

**A STUDY OF THE AGENCY FOR
INTERNATIONAL DEVELOPMENT
PARTICIPANT TRAINING PROGRAM
AND THE OFFICE OF
INTERNATIONAL TRAINING
FINAL REPORT
(REVISED)**

**ARTHUR YOUNG & COMPANY
AID: SER/IT STUDY
CONTRACT NO: AID-it-c-2077
MARCH 1976**

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I. INTRODUCTION

I. INTRODUCTION

This Final Report summarizes the Arthur Young & Company study team's effort under Contract No. AID/it-C-2077.

Although intended to be a self-contained document, nevertheless the reader is directed to each of its appendices in order to obtain a more detailed and complete picture of the work accomplished, findings, conclusions, and recommendations. These appendices are:

- I. Options for Providing AID Participant Training
- II. AID Attitudes Toward SER/IT
- III. A Limited Survey of Academic Institutions
- IV. Analysis of the Use of Electronic Data Processing by SER/IT
- V. An Overview of SER/IT's Financial Management
- VI. Complementary and Other Non-Technical Training Programs
- VII. SER/IT Functions, Organization, Workflows and Workload
- VIII. Study Objectives and Methodology
- IX. An Analysis of Other Federal Agencies

The majority of the specific action-items originating from this study appear in each of the appendices as well as throughout the text of this report. However, they are also listed in a separately bound report in order to facilitate AID's review and evaluation.

II. STATEMENT OF THE PROBLEM

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This section of the report provides a brief discussion of the history and current status of the participant training system of the Agency for International Development (AID) and outlines the reasons for and objectives of this study.

1. THE EVOLUTION AND CURRENT STATUS OF PARTICIPANT TRAINING

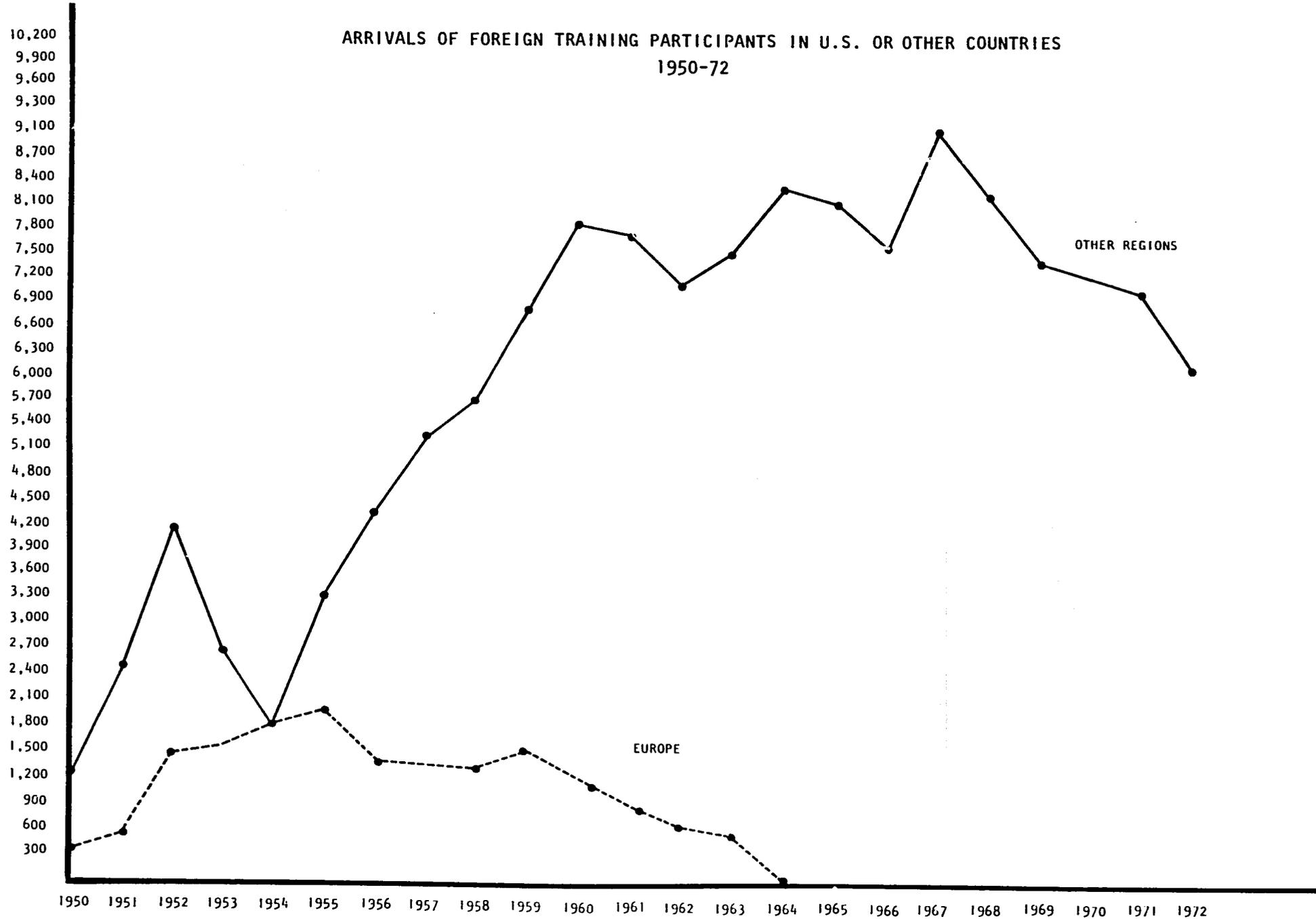
The basic purpose of AID participant training is to provide foreign nationals of developing countries with the skills needed to participate in and manage the development process of their own countries. AID participants receive training in a wide variety of technical and administrative fields, including agriculture, public administration, public health, and family planning. The training given to AID participants can take place in the United States or in third countries, and can include academic degree or non-degree training, on-the-job training, observational training, and various short-term training courses.

While it is possible to trace the roots of participant training to the early 1940's, when training was provided by the United States Government to Latin Americans, the immediate origins of the program were in the Marshall Plan. The economic assistance problem in the post-war years was to help reconstruct advanced industrial societies whose production base had been severely damaged and dislocated by the war. Part of the solution was to provide training to Europeans in the technologies which had been developed by American industry. While no data were available to the study team on this issue, interviews with career AID officials suggested that the bulk of such training consisted of short-term observational tours of American industrial facilities and relatively short-term specialized technical training.

The shift in the focus of the American foreign assistance program from Europe to the Third World caused a change in the programmatic dimensions of economic assistance. It also had an impact upon the identity of the recipients of participant training and the types of training provided them by the predecessors of the Agency for International Development. Exhibit II-1 shows that by the late 1950's foreign participant arrivals from Europe had begun to decline and participants from the other -- and less developed -- regions of the world had begun to increase. Participant training of Europeans ceased entirely in the early 1960's, while training of foreign nationals from the Third World continued to increase. In the same vein, the areas of technical training pursued by AID participants reveal a fundamental shift of emphasis from the early days of the program. The training of AID participants began to

NUMBER OF ARRIVALS

ARRIVALS OF FOREIGN TRAINING PARTICIPANTS IN U.S. OR OTHER COUNTRIES
1950-72



fall heavily within fields of specialization such as agriculture, health, economics, and public administration which were keyed to developing economies. (See Exhibit II-2). At the same time, an increasing number of AID participants began to receive training at academic institutions.

The participant training activities of AID are large in scale. The Agency claims to have trained more than 170,000 foreign nationals since the program began. The order of magnitude of participant training on an annual basis can be seen in Exhibit II-3.

Existing data probably understate the true size of the participant population; between 10,000 and 15,000 participants have been identified as being "in training" in each of the past several years. As measured by the amount of funds budgeted specifically for participant training for Fiscal Year 1976, participant training accounts for approximately 14% of the proposed budgets of AID missions and regional bureaus.

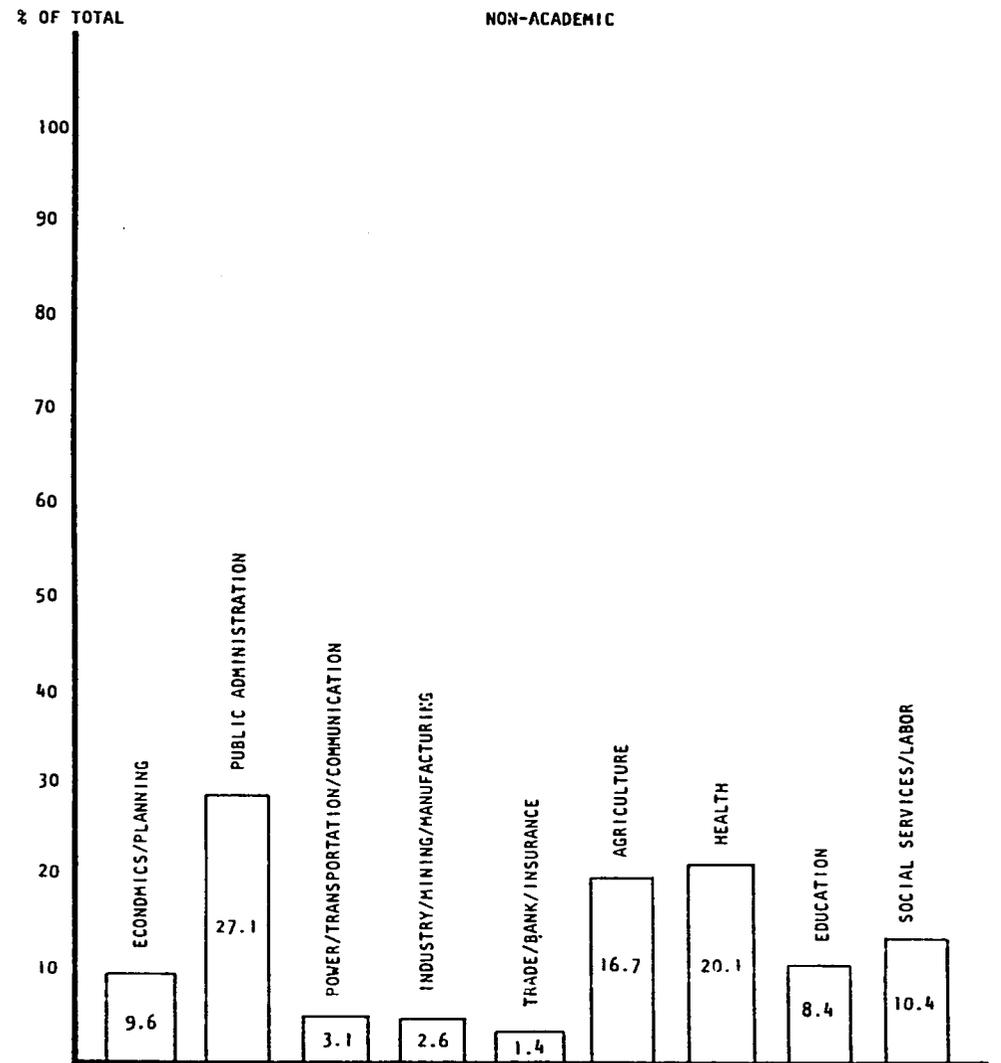
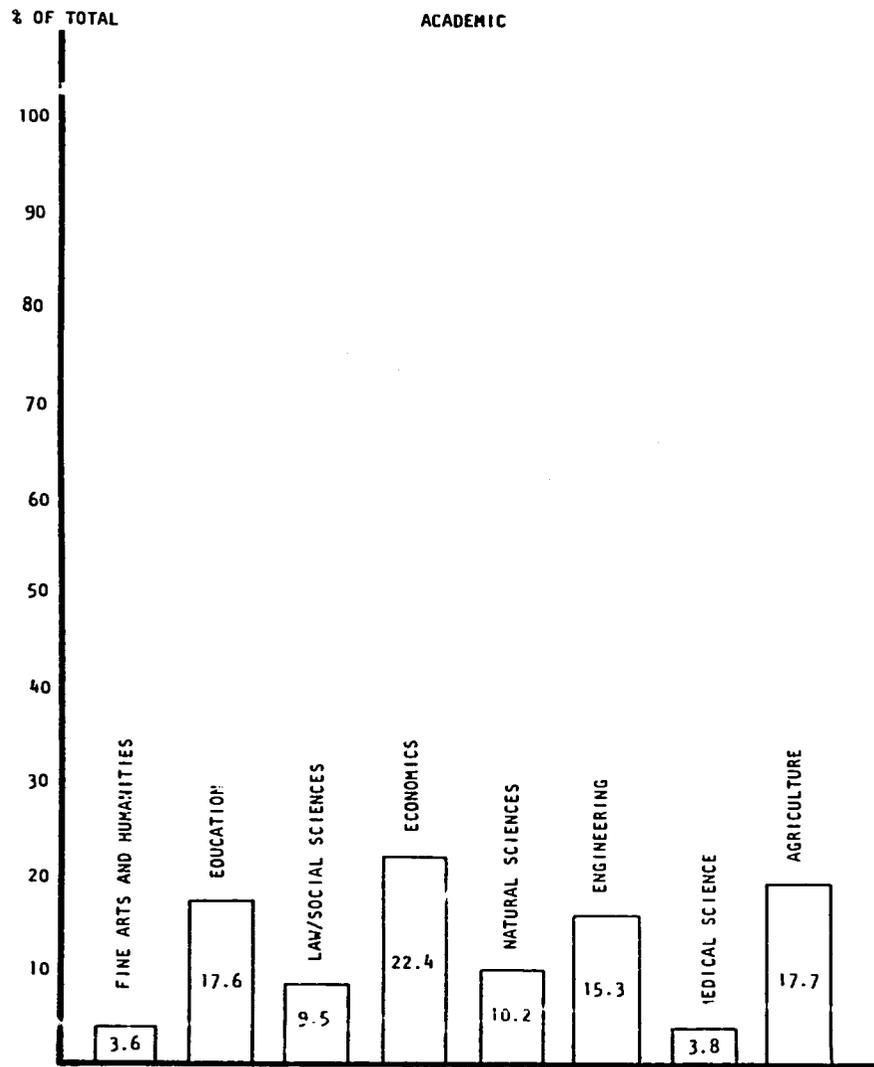
The participant training system is also complex. This is so because the bilateral development assistance programs of the United States, of which participant training is a part, involve an amalgam of public agencies and private institutions. The route which is followed by an AID project or program from its conceptual design to its actual implementation is long and arduous. The way projects are funded and managed can vary widely. They are carried out by host-country personnel, AID mission personnel and private contractors ranging from not-for-profit private voluntary organizations, large land grant universities, individual consultants to profit-making firms. Because participant training does not happen in a vacuum, but rather is an integral component of the programming process of AID, it is a function which reflects the diversity of ways in which AID conducts its business.

