,000	B. Other U.S.	1. -	-	2. -	-	C. Host Country		1,000	D. Other Donor(s)		334	<b>TOTAL</b>		<b>5,334</b>
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D. Other Donor(s)		334																			
<b>TOTAL</b>		<b>5,334</b>																			

8. PROPOSED BUDGET AID FUNDS (\$000)							
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. 1ST FY 85		E. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) EH	660	700	-	1,000	-	4,000	-
(2)							
(3)							
(4)							
<b>TOTALS</b>				1,000		4,000	-

<b>9. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)</b>	<b>10. SECONDARY PURPOSE CODE</b>
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<b>11. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)</b>							
A. Code							
B. Amount							

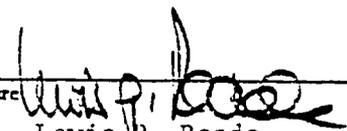
**12. PROJECT PURPOSE (maximum 480 characters)**

To reinforce the capacity of key public and private sector institutions to respond effectively and efficiently to middle and upper level management training requirements of the Jamaican labor market.

**13. RESOURCES REQUIRED FOR PROJECT DEVELOPMENT**

**Staff:** USAID Project Development Officer, Project Officer, Economist, Engineer, Contracting Officer and Financial Analyst. US IQC firm management specialist, economist, sociologist, computer analyst. Jamaican A and E firm. Jamaican consultant for demand analysis.

**Funds:** PDS: US\$65,000

<b>14. ORIGINATING OFFICE CLEARANCE</b>	Signature:  Lewis P. Reade Title: Director USAID/Jamaica	<b>15. DATE DOCUMENT RECEIVED IN AID/W. OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION</b> Date Signed: MM DD YY 11 19 84
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<b>16. PROJECT DOCUMENT ACTION TAKEN</b> <input type="checkbox"/> S = Suspended      CA = Conditionally Approved <input type="checkbox"/> A = Approved      DD = Decision Deferred <input type="checkbox"/> D = Disapproved	<b>17. COMMENTS</b>
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<b>18. ACTION APPROVED BY</b>	Signature: _____ Title: _____	<b>19. ACTION REFERENCE</b>	<b>20. ACTION DATE</b> MM DD YY
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## INFORMATION RETRIEVAL REQUEST

This form replaces block 20 of the PID Facesheet dated 3-76. It will be used by the bureaus, the field missions and design teams to request information concerning past experience pertinent to a proposed project. It must be received by DS/DIU on a timely basis in order to ensure that a well targeted search is conducted and the results made available to the design team. It is recommended that it be submitted with the PID Facesheet, addressed to DS/DIU thru the Regional Bureaus, or directly to DS/DIU.

TO: DS/DIU

DATE: November 16, 1984

FROM: USAID/JAMAICA

Please forward the information 'X'ed below, as soon as possible to: Project Development Officer

A. TYPES OF INFORMATION OF PARTICULAR VALUE

- 1. Alternative approaches (purposes) for the problem
- 2. Alternative outputs for achieving purpose.
- 3. Technical information on outputs (*specify*) \_\_\_\_\_
- 4. Information on technical feasibility of similar projects
- 5. Information on economic feasibility of similar projects
- 6. Information on social soundness of similar projects
- 7. Information on host implementation/administration of similar projects
  - Worldwide
  - Culturally/geographically similar areas **only**
- 8. Project Evaluations
- 9. Knowledgeable Individuals
- 10. Expert Institutions
- 11. Published literature (books/periodicals)
- 12. Other (*specify*) \_\_\_\_\_

B. SOURCES OF INFORMATION OF PARTICULAR VALUE ('X' key areas)

- 1. AID
- 2. IBRD
- 3. Other international organizations
- 4. Other donors
- 5. Voluntary Agencies
- 6. Private industry
- 7. U.S. domestic experience
- 8. Other (*specify*) \_\_\_\_\_

## Executive Summary

USAID/Jamaica is proposing to finance a US\$4,000,000 project to reinforce the capacity of key private and public sector institutions to respond effectively and efficiently to middle and upper level management skill requirements of the Jamaican labor market. This Project, in conjunction with other on-going and proposed projects, will contribute to attainment of the Project goal of assisting the Government of Jamaica and the private sector in overcoming the shortage of skilled and managerial manpower which is a key constraint to growth. This Project is an integral component in attainment of the Mission's overall goal of improving economic productivity in key development sectors in Jamaica.

The Project will consist of a grant to the Jamaican Management Resources Foundation, Ltd., a private, non-profit entity with a mandate to initiate, develop and promote management training activities targeted at middle and upper level managers in Jamaica's private and public sectors. The Foundation will establish the Jamaican Management Resources Center, which will be the cornerstone of a new Jamaican business campus.

AID funds will be used to finance long term U.S. technical assistance, short term U.S., Jamaican and other CARICOM member state technical assistance, long term U.S. training, short term U.S. and in-country training/seminars, construction, and Foundation support. The GOJ will provide seven acres of land, the Administrative Staff College building and its staff, budget, etc. The founding members of the Foundation will provide initial start-up capital for operating expenses, as well as their existing buildings, staffs, budgets and other assets.

At the end of this four year Project it is expected that a fully equipped and functional Jamaican Resource Management Center will exist and will be providing modern management training to private and public sector clients. Finally, by reinforcing the capacity of local institutions and ensuring the opportunities to increase and improve management training for the targeted client group, this Project is expected to substantially assist in removing a constraint to growth of the Jamaican economy.

## ACRONYMS

ASC	Administrative Staff College
CAST	College of Arts, Sciences and Technology
FACT	Finance and Accounts College of Training
GOJ	Government of Jamaica
IMP	Institute of Management and Production
JIM	Jamaican Institute of Management
JMRC	Jamaican Management Resources Center
JMRF	Jamaican Management Resources Foundation, Limited
JTURDC	Joint Trade Union Research & Development Center
MCS	Management Consulting Services, Associates Limited
NASPAA	National Association of Schools of Public Affairs and Administration
PSOJ	Private Sector Organization of Jamaica
U.W.I.	University of the West Indies

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TABLE OF CONTENTS

	<u>Page</u>
Executive Summary	i
List of Acronyms	ii
PID Development Team	iii
I. <u>Program Factors</u>	
A. Conformity with Recipient Country Strategy/Programs	1
B. Relationship to the CDSS	2
II. <u>Project Description</u>	
A. Perceived Problem	3
B. Project Goal and Purpose	7
C. Expected Achievements/Accomplishments	8
D. Project Outline and How it Will Work	9
III. <u>Factors Affecting Project Selection and Further Development</u>	
A. Social Considerations	13
B. Economic Considerations	17
C. Relevant Experience with Similar Projects	19
D. Proposed Grantee and Implementing Agency	20
E. AID Support Requirements and Capability	21
F. Estimated Costs and Methods of Financing	21
G. Design Strategy	23
H. Recommended Environmental Threshold Decision	23
I. AID Policy Issues	23
Attachments:	
Annex 1 Preliminary Log Frame	
Annex 2 Management Skills Training Activities Financed by USAID/Jamaica under TC&TG	
Annex 3 Management/Business Administration Courses Financed under LAC and CBI Training Programs	
Annex 4 Brief Description of Existing Management Training Institutions	
Annex 5 Preliminary Site Plan	
Annex 6 Initial Environmental Examination	

## I. Program Factors

### A. Conformity with Recipient Country Strategy/Programs

One of the most readily identifiable constraints to economic development which both the Government of Jamaica (GOJ) and USAID became aware of during the early days of the Seaga administration was an acute shortage of mid and upper level management talent. This shortage cut across all sectors, both public and private, and resulted from the mass exodus of internationally mobile managers during the 1970s. USAID's immediate response was to make an initial \$1 million grant to the GOJ to provide a pool of funds for quick disbursing ad hoc technical consultations and training needs. The early efforts proved successful and in subsequent years the Technical Consultations and Training Grant has been used to provide funding for a total of twenty-eight separate skills training activities, many of which are in the area of middle to upper level management training. The Mission also drew heavily on the LAC and CBI training programs to fill these needs. These pilot efforts in responding to the need for management training led to the proposed Project, which will provide for a management resource center with appropriate training materials and facilities, and a forum for management trainers to address the needs of Jamaican mid to upper level managers in a place and within times which are compatible with the demands of their businesses and jobs.

The proposed Project involves establishing a Jamaican Management Resources Center which brings together existing public and private management training institutions drawing together the scattered skills of the economy, to present in a convenient, centralized location a purpose-built training program to stimulate both private and public managers. The need for this in the private sector is clear, and has been articulated by its spokespeople since at least 1981. The situation is such that there are many organizations competing for few resources, the local market is small and fragmented, the costs of production are high, and the opportunities for management to improve on this are great. The successful sub-sectors of the economy (tourism and some areas of manufacturing) have for some time been sending their mid and upper level managers to the U.S. for expensive and time consuming training. Much of that kind of training can be done more efficiently in Jamaica by utilizing the expertise in-country, and by bringing in outside specialists rather than sending entire classes abroad.

The Government of Jamaica has undertaken other areas of management training, but primarily in the public sector.

The Government of Jamaica (GOJ) adopted an Administrative Reform Program with support from the World Bank through its second Structural Adjustment Loan (hereafter referred to as SAL II). The objective of the Administrative Reform Program is "to create an

improved administrative environment in the Government to support more effective and efficient performance on the part of the Jamaican line Ministries, particularly those critical to the structural adjustment process and economic development in general.\*\* The World Bank is assisting the GOJ in carrying out this program by loan financing the equivalent of US\$4.5 million for consultants, training and equipment primarily to "equip the Government's human resource management agencies with the capacity to rationalize and manage the Government's compensation strategy and organizational structure, and to assist in the decentralization of key personnel responsibilities to line Ministries."\*\*

The proposed AID-financed Project is highly complementary to on-going efforts in implementing the Administrative Reform Program. Indeed, these efforts are targeted at eliminating a key constraint to growth in the Jamaican economy, namely, the absolute shortage of trained managers. It is expected the proposed Project will contribute substantially towards reducing the length of time it will take to reap the full benefits of the reform program.