The Arthur Young & Company study team has identified at least 24 options which are used by AID to carry out participant training.* One of the most common options is participant training to meet the need of a particular mission-initiated development project for trained host country personnel to collaborate in its implementation. A second major type may be called central-bureau initiated, program-related participant training. In this case, participant training is carried out in connection with a program that is designed to respond to development needs of a regional or worldwide nature. This kind of program is designed, funded and managed by one of AID's central bureaus in Washington.

In either of these cases, the AID program or project manager in Washington and in the field has several approaches which he can use to implement and administer the training of individual participants.

* Covered in Appendix I

AID PARTICIPANT TRAINING FIELDS
1974



AID PARTICIPANTS IN TRAINING
1968 - 1975

<u>Fiscal Year</u>	<u>In Training in the U.S.</u>	<u>In Training Exclusively in Third Countries</u>	<u>Total</u>
1968	11,016	4,219	15,235
1969	10,161	3,484	13,645
1970	10,141	3,434	13,575
1971	9,525	3,585	13,110
1972	9,021	3,247	12,268
1973	7,991	2,636	10,627
1974	7,919	2,223	10,142
1975	6,473	1,885	8,358

He may choose a private contractor to place the participant in a training program or facility and to monitor the progress of the participant. Project-related participant training often is handled in this manner, especially if the development project is implemented with contractual personnel whose institution has the capacity to carry out the required training. Thus, a land-grant institution which contracts with AID to assist in the implementation of a project often assumes the responsibility for administering and providing the participant training required for the project. Managers of centrally or regionally funded programs rely even more heavily upon contractors to administer the participant training associated with their programs.

A second approach is to rely upon AID's in-house service organization which is charged with the responsibility for the implementation of participant training -- the Office of International Training (SER/IT). Located within the Bureau for Program and Management Services, SER/IT is the administrative arm of the Agency and its operating management who need to arrange for participant training as part of their program and project responsibilities. SER/IT, upon receipt of appropriate documentation from AID missions and bureaus, (which describes the type of training desired and authorizes its funding):

- . Locates a training facility or arranges a program appropriate to the training needed by the participant
- . Places the participant in the institution or program
- . Orients him to the United States upon his arrival and
- . Provides him with support services of various kinds throughout his stay in the United States.

The role of SER/IT has been a key issue throughout this study.

2. THE REASONS FOR THE STUDY

There are a number of factors which have combined to motivate the Agency for International Development to conduct a study of participant training at this time. Some stem from its external policy environment, while others are the result of the internal organizational needs of AID. All of them connote an agency in the midst of identifying responses to changes in its environment and re-ordering the way it manages its activities.

The first set of conditions which were associated with the Agency's perceived need to conduct an in-depth study of participant training are of a policy nature. In 1973 Congress enacted what most observers have interpreted as a fundamental change in the legislation which authorizes funds for the development assistance program of AID. Under the terms of the Foreign Assistance Act as amended by Congress, AID was mandated to move in the following directions:

- . Focus development programs on a specific target population within less developed countries, namely, "the poor majority" or the "poorest of the poor".
- . Design programs which would fall within the major areas of immediate concern to the poor majority, that is, in food and nutrition, population and health, and education and human resources.
- . Depend upon multi-lateral development organizations to fund capital projects and projects which amount to a transfer of resources to the developing world.

In the few years which have passed since the enactment of the Congressional mandate, AID personnel have tried to seek out answers to the question of what assistance to "the poor majority" really means at the operational level of project design and implementation. Internal training seminars have been held to promulgate the new policy environment in which the Agency was to operate. Some previously funded projects were cancelled on the grounds that they were not adequately responsive to the new mandate. It is in this policy context that the Agency has determined the need to reassess the mode and objectives of participant training in light of the changing directions of the delivery of foreign assistance.

This study is also part of attempts by the Agency to increase its managerial effectiveness and efficiency. AID has attempted to develop rigorous systems for the design and evaluation of its projects and is in the process of establishing an integrated information system to improve its ability to monitor the performance of its programs. At the same time, the Agency has been faced with a need to respond to continuous demands by Congress to cut back upon its direct-hire personnel, especially in the Washington headquarters operations. The Agency is in the position of having to determine how and where to reduce staff and to develop ways to manage its program more effectively with fewer staff resources.

In June 1968 there were 17,569 U.S. and foreign nationals directly employed by AID. In June 1976 it is projected that there will be 6,152 AID employees. In the nine months prior to March 31, 1975 alone, the number of Agency personnel was reduced by 9.2%. The administration of AID has sought ways to make hard decisions about personnel reductions in a fair and objective way. Thus, one of the important objectives of this study, from an Agency perspective, was to attempt to develop a methodology which would reduce the uncertainty about the level of staffing which would be required for SER/IT to fulfill its responsibilities and still maintain an acceptable level of quality.

A further rationale for the study was based upon circumstances within SER/IT which combined to highlight the need for an in-depth analysis of the organization. First, SER/IT had shared in the agency-wide trend toward staff reductions. There was concern on the part of SER/IT -- and, as it developed, on the part of members of Congress -- that SER/IT had suffered disproportionately from staff reductions and that the quality of services provided to AID participants had suffered.

Also, as the study team was to discover at the outset, SER/IT has suffered from internal morale problems. The collective memory of SER/IT senior staff who have spent a substantial portion of their careers as training officers in the field or in SER/IT, paints a picture of an organization with a history of cyclic highs and lows and which began a steady decline in 1970. The organizational life of SER/IT is perceived as a series of unsuccessful attempts to renew or expand the influence of SER/IT on the part of new directors, followed by periods of retrenchment.

The most recent condition in the organization of SER/IT, as perceived by a few of its staff, is one of continuing decline. Reductions In Force (RIF's) have reduced the number of direct-hire training officers in the field who, in effect, were the "field marketing representatives" of SER/IT. The Program Development Branch, which was seen as the focal point for "substantive" programmatic activities, was abolished. The overall size of the organization contracted dramatically. All of these phenomena have been seen as measures of a decline in influence and status.

The response of SER/IT management and staff to this perceived decline in organizational importance was to seek out ways in which the organization could perform more "substantive" and, therefore more "important" work. A common thread which has unified the perceptions of SER/IT management toward their organization is the persistent belief that the malaise of SER/IT has been caused by its exclusion from the "mainstream" of action within AID, and that the status of the Office can be restored if, in some way, it can make a "substantive" contribution to Agency programs

as opposed to "merely" providing administrative services. It became retrospectively apparent to the study team that the lack of contentment with the role of SER/IT on the part of its management and staff had in fact created an organizational identity crisis which would affect the ability of the organization to function and which alone would provide ample reason for a study.

Finally, the present study of AID participant training has been conducted against a backdrop of a twenty-year history of organizational analysis. A review by the Arthur Young & Company study team of previous organization and management studies * of the participant training function revealed that analyses carried out by Agency staff in 1958 and 1961 identified many of the same issues which were addressed by this study, namely:

- . Shall the participant training function be centralized or decentralized?
- . Where should the organizational entity responsible for participant training be located?
- . What is the relationship between the training function and development assistance program planning and implementation?
 - What should be the organizational relationship between training staff and technical program personnel?
 - Should participant training be a support function providing services upon request for the rest of the Agency, or should it have a programmatic dimension of its own? In other words, is participant training a process or a program?

Many of the problems identified by these studies have been persistent enough to have been included in the scope of work of the Arthur Young & Company study. For example:

* Office of Management Planning, International Cooperation Administration, "Staff Study: Effective Organization of ICA Participant Training," April 4, 1958; Agency for International Development Working Group Report, "Proposed Organization for International Training," September 1961.

- . The training function lacked proper status and sufficient emphasis
- . Responsibility for participant training was diffused throughout the Agency
- . The lack of an organizational focus for participant training resulted in conflicting interpretations of policy.
- . Internal management controls over the program were spotty or non-existent
- . The process of developing participant training policies and procedures was unresponsive to changing needs.

In addition, it was learned that AID and SER/IT had made several previous attempts to develop workload measurement systems for SER/IT which were inadequate or otherwise unsuccessful. This, too, was to be an area of inquiry for the study team.

In short, the Agency was again attempting to address participant training problems many of which have existed for two decades and which thus far have avoided permanent, satisfactory solutions.

3. THE OBJECTIVES OF THE STUDY

As defined by the AID statement of work for the study, the basic problem was that, "diffusion of AID participant training responsibilities has resulted in a patchwork of numerous arrangements which are extremely difficult to manage, monitor and evaluate." Particular aspects of the problem highlighted by AID included the following:

- . The current attitudes and programmatic approaches of the Office of International Training and its responsiveness to the new Congressional mandates and AID's redirected programs.
- . The new Agency mandate, i.e., to reach the poorest of the poor, which suggests less academic concentration and more technical job-related training.
- . The attitudes of the bureaus and offices toward having the Office of International Training (SER/IT) expand its current role or activities into a more substantive role in the planning or implementation of Agency programs and projects.

- . Changing modalities of delivering foreign assistance -- e.g., block grants and sector loans, which suggest a much more independent relationship between AID and host countries in project implementation.
- . Fragmentation of training activities in the Agency which has existed for a number of years and the growth of non-SER/IT training which has increased along with the increase in centrally funded activities (e.g., by TAB, PHA, OLAB, SER/PM, and SER/H) and in loan-funded and contract training in country projects.
- . The essentiality of having the Agency, as a matter of principle and good management, maintain central and accurate statistics on all LDC individuals receiving training under AID funding. There is a need for improved Agency-wide identification, application, utilization, and statistical treatment of AID-funded participants of all categories.
- . The organizational placement of SER/IT.

The overall thrust of the study team's activity was to evaluate in detail the Office of International Training's (SER/IT) organization structure, assigned functions, workload distribution, manpower allocation and utilization, and working relationships within and outside of AID/W as these factors relate to the total manpower (both present and projected) requirements of the Office. In addition, the study team was to examine all participant training responsibilities of other AID bureaus and offices involved in training activities as well as any current and projected Agency and individual office/bureau policies covering the full range of AID overseas training assistance.

The specific tasks required the study team to:

Identify the nature and magnitude of participant training activities including policies, procedures, directives and guidance, controls, records, and files both for background and recommended changes pertaining to the work flow;

Examine and relate position descriptions and functional statements to present and projected training functions;

Identify present and future workload requirements based on the development of quantified work measurement standards and meaningful and accurate workload indicators to measure the effect of the participant training

workload in relation to the amount and types of personnel needed to perform the functions deemed necessary;

- . Identify types of activities involved in accomplishing participant training objectives including programming, monitoring and processing;
- . Identify the amount of time, effort and staffing spent and benefits derived from satisfying the programming, monitoring and processing training activities;
- . Examine the mechanics of the training operations of AID bureaus and offices;
- . Review the nature and extent of AID-financed training programs under agreements with other Federal agencies (e.g., Civil Service Commission and Department of Agriculture), and private organizations (e.g., Institute of International Education) and compare their structure and operation of participant training activities with those of AID to determine whether the procedures followed by those entities would be practical and advantageous for implementation by AID;
- . Examine the involvement of the AID training offices in the establishment, conduct, and monitoring of "complementary training programs" (non-technical, non-academic programs designed to introduce participants to the economic, political and social customs of the United States);
- . Review the magnitude of current and projected participant training activity conducted under AID sponsorship or managed by AID but wholly financed by non-AID sources.

The objective of the study was to, "produce major recommended changes designed to achieve maximum efficiency in carrying out the Agency's participant training activity." Specifically, the study team was to prepare recommendations including but not limited to the following areas:

- . The effectiveness of intra and inter-agency relationships -- e.g., How can AID improve the interactions between SER/IT and other AID/W bureaus and offices concerned with participant training?

- . The fragmentation of participant training activity within the Agency -- e.g., Is participant training presently being accomplished in the most effective and efficient fashion? What can be done to improve AID's program of training foreign nationals?
- . The present day-to-day processing of participants -- e.g., In terms of cost/benefit, does AID provide more or less individual support for participants than is required or desirable to discharge its programming and evaluation responsibilities?
- . The present allocation and utilization of Agency manpower concerned with participant training -- e.g., What are appropriate manpower requirements both in AID/W and overseas for present training projected operations? Would it be feasible to establish overseas, regionally placed direct-hire Regional Development Training Advisor positions, and if so, how many?
- . The proper organizational placement of SER/IT within the Agency -- e.g., Would it be more efficient and effective for AID to centralize into one office all participant training presently being conducted by SER/IT and other bureaus and offices? If so, what would be the proper location of such an office within the organizational structure of the Agency?
- . Instructions and guidance for Agency-initiated training-- e.g., Are present policy and procedural guidelines realistic and adequate?
- . The Agency's capability in producing, maintaining and distributing central, accurate statistics on all LDC individuals receiving training under AID financing -- e.g., How can AID best utilize training statistics maintained by SER/IT?

The specific strategies and methods adopted by the study team to reach those objectives are described in the following section.

III. STRATEGY AND METHODOLOGY

III. STRATEGY AND METHODOLOGY*

Participant training, a key facet of AID's development assistance program to lesser developed countries, is complex and organizationally diffused. It can involve many parts of the Agency and it can range from very specialized individual training to broad regional development programs having a sizeable know-how transfer component.

1. STRATEGY

Based on preproposal briefings and discussions with AID contract and technical representatives, the study team established three principal objectives for the study:

- . Identify and document the participant training process within the Agency. Determine who is involved within AID and what part they play as well as the part played by organizations outside the Agency itself.
- . Define the role that the Office of International Training (SER/IT) plays in the participant training process now and what that role should be in the future.
- . Analyze the organization, placement, staffing and procedures used by SER/IT for purposes of evaluating its effectiveness, efficiency and responsiveness to the Agency's participant training requirements.

It was our belief that these objectives synthesized the detailed requirements established by AID in its statement of work. It was then necessary to fit them into a strategy that would lead to meaningful results.

Knowing that AID/W and Management and Planning Officials were particularly interested in:

stabilizing the SER/IT organization and deciding what role, if any, it should play beyond placing, monitoring and administering U. S. participant training,

* The reader is directed to Appendix VIII for a detailed treatment of this particular subject-theme.

- . analyzing the validity of statistics maintained by SER/IT on AID sponsored or arranged participant training and seeking recommendations for improvement, and,
- . objectively evaluating the staffing level and skills mix within SER/IT in light of recent manpower reductions and the likelihood of further reductions,

the study team -- after the initial overview and probing tasks described in the original workplan -- decided on a very basic, two-perspective strategy.

This strategy divided the team's efforts between a broad overview of participant training as an Agency activity (the outside perspective), and a detailed assessment of SER/IT (the inside perspective). In so doing, all tasks involving detailed work (again, as per the original workplan), were essentially maintained and the various methods of approach fully applied.

2. METHODOLOGY

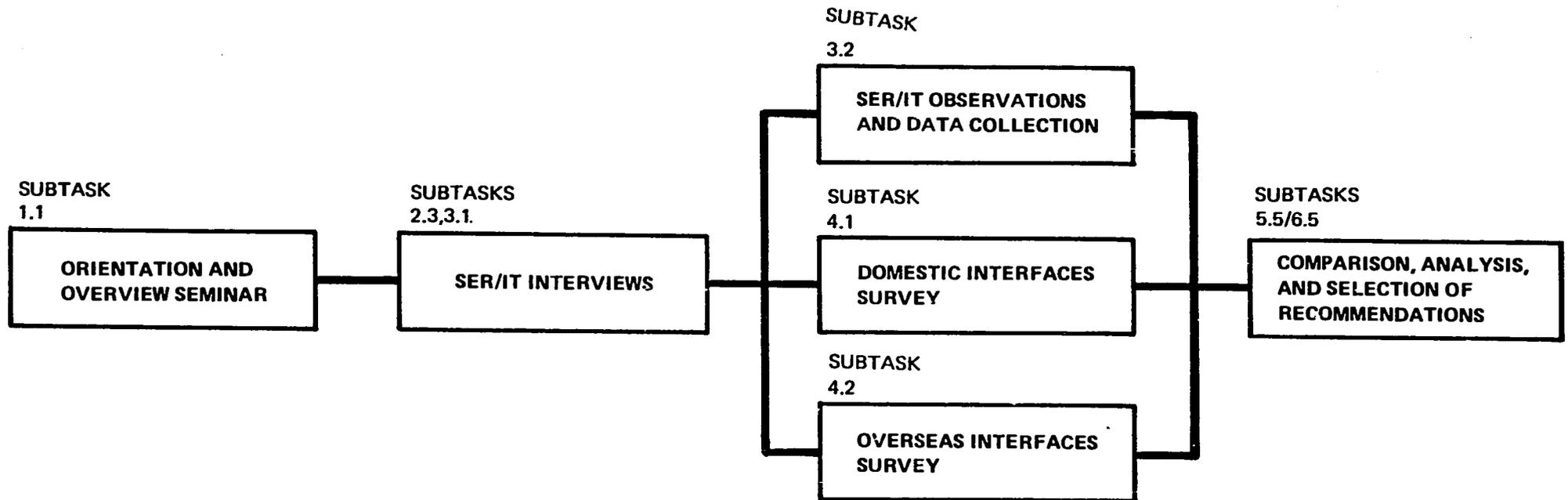
The essential elements of methodology used by the study team are depicted in Exhibit III-1. * The study activities began with an orientation seminar at the Arthur Young & Company's training facilities in Reston, Virginia. This two day round table conference, attended by all members of the project team and a selected representation of SER/IT, SER and AID/W management, was designed to provide insights on:

- . The past and present roles of SER/IT
- . An awareness of the lack of impact SER/IT has on participant training planning and design
- . A field perception of SER/IT deficiencies
- . The interplay of various organizations contributing to participant training
- . Speculation on and recommendations for SER/IT's role in the future.

Through candid inquiry and responses between team members and AID counterparts a strong foundations was laid for the substantive analysis and data collection that would follow.

* The reader should review the workplan and tasks diagram shown in the proposal for further details.

PROJECT METHODOLOGY OVERVIEW



The next steps involved in-depth interviews of SER/IT management and staff personnel. These interviews were aimed at achieving an understanding of the evolution of SER/IT; what problems it was facing; who it interfaced with; and what role it was capable of playing in future participant training. This was immediately followed by continuing and detailed "inside" assessment of SER/IT operations and staff utilization. Concurrent with these activities other members of the team began to assess the broader issues of participant training and the roles of other AID and non-Agency offices and personnel.

As shown in Exhibit III-1, the outside investigation was divided into two parts: domestic and overseas interfaces. On-site interviews were conducted with various colleges and universities having AID enrollment, various contractors that supply complementary training or orientation services to AID participant trainees and a number of AID offices and bureaus. At the same time, team members visited other Federal Agencies providing foreign national participant training similar to SER/IT. Supplemental input was also gathered by the identification and review of previous studies performed in SER/IT. The expected returns from these sources were:

- . Universities (Appendix III) - Understanding of AID's training objectives; administrative and academic problems peculiar to AID sponsored students; relations with SER/IT or others in the AID organization; the value of supplemental or complementary training programs provided by AID.
- . Complementary Contractors (Appendix VI) - Nature of service provided, degree of management or control by SER/IT; criteria for evaluating ongoing programs; size of participation; relationships to primary training; enhancement of future international relations.
- . AID/W Bureaus and Desk Offices (Appendix II) - Validation of training options identified; determination of the nature and magnitude of involvement in participant training; perceptions of SER/IT; insights on possible new directions of participant training in the future.
- . Other Federal Agencies (Appendix IX) -- Determine comparability to SER/IT functions; assess organization and staffing; determine transferrability of worthwhile operating procedures to SER/IT; identify operational or communications problems between the host agency and SER/IT.

- . SER/DM (Appendix IV) - Gain an overview of SER/IT's Participant Training Information System (PTIS); evaluate existing or potential use of electronic data processing in SER/IT; assess relationships between SER/IT and SER/DM; isolate statistical reporting and work measurement deficiencies.
- . SER/FM (Appendix V) - Document SER/IT operating and program budget process; assess the standard cost user charge system.

The investigation of overseas participant training activity was performed at the mission level. Ten missions were selected for their representation of various field conditions, (e.g., newly developing, mature, phasing down), and visited by two-man teams. Representatives of the host country were also interviewed. Because missions are such an important part of the participant training process extensive interviews were conducted. A copy of the questionnaires used is shown in Enclosure 1. *

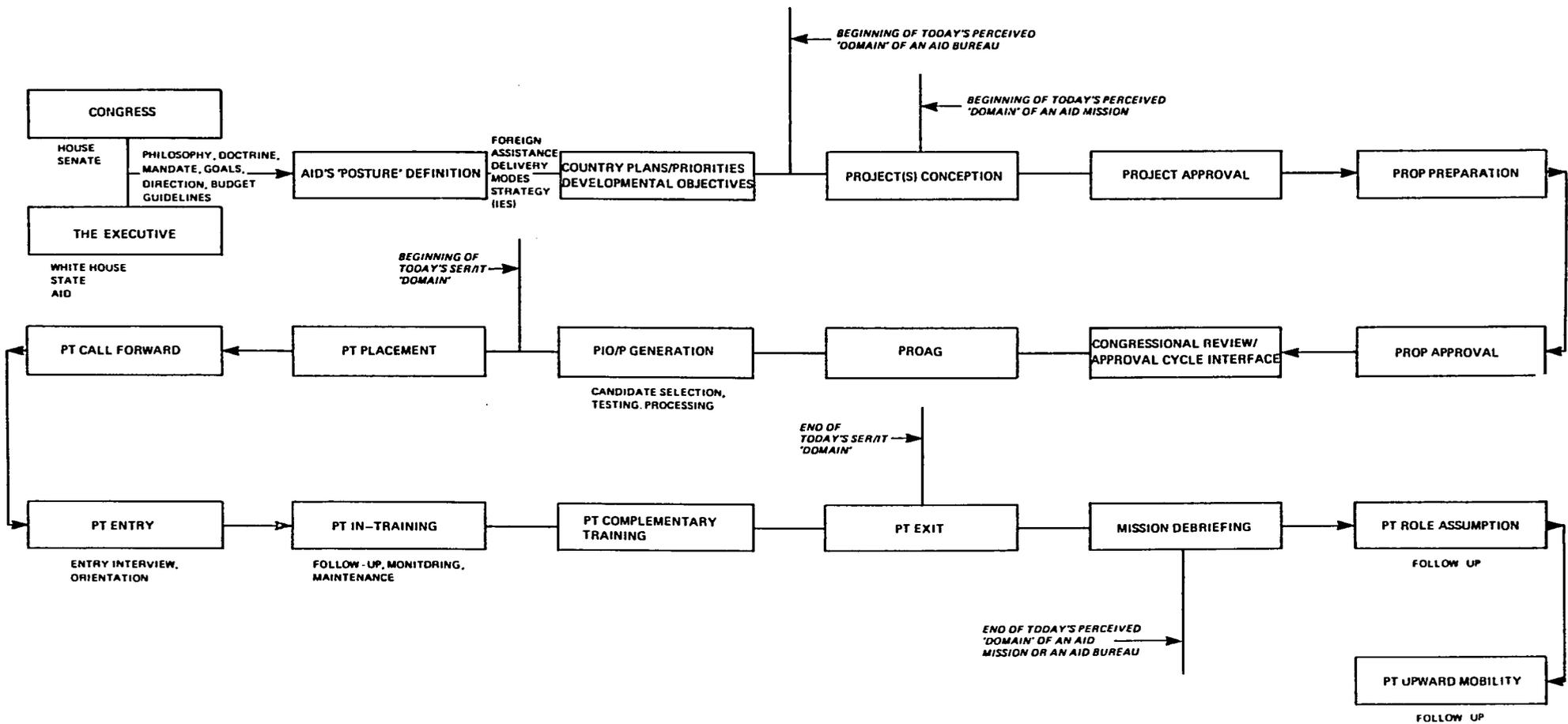
The mission visits completed the study team's data gathering activities. At this point a great deal of data had been assembled by the various team members. It was then necessary to assimilate this information into an integrated picture of participant training, analyze it and to develop conclusions and recommendations for the future.