Whereas the World Bank's project is focused on institution building efforts in the public sector, the proposed AID Project is geared primarily towards supporting existing private sector institutions currently providing management training. As the GOJ divests, there is going to be an increased need for private sector management skills. In addition, in order to develop linkages between existing public and private sector management training institutions, the proposed AID Project foresees the establishment of a joint Management Resource Center, for use by private and public sector institutions investing in it and sharing responsibilities for its operations.

#### B. Relationship to the CDSS

USAID/Jamaica's FY 1985 CDSS\*\*\* makes the case for continued assistance to key public and private institutions to enable them to function more effectively and efficiently during the short to medium term and to increase their capacity for providing efficient service over the medium to long term. In the area of human resources development, it is clear the level of managerially and technically trained people has to be increased substantially in order to service the expanding private sector and improve the performance of the public sector in a diminished role.

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\* World Bank, Jamaica Public Administration Reform Project, p.i

\*\* Ibid.

\*\*\*dated January, 1983

Given that the Mission's overall strategy for addressing Jamaica's economic and social development problems is to push for structural adjustments in GOJ policies and institutions to enable private sector market functions to lead the nation's drive for economic expansion and growth, there is a critical need for creation of a pool of managerially and technically trained people to carry this momentum and implement the changes. In the public sector, once policy changes have been agreed to by the politicians, it is necessary to have competent, trained managers who are capable of instituting those changes throughout the system. In the private sector, modern management techniques and approaches are necessary to revitalize industries severely affected by structural adjustment, as well as to initiate new industrial programs and investments.

The proposed Project is an integral part of the Mission's overall efforts to assist the Government and private sector in reorienting the economy away from a planned, centrally directed system based on an import substitution model towards private sector export-led growth and development.

## II. Project Description

### A. Perceived Problem

Numerous studies, assessments and evaluations\* carried out by the GOJ and international donors conclude there is a shortage of managerial manpower at the mid to upper levels of Government and private sector institutions. The root cause of the problem is attributed largely to the major exodus of skilled managers during the 1970s. Attempts have been made in recent years to attract these people to return to Jamaica to participate in "making it Jamaica again". Concurrently, programs are underway to upgrade the existing skill levels of the workforce. In spite of the combined effort, the shortage of mid to upper level managers remains a critical constraint to growth and economic development.

The problem manifests itself in several ways. In the public sector, there is an acute shortage of managers in line Ministries (Agriculture, Education, Construction and Health) with the requisite skills to implement Government policy and programs. Evaluations and audits of AID-financed projects\*\* repeatedly point to the poor management skills of host country project managers as a chief cause of delays in project implementation. The problem is exacerbated by

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\* Including an AID-financed study by Price Waterhouse and the Report of the IBRD Mission for the Administrative Reform Project

\*\* Including the Integrated Rural Development Project, the Health Management Improvement Project, and the Rural Education Sector Loan

ineffective budget procedures, the lack of systems for enforcement of accounting and financial reporting standards and for revenue collection, personnel shortages, etc. afflicting staff Ministries (Finance & Planning, and Public Service). As noted earlier, the World Bank is assisting the GOJ in implementing a systematic program of administrative reform within the public sector. The Project Paper will describe how the proposed AID Project interfaces with the World Bank-financed Administrative Reform Project (ARP).

The private sector still consists by and large of first or second generation firms, in other words, firms managed by their founders or their immediate descendants. The Mission's efforts in trying to stimulate the private sector are increasingly aimed at convincing these firms to adopt management team approaches where professional managers analyze problems and institute changes based on those analyses rather than based on hunches. There are several successful examples of modern management techniques in Jamaica today, vividly demonstrating that they do make a difference. This approach necessitates the availability of modern management techniques and exposure to successful adoption of such techniques. To this end, existing management training needs to be augmented by training in modern techniques. Relevant (i.e. Jamaican and/or Caribbean regional) case studies also need to be developed to serve as demonstration models.

Over the last three years, the Mission's Technical Consultations and Training Grant (TC&TG) has been instrumental in providing specialized management training in both the public and private sectors on an ad hoc basis. The Management Training Project proposes to translate that experience, coupled with experience gained from a number of centrally funded training programs, into an ongoing consortium of public and private training institutions arranged around a central core of management training materials and aides. The Mission has drawn on a total of twenty-eight skills training activities under the TC&TG project which have covered management training in the public sector (e.g. Jamaica National Investment Promotion Ltd., Kingston Free Zone, Port Authority, Food Technology Institute, Administrative Staff College, Jamaica National Export Corporation, and the Ministry of Agriculture) and in the private sector (e.g. Private Sector Organization of Jamaica, National Development Foundation, Small Business Association, Jamaica Manufacturers Association, and Jamaica Exporters Association). A list of the TC&TG funded activities is appended in Annex 2, and a list of LAC and CBI funded activities in Annex 3.

From this experience, a number of conclusions have been reached, which have guided the development of this Project:

overseas training of managers is expensive and disruptive to the continuity of the work process;

- many areas of training could be covered more efficiently in Jamaica;
- examples of successful management practices are readily available in Jamaica;
- most Jamaican managers have already had some overseas exposure, either in academic or job specific training; and
- given a shortage of managerial talent, most managers are not able to spend extended periods of time away from their businesses.

There are a number of reasons underlying the problem of a critical shortage of trained managerial manpower at mid to upper levels of Government and private firms.

### 1. Policy Constraints

#### a. Government

One of the chief causes of the scarcity of managerial manpower at appropriate levels in the public sector is inadequate compensation for regular Civil Service positions. The World Bank's analysis\* demonstrates compensation is inadequate relative to: (a) equivalent positions in statutory bodies/public enterprises, (b) compensation granted to lower level Civil Service posts, and (c) compensation required by qualified people willing to occupy managerial positions in the Civil Service. Inadequate compensation is the key factor accounting for the scarcity of managers at the level we are concerned about. No amount of assistance with staff training, systems development or similar techniques for dealing with the symptoms will in and of themselves resolve the problem without increasing salaries. Indeed, such expenditures would be like pouring money into an expensive sieve.

Under the World Bank's second SAL, the GOJ has committed itself to take action on the compensation issue. Over the two year period 1983-84 the GOJ awarded salary increases for civil servants on a graduated percentage basis selectively skewed towards mid to upper level managers. This resulted in a 50% salary increase for the highest ranking Civil Service position (Permanent Secretary) and an increase of approximately 25% for unskilled civil servants. While these efforts are encouraging, such salary increases are not significant enough to have had an impact on retaining civil servants at the levels we are concerned with.

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\* IBRD, Administrative Reform Project, p. 14

This area is one which is being addressed by the GOJ and World Bank and there does not appear to be any appropriate role for AID to play in addressing this problem other than to continue to encourage appropriate adjustment in the size of the labor force in the public sector, thus freeing up resources which can, in part, be deployed towards raising the compensation levels of the remaining work force.

b. Private Sector

In contrast, in the private sector salaries are competitive within Jamaica and there is a normal amount of movement of executives among companies. The private sector is attracting Government employees, however salaries are not competitive with developed countries.

2. Technology and Resource Constraints

There are a number of existing management training institutions which operate in Jamaica, mainly in Kingston. In an assessment of management training needs carried out by NASPAA\* for the Mission, the quality of training offered by these institutions was characterized as ranging from faddish to sophisticated to very useful. Management training is offered by various kinds of entities, including in-house training departments in large businesses and Government organizations, private for profit firms, private, not for profit institutes, and tertiary educational institutions of various kinds. The larger, more capable providers of training include two private firms, the Jamaican Institute of Management (JIM, which is not for profit), and the Institute of Management and Production (IMP, which is for profit), and one Government entity, the Administrative Staff College (ASC), under the Ministry of Public Service. Other key institutions providing management training include Management Consulting Services, Associates Ltd. (MCS), the University of the West Indies - Mona Campus (U.W.I.), and the College of Arts, Sciences & Technology (CAST). Annex 4 of this PID provides a brief description of these management training institutions.

Across the board, the training entities require assistance, albeit to varying degrees, in developing training materials, library resources, materials of Jamaican and Caribbean regional origin with direct relevance to the needs of managers in Jamaica, and in acquiring U.S. and European books, periodicals, films, videotapes, audio-visual equipment and access to computer facilities. The capability of the existing institutions needs to be reinforced in a variety of areas including (a) development of applied research programs leading to curriculum development, (b) introduction of improved teaching methodologies and modes of training, and (c) development of experienced and effective consulting and research staffs to serve both the public and private sectors.

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\* NASPAA is the National Association of Schools of Public Affairs and Administration

Finally, greater cooperation and communication between public and private sector management training entities and their clients needs to be promoted. This Project proposes AID assistance in addressing these critical technology and resource constraints.

3. Short to medium term nature of the problem and medium to long term nature of the problem

The proposed Project is designed to respond to the short to medium term requirements in resolving the problem of a shortage of mid to upper level managerial manpower in the public and private sectors. A separate, FY 1986 proposed project, Regional School of Management, will address the medium to long term aspects of substantially increasing the numbers of trained managers. The two efforts must be viewed in tandem with clear linkages developed between them. The two proposed AID Projects, in conjunction with the World Bank-financed Administrative Reform Project, are expected to have a substantial impact on increasing the pool of trained managerial manpower.

B. Project Goal and Purpose

The purpose of the proposed Management Training Project is to reinforce the capacity of key public and private sector institutions to respond effectively and efficiently to mid and upper level management skill requirements of the Jamaican labor market. This Project, in conjunction with other on-going and proposed projects, will contribute to attainment of the project goal of assisting the Jamaican Government and private sector in overcoming the shortage of skilled and managerial manpower which is a key constraint to growth. This Project is an integral component in attainment of the Mission's overall goal of improving economic productivity in key development sectors in Jamaica.

In order to achieve the purpose of this Project, the following outputs will be necessary:

1. An increased number of trained teaching, consulting and research staff in management training institutions (to be quantified during Project Paper development);
2. An increased number of mid to upper level clients trained in modern management techniques;
3. Establishment of the Jamaican Management Resource Center;
4. Improved teaching methodologies and training techniques;
5. Development of applied research programs for curriculum development and Jamaican/Caribbean regional case studies;
6. Availability of adequate library, audio-visual and computer resources; and

7. Improved cooperation and communication between public and private sector management training institutions and their clients.