To do this last portion of the effort, the study team met again at the Firm's Reston facility to present findings to other members, test ideas or conclusions and formulate recommendations. This two day meeting immediately preceded an informal presentation to key personnel from SER.

A participant training loop, (Exhibit III-2), was established as a model for discussion. Each element of the loop was the subject of critical discussion and review. Also, at this time further areas requiring investigation were identified to insure that all questions raised in the original RFP would be addressed. Each team member was queried as to his specific inputs and comments vis-a-vis the subject theme, usually with one or two team members taking the lead in a particular area in which they had worked. This allowed the whole project team to contribute to the total perspective of the issues at hand.

* Appendix VIII incorporates all the various questionnaires as well as the comparative analyses of their results.

THE PARTICIPANT TRAINING CYCLE EVENTS AND AREAS OF RESPONSIBILITY



With the conclusion of this meeting the study team began the preparation of specific appendices. Each appendix was intended to address, in detail, various aspects of the team's findings and was written by one or two principal investigators, then reviewed by a cross-section of colleagues and the project management team. Much of this information is now incorporated into this final report.

INTERVIEW GUIDE, SECTION I.

(For Training Officer, Program Officer, or Participant Training
Involved Personnel)

AID participant training, for purposes of this review,
is defined as the training of foreign nationals paid
for by the U. S. Government through AID grants or loans.
Such training is usually conducted via a PIO/P or contract.

Such training may be in: a) the participant's own country;
b) the United States; c) 3rd country, and is programmed by
either the mission involved or SER/IT (versus block grant
type programming).

1. Generally, what are the project or program responsibilities your mission fulfills in support of (country visited)?
2. How much of the above responsibilities are translatable in terms of participant training? Training may be categorized as:
 - . Academic
 - . Non-Academic
 - . Observation
 - . OJT
 - . Specialized
3. Where is the emphasis of such training being placed?
4. Who decides what training is required for your mission's programs?
5. Who designs the training program?
6. How much of your program or project effort (approximate %) is devoted to training?
7. What procedures and forms do you use in participant training?
8. What support do you receive from AID/W in developing, administering and monitoring your training programs?
9. What part, if any, does SER/IT play in your mission training programs?

10. Are there alternative ways of receiving training support that are normally furnished by SER/IT? If so, do you use them? Why?
11. Who is responsible for administration and financial control of your training programs?
12. How is funding arranged? What types of funding are used?
13. What is the training relationship between you, the regional bureau and SER/IT?
14. Do you report on on-going training programs and number of participants? To whom?
15. How much of your staff (either designated training personnel or % of mission staff) is devoted to training or training-related activities?
16. Are any of your staff members devoted full-time to training officer responsibilities?
17. By type of training, how many people are currently enrolled by you in training programs for FY 76? How many are projected for FY 77?
18. What will it cost to train these participants for FY 76 and FY 77?
19. Have you developed specialists on-site in any particular training area?
20. For what purpose does your mission use invitational travel orders? How many were used in FY 75? How many participants were involved?
21. How do you keep aware of available training programs, both in the U. S. and internationally?
22. Do you conduct any follow-up evaluation of participant trainees to gauge effectiveness of training, on-going use of skills, awareness of state-of-the-art, etc.?
23. How do you evaluate the effectiveness of your training programs and participants trained?
24. What types of contractors do you use in support of your mission's participants training?

25. Does your mission coordinate for or assist other missions in arranging 3rd country training?
26. Does your mission participate jointly with other AID missions or bureaus in the area of participant training?
27. Do you have block grant training programs in your country? If so, what difficulties are you experiencing?
28. Should participant training remain centralized/decentralized?
29. How could participant training both within your mission and within the Agency be improved?
30. What role should SER/IT or some similar support group at AID/W play in participant training?

INTERVIEW GUIDE, SECTION II.

(Mission Perceptions of Future AID Training Roles)

1. How will the new directions in the Foreign Assistance Program, (i.e., serving the poorest of the poor), impact upon all participant training?
 - (1) Will U. S. training decline?
 - (2) Will 3rd country, host country, and regional training programs increase?
2. Would regional human resource development specialists placed overseas improve the training programs? If so, how? If not, why?
3. If AID continues to place a greater reliance upon block grants and sector loans, and if a more independent relationship between AID and the host country results, do you think that AID will have less and less to do with the direct programming of participants?
4. Do you think that participant training can be seen as having an impact upon the development process which is more than simply facilitating the implementation of a particular development project? In other words, can or should the Agency see participant training as having a programmatic dimension of its own? If so, what would be the staffing implications -- both on direct-hire and foreign nationals?
5. Do you think there is a need for the Agency to make more effective organizational arrangements to coordinate the areas of participant training and human resources development?
6. What about follow-up and evaluation? What system/manpower are employed? Should this continue? Why or why not?
7. What would be your reaction to a more substantive role for SER/IT in the program planning and review process?
8. Do you think the present arrangements for carrying out participant training are satisfactory? If not, what improvements could be made?

INTERVIEW GUIDE, SECTION III
(Host-Country Personnel Questionnaire)

1. Generally, how beneficial are AID training programs to your country's development plans?
2. Who creates and establishes training programs, (i.e., host-country, AID, joint effort)?
3. What is the selection process for choosing trainee participants?
4. What procedures are used by you, in conjunction with AID, to identify and carry out selected training programs?
5. Who are your primary AID interfaces?
6. What operating problems, if any, are you experiencing in your relations with AID?
7. Does your country participate in or supply 3rd country training?

IV. AID PARTICIPANT TRAINING

IV. AID PARTICIPANT TRAINING

1. OVERVIEW OF PARTICIPANT TRAINING DELIVERY SYSTEMS

Training is a key element in almost every kind of development assistance in AID's spectrum of activities. This is so because AID emphasizes broad programs and specific projects whose success is keyed to the imparting of augmented, updated or completely new technology. In brief, training is inseparable from the technological advance and social and economic development which AID was created to foster. If training does in fact constitute such an important programmatic tool, why does AID find it so difficult to define the responsibility for training within the Agency?

In part, the answer lies in the fact that only rarely is an AID activity limited solely to training. Rather, training is seen as only one element in a pattern which includes supplying technical advice and commodities essential to the development activity. In fact, AID's system is keyed to simultaneous control over all such elements. Moreover, the activity may be funded by grant or loan -- each with a different pattern of documentation, of Washington review and of distribution of responsibilities.

Activities may be initiated at the request of a single field mission, at the instigation of a regional office, at the option of a technical or regional bureau in AID/W, or under the auspices of another government agency or institution which has received a block grant of AID funds, or an international agency. The training may be conducted by a contractor employed by the AID element which initiates the training. And, finally, the training may take place in the United States, in a third country, or the host country itself. It may be academic, vocational, on-the-job, observational, or a combination of these. In many cases, it is accompanied by complementary training.

The result is a complex mix of different and even competing instigators, financing sources, loci and types of training.

(1) Training Options*

While AID training options are similar in their objective to provide training to participants associated with national development projects or programs, each may differ in conception, initial clearance, patterns of internal and external review, approval, scheduling, implementation and follow-up.

* The reader is directed to Appendix I.

Out of 24 options identified during the study, six encompass the vast majority of AID participant training. They are:

- . Project-Related, Mission-Initiated, Grant-Funded, AID-Placed
- . Project-Related, Mission-Initiated, Grant-Funded, Contractor-Placed
- . Project-Related, Country-Initiated, Loan-Funded, AID-Placed
- . Program-Related, Central Bureau-Initiated, Grant-Funded, Contractor-Placed
- . Program-Related, Block Grantee-Initiated, Grant-Funded, AID-Placed
- . Program-Related, Field Regional Office-Initiated, Grant-Funded, Contractor-Placed.

Because of the lack of historical data within the Agency it was not possible to specifically identify, by percentage, how much training was delivered under the above options. They do represent, though, major training delivery within AID at both the field and AID/W level.

The options identified may be further divided into two categories: project-related and program-related. Both categories are displayed in matrix format (Exhibits IV-1 and IV-2) to identify similarities and differences between options. It should be noted that while there are 24 options for training, many are similar, differing only in one or two respects. Such differences may include the country where the training takes place, who makes the training arrangements, what type of funding is provided, and who is involved in the review and approval process.

(2) Major Participant Training Delivery Systems

To illustrate the complexity of training program design and implementation we have chosen for detailed illustration two of the most significant and most used delivery systems for participant training: (1) Project-Related, Mission-Initiated, Grant-Funded Training; and (2) Program-Related, Central Bureau-Initiated U. S. Training.

PROJECT RELATED TRAINING

CHARACTERISTICS	MISSION-INITIATED GRANT-FUNDED MISSION-PROGRAMMED	MISSION-INITIATED GRANT-FUNDED CONTRACTOR-PROGRAMMED	MISSION-INITIATED GRANT-FUNDED MISSION-PROGRAMMED	MISSION-INITIATED GRANT-FUNDED CONTRACTOR-PROGRAMMED	MISSION-INITIATED LOAN FUNDED CONTRACTOR PROGRAMMED	MISSION-INITIATED LOAN-FUNDED CONTRACTOR-PROGRAMMED	MISSION-INITIATED INITIATIONAL TRAVEL-FUNDED MISSION-PROGRAMMED
TRAINING IN U.S.	X	X					
TRAINING IN 3RD COUNTRY						X	
TRAINING DESCRIBED IN PROP	X	X					
TRAINING DESCRIBED IN LOAN PAPER					X	X	
WASHINGTON-APPROVED	X	X	X		X	X	
TRAINING DESCRIBED IN PROAG	X	X	X	X			
TRAINING DESCRIBED IN PIO/P	X		X				
TRAINING DESCRIBED IN PIO/T		X		X			
INCORPORATED IN LOAN AGREEMENT					X	X	
MISSION GRANT-FUNDED	X	X	X	X			X
MISSION LOAN-FUNDED					X	X	
MULTIYEAR FINANCED					X	X	
ANNUALLY-FINANCED	X	X	X	X			
ONE OR MORE TYPES OF TRAINING	X	X			X	X	
ONE TYPE OF TRAINING			X	X			X
COMPLEMENTARY TRAINING	X						
SER/IT-ARRANGED	X						
MISSION-ARRANGED			X				X
CONTRACTOR-ARRANGED		X		X	X	X	

PROGRAM RELATED TRAINING

	MISSION-INITIATED GRANT-FUNDED	MISSION-PROGRAMMED GRANT-FUNDED	MISSION-INITIATED LOAN-FUNDED (NO KNOWN APPLICATIONS)	MISSION-INITIATED LOAN-FUNDED (NO KNOWN APPLICATIONS)	REGIONAL OFFICE-INITIATED GRANT-FUNDED	AID/W REGIONAL BUREAU-INITIATED GRANT-FUNDED	BLOCK GRANTEE-INITIATED GRANT-FUNDED	OTHER U.S. AGENCY-INITIATED GRANT-FUNDED	INTERNATIONAL AGENCY-INITIATED GRANT-FUNDED	REGIONAL OFFICE-INITIATED GRANT-FUNDED	BUREAU-INITIATED GRANT-FUNDED	BLOCK GRANTEE-INITIATED GRANT-FUNDED	OTHER U.S. AGENCY-INITIATED GRANT-FUNDED	INTERNATIONAL AGENCY-INITIATED GRANT-FUNDED	HOST COUNTRY-INITIATED	THIRD COUNTRY-INITIATED GRANT-FUNDED	HOST COUNTRY-INITIATED GRANT-FUNDED
TRAINING IN U.S.	X		X		X	X	X	X	X								X
TRAINING IN HOST COUNTRY										X	X	X	X	X	X	X	
TRAINING IN 3RD COUNTRY		X		X													
TRAINING DESCRIBED IN PROP	X	X	X	X	X	X				X	X	X					
TRAINING DESCRIBED IN B.G. PROP							X										
TRAINING DESCRIBED IN LOAN PAPER WASHINGTON APPROVED	X	X	X	X	X	X	X			X	X					X	
TRAINING DESCRIBED IN PROAG	X	X	X	X					X		X		X	X			
TRAINING DESCRIBED IN PIO/P	X	X	X	X			X		X		X		X	X			
TRAINING DESCRIBED IN PIO/T																	
INCORPORATED IN LETTER OF AGREEMENT					X					X							X
INCORPORATED IN LOAN AGREEMENT						X	X	X			X	X	X	X			
AID/W GRANT-FUNDED						X	X	X			X	X	X	X			
MISSION GRANT-FUNDED	X	X							X								
REGIONAL OFFICE GRANT-FUNDED					X					X							
MISSION LOAN-FUNDED			X	X													X
HOST COUNTRY-FUNDED																	
MULTIYEAR-FINANCED				X													
ANNUALLY-FINANCED	X	X	X		X	X				X	X						
ONE OR MORE TYPES OF TRAINING	X		X		X	X	X	X	X		X	X	X	X			
ONE TYPE OF TRAINING		X		X		X	X	X	X		X	X	X	X			
COMPLEMENTARY TRAINING	X		X		X					X							
SER/IT-ARRANGED	X		X	X	X												X
MISSION-ARRANGED		X															
CONTRACTOR-ARRANGED						X					X						
REGIONAL OFFICE-ARRANGED										X							
BLOCK GRANTEE-ARRANGED							X					X					
AGENCY-ARRANGED								X	X				X	X			

Project-Related, Mission-Initiated, Grant-Funded Training

The backbone of AID's training efforts for more than a quarter of a century has been participant training which is carried out by an AID mission to permit host country nationals to perform a function on an individual AID development project (See Exhibit IV-3). Project designers determine the types of skills needed to implement the project and plan and budget for participant training in the same way that they plan and budget for the technical assistance, commodities and other materials necessary for the project. Such training may be carried out in the U. S. or in a third country -- or, occasionally, in both. Regardless of the locus of training or of the source of technical expertise which plans, supports, and executes the project, (AID or RSSA* staffing or contractor-supplied staffing), training of this nature is characterized by at least three common elements.