Necessary inputs include:

1. Long term and short term U.S. technical assistance to assist in the administration and management of the Project, to provide training in business education and management, research assistance, and curriculum development;
2. Short term U.S. technical assistance to conduct seminars for managers;
3. Short term U.S., Jamaican and/or other Caribbean regional assistance in case study development;
4. Long term staff participant training in the U.S. for M.B.A.s and M.P.A.s;
5. Short term staff participant training in the U.S. for practical transference of modern and improved managerial skills and technologies;
6. Short term in-country seminars for staff of key institutions;
7. Construction of the Jamaican Management Resource Center (JMRC);
8. Land for the JMRC site; and
9. Commodities/equipment for the JMRC.

C. Expected Achievements and Accomplishments

At the end of this four year Project it is expected that a fully equipped and functional Jamaican Management Resource Center will exist and will be providing modern management training to public and private sector clients. Furthermore, it is expected the JMRC will have established a clientele willing to pay membership/associate membership fees for access to the library, audio-visual and computer resources, as well as for management training courses.

Finally, by reinforcing the capacity of local institutions and ensuring the opportunities to increase and improve management training for the targeted client groups, this Project is expected to substantially assist in removing a constraint to growth of the Jamaican economy. The approach advocated in this proposed Project, as outlined in Section D (Outline of the Project and How It Will Work), is consistent with the Agency's institutional development policy which looks to

"beneficiaries themselves investing [sic] their own time and resources in developing efforts to begin the process of indigenous investment and re-investment which makes the beginning of a successful development initiative and makes possible the termination of donor support."\*

The Project is also expected to lay the groundwork for a more medium to long term response to the problem of a shortage of managerial manpower in the Jamaican labor market. The Grantee's contribution to this Project is expected to consist of seven acres of land which will be used to house the JMRC and at least one public and one private management training institute. The land for the JMRC and two training institutions is adjacent to the campuses of the University of the West Indies (U.W.I.) and the College of Arts, Sciences & Technology (CAST). It is currently the Mission's thinking that the FY 86 proposed Regional School of Management would be established contiguous to the JMRC on the same seven acres of land. Under this scenario, management training would then be largely centralized and the various institutions could readily access each others' lecturers, consultants and resources.

#### D. Project Outline and How It Will Work

What we are proposing to do under this Project is to create a learning environment, as well as a physical environment, where training courses can be given to mid and upper level managers who are currently employed, whose businesses would suffer if they were to take time, say three months, to go to the U.S. for training. In effect, we would be creating a business campus. The campus would consist of the JMRC at its hub and, at a minimum, buildings for the Administrative Staff College (ASC) of the Ministry of Public Service and for the Jamaican Institute for Management (JIM), a private institute. The campus would also be the future site of the proposed Regional School of Management. AID would finance the construction of the JMRC; other donors are investigating the possibility of financing the ACS and JIM buildings; and the GOJ would make seven acres of land available. A similar arrangement exists at the Research Triangle Institute in North Carolina.

In order to maintain the facilities, manage the operation, develop appropriate generic management materials\*\* and develop linkages between the public and private management entities, the Jamaican Management Resources Foundation, Ltd. (JMRF) will be established. The JMRF will be

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\* A.I.D. Policy Paper on Institutional Development, March, 1983, page 6

\*\*By generic management materials we are referring to the kinds of tools all managers, regardless of type of entity being managed, need exposure to, i.e., resource allocation, planning, human resources management, etc.

incorporated under the Companies Act without share capital and will apply for tax-free status as a not for profit limited company (this is the standard legal arrangement in Jamaica for this type of activity). It is expected title to the land and buildings will be passed to the Foundation.

At this stage of project development, it is our thinking that the Board of Directors of the JMRF will consist of nine working members, of which eight will be incorporating representatives of participating institutions and the ninth will be the Managing Director. The eight participating institutions to be represented on the Board may be based on the following:

- three members from the private sector, possibly from JIM, IMP and MCS;
- three members from the public/quasi-public sector, possibly from ASC, U.W.I. and CAST; and
- two members from the community at large, possibly from the Private Sector Organization of Jamaica (PSOJ) and the Joint Trade Union Research and Development Center.

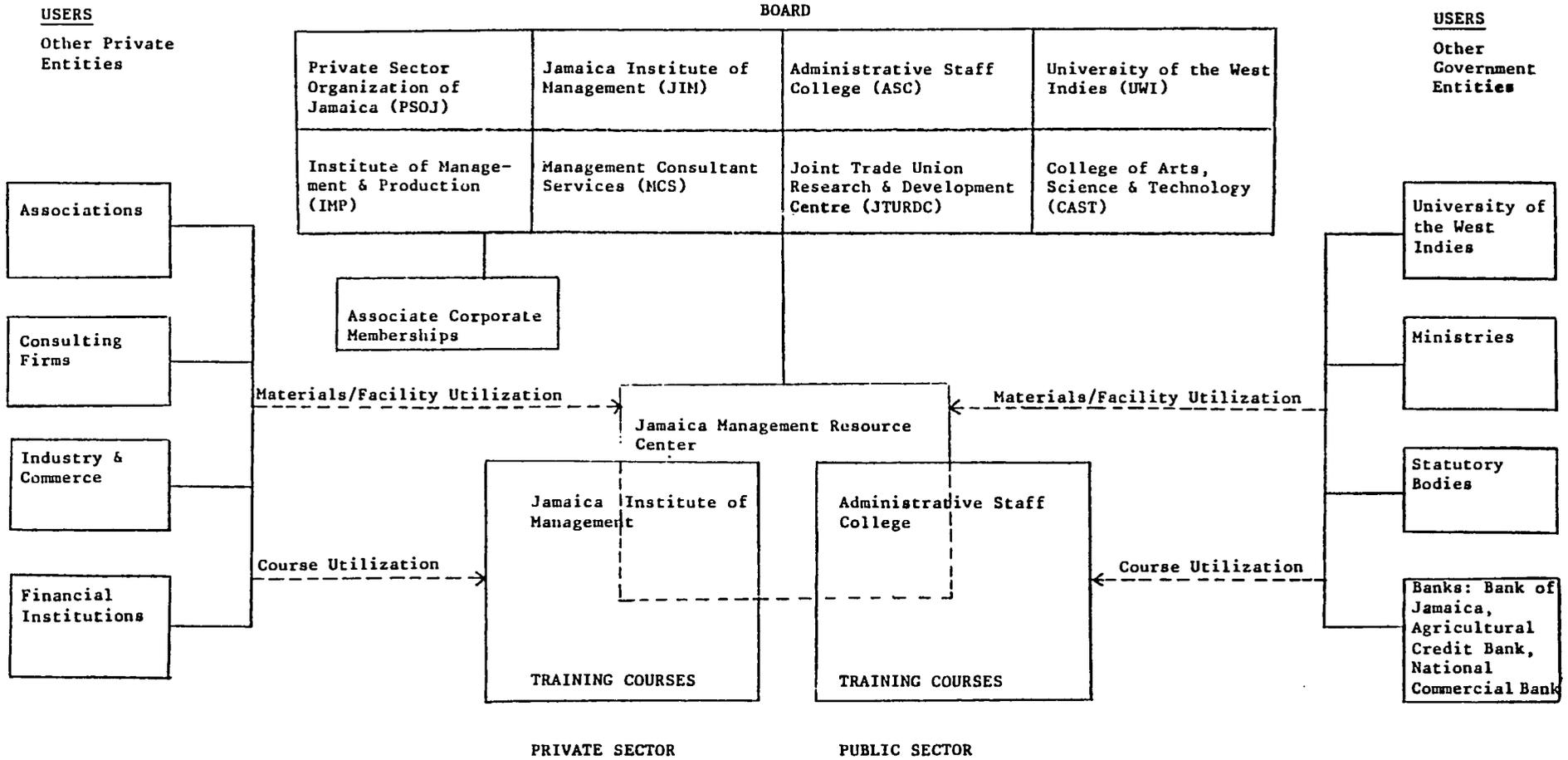
The Managing Director, whose salary would be paid by this Project for the initial 24 months until the Foundation is in a position to pay it, would be appointed by the Board, would serve at its pleasure, and would be responsible to the Board for all administrative and financial matters. In addition, the Chief of Party (COP) of the U.S. technical assistance team and a representative of USAID/Jamaica would be ex officio Board members for the life of the Project. It is expected the post of chairperson of the Board of Directors will rotate annually between the JIM and ASC Directors.

Figure 1 illustrates how the JMRF will look and who the users of its services are likely to be.

The mandate of the JMRF will be to:

1. initiate, develop and promote management training activities targeted at mid to upper level managers in Jamaica's public and private sectors;
2. reinforce the capabilities of existing Jamaican management training and management consulting institutions to provide training, consulting and research relevant to the needs of Jamaican mid and upper level managers;
3. develop applied research programs for curriculum development, relevant (i.e. Jamaican and Caribbean regional) case studies, and appropriate training materials and equipment;
4. introduce improved teaching methodologies and training techniques, with an emphasis on organizational development and management analysis interventions and in-house customized training programs;

JAMAICA MANAGEMENT RESOURCES FOUNDATION LTD.



5. provide training facilities for public and private sector management training needs;
6. make available to all potential users adequate library, audio-visual and computer services; and
7. promote cooperation, communication and professional linkages among public and private sector management training and consulting institutions and their clients.

Section IIID, Proposed Grantee and Implementing Agency, describes the JMRF in greater detail.

In order to assist the Foundation in carrying out its mandate it is proposed AID finance the following elements.

1. Technical Assistance - this area of management training, and particularly modern management techniques, is clearly one in which the U.S. has a comparative advantage vis a vis other countries. Accordingly, technical assistance under the Project would include:

- (a) approximately 84 person-months (pm) of long term technical assistance. The Chief of Party would be a management advisor who would work with the Managing Director of the Foundation to create the Jamaican Management Resource Center (JMRC). The advisor would administer all elements of the Project on behalf of the Managing Director and would provide on-the-job training to a Jamaican counterpart to assume the COP's duties at the end of the Project. Secondly, the advisor would assist participating institutions with their training programs and consulting work. The advisor would also serve as the technical liaison person to consult with the USAID Mission on all activities under the Project, including participant training, short term technical assistance, etc.