The first is that it results from a long period of gestation. From initial project conception to the signature on the project agreement, which represents the first binding commitment by the U.S. and by the host government of the resources required to carry out the project, a period of 30 months is normal. Given the ever-increasing demands of Congress for advance information on what AID intends to do, country by country and project by project, there appears to be little opportunity to reduce this lead time.

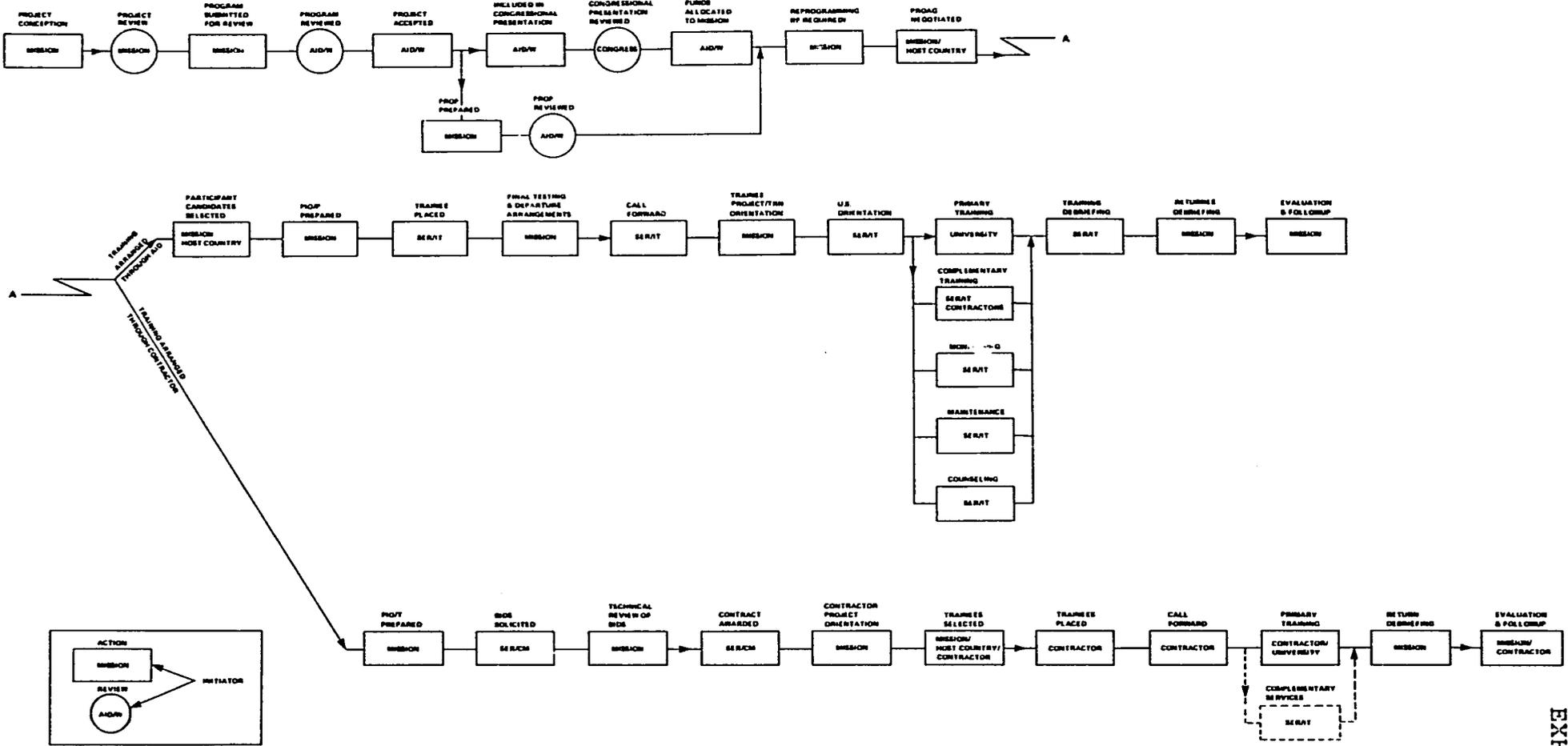
Second, training which is essential to a mission-initiated project is designed to be, and usually is, keyed to:

- The needs of the country for the project
- The needs of the appropriate host-country ministry for skilled manpower to implement the project
- The needs of the individuals selected for specific technical and managerial expertise
- The capacity of the individuals selected to absorb the training.

Moreover, the project is staffed at the field level to enable careful selection of candidates for training and to provide on-the-spot support and assistance to the participant when he returns to assume his project responsibilities.

* RSSA - Resources Support Service Agreement

PROJECT RELATED, MISSION INITIATED GRANT FUNDED
PARTICIPANT TRAINING PROCESS



Finally, this type of participant training develops a sense of participation in a pattern of development. A common bond of overseas training tends to unite returned participants. This bond may lead to the formation of an association of returned AID participants with a membership that cuts across disciplinary lines and ministerial affiliations. Entirely apart from any tendency that these returned participants may feel to support U.S. courses of political or economic action, the common bond of overseas training sometimes also leads to interministerial interchange of knowledge, of program plans, and to a positive seeking of information possessed by other ministries. Such interchange, if it ever develops, tends to break down the rigid compartmentalization which characterizes government in underdeveloped countries and which is often the key barrier to effective public administration.

The AID mission generally chooses one of two ways to administer project-related participant training conducted in the United States. The first is to arrange through appropriate documentation to have the Office of International Training (SER/IT) place the participant at a training facility or arrange a training program with industry or a government agency, monitor his academic progress, and provide for his personal support through health insurance and counseling in the event of personal problems and crises.

The second option available to the mission is to depend upon a contractor to implement project-connected participant training. In this case, participant training is included as part of the scope of work of a contractor hired to carry out an AID-funded project which includes both technical and training responsibilities. The placement and monitoring of the participant becomes the responsibility of the contractor.

Participants trained under contract-programmed projects may enjoy certain advantages inherent in their placement process, and which may offset the placement advantages of SER/IT. In the case of university contracts, the field staff may, and frequently does, arrange with colleagues on the home campus to provide the personal attention which may be necessary to encourage a participant who is floundering in his second or even third

language. In the case of training within or arranged by a professional advisory or consulting firm (e.g., Public Administration Service, Battelle Institute) the bonds established may continue for decades. On the other hand, any feeling on the part of the participant of gratitude or loyalty may run to the contractor rather than to the mission or to the U.S.

Participants trained in the U.S. under mission controlled projects and processed by SER/IT are also afforded a number of supplementary activities not necessarily available to contractor-processed and contractor-trained participants, or to participants trained in third countries. These include the following:

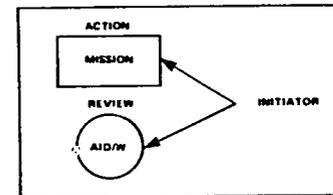
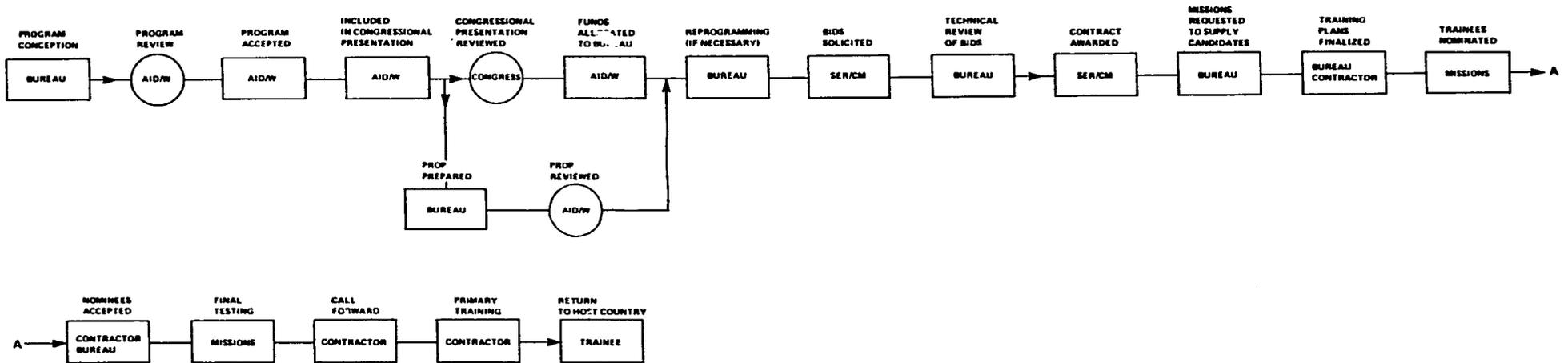
- Special management and communications training, to enable the participants to serve more effectively as an instrument of change after his return.
- Community related training or experience that allows the participant firsthand knowledge of the United States, its people, its system of local government, and its strengths and weaknesses.

Program-Related, Central Bureau-Initiated U.S. Training

The other major type of participant training funded by AID falls within the category of "Program-Related Central Bureau-Initiated U.S. Training." (See Exhibit IV-4). Program-related training is unlike project-related training in virtually every respect -- origins, selection and focus of subject matter, source of funding and the extent to which missions are capable of supporting the returned participants. Such training tends to provide sector-wide, generally applicable training within a discipline, unrelated to individual projects. It is originated at AID/W rather than at the field level, and normally is centrally-funded. Not infrequently, funds come from an earmarked line-item appropriation; they must be used for the purpose defined in the appropriate line-item or not at all. In other instances, training may be of an "exposure" nature, of interest to a particular group within or without the U.S. Government (e.g., the Department of Labor; AFL/CIO).

While the purposes and techniques of implementing program-related training may range rather widely, such programs have several common characteristics.

PROGRAM RELATED, CENTRAL BUREAU INITIATED U.S. TRAINING
PARTICIPANT TRAINING PROCESS



The first is that they are the product of a somewhat shorter gestation period. Since program-related training is generated at and by AID/W it is not subject to mission screening. Moreover, the technical screening at the Washington level is performed by the proposing bureau. Thus, program-related training is assured of vigorous support at the outset. The chances of surviving the competitive screening are excellent. Time from proposal to fund availability is a relatively brief span of 12 to 14 months, and as an in-house activity, there is no need to negotiate with one or more host governments. In short, program-related training can be initiated more quickly, with less red tape, with fewer clearances and with a better chance of securing funding. However, review may be less critical than similar project-related training.

Program-Related Training also tends to be more responsive to Agency (and Congressional) thrusts. Each year Congress selects one or more areas to which it directs AID's attention and for which it dictates positive action. In some instances a portion of an appropriation is tied to a particular area of Congressional interest. Congress may take a passing interest (e.g., Title IX, support of credit unions) or the interest may persist over long periods, (e.g., population, housing).

Moreover, AID itself is prone to redirect its thrusts, to look for new directions with faster, more visible pay-offs, or to eliminate activities which have drawn unfavorable attention (and reduced support in Congress). Whatever the reason, AID frequently finds itself in need of a device to implement selected courses of action within the period between two Congressional cycles. The field missions, however responsive they may wish to be, must operate within the confines of the desires and needs of their host countries, their ongoing activities and the longer programming span dictated by field planning, discussions with both governments, mission screening and Washington technical review, all prior to the Washington worldwide competitive screen. With the best intentions in the world, a field mission director cannot accomplish a program "turn-around" in less than two years. For all of these reasons, the shorter gestation period of centrally-generated, program-related training is an important reason for the increasing popularity of the device.

Finally, since the bulk of program-related training is conceived and announced without prior mission participation, field missions are sometimes luke-warm in their support of such training. This is especially true of training for which mission funds will be required. On the other hand, some annually recurring training programs have demonstrated their utility over time, have won mission recognition, and are oversubscribed. Missions (or, more specifically, technical divisions) regularly budget funds for such programs.

As was noted, there is a wide range of courses of program-related training. Some are contracted out, some conducted by RSSA agencies, some by other U.S. agencies, and some by in-house staff. Training conducted by international agencies is a special case in which AID piggy-backs on an ongoing and independently conceived program.

2. MAGNITUDE OF AID PARTICIPANT TRAINING

One of the tasks of this study was to "assess the... magnitude" of AID-funded participant training. For purposes of analysis, the term "magnitude" was defined in two ways: the number of participants trained with AID funds in a given year, and the proportion of funds allocated to participant training by the Agency.

It proved impossible to gather accurate data on the number of AID participants because of the very problems which gave rise to another objective, namely, to recommend improvements in the Agency's "capability to produce, maintain and distribute central, accurate statistics on all LDC individuals receiving training under AID financing." It is impossible to say with any degree of certainty how many AID participants receive training each year. It is only possible to point to how many participants are reported as trained each year. Thus, the full magnitude of AID participant training is not known at this time. However, the available data can be used to suggest certain trends in the level of participant training.

The level of funding for participant training was first assessed by aggregating the funds specifically budgeted for participants within individual grant-funded development projects and programs. Next, since the statement of work for the study team required it to address "what can be done to improve AID's program of training foreign nationals", it was thought appropriate to rephrase the question of how much AID allocates to "participant training" and rather ask "how much AID budgets for the training of foreign nationals regardless of whether they are called participants."

In order to develop a tentative answer to the latter question, projects proposed for funding by AID in Fiscal Year 1976 were analyzed for their training content. The data deserve some qualifications. First, they reflect the proposed AID budget rather than the actual one. Second, they may not reflect previously funded on-going projects. Third, they do not include training carried out under multi-faceted loan-funded projects. Nevertheless, the data provide evidence of the directions of AID's programs and are useful to that extent. A final note is that the classification of projects into various categories of training was necessarily arbitrary. The major problem here was that it was very difficult to determine which projects had training as their major thrust. For example, depending upon the terminology used, it was not always possible to distinguish between "education" and "training." Clearly there is a difference between one project which would "educate" a population in family planning techniques and another which was to "train staffs of institutions to provide family planning services". Similarly, budget descriptions do not always make it possible to determine the main thrust of projects of a functional nature. However, despite the drawbacks in the gathering and analysis of the data, it is felt that they adequately support the findings.

(1) The Number of Recorded AID Participants has Declined Continuously Over the Past Decade.

The data in Exhibits IV-5, 6, and 7 show that the number of participants reported to SER/IT as beginning their training has declined substantially over the past decade. The largest decrease has occurred in the number of participants who arrive in the United States for training and who are non-contract (PIO/P) funded. Their volume declined by 66% over the period from Fiscal Years 1964 through 1975. In most of the years included in the analysis, there was a decline over the number of arrivals in the previous year, with the most substantial yearly decline (33%) occurring in Fiscal Year 1975. Recorded contract arrivals in the United States have shown much less of an overall decline but have displayed a more erratic pattern. In all, the number of recorded participant arrivals in both the United States and third countries has declined 58% since 1967.

(2) However, The Number of Participants Programmed By Missions and Regional Bureaus for Budgetary Purposes Suggests that Participant Training Has Not Lost Its Programmatic Importance

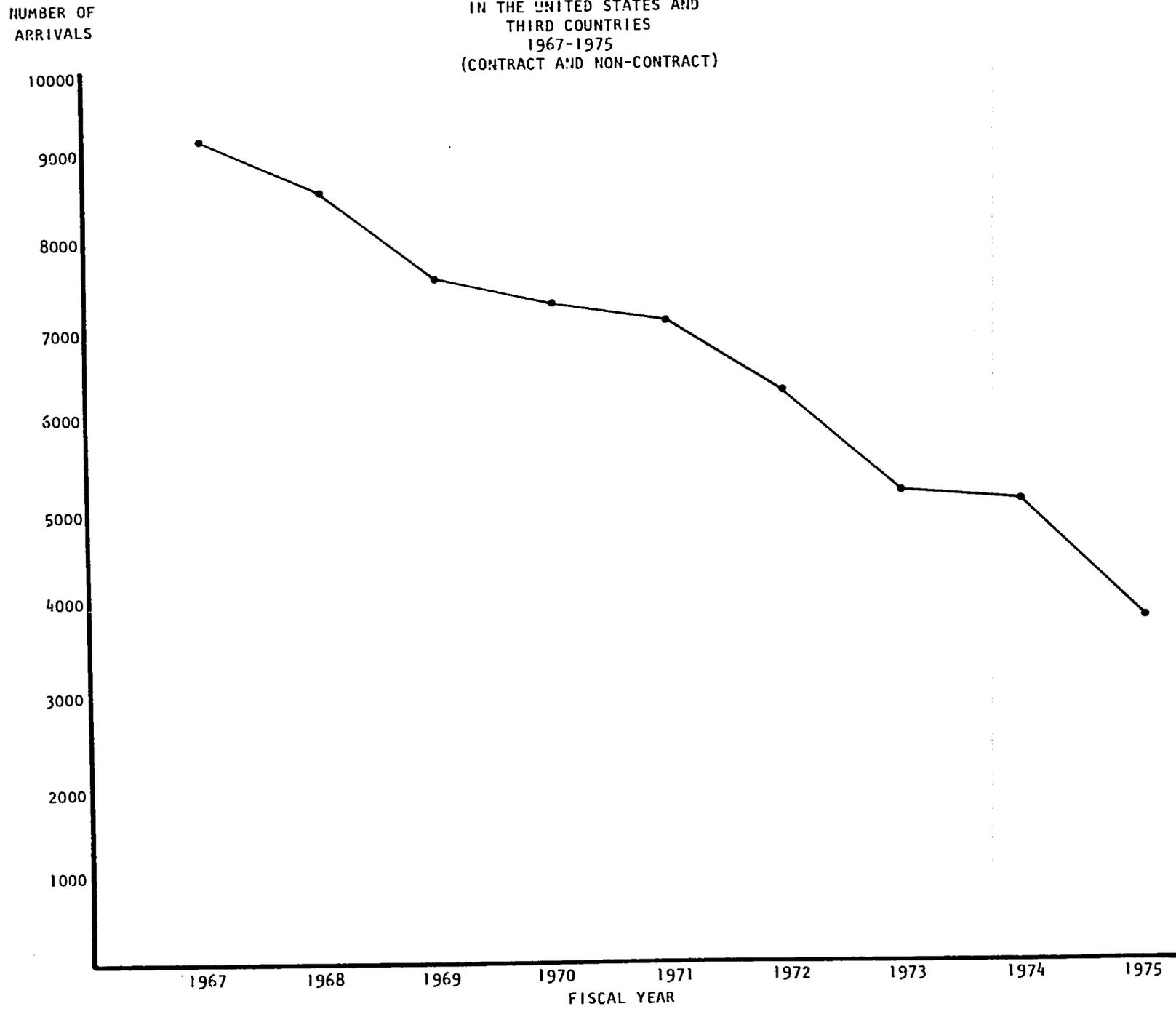
While the SER/IT data system has shown a continuous decline in the number of participants, the number of

TREND IN NUMBER OF AID
NON-CONTRACT PARTICIPANTS
ARRIVING IN THE UNITED STATES
1964-1975

NUMBER OF
PARTICIPANTS



ARRIVALS OF AID PARTICIPANTS
IN THE UNITED STATES AND
THIRD COUNTRIES
1967-1975
(CONTRACT AND NON-CONTRACT)



ARRIVALS OF AID PARTICIPANTS
IN THE UNITED STATES AND THIRD COUNTRIES
1967 - 1975
(CONTRACT AND NON-CONTRACT)

<u>FISCAL YEAR</u>	<u>NUMBER OF PARTICIPANTS</u>	<u>DECREASE OVER BASE YEAR (1967)</u>	<u>INCREASE/DECREASE OVER PREVIOUS YEAR</u>
1967	9,162	-	-
1968	8,624	-6%	-6%
1969	7,559	-17%	-14%
1970	7,339	-20%	-3%
1971	7,198	-21%	-2%
1972	6,321	-31%	-12%
1973	5,232	-43%	-17%
1974	5,121	-44%	-2%
1975	3,861	-58%	-25%

ARRIVALS OF AID PARTICIPANTS
IN THE UNITED STATES
1967 - 1975

<u>FISCAL YEAR</u>	<u>NUMBER OF ARRIVALS</u>	<u>INCREASE/DECREASE OVER BASE YEAR (1967)</u>	<u>INCREASE/DECREASE OVER PREVIOUS YEAR</u>
1967	6,727	-	-
1968	5,602	-17%	-17%
1969	5,150	-23%	-8%
1970	5,163	-23%	-
1971	4,874	-28%	-6%
1972	4,449	-34%	-9%
1973	3,734	-44%	-16%
1974	4,096	-39%	+10%
1975	2,996	-55%	-27%

ARRIVALS OF NON-CONTRACT AID PARTICIPANTS IN U.S.

<u>FISCAL YEAR</u>	<u>NUMBER OF PARTICIPANTS</u>	<u>DECREASE OVER BASE YEAR (1964)</u>	<u>INCREASE/DECREASE OVER PREVIOUS YEAR</u>
1964	5,988	-	-
1965	5,574	-7%	-7%
1966	4,910	-18%	-12%
1967	5,253	-13%	+7%
1968	4,254	-29%	-19%
1969	4,096	-32%	-4%
1970	4,171	-30%	+2%
1971	3,896	-35%	-7%
1972	3,317	-45%	-15%
1973	2,920	-51%	-12%
1974	3,015	-50%	+3%
1975	2,024	-66%	-33%

ARRIVALS OF CONTRACT AID PARTICIPANTS IN THE U.S.

<u>FISCAL YEAR</u>	<u>NUMBER OF PARTICIPANTS</u>	<u>INCREASE/DECREASE OVER BASE YEAR</u>	<u>INCREASE/DECREASE OVER PREVIOUS YEAR</u>
1967	1,474	-	-
1968	1,348	-9%	-9%
1969	1,054	-20%	-22%
1970	992	-33%	-6%
1971	978	-34%	-1%
1972	1,132	-23%	+16%
1973	814	-45%	-28%
1974	1,081	-27%	+33%
1975	972	-34%	-10%

ARRIVALS OF AID PARTICIPANTS IN THIRD COUNTRIES
1967 - 1975

<u>FISCAL YEAR</u>	<u>NUMBER OF PARTICIPANTS</u>	<u>INCREASE/DECREASE OVER BASE YEAR</u>	<u>INCREASE/DECREASE OVER PREVIOUS YEAR</u>
1967	2,435	-	-
1968	3,022	+24%	+24%
1969	2,409	-1%	-20%
1970	2,176	-11%	-10%
1971	2,324	-5%	+7%
1972	1,872	-23%	-19%
1973	1,498	-38%	-20%
1974	1,025	-58%	-32%
1975	865	-65%	-16%

participants programmed for budgetary purposes has increased over the past three fiscal years. Exhibit IV-7 compares the latter data with the trends in the number of participants recorded by SER/IT as in training. While the data are not, strictly speaking, comparable they do suggest that it would not be reasonable to assume on the basis of SER/IT data that participant training is of declining significance within the context of AID development programs and projects.

(3) The Proportion of AID Funds Budgeted for Participant Training as Such is Relatively Small

With certain exceptions, the budgets of AID grant-funded projects are categorized into four major components -- U.S. Technicians, Participants, Commodities, and Other Costs. For Fiscal Year 1976, AID proposed a total grant-funded program budget of \$389.8 million. The aggregate budgeted for the participant components of individual projects and programs from all sources of funds was \$34.1 million. By this measure AID funding of participants training represents a relatively small proportion of its total budget for grant-funded programs (8.7%).

The relative importance of the participant component is somewhat higher in the case of the regional budgets, which are the budgetary umbrellas of mission-initiated projects. In Fiscal Year 1976, the funds proposed for the participant components of region-wide and country-level programs (See Exhibit IV-8) accounted for 14.7% of the whole. The NESAs budget showed the highest allocation to participants (17.6%), and East Asia the lowest (13.1%). Africa and Latin America both had approximately the same proportion of funds devoted to the participant component (14.6% and 14.7%).

(4) A Substantial Proportion of the Aggregate Participant Training Budget Component is Devoted to Projects which Primarily or Exclusively Consist of Participant Training.