A second member of the long term team would be a training/technology development advisor. This individual would assist the JMRC in acquiring and maintaining training equipment and materials, advise on the installation and operation of an appropriate computerized information system, and advise on the introduction and integration of improved technological capabilities with the management concerns of the JMRC's participating institutions and their clients. The advisor would assist the staff of the JMRC and member institutions in developing case studies and materials, in developing modular curricula for management, and in developing the analytical capabilities of the institutions to provide services at the highest levels of client organizations. This advisor would also provide on-the-job training to a Jamaican counterpart.

- (b) Short term consultants - (1) Approximately 15 pm of short term consultants' services would be contracted for from leading U.S. management institutions and other appropriate organizations to organize and participate in management seminars for cabinet level and permanent secretary level Government personnel and key business leaders. (2) Approximately 25 pm of U.S., Jamaican and/or other CARICOM member states' consultants' services would be contracted for by the JMRC to develop case studies, to design and carry out studies of specific management and personnel requirements of member institutions, to develop training materials, and to evaluate the impact, costs and benefits of training and consulting services.
  - (c) Approximately 6 pm of short term technical assistance for two people to carry out a mid-term evaluation of the Project for a total of 6 person-weeks (pw) each and for two people to carry out an end of Project evaluation for a total of 6 person-weeks each.
  - (d) Approximately 10 pm of short term technical assistance for an auditing firm to carry out annual audits of the JMRF and the Project.
2. Participant Training - Three categories of participant training would be financed under the Project:
- a. Long term U.S. training - Approximately 30 person years (py) for a total of 15 JMRC institution members to obtain M.B.A. and M.P.A. degrees in the U.S.;
  - b. Short term U.S. training - Approximately 60 pm for a total of 20 people to attend management conferences, seminars or short courses in the U.S.; and
  - c. Short term in-country training - Approximately 50 pm of financing for management seminars to be held at the JMRC.
3. Construction - It is contemplated that the JMRC building would provide office space, a library, a computer room, a dining room, bookstore, equipment room and at least one large meeting room. An initial estimated 11,500 sq. ft. for the building is proposed. Actual space requirements will be established during PP preparation. AID would finance construction of the building as well as architectural and engineering services to design the entire site, and preparation of contract documents and construction control under AID direct contracting procedures. A site plan concept is included in Annex 5.

4. Equipment - AID would finance the procurement of equipment for the JMRC. Such equipment would include overhead projectors, audio-visual equipment, films, cassettes, graphics and demonstration charts, computer hardware and software including terminals and desk-top micro-computers. Equipment for the JMRC dining room, kitchen, bookstore and library would also be financed under the Project.
5. Foundation Support - In order to establish the JMRC, get it on its feet, and on its way to becoming a viable institution at the end of the Project, it is anticipated that AID would finance some initial start-up costs. These would include the salary of the Managing Director for 24 months, salaries for one secretary and for an administrative assistant for 24 months, as well as electricity, telephone, water and other initial operating expenses for a 24 month period. Members and associate members would be asked to pool together some initial capital in order to provide the JMRF with some start-up operating expense money. At the end of the 24 month period it is expected the revenues from the bookstore (which will be the first one in Jamaica specializing in management and administrative materials) and fees charged for use of the library, computer facilities, and dining room will cover overhead costs of the JMRC. In addition, the JMRC will be earning revenue for renting classroom space in the JIM and ASC buildings on an as-needed basis. AID would also finance local currency costs connected with launching a marketing program for the Foundation and Center.

### III. Factors Affecting Project Selection and Further Development

#### A. Social Considerations

A variety of academic, private and Government institutions in Jamaica provide management training, but their efforts are rarely coordinated and by and large fail to provide the type of training which would be most beneficial to the private sector. For example, training for small businessmen is virtually non-existent. Existing training programs are plagued by a shortage of appropriate training materials and adequately trained instructors.

The private institutes which provide management training compete among themselves to provide training programs and seminars to corporate clients. These programs usually address first line supervisors, middle management and some technical training needs. In general, they offer specific instructions in a particular type of accounting procedure or seminars for executives. These private institutes augment corporations' in-house management training programs, but both lack current materials and adequately trained training personnel.

Several Government facilities provide training programs for private sector managers, often through joint training efforts with private firms. Those Government sponsored efforts also suffer from a shortage of appropriate materials and training personnel.

Despite the number and variety of institutions providing management training programs in Jamaica, the lack of appropriate resources seem to limit the effectiveness. A study carried out by the National Research Council for the Bureau for Private Enterprise (PRE)\* found the typical background of a management trainer to be in primary or secondary school teaching, not management training. The number of trainers working in management training programs is also inadequate. The shortage of general training materials, such as case studies, experiential exercises and simulations, compounded by the virtual non-existence of materials designed specifically for Jamaica, are serious shortcomings of existing training facilities. Consequently, current training resources appear to be inadequate to effectively provide for the management requirements of Jamaican businesses.

1. Socio-cultural context: The NASPAA study mentioned earlier described management styles in Jamaica as being essentially authoritarian in nature, with little substantive communication between managers and workers and a low degree of participation in decision making by those in the lower echelons of organizations. Coupled with this is a high degree of status consciousness, with the ensuing by-product of the usually unwarranted belief that once one has risen to the top of an organization formal training is unnecessary and additional skills can be learned on the job. The result is that returning trainees are often frustrated by being unable to utilize their newly acquired skills as their supervisors may themselves be ignorant of those skills and therefore tend to dismiss them as irrelevant or threatening. Unless those in more senior positions understand the need for and encourage the development of new skills by their employees, training will continue to be seen as a fringe benefit and as an avenue to promotion rather than as a means of enhancing organizational effectiveness.

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\* E. Brian Veasey and Max Wortman, Jr., Management Training in Jamaica, 1983

It has been said \*

"Jamaican executives agree that the nation has a problem with a 'top man syndrome'... which is the belief that only one man in the organization is able to speak for the organization and that nothing will happen unless that man has been involved. This essentially ensures a 'clique' of top executives, but does not lead toward a larger and larger managerial group with more and more participation on the parts of new managers. It also does not encourage interactions between lower levels of management in private sector organizations."

Time and again we see this attitude and pattern of behavior manifested in our dealings with counterparts on AID-financed projects. A revealing anecdote concerns a workshop carried out by a U.S. management consultant team which identified communication between levels as a major hindrance to effective project management on the Integrated Rural Development Project. The workshop was targeted at all levels of management concerned with the project. The Project Director opened the training course with remarks about the need for good staff cooperation, then promptly returned to his office, leaving behind a roomful of junior officers and chagrined consultants.

At present, there is no training program in either the public or private sector designed to overcome these management problems. Although courses are offered in personnel management and industrial relations, they are oriented towards managers at a single level. There are no programs in which personnel from various levels in an organization, including the top, are brought in and sensitized to the need for cooperation and communication. Instead, what seems to happen, according to the experience of one program director for a private training institute, when he advertises a workshop for upper level personnel he gets telephone calls from interested managers who want to ensure participants will be of equal status.

2. Beneficiaries: The direct beneficiaries of the Project will be the middle and high level managers of businesses who are currently employed who would not otherwise be able to receive management training due to the length of time they would have to be away from their businesses. Within the context of overall manpower capacity these individuals are the ones in the best positions to bring about changes in the Jamaican economy.

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\* NASPAA consultants cite a 1983 National Academy of Sciences study.

Given the location of the JMRC in Kingston there may well be an urban bias in terms of beneficiaries availing themselves of the training courses offered there, however managers elsewhere on the island regularly travel to Kingston and could avail themselves of the courses. In addition, the AID-financed Agricultural College will eventually have an outreach program and other on-going AID-financed projects, such as the National Union of Cooperative Societies project, complement these efforts by providing management training at appropriate levels in rural areas.

Women hold a significant number of prominent upper level management positions in the Government, but to a lesser extent in the private sector. Based on Ministry of Public Service data, it appears as though a significant percentage of women are also participants in training activities. At this stage of project development, it does not appear as though we need to consider targeting numbers of women participants in order to ensure equitable benefits. The social soundness analysis to be carried out during Project Paper development will explore this matter and make appropriate recommendations.

Indirect beneficiaries of the Project will include the middle and lower level employees of private firms and Government organizations who will have better trained supervisors. In the long term, downstream benefits will accrue indirectly to the Jamaican population at large as a larger pool of trained managerial manpower can manage the economy better and growth of the economy can proceed unfettered.

3. Participation: Management training already exists in Jamaica. This Project is designed to improve the capacity of the existing institutions to provide those services and to coordinate public and private sector responses to the shortage of trained managers at appropriate levels. Much of the existing management training is ineffective because incentives and encouragement to participate were lacking. The ultimate success of training programs depends on attitudes changing and incentives being provided. Many employees seem to consider themselves too indispensable to spend time away from their jobs in training programs and they question whether any personal advantage will accrue to them as a result of their participation. The social soundness analysis of the PP will identify specific measures to deal with these negative attitudes and provide incentives for participation.

Discussions with the key public and private management training entities during the development of this PID led to the recommendation of creating a Jamaican entity to coordinate demand for and delivery of management training programs designed to meet the needs described in this PID. It is expected the

JMRF will have a marketing strategy to advertise the availability and accessibility of training programs, outline the short and long term benefits of trained managers, and accentuate the development of Jamaican responses to Jamaican requirements. Together with the JMRF we will continue to solicit advice and assistance from Jamaican business leaders in order to increase support within the business community and encourage the idea of better trained managers having an important role to play in managing the Jamaican economy

4. Socio-Cultural Feasibility: At this stage of project development there does not appear to be any issue with regard to the socio-cultural feasibility of carrying out the Project. The need for improved management training programs to better train mid to upper level managers has been attested to and the key institutions providing such training have indicated their interest in becoming members or associate members of the Center.
5. Impact: The impact of the Project will be that a viable Jamaican institution will have been established to provide mid to upper level managers with training in modern management techniques, resources and the skills to better manage the Jamaican economy. The creation of the JMRC represents an efficient, cost-effective response to the expressed requests to upgrade facilities and resources of existing management training institutions. The impact of the Project will be that greater numbers of better trained managers will have access to the resources they need to carry out their jobs.