Of the total participant training budget component, 43.4% is allocated to projects which are budgeted exclusively or primarily for participant training. Mission-initiated projects of this type (See Exhibit IV-9) fall into two basic categories. The first appears to be a "projectized" aggregate of training often related to other development projects funded and since terminated by the missions. Examples of the latter include a project in Thailand to "provide training opportunities in areas of development

PROPOSED FY 1976
DEVELOPMENT ASSISTANCE PROGRAM

PARTICIPANT TRAINING BUDGET COMPONENT
 AS PERCENTAGE OF TOTAL GRANT FUNDS
 BUDGETED BY REGIONAL BUREAUS
 (\$000's)

<u>REGION</u>	<u>TOTAL</u>	<u>AMOUNT BUDGETED IN PARTICIPANT COMPONENT</u>	<u>% OF TOTAL</u>
Latin America	45,700	6,100	13.3
Africa	81,000	11,800	14.6
East Asia	36,000	4,700	13.1
Near East/South Asia	45,500	8,000	17.6
TOTAL	208,200	30,600	14.7

PARTICIPANT TRAINING PROJECTS

<u>COUNTRY</u>	<u>PROJECT TITLE</u>	<u>TOTAL COST</u> (\$000)	<u>PARTICIPANT COMPONENT</u> (\$000)
Chile	Rural Development Training	150	150
"	Training for Development	50	50
Colombia	Training	200	200
Panama	Training for Development	325	300
Uruguay	Economic & Management Training	137	137
LA Regional	Population Training	1,021	832
Ghana	Economic Development Management	350	272
Rwanda	Participant Training	100	100
Sahel	Rural Development Management Training	195	170
Africa Regional	AFGRAD	1,875	1,850
" "	INTERAF	1,320	1,160
" "	African Manpower Development	950	728
Angola	Development Training	485	405
Indonesia	General Participant Training	955	950
Korea	General Training	170	170
Phillipines	General Participant Training	100	100
Thailand	Special Training/National Development	890	890
Afghanistan	National Development Training	325	200
Nepal	Manpower Development and Training	100	100
"	Education/Technical Skills Training	130	105
Pakistan	Government Staff Improvement	450	390
Yemen	Public Sector Training	429	423
NESA Regional	AVB	3,100	3,100

priority" and to provide "funds to complete the training of participants under terminated projects," as well as a similar project in Korea.

The second type of general participant training projects appear to be specifically developed as training projects in their own right and are intended to meet the needs of the host government for trained manpower not related to specific projects. Some of the projects are designed to meet the needs of the host country for trained manpower with specific functional skills such as rural development management, while others are more generally directed.

It is also worthy of note that the level of planning which forms the basis for these projects varies. For example, the project in Panama provides funds for training needs defined by an annual training plan developed by the Ministry of Planning and Economic Policy while other project descriptions would make it appear that training needs are defined in a much less systematic manner.

A final major category of such "general" participant training projects are those which are designed to meet region-wide training needs and are funded and/or managed by the regional bureaus in AID/W. At least one is programmatically oriented and is centrally funded, namely the Latin American population training managed by the Office of Population of PHA and implemented through a private contractor. Other major line items which are budgeted on a regional basis and are geared exclusively toward participant training include the appropriation for the American University of Beirut and for region-wide training programs such as AFGRAD and AAU.

(5) The Participant Training Budget Component Reflects Only a Portion of AID Funds Devoted to the Direct Training of Foreign Nationals

Budget data on participant training per se do not tell the whole story of how much AID spends for the direct training of foreign nationals. In the first place, many AID projects include training which may be budgeted under the guise of budget components such as "other costs". Expenditures for "invitational travel" which, if budgeted under the participant component, would be recorded as "observational participant training," are often subsumed under the "other costs" budget component. Similarly, funds may be allocated for "U.S. Technicians" who, as part of their

project responsibilities may provide on-the-job training to their counterparts. More important is the fact that the AID budget includes a number of projects whose principal activity is the provision of training to host country nationals or the development of a training capability in country, but which include very little "participant training" as traditionally defined and budgeted. (See Exhibit IV-10).

In its review of the Fiscal 1976 program budget, Arthur Young & Company identified 30 projects proposed for funding under regional auspices which appear, on the basis of project descriptions, to be designed to deliver training to host country nationals. The selection and categorization of these projects is subject to disagreement by those with first-hand knowledge about their scope and objectives, but the point still remains, that the participant component of the AID budget does not reveal the true dimensions of the budgetary commitment of AID to the training of host country nationals.

The first category of projects (See Exhibit IV-11) are those whose primary thrust appears to be the delivery of training in-country. One such project in El Salvador is to develop and test non-formal education and short-term skill training programs for lower-income citizens. In Peru the AID mission proposes to fund a project to train small farmers in the management of cooperatives. ROCAP has proposed to hold in-country seminars to improve the management skills of managers of institutions responsible for rural development programs. In Niger it is proposed to fund short-term, in-country training programs to produce "development managers." Another group of projects included within this category are the various free labor development institutes. While their activities are multi-faceted, training would appear to be their major thrust.

A second category of training projects are those whose main thrust is to train host country nationals and to develop an institutional capability within the host country to provide training. For example the African bureau has proposed a project to develop family planning courses at African health training institutions. Another major project is to upgrade the Liberian Institute of Public Administration through in-country and participant training.

Finally, there are projects whose primary thrust is to develop indigenous training institutions. Several have as their purpose upgrading the faculties and facilities of agricultural institutions. One project calls for the provision of technical assistance and participant training to the government of Pakistan to assist in the establishment of "rural development academies" which will train local government functionaries and villagers.

SUMMARY OF
GRANT-FUNDED TRAINING PROJECTS
BUDGETED BY REGIONAL BUREAUS
(\$000's)

<u>THRUST OF PROJECT</u>	<u>NUMBER OF PROJECTS</u>	<u>TOTAL COST</u>	<u>PARTICIPANT COMPONENT</u>
. Provide Participant Training	23	13,807	12,872
. Provide In-Country Training	9	12,065	1,878
. Provide In-Country Training and Develop Training Institutions	9	4,394	410
. Develop Training Institutions	<u>12</u>	<u>7,793</u>	<u>648</u>
TOTAL	53	38,059	15,808

TRAINING PROJECTS
FUNDED BY
REGIONAL BUREAUS

PROJECTS WHOSE PRIMARY THRUST IS TO
DELIVER IN-COUNTRY TRAINING

<u>Country</u>	<u>Project Title/Thrust</u>	<u>Total Project Cost</u> (\$000's)	<u>Participant</u> <u>Component</u>
El Salvador	Fundamental Education and Skills Training	186	11
Peru	Agro-Industrial man- power training	100	-
ROCAP	Rural sector management improvement	75	-
Niger	Training for develop- ment management	310	-
Botswana	Maternal and child health family planning training	400	100
Africa Regional	Maternal and child health extension	704	87
Africa Regional	African labor development	2,250	110
EA /NESA Regional	Asian free labor union development	2,300	200
LA Regional	American Institute of free labor development	<u>5,740</u>	<u>1,370</u>
	Sub-Total	12,065	1,878

PROJECTS WHOSE PRIMARY THRUST
IS TO PROVIDE IN-COUNTRY
TRAINING AND DEVELOP
TRAINING INSTITUTIONS

<u>Country</u>	<u>Project Title/Thrust</u>	<u>Total Project Cost</u> (\$000's)	<u>Participant</u> <u>Component</u>
Ghana	Agricultural management development	280	60
Liberia	Institute of Public Administration	550	90
Tanzania	Agricultural Manpower Development	722	130
Tanzania	Manpower training for maternal and child health planning	958	40
Sahel/Central West Africa	Training for project design and management	395	9
Africa Regional	Family planning courses at African health train- institutions	500	81
Africa Regional	African science education	159	-
East Asia Regional	Regional Scholarship Program	330	-
NESA Regional	CENTO Technical Assistance	500	-
	Sub-Total	4394	410

PROJECTS WHOSE PRIMARY THRUST
IS TO DEVELOP
TRAINING INSTITUTIONS

<u>Country</u>	<u>Project Title</u>	<u>Total Project Cost</u> (\$000's)	<u>Participant Component</u>
Caribbean Regional	Trained manpower im- provement	275	-
Kenya	University of Nairobi Veterinary Faculty	325	34
Guinea	Agricultural Production and Training	605	30
Cameroon	National Advanced School For Agriculture	310	57
Malawi	Bunda Agricultural College	1,445	30
Southern Africa	University of Botswana, Lesotho and Swaziland	1,200	-
East Asia Regional	Regional Education Development (SEAMEO)	1,870	-
Afghanistan	Higher Education/Kabul University	1,081	324
Nepal	Paramedical Manpower Training	283	13
Pakistan	Rural Development Academies	180	35
Tunisia	Management Education	120	70
	Economic Education	99	55
		7,793	648

A second major grouping of AID projects whose major thrust is training is funded from interregional and worldwide funds (See Exhibit IV-12). The most significant of these are the projects managed by the Office of Population. They cover the full range of programmatic areas within the field of population and family planning and provide training in the United States, third countries and in-countries to a number of specific target groups, to develop institutional capabilities to provide training in population and family planning. There appear to be at least 14 such projects which have a total budget of \$8.6 million.

In addition, there are a number of training projects which are centrally-funded and are managed by the Office of Labor Affairs and SER/IT. Three of the SER/IT projects are in the population and family planning field. One is to support conferences held by the National Association of Foreign Student Advisors to increase foreign student awareness of the issue of world hunger. Another is to provide training in the financial management of cooperatives, and the last is to "train trainers" from host country governments.

Of course, grant-funded training represents only part of AID financed training. The 1976 proposed budget also listed six major loan funded training projects which call for AID loans totaling \$27.3 million. (See Exhibit IV-13).

In summary, if these definitions and categorizations of projects, are accepted as valid, and if their total budgets are combined with the aggregate participant budget from other AID projects, then the total allocation of AID grant funds to project activities whose major thrust is to provide training or develop institutional capabilities to provide training, is approximately \$63.8 million, or nearly double the budget allocation to participant training per se (See Exhibit IV-14).

3. ATTITUDES AND PERCEPTIONS OF PARTICIPANT TRAINING*

The principal element in the Arthur Young & Company project team findings is that it appears that participant training is an activity whose "importance" is universally recognized but which is generally taken for granted by key actors in the development assistance program.

* The reader is primarily directed to Appendix II, although Appendix VIII also contains pertinent information.

GRANT-FUNDED TRAINING PROJECTS
BUDGETED FROM INTERREGIONAL
AND WORLDWIDE SOURCES

<u>POPULATION</u>	<u>INTERREGIONAL TOTAL BUDGET</u>	<u>PARTICIPANT BUDGET</u>
. Communication Training	415	71
. Family Planning/Midwives	350	0
. Family Planning/Home Economists	350	40
. Graduate Training/Population Communication	300	68
. Training in Population Economics	110	70
. Clinical Training/Nurse-Midwives	582	92
. Development of Social Work Manpower	300	0
. Institutional Development for Family Planning	450	245
. Family Planning Orientation	121	0
. Advanced Fertility Clinics	3,670	500
. PLATO	465	0
. Family Planning Training For Nurse Administrators	500	245
. Population Dynamics	800	307
. Seminars on Population Dynamics	<u>250</u>	<u>0</u>
SUB-TOTAL	8,663	1,638
 <u>WORLDWIDE</u> 		
. OLAB	600	300
. SER/IT		
- Family Planning	300	300
- PPA/Chicago	50	50
- University of Connecticut	50	50
- Hunger Awareness	107	70
- Cooperative Financial Management	110	0
- Training of Trainers	<u>246</u>	<u>246</u>
SUBTOTAL	1,463	1,016

LOAN-FUNDED TRAINING PROJECTS

<u>COUNTRY</u>	<u>PROJECT TITLE</u>	<u>TOTAL PROJECT COST</u>
Bolivia	Rural Teacher Training	7,500
Chile	Financial Management Training for Small Farmers	2,000
Colombia	Small Farmer Training	4,000
Indonesia	Higher Agricultural Education	5,500
	Training and Manpower Development	5,000
	Rural Sanitation Manpower Development	<u>3,300</u>
	TOTAL	27,300

SUMMARY OF TRAINING PROGRAM BUDGETS

<u>Source of Funding</u>	<u>Number of Projects</u>	<u>Total Cost</u>	<u>Participant Component</u>
Regional	53	38,059	15,808
Interregional/ Population	14	8,663	1,638
Worldwide	<u>7</u>	<u>1,463</u>	<u>1,016</u>
Subtotal	74	48,185	18,462
Other Project-Related Participant Training	-	<u>15,663</u>	-
Total		63,848	

(1) Participant Training is Not Highly Visible Outside of AID

The study team found that participant training is highly visible neither to the relevant committees nor to individual members of Congress. With one key exception, its Congressional base depends less on active support than upon the absence of outright opposition. A review of recent Congressional committee reports and hearings showed that participant training per se is an activity which, on the record, at least, passes relatively unnoticed by the committees which authorize and appropriate funds for AID. Periodically the Chairman of the House subcommittee on foreign aid appropriations has raised pro forma questions about the number of participants trained by AID in each region of the world and the cost of their training. His counterpart on the Senate side appears to have been concerned in recent years about any "brain drain" which may result from participants who fail to return to their home countries. With these two exceptions, there did not appear to be any recent Congressional committee interest in the participant training function. (Parenthetically, it might be noted that a committee staff report* on the implementation of "new directions" in foreign assistance in four Latin American countries recently published by the Committee on International Relations did not in any way deal with participant training as a function. It did, however, describe at length the training components of a number of programs examined by the Committee staff.)