#### B. Economic Considerations

The Mission believes it is economically appropriate to invest US\$4,000,000 of AID resources plus appropriate Jamaican counterpart resources in the Management Training Project because the management skills problem is negatively impacting on the overall growth of the Jamaican economy in a significant way, and because catalytic donor intervention is crucial to overcoming the quality and quantity deficits of management skills in the relevant time frame.

The shortage of management skills has been described earlier in the PID and is readily quantifiable. A thorough demand analysis will be undertaken immediately after PID approval and will be the basis of final project design.

The impact of this shortage on the economic development of Jamaica is significant and well known. The shortage of managers to implement Government development projects has been documented by all major donors. The cost to the country of slow implementation of donor-financed projects can be conservatively estimated to be on the order of a one percentage point lower rate of GDP growth compared with what would have occurred had the projects been implemented at the optimum rate. Likewise, the quality and quantity of skill deficits in the private sector have resulted in lost opportunities, lower levels of investment, and reduced output and profits.

This proposed in-service Management Training Project is part of the Mission's overall strategy for improving public and private sector management for growth and development. Other interventions aimed at long term solutions include the nascent Agricultural Education (post-secondary) project and the forthcoming Regional Management School.

The improvement of in-service management training is important because of its high short term payoff given the immediacy of the needs of the country. For the moment, there is no choice but to upgrade the staff that is now in place. The longer term approaches are likewise essential if Jamaica is to build a solid base of trained management talent at the undergraduate and graduate school levels. Jamaica can no longer afford to send its college and graduate school students abroad for education of this sort. The overvalued Jamaican dollar (which made this approach appear cheap) is now giving way to a more realistic exchange rate which will make external training prohibitively expensive.

The proposed approach to solving the in-service management training problem is economically efficient. It maintains the competitive nature of the private sector training industry, and brings the GOJ's in-house training institute (ASC) into close juxtaposition in such a way that the ASC will have to be competitive and responsive in its programs. At the same time, the Resource Center and Foundation concept allows this approach to benefit from the very apparent economies of scale that result from a shared library and other common facilities.

The Center/Foundation approach to in-service management training will also serve to make the labor market for managers more competitive, and thus more responsive to the evolving needs of the Jamaican economy. This will occur through the bringing together of the various cadres of managers into an environment where their relative skills and knowledge can be judged. With more widespread knowledge of each other, offers to move will increase.

Two methodologies have been considered for determining the economic feasibility of the proposed Management Training Project. The first is the cost-effectiveness methodology, and the second is the benefit-cost methodology. Although the underlying principle of efficient resource allocation is the same for both methodologies, cost-effectiveness analysis has been ruled out for the following reasons. Unlike benefit-cost analysis, which would focus on the total cost of the Project, and on the benefits accruing to the direct beneficiaries as well as the benefits that will accrue to the wider community, cost-effectiveness analysis would focus mainly on the new institutional systems and programs that will be established under the Project, together with their performance.

Cost effectiveness analysis would not include categories of benefits such as the private returns associated with the new management training, which would be taken as a proxy measure of trainees' improved qualitative labor market performance and productivity; the social monetary returns measured by the import substitution effect and the increased labor market demand for locally-trained managers, attributable to the Project; and the social returns which will be generated by the assembled staff resources under the Project. Finally, a cost-effectiveness analysis would not alert the Project designers to these issues, only a benefit-cost analysis would.

Finally, the benefit-cost approach dictates (and facilitates) careful analytical attention to the optimal quantity of project outputs during the project design phase, whereas to select a cost-effectiveness approach at the present stage would presuppose that knowledge. The Mission anticipates no problem in collection of data and quantification of benefits and costs for this analysis based on its knowledge of the country and the expertise available for the analytical work.

### C. Relevant Experience with Similar Projects

Since 1981, USAID/Jamaica has been engaged in a dialogue with various organizations in the management training field to identify appropriate areas of AID assistance. In 1982, we provided three of the private institutes, the Jamaican Institute of Management (JIM), the Institute of Management & Production (IMP), and M.C.S. Associates, with US\$90,000 from Technical Consultations and Training Grant funds (TC&TG). The funds were used for the procurement of U.S. source equipment, goods, materials, supplies, consultant services, and training services for carrying out management training programs in Jamaica for which foreign exchange was required. In order to obtain the funds the Mission requested the organizations to coordinate in developing an implementation plan for the use of the funds, with an emphasis on the coordination of resources. The idea behind the request was to ensure that when, for example, a U.S. consultant might be required to carry out a teaching assignment for more than one organization during a visit, the international travel costs, equipment and training materials might be shared.

Secondly, the organizations were requested to place in an escrow account the local currency equivalent of the AID-financed foreign exchange used, based on the official rate of exchange. These funds would be used for a scholarship program to benefit business people who could not otherwise afford either in whole or in part to avail themselves of the management training opportunities provided by the organizations.

The small amount of funding assisted in increasing the opportunity for small business people to obtain management skills to improve the productivity and profitability of individual businesses. Our experience with this pilot effort bodes well for the future.

#### D. Proposed Grantee and Implementing Agency

The grantee and implementing agency for the Project would be the Jamaican Management Resources Foundation, Ltd. (JMRF)

In order for the JMRF to carry out its mandate it will have to have the powers to, inter alia:

1. accept and receive financial aid, grants and support in whatever form from foundations, donors, governments, international organizations, and other agencies and individuals in furtherance of its objectives;
2. transact any lawful business which will be in aid of those objectives;
3. collect, circulate, publish and otherwise disseminate by way of letters, newsletters, tapes, memoranda and any other means of communication whether written or oral in Jamaica or elsewhere all matters relating to the activities of the Foundation;
4. acquire by purchase, lease, hire, exchange or otherwise buildings or parts thereof for office and necessary accommodation, furniture and equipment generally for the purposes of the Foundation;
5. acquire by purchase, lease or otherwise, lands and interests in lands, and to own, hold, improve, develop, and manage any real estate so acquired, and to erect, or cause to be erected on any lands owned, held or occupied by the Foundation, buildings or other structures, with their appurtenances, and to manage, operate, lease, rent, alter or improve any buildings or other structures, now or hereafter erected on any lands so owned, held or occupied, and to mortgage or sell the same or any part thereof;
6. enter into any agreement or arrangement to acquire and provide any person with administrative, supervisory, managerial, technical and operational services and to contract to provide business, commercial, industrial and agricultural consultants, advisors and administrators;
7. enter into any arrangement with any Governments or authorities (supreme, municipal, local or otherwise) or any corporation, company, or person that may seem conducive to the attainment of the Foundation's objectives and to obtain from any such Governments, authorities, corporations, companies or persons any charters, contracts, decrees, rights, licences, exemptions, privileges and concessions which the Foundation may think desirable and to carry out, exercise, and to comply with any such charters, contracts, decrees, rights, privileges and concessions; and

8. do all such other things as are incidental or conducive to the above stated objectives provided that the Foundation shall not undertake any actions, nor support with its funds, any endeavor that shall impair the corporate or institutional identity, posture, integrity or powers of any of its member organizations or participating institutions.

The institutional analysis of the Project Paper will describe funding, staffing and administration of JMRF and JMRC operations. The PP will also describe the working relationships between the Board of Directors of the JMRF, the Managing Director, the Chief of Party of the technical assistance team and USAID/Jamaica.

E. AID Support Requirements and Capability

The proposed Management Training Project will be managed by the USAID's Office of Education and Human Resources. The office is presently staffed by two USDH and four FSN professional employees managing a portfolio of one major project, six small projects including one OPG, and two general training programs for the Mission as a whole.

We are presently considering a number of options with respect to how we make the Grant and the modalities for implementing it. The preferred method at this point is to make a Grant to the JMRF per Handbook 13, but for USAID to carry out direct contracting for technical assistance and construction services and for commodities. Realistically, this approach will entail considerable work for the Mission's Office of Engineering, Energy & Environment (OEEE) and the Office of Contracts Management (OCM), as well as back-up support from the Office of Project Development & Support (OPDS) and Controller (CONT).

F. Estimated Costs and Methods of Financing

Proposed Budget

1. Technical Assistance -		
a. Long term - 84 pm @ \$10,000		\$840,000
b. Short term - (1) 15 pm @ \$8,000		120,000
	(2) 25 pm @ \$8,000	200,000
c. Short term (evaluation) 6 pm @ \$8,000		48,000
d. Short term (audit) 10 pm @ \$8,000		<u>80,000</u>
		\$1,288,000

2.	Participant Training		
a.	Long term U.S. 30 py @ \$20,000	\$600,000	
b.	Short term U.S. 60 pm @ \$2,000	120,000	
c.	Short term Jamaican 50 pm @ \$1,000	<u>50,000</u>	770,000
3.	Construction		
a.	A & E (JMRC, ASC & JIM)	\$ 60,000	
b.	Building (JMRC) 11,500 sq. ft. @ \$30	<u>345,000</u>	405,000
4.	Equipment		
a.	Audio-visual	24,000	
b.	Computer hardware/software	186,000	
c.	Dining Room/kitchen	43,000	
d.	Books/Periodicals	<u>380,000</u>	633,000
5.	Foundation Support (JMRF)		
a.	Salary-Managing Director 24 mo. @ \$2,000	48,000	
b.	" Secretary 24 mo. @ \$800	19,200	
c.	" Admin. Asst. 24 mo. @ \$1,000	24,000	
d.	Utilities 24 mo. @ \$2,000	<u>48,000</u>	139,200
6.	Contingency/Inflation 25%		<u>800,000</u>
	TOTAL		<u>\$4,035,200</u>

Proposed Methods of Financing:

1. Technical Assistance - Direct Reimbursement/Host Country Contract
2. Participant Training - Direct Reimbursement
3. Construction - Direct Reimbursement
4. Equipment - Direct Letter of Commitment
5. Foundation Support - Advance/Direct Reimbursement

Proposed Grant Funding

It is proposed AID make a grant to a private, non-profit entity, the Jamaican Management Resource Foundation, for the Project. It is expected the Government of Jamaica will provide seven acres of land to the Project. The current fair market dollar value of the land is estimated at J\$1.5 million or approximately US\$300,000.

## G. Design Strategy

The development of the Project Paper will entail four phases:

- Phase I will get underway once the PID is approved, ideally by mid-December. PD&S funds will be used to finance the services of a Jamaican consultant to carry out a scoped demand analysis for private sector mid to upper level management requirements. In addition, the consultant will gather existing data on public sector management training from previous studies\*, supplement the data as necessary for a scoped demand study for both public and private sector management training requirements.
- Phase II will get underway about January 15 and end about March 1. PD&S funds will be used to contract for the services of four people from a U.S. IQC firm. The firm would provide a management specialist for six weeks, an economist for four weeks, a sociologist for four weeks and a management computer analyst for ten days to develop the technical, social soundness and economic analyses of the PP, as well as to assess the computer resource requirements and develop procurement sections accordingly.
- Phase III will be launched around mid-February, once preliminary indications from the technical analysis which affect Phase III are known. PD&S funds will be used to contract with a Jamaican architectural and engineering firm to develop preliminary designs of the proposed facilities at a level of planning adequate to provide estimates of costs to meet FAA Section 611(a).
- Finally, Phase IV will entail the drafting of the Project Paper, which will be done by the USAID Project Development Officer in collaboration with the Project Officer and members of the Project Committee. This phase should last from mid-March to the end of April, with a target date of May 15 for an approved PID and June 15 for signing a Grant Agreement.

## H. Recommended Environmental Threshold Decision

The Initial Environmental Examination recommended a negative determination. The IEE is included as Annex 6 to this PID.

## I. AID Policy Issues

There are no known AID policy issues at this time.

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\* Price Waterhouse, Management Training Needs Assessment in the Jamaican Public Sector and IBRD, Administrative Reform Project documentation

LOGICAL FRAMEWORK


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 NARRATIVE  
SUMMARY
 

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OBJECTIVELY  
VERIFIABLE INDICATORSMEANS OF  
VERIFICATIONIMPORTANT  
ASSUMPTIONS

Goal: To assist the GOJ and private sector in overcoming the shortage of skilled and managerial manpower which is a key constraint to growth.

- Business investment climate in Jamaica remains stable and private sector managers still have critical role to play in economy.  
- GOJ and private sector can recognize differences between poorly trained managers and well trained managers.

Purpose: To reinforce the capacity of key public and private sector institutions to respond effectively and efficiently to mid and upper level management skill requirements of the Jamaican labor market.

Fully equipped and functional JMRC providing modern training to public and private sector clients.

Solution to long term financial viability can be found during PP development.

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<u>Outputs</u>			
1. An increased number of trained teaching, consulting and research staff in management training institutions.	Increase of ____ %		Inputs can be made available on timely basis.
2. An increased number of mid to upper level clients trained in modern management techniques.	Increase from X to Y		
3. Establishment of the Jamaican Management Resource Center.			
4. Improved teaching methodologies and training techniques.			
5. Development of applied research programs for curriculum development and Jamaican/Caribbean regional case studies.	X number of case studies developed		Private industries in Caribbean region will make data available for development of case studies.
6. Availability of adequate library, audio-visual and computer resources.			

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NARRATIVE  
SUMMARY

OBJECTIVELY  
VERIFIABLE INDICATORS

MEANS OF  
VERIFICATION

IMPORTANT  
ASSUMPTIONS

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Inputs

- |  |  |   |   |
|--|--|---|---|
| 1. Long term U.S. technical assistance.  | See Section IIIF for budget breakdown. | - Accounting records<br>- Project reviews<br>- Annual audit<br>- Mid-term, and end of Project evaluations | Qualified and experienced technical assistance available.   |
| 2. Short term U.S. technical assistance.                                       |  |   |   |
| 3. Short term Jamaican and/or other CARICOM member state technical assistance. |  |   |   |
| 4. Long term participant training in the U.S.                                  |  |   | Sufficient incentives and adequate conditions of training are included to reasonably ensure return of trainees to Jamaica and to appropriate positions. |

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
5. Short term participant training in the U.S.			Sufficient incentives and adequate conditions of training are included to reasonably ensure return of trainees to Jamaica and to appropriate positions.
6. Short term in-country training.			
7. Construction.			
8. Commodities/equipment.			
9. Foundation support.			
<u>GOJ:</u> land			
<u>JMRF members/associate members:</u> Foundation support			Financial situation of members permits them to make initial contributions to operating expense support.

ANNEX 2 MANAGEMENT SKILLS TRAINING ACTIVITIES FINANCED BY USAID/JAMAICA  
UNDER TC&TG (532-0079)

<u>TOPIC</u>	<u>MANAGING ENTITY</u>	<u>CONTRACTOR</u>
1. Training Courses	Kingston Free Zone	World Trade Institute
2. U.S. Training Of Investment Promotion Officers	Jamaica National Investment Promotion Limited (JNIP)	University of Illinois
3. Airport Management Courses	Port Authority of Jamaica	Federal Aviation Authority
4. Seminar for Investment Officers	JNIP	Centre for Economic Development Strategy
5. Investment Negotiation Seminar	JNIP	Georgetown University
6. Quality Assurance for Food Industry	Food Technology Institute	University of Maryland
7. Conference	Administrative Staff College	International Association of Public Schools
9. Seminar on Financial Analysis	JNIP	Chase Manhattan Bank
10. Seminar for Executive Business Leaders on Policy Making	Private Sector Organization of Jamaica (PSOJ)	Fund for Multinational Management Education (FMME)
11. Doing Business with the U.S.A	Jamaica National Export Corporation (JNEC)	University of Miami
12. Agricultural Marketing Workshop for Caribbean Basin	JNIP	Caribbean/Central American Action
13. Training Program - Policy for Public Enterprise	JNIP	Harvard Institute for International Development
14. Tax Administration Training	Revenue Board	University of Southern California
15. Workshop on Entrepreneurship Development	National Development Foundation of Jamaica	Center for Economic Development
16. Financial/Economic Analysis - training and equipment	JNIP	Chase Manhattan Bank/IBM
17. Organizational Management Training Workshop	Jamaica Manufacturers Association (JMA)	Caribbean Association of Industry and Commerce
18. CBI Seminars "Doing Business in Caribbean"	United States Department of Commerce	

<u>TOPIC</u>	<u>MANAGING ENTITY</u>	<u>CONTRACTOR</u>
19. International Procurement	Port Authority of Jamaica	World Trade Institute
20. International Business Opportunities Conference	JNIP	-
21. San Jose CBI Seminar	JMA	-
22. 29th World Conference on Small Businesses	Small Businesses Association	-
23. Marketing in U.S. Seminar	U.S. Department of Commerce	-
24. Seminar	Small Businesses Development Center	-
25. Quality Circles Seminar	JMA	-
26. U.S. Agricultural Marketing Workshop	Jamaica Exporters Association	-
27. MIDCON 84	JNIP	-
28. Investor Attitudes Seminar	JNIP	FMME

ANNEX 3:

COURSES FINANCED UNDER THE LAC AND CBI TRAINING PROGRAMS  
FOR JAMAICAN PARTICIPANTS

MANAGEMENT/BUSINESS ADMINISTRATION

<u>NAME OF PARTICIPANT</u>	<u>NAME OF COURSE</u>	<u>INSTITUTION OF TRAINING</u>
EVETT ODWIN-HINDS Nat'l.Housing Trust	Edward Mason Program in Pub.Policy & Management	Harvard Univ.
AUDLEY JONES Nat'l. Dev. Agency	MBA/Finance & International Business	Harvard Bus. Sch.
YVONNE JOHNSON I.C.D. Group of Co.s.	MBA/Marketing	Florida Int. Univ.
RYAN WHITE Facey Commodity	MBA/Marketing	Univ. of Miami
CLAUDE OAKLEY Urban Dev. Corp.	MBA/Finance & Public Administration	Syracuse Univ.
MARGUERITE ORANE Douglas Orane Ltd.	MBA/Finance & International Business	Harvard Bus. Sch.
AUDLEY ROBERTS Ja.Bauxite Mining	Int'l.Procurement & Contracts Negotiation	Barbados
OWEN MAYWAH Workers Savings Bank	Ph.D. Business Adminis. Int'l. Management	Nova Univ.,Ft.Lauderdale
YVONNE ALLEN Bureau of Standards	M.Sc.in Packaging Science	Rochester Inst. of Technology
SIDNEY DIXON Thermo-Plastics Ltd.	Management Skills Develop.	World Trade Inst., New York
HOPE GUNNING Port Authority of Ja.	Management Skills Develop.	World Trade Inst.,New York

MANAGEMENT/BUSINESS ADMINISTRATION

<u>NAME OF PARTICIPANT</u>	<u>NAME OF COURSE</u>	<u>INSTITUTION OF TRAINING</u>
E.M. SISIRA AMITIRIGALA Thermo-Plastics Ltd.	Production Management	Flambeau Midwest Co., Wichita, Kansas
DELCINA ANNAKIE Bank of Jamaica	Human Resource Management	Florida National Bank Miami, Florida
PAULINE A. ARCHER Salada Foods Ltd.	Quality Control/Production Management	Phillip Morris, USA, New York, N.Y.
PAULINE V. ARCHER Antillean Food Processors	Marketing	Fass Brothers Inc. Hampton Virginia
JOSEPH BAILEY Bldg.Soc.Assn. of Ja.	General Management	Founders Savings & Loan Assn., Los Ang.
GEORGE M. BAKER Nat'l.Hotels & Properties	Exposure in Corporate Secretarial Duties	Dunfrey Bros. Inc. Washington, D.C.
G. DaCOSTA BARTLEY Westport Housing Coop.	Management/Public Relat./ Coop. Housing Mgm.t.	Grady Management, Silver Spring, MD.
PATRICK BENNETT Ja.Indus.Dev. Corp.	General Mgmt./Financial Planning & Mgmt.	Unified Industries Sprfld., Virginia
DERYCK T. BROWN Nat'l. Sugar Co. Ltd.	Gen.Mgmt./Indus.Relations	Gulf & Western Food Products Inc.
TREVOR EDWARDS Carib.Castings & Engin.	Marketing	Quality Turns Co. Milwaukee, Wisconsin
MICHAEL GOODALL Ja.Bldg. & Dev. Co.	General Management	Palote Construc.Corp. Savannah, Georgia
FRANK W. HARRISON Vict.Mutual Bldg.Soc.	General Management	Founders Savings and Loan Assn., Los Angeles

MANAGEMENT/BUSINESS ADMINISTRATION

<u>NAME OF PARTICIPANT</u>	<u>NAME OF COURSE</u>	<u>INSTITUTION OF TRAINING</u>
ALSTON HEMMINGS Staff of Life Co.Ltd.	Finan.Mgmt./Marketing	Federation of Southern Coop., Atlanta, Georgia
DESMOND HENRY Tourmarks Ltd.	Cash Flow/Econom. Forecasting	U.S. Dept. of Agric., Nat'l.Park, Tourism Branch, Wash., D.C.
E. BERT JACKSON B.K.Jackson & Co.	Low Cost Construction	Input-Output Computer Inc., Waltham, Mass.
RUDOLPH JOBSON Reynolds Ja. Ltd.	Management	Soni-Craft Corp., Chicago, Ill.,also Automated Science Group,Silver Spr.,MD
RUPERT A. JONES Bank of Jamaica	General Management	Florida Nat'l. Bank Miami, Florida
CARLYLE L. MILLER Teddy's Auto Supplies	Finan.Mgmt./Accounting	Joe Mclaughton Olds Capital Heights, MD
STANFORD MITCHELL Craftwork Furniture Ltd.	Finan.Mgmt./Gen.Management & Furniture Manuf.	New Finish Furnit.Co., Chicago, Illinois
RUTH M. MCLEOD Incorp. Masterbuilders	Training Programs/Construc.	Nat'l.Assoc. of Minority Contractors, Wash., D.C.
SYLVESTER A. MORRISON Plas-Pak Ltd.	Problem Solving	Custom Molders Inc. Durham, N.Carolina
EWAN NEMBHARD United Dairy Farmers	Finan. Management	Joe Louis Milk Mfg., Chicago, Ill.
WINSTON ORMSBY Ja.Water Commission	General Management	

MANAGEMENT/BUSINESS ADMINISTRATION

<u>NAME OF PARTICIPANT</u>	<u>NAME OF COURSE</u>	<u>INSTITUTION OF TRAINING</u>
FRANKLIN D. REID Ja. Bauxite Mining Ltd.	Mining Tech. Transfer	Standard Oil Indiana Chicago, Ill.
REUBEN SPENCER Spencers Family Store	General Manager	Sears Roebuck & Co. Wash., D.C.
BYRON THOMPSON Seprod Industries	General Mgmt./Production	Phillip Morris, USA New York, N.Y.
LINETTE MONICA WILKES Ja. School of Art	Administration	Nat'l. Endowment of the Arts, Wash., D.C.
LOUIS WILLIAMS Couples Hotel	Hotel Management	Howard Inn Hotel Wash., D.C.
NEVILLE BRYAN Grace Kennedy & Co. Ltd.	Invest. & Manufacturing	Land O' Lakes, Minneapolis, MINN
SYBIL CHRISTIE Jamaica Citizens Bank	Credit management & administration	Rainier Nat'l. Bank, Seattle, Wash., D.C.
MORRIS DEAN Nat'l. Develop. Agency	Construction develop. and project management	Hovnanian Inc., Red Bank, N.J.
HUBERT FERGUSON Berec Caribbean Ltd.	Manufacturing & marketing	Whitestar Indus, Clifton, Custom Moulders, Durham, North Carolina
ERROL PHILLPOTTS Seprod Ltd.	Manuf. & marketing of foodstuffs	Monsanto, St. Louis, Ralston Purina, Kan. City
RICHARD PRIESTLEY Victoria Mutual Bldg.	Mortgage mgmt. & develop.	Century Mortgage Co. Gaithersburg, MD.
ALWYN SMITH Ja. Nat'l. Bldg. Society	Mortgage mgmt. & develop.	Deerfield Federal Savings, Deerfield, ILL.

MANAGEMENT/BUSINESS ADMINISTRATION

<u>NAME OF PARTICIPANT</u>	<u>NAME OF COURSE</u>	<u>INSTITUTION OF TRAINING</u>
LEONARD TAVARES Berec Caribbean Ltd.	Manufact. & marketing	Whitestar Indus., Clifton, N.J., and Custom Moulders, Durham, N.Carolina
BRUCE TAYLOR Caribbean Greetings Corp.	Manufactur. & Market Development	American Greetings, Cleveland, Ohio, and Recycled Paper Prod., Chicago, ILL.
ERROL THOMPSON G.I. Industries Ltd.	Produc.& develop. of new products	Internat'l.Lead Zinc Research,N.Y., and 5 other firms
WESLEY VANREIL Ja.Manufact. Ass'n.	Develop. of strategies for growth of Ja.Mfg.Ass'n.	U.S.Chamber of Commer., N.Y.,& Newark Chamber of Comm., Newark, N.J.

Brief Description of Existing Management Training Institutions

There are a number of management training entities in Jamaica. The larger, more capable institutions are described below.

Jamaican Institute of Management

The Jamaican Institute of Management (JIM) is an independent, not for profit management training institute controlled by its members. It was formed in 1967 by a group of businessmen to promote professional management in Jamaica. There are some 145 corporate and 352 individual members. There is a paid administrative staff of approximately 15 persons including an Executive Director, three Assistant Directors, and various secretarial/clerical positions. JIM offers diplomas in Management Studies, Marketing, and Financial Management and Accounting, as well as certificates in Management Studies, Supervision, and Human Resources Administration. All JIM training courses are conducted by part-time faculty, of which more than forty are listed in current training program brochures. Thirteen faculty members hold a Masters degree (three hold MBAs) and seventeen more have Bachelors degrees.

JIM's resource base is relatively weak. Its financial position, although stable, cannot support capital development and expansion from revenues. Virtually all revenues come from membership and course fees (90% of total revenues in 1982 and 88% in 1983). This is especially disturbing because JIM individual members have been slow to pay their membership fees, and revenues from course fees are growing slightly slower than total expenses. JIM's facilities, which are in a former residence, are inadequate for a comprehensive management training center. Offices, classrooms, library facilities, equipment, and materials should be improved and/or replaced.

In 1983 JIM enrolled 1,472 participants in its training programs.

Institute of Management and Production

The Institute of Management and Production (IMP) was established in 1971 as the internal management training department of the Industrial Commercial Development Limited (ICD) Group of Companies. The ICD Group is one of Jamaica's largest privately owned industrial groups. In 1978, IMP made its services available to the general business community on a for profit, competitive, basis. IMP policy is determined by its Board of Governors. Members of the IMP Board are affiliated in one fashion or another with ICD.

IMP is managed by an Executive Director. Support personnel include a Programme Director, Financial Controller, Personnel Coordinator and eight secretarial/clerical staff members. The current Executive Director holds a Ph.D. in Business Administration and the Programme Director holds an M.A. degree. The Executive Director and the Programme Director participate as faculty. More than 80 additional part-time faculty are associated with IMP, of whom 32 hold Bachelors degrees, 19 Masters degrees and four Ph.D.s.

IMP has trained approximately 1,500 participants per year for the last three years. In their 1984 graduation ceremony, IMP awarded 375 Certificates of Achievement (signifying successful completion of one course and associated examinations), 35 Diplomas (signifying successful completion of a defined series of courses and examinations in a specialty area) and 22 Management Development Certificates (accepted by the University of the West Indies as equivalent to and in lieu of the first year of its B.Sc. in Management Studies). In addition to these training courses which are open to the public, IMP offers customized training and consulting on a variety of subjects. IMP's annual operating budget is approximately J\$500,000.

The consultants who have looked at all the key institutions tend to indicate IMP offers just about the best management training in Jamaica, exclusive of the U.W.I.'s degree programs. IMP's training facilities (the 17,000 square-foot Aaron Matalon Management Centre), are excellent. In the aggregate, the academic qualifications of IMP's staff and faculty exceed those of other Jamaican management training organizations. IMP does, however, have its weaknesses. Its training materials and library resources are fewer than desired, although somewhat better than other organizations. Materials of Jamaican/Caribbean origin, with direct relevance to the unique needs of managers in Jamaica, are badly needed. In addition, current U.S. and European books, periodicals, films, videotapes and audio-visual equipment are desirable, but are difficult to procure given current foreign exchange restrictions.

#### Administrative Staff College

The Administrative Staff College (ASC) was established in November, 1976, and officially opened in March, 1978. It is a unit of the Ministry of the Public Service. Control of the ASC is ultimately vested in the Minister, who appoints the members of ASC's Board of Management. The staff of the College includes a Director/Principal, five full-time academic staff, and 14 administrative, secretarial and support staff. The Staff College uses the services of some 100 part-time associate faculty members. The current Director/Principal has a Bachelor's degree in Economics and a Diploma in Public Administration. The five full-time faculty are holders of Bachelors' degrees, with the Deputy Director having a Master of Science degree. Qualifications of the part-time faculty are unknown at this time, but will be examined during development of the PP.

The ASC budget steadily grew from J\$160,000 in the 1978-79 fiscal year (April 1, 1978 - March 31, 1979) to J\$530,000 in the 1982-83 fiscal year. ASC suffered severe budget cuts in the 1983-84 fiscal year as a result of GOJ austerity measures. The current (1984-85) budget indicates a recovery to ASC's historical growth rates.

Since 1978, ten Project Administration and twelve General Management Courses of 10-12 weeks duration have been conducted with over 400 officials of the GOJ trained. Over 30 short seminars with more than 900 participants have also been conducted. The Staff College has an active program of research and consultancy on problems of current interest to the GOJ. Five publications have been produced based on the results of this work.

ASC is the key implementation unit in the GOJ Administrative Reform Project. One option being discussed is for the ASC to be elevated to departmental status in the Ministry of Public Service and its training and consulting mandates broadened. Another proposal is for client ministries and statutory bodies to pay for ASC services on a cost reimbursement basis. The Staff College is to be renamed the Public Sector Management Institute (PSMI). If the Administrative Reform Project is undertaken on the scale presently envisioned, the workload of ASC/PSMI will dramatically increase (a 200-300 percent increase is a good estimate) and additional human and financial resources will be provided.

The central role which has been assigned to ASC in the GOJ Administrative Reform Project is evidence of its importance. ASC's relative weaknesses would seem to be a lack of suitable training materials and facilities, as well as a lack of advanced academic training in management among the ASC full-time faculty. It also appears that ASC's training is largely received by middle, rather than upper, level managers.

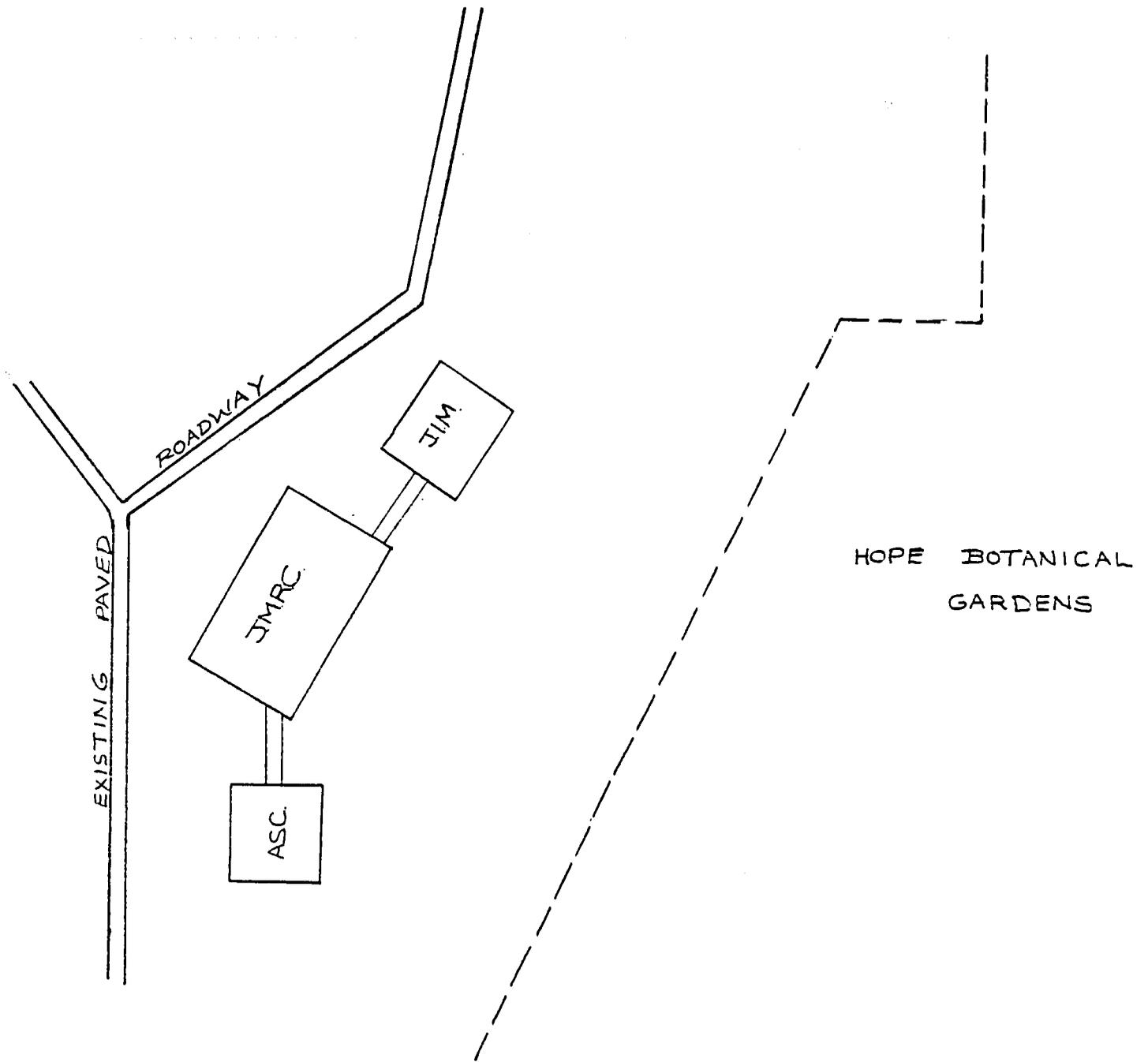
#### Other Institutions

Other important institutions engaged in management training include Management Consulting Services Associates, Ltd. (MCS), the University of the West Indies - Mona Campus (U.W.I.), and the College of Arts, Sciences, and Technology (CAST).

MCS Associates is a small management training and consulting for profit firm whose director is past chairman of JIM and is a member of the Board of Directors of a number of Jamaican companies and institutions as well as being an "associate" of the American Management Association. The number of MSC trainees is unknown at this time.

U.W.I. at Mona offers B.Sc. degrees in both Management Studies and Public Administration. Student registrants for the various programs in Management Studies in 1983/84 numbered a total of 531 including 30 registrants in a cooperative program with IMP whereby students take their first two years toward their B.Sc. degree at IMP.

Finally, CAST does some training in management and administration through its Institutional Management section with emphasis on sectoral management courses (e.g. food service, hotels, accounting etc.) leading to the awarding of two-year certificates or three-year diplomas.



SITE PLAN CONCEPT  
N.T.S.

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Kingston, Jamaica

Project Title: Management Training

Funding (LOP): \$4,000,000

Life of Project: 4 years

IEE prepared by Charles Mathews *C.R. Mathews*  
USAID/Jamaica Environmental Officer

Date: November 14, 1984

Environmental action recommended: Negative Determination

Mission Director's concurrence: *Lewis P. Reade*  
Lewis P. Reade, Director

Assistant Administrator's Decision:

Approved: \_\_\_\_\_

Disapproved: \_\_\_\_\_

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

## Discussion

The purpose of the proposed Management Training Project is to reinforce the capacity of key private and public sector institutions to respond effectively and efficiently to mid and upper level management skill requirements of the Jamaican labour market.

The proposed Project includes development of seven (7) acres of land with improvements of 11,500 square feet of new single storey building construction, driveways and parking area, utility connections and related civil works. The site is in a fringe urban area within an irregular 7 acre piece of property bordered by a residence, a school campus, agricultural property and a paved frontage road. The 7 acre tract is essentially flat land with a moderate slope of approximately 3 degrees with some cultivation, a small grove of banana trees, some large shade trees, some remaining foundations and existing concrete silos from an old farmstead surrounded by some open ground. Among these land use elements is a ground cover of bushy growth and other natural vegetation.

At this time, the specific site within the 7 acres has not been defined and hence, the environmental impacts cannot be estimated in a micro sense. However, this IEE IMPACT IDENTIFICATION AND EVALUATION FORM estimates the gross impacts upon the human environment. Among the listed land use impacts, land clearing is estimated to have a light to medium impact. The scope of work for master planning of the site will recognize the need for environmental awareness in siting the building(s) and layout of facilities. The urban fringe area in which the 7 acre tract lies is not served by a sewage collection system and septic tank systems are the means of sewage treatment and disposal. The soil and underlying strata are amply allowing adequate infiltration of septic tank effluent. While this provides acceptable and adequate sewage disposal, it has the negative effect of potential for contamination of groundwater. In view of the fact that all building land improvements in the area utilize this type of sewage disposal, the negative impact of potential contamination of groundwater by the proposed project is incidental and estimated to be light in magnitude.

Socio-economic/employment patterns impacts are estimated to be genuine and positive.

We have indicated an unknown impact regarding elimination of an ecosystem element. If such an impact is realized, it is likely to be insignificant and is judged not to be worthy of further investigation at this point. All other categories on the form are considered not impacted by the proposed project.

In view of the findings of this IEE, a negative determination is recommended.

IMPACT IDENTIFICATION AND EVALUATION FORM

<u>Impact Areas and Sub-areas</u>	<u>Impact Identification and Evaluation</u>
A. LAND USE	
1. Changing the character of the land through:	
a. Increasing the population -----	N
b. Extracting natural resources -----	N
c. Land clearing -----	L - M
d. Changing soil character -----	N
2. Altering natural defenses -----	N
3. Foreclosing important uses -----	N
4. Jeopardizing man or his works -----	N
5. Other factors	
_____	_____
B. WATER QUALITY	
1. Physical state of water -----	N
2. Chemical and biological states -----	N
3. Ecological balance -----	N
4. Other factors	
Groundwater effects	L
C. ATMOSPHERIC	
1. Air additives -----	N
2. Air pollution -----	N
3. Noise pollution -----	N
4. Other factors	
_____	_____
D. NATURAL RESOURCES	
1. Diversion, altered use of water -----	_____
2. Irreversible, inefficient commitments ----	_____
3. Other factors	
_____	_____

E. CULTURAL

- |  |   |
|--|---|
| 1. Altering physical symbols -----       | N |
| 2. Dilution of cultural traditions ----- | N |
| 3. Other factors                         |   |
- 

F. SOCIO ECONOMIC

- |  |   |
|--|---|
| 1. Changes in economic/employment patterns - | M |
| 2. Changes in population -----               | N |
| 3. Changes in cultural patterns -----        | N |
| 4. Other factors                             |   |
- 

G. HEALTH

- |   |   |
|---|---|
| 1. Changing a natural environment -----   | N |
| 2. Eliminating an ecosystem element ----- | N |
| 3. Other factors                          |   |
- 

H. GENERAL

- |                                 |  |
|---------------------------------|--|
| 1. International impacts -----  |  |
| 2. Controversial impacts -----  |  |
| 3. Larger program impacts ----- |  |
| 4. Other factors                |  |
- 

I. OTHER POSSIBLE IMPACTS (not listed above)

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- N - No environmental impact  
L - Little environmental impact  
M - Moderate environmental impact  
U - Unknown environmental impact