The interaction of SER/IT with Congress is limited to responses to routine inquiries by individual members on behalf of participants who claim to have administrative problems with SER/IT or who seek a change in their immigration status. An unusually large number of such inquiries resulted from the recent termination of the Southeast Asian participant program, but this may be considered a unique phenomenon.

The study team did have an opportunity to interview the staff of one member of Congress who appears to have a deep and abiding personal interest in participant training. The team learned of the strong view of this member of the Senate concerning the foreign policy value derived

* U.S. House Committee on International Relations, "New Directions" in Development Assistance: Implementation in Four Latin American Countries, August 31, 1975

from the exposure of future leaders of developing countries to American society through the participant training program. Nevertheless, by the statements of the Congressional staff members who were interviewed, and on the basis of a review of recent Congressional hearings and documents, it appears that participant training has not generated any notable issues within Congress. Furthermore, there are only a few exceptions to the general finding that no member of Congress has a particular interest in participant training.

If there have been relatively few reverberations from Congress concerning participant training, neither has AID paid the function a substantial amount of attention in its recent presentations to Congress. The Agency's 96-page summary of its Fiscal Year 1976 budget presentation to Congress devoted a half-page to participant training. Similarly, AID's recent 86-page report to the House Committee on International Relations on the "Implementation of 'New Directions' in Development Assistance" contained the following single paragraph on the place of participant training in the Agency's redirected programs: "AID's participant training program is an important tool in helping LDC's improve the technical and general capabilities of their manpower. (About 7,500 participants will be programmed in fiscal year 1976.) Selection of participants and courses of study must be consistent with AID development priorities and/or AID-financed projects in agricultural/rural development, population/health, and the education/human resources area itself. Training to improve the competence of government administrators in such areas as development administration is, as we have noted, often a prerequisite to further LDC growth. AID policy encourages the training of women, especially in nontraditional fields, and urges the use of training generally to support greater popular participation in LDC development."*

Another important set of actors in the participant training system are located on the campuses of the major American universities. Over the years, American universities have trained tens of thousands of AID participants and many have served as AID contractors in the field.

* U.S. House of Representatives, Committee on International Relations, Implementation of "New Directions" in Development Assistance, prepared by the Agency for International Development, July 22, 1975, p. 21.

However, a number of university officials* interviewed by the Arthur Young & Company study team expressed feelings of nonchalance about the entire group of AID participants attending their universities. A positive attitude was expressed by all respondents about the importance of providing opportunities for education in this country for foreign students. At the same time, these persons pointed out that the AID participant training program constitutes a very minor part of the total education provided foreign students. Exhibit IV-15 shows that the AID students constitute only 1.4% of the total number of foreign students at the University of Indiana. This percentage was somewhat higher at the other universities in the survey. The highest was 8.5% at Syracuse University.

About half of the total foreign student enrollment at the universities surveyed is made up of students who provide their own financing; the other half are being sponsored. United Nations, World Bank, Ford Foundation, and Carnegie Foundation were some of the other sponsors that were mentioned. An increasing number of students, particularly from Saudi Arabia and Iran, are being sponsored by their own governments.

A further explanation for the lack of visibility of AID participant training on the American campus may be found in Exhibit IV-16, which indicates that of the foreign students enrolled in U.S. post secondary institutions in 1974, only 2.9% were AID participants. Furthermore, only 1.1% of the foreign student population were placed directly by SER/IT.

University personnel not involved with an AID contract had only a vague idea about AID's total objectives and how the participant training program is supposed to mesh with those objectives. Occasionally, when a respondent had been talking about a particular student's program, the interviewer would ask, "What is the AID project in this student's country and how will the student's training here equip him to further the goals of the project?" The most common response was, "Huh?" With further prodding, the respondent might then make some vague hypothesis about how the student might use the education he is acquiring at the particular university. Sometimes the interviewer would try to stimulate some discussion of AID's objectives by saying that a current emphasis in the program is to benefit the poorest of the poor. "Oh, that's agriculture's job," was one reply to such prompting.

* The reader is directed to Appendix III.

APPROXIMATE NUMBERS OF FOREIGN STUDENTS, BY CATEGORIES, AND COST AT SURVEYED UNIVERSITIES

	TOTAL # OF FOREIGN STUDENTS	AID STUDENTS AS % FOREIGN STUDENTS	# AID NON- CONTRACT	# AID CONTRACT	# AID NON- DEGREE	# AID CANDIDATE FOR BACHELOR	# AID CANDIDATE FOR MASTER	# AID CANDIDATE FOR DOCTORATE	APPROX. TUTION & FEES ACADEMIC YEAR	APPROX. TUTION & FEES FULL SUMMER	APPROX. BOOK ALLOWANCE FULL YEAR	MONTHLY MAINT- TENANCE ALLOWANCE	
BOSTON U.	1,000	24	2.4	2	7	0	1	6	2	3,200	600	250	375
GEORGETOWN U.	750	34	4.5	11	23	16	1	13	4	2,900	1,200	250	450
GEO. WASH. U.	600	25	4.2	7	18	23	0	2	0	3,000	1,000	240	450
HARVARD U.	1,500	22	1.5	19	3	2	0	16	4	6,000*	900	250	375
INDIANA U.	1,800	25	1.4	16	9	1	0	12	12	1,700	400	240	365
MASS. INST. TECH.	1,450	23	1.6	14	9	2	1	4	16	3,900	900	250	375
MINNESOTA, U. OF	1,900	52	2.7	15	37	4	2	31	15	2,400	230	240	378
SYRACUSE U.	800	68	8.5	60	8	4	5	44	15	1,700	600	240	366
WISCONSIN, U. OF	2,300	110	4.8	67	43	3	3	57	47	2,900	650	240	373
TEACHER COL., COL. U.	460	24	5.3	7	27	4	1	12	7	3,200	800	250	400
TOTAL	12,560	392	3.1	218	184	59	14	197	122				
AVERAGE										3,090	793	245	375

*INCLUDES SPECIAL FEE OF \$2,300 FOR MASON PROGRAM.

THE AID PARTICIPANT AS A PROPORTION
OF THE U.S. FOREIGN STUDENT POPULATION

	<u>#</u>	<u>% Of Total</u>
Foreign Students Enrolled in U.S. Post Secondary Academic Institu- tions (Academic Year 1973-1974)	151,066	100.0
AID Academic Participants In Training During FY 1974	4,395	2.9
-- Placed/Monitored By Private Contractor	1,832	1.2
-- Placed/Monitored By Other Federal Agency	835	0.6
-- Placed/Monitored By SER/IT	1,728	1.1

(2) AID Personnel in Washington Do Not Appear to Place a High Priority Upon Participant Training

Participant training does not appear to be a high priority at any stage of the programming process of the Agency within Washington. Although there was some variance in the responses to the study team's question of how much attention is paid to the participant component during the review of an individual project in Washington, the overall impression of the study team was that reviewers pay no particular attention to the design of the participant training component of a project.

The following comments from respondents within AID/W exemplify this general finding:

- . At no time is training discussed at any length at all. The question of whether "this training" is really necessary is not answered.
- . It is taken for granted.
- . No one really looks at this, although some questions are asked:
 - is a Master's appropriate?
 - what about short courses instead?
- . Participant training is not carefully reviewed, although an institution-building or "basket" training project would be reviewed more carefully.

Those with program responsibilities which involved significant amounts of participant training did convey the opposite belief represented by the following comment:

- . Attention is paid to training components. We regard training as the best money spent.

It might be hypothesized that the majority attitude may be rooted in the fact that no single component of any project received detailed questioning, but rather the Washington review mechanism is geared toward analyzing the overall consistency of a given project with AID policy or with the overall development assistance program of the country in question. Several respondents strongly pointed out that it is not the role of AID/W to question the detailed technical planning of the AID mission. However,

enough comments were made by respondents to lead the study team to conclude that, whatever the general mode of review and analysis of individual projects by the AID Washington review process, it is probably true that participant training receives less attention than other aspects of AID development projects.

AID personnel in Washington also place a lower priority upon the implementation of participant training than upon other aspects of their responsibilities related to the implementation of projects. They would agree that a failure to implement a participant component of a project would have the same ultimate impact as if technical advisors did not arrive on time or necessary commodities or other materials failed to be delivered. However, they perceive participant training as an activity which is but one of many components of an AID development program or project.

- (3) Many AID Personnel in Washington are Likely to Perceive Participant Training as an "Input" or a "Process" Rather than as a "Program".

There was a dichotomy of opinion as to whether it would be possible to analyze participant training as if it had a programmatic dimension of its own. By far the majority of those interviewed took the position that participant training is simply another element of a development project. If the development needs of the host country were met by the project, and the training made sense in terms of the project, then the training would de facto meet the manpower needs of the host country. Thus, in the words of one desk officer: "Generally training should be related to a specific need. The best way to do this is to relate training to a specific project."

- (4) A Minority of Those Interviewed in AID/W Feel That AID Should Re-examine its Posture With Respect to Participant Training

On the other end of the continuum, there were respondents who perceived a growing need for the Agency to somehow relate participant training, and other training carried out by the Agency, to the broad needs of a county for trained manpower. Most of these respondents had personal experience in training and education or had organizational and programmatic responsibilities directly related to training and education.

The following represent comments made in support of this position:

- . There is a need to reconsider the way in which training is done. The traditional way may not be working.
- . Participant training does have policy and programmatic implications. It has not ever been seen in the broadest context. AID had never come to grips with the appropriate role and function. The easy way out is to look at it as a mechanical procedure when what is needed is to integrate it into the total decision-making structure. No one addresses the implications of participant training from an agency-wide perspective.
- . Training components should be reviewed more carefully.
- . Participant training should be evaluated in connection with on-going country programs. It has been like motherhood. Nobody examines underlying assumptions.

4. AID ROLES IN PARTICIPANT TRAINING*

In many respects, the roles of the various components of AID in the participant training system mirror those of the overall program planning and management processes of the Agency. For the most part, participant training does not happen in a programmatic vacuum. It is an integral part of sets of activities which may differ in their scope and objectives, but which are commonly geared toward the development assistance program of a given country. Thus, asking the question (outside of SER/IT) of what an AID staff member's role was in participant training was to ask what his role within the Agency was in general.

(1) AID Missions

With respect to mission-initiated participant training, the missions and the host government are primarily responsible for determining the type of training required for their programs. The identification of training needs and design of training programs is considered to be an aspect of the overall technical program planning responsibilities of the missions. Very few personnel attached to the AID missions surveyed by the study team were reported as involved full-time in training programs, and if they were, they tended to be involved in the administrative aspects of participant training.

* The reader is directed to Appendix II and VIII.

The key variable reported by mission personnel was the level of involvement of host country government personnel. The closer the country is to "graduating," the higher its involvement in the identification of training needs. In Indonesia for example, the government "shops around" among the various providers of assistance in the meeting of training needs. In Africa, only one of the four missions reported involvement by the host government in the design of training components of projects. At the same time, for the most part, missions reported very little involvement by the bureaus in Washington in the development or design of training programs.

The mission also plays a significant role in the administration of its participant training, especially in the case of training funded through PIO/P and, more especially, where PIO/P funded training takes place in a third country. In the first place, although the host government is almost exclusively responsible for the selection of participants, the mission is responsible for preparing the basic documentation used to process the non-contract participant whatever the location of his training. The documents include the PIO/P itself, which covers a description of the desired training, as well as bio-data for each participant.

As an example, the following documentation is prepared by the AID mission in Colombia for each participant and is probably representative of most missions' training administration responsibilities:

- . Personal Data Form (worksheet filled out by participant)
- . AID Bio-data form (3 pages)
- . PIO/P (3 pages with substantial narrative)
- . Dependent Certification Form
- . Name Trace Request Form
- . Health Certificate
- . Travel Request
- . DSP-66 Visa Form
- . Cash Advance Voucher

An average of 16 official and working forms are used to dispatch each participant to the United States from Colombia, each representing a required action by the mission. Moreover, there can be numerous communications between SER/IT and the mission from the time the participant's documents arrive in the United States and he himself does.

The administrative role of the missions is even heavier where PIO/P funded training is carried out in a third country. Here the mission has two options. It can arrange directly with the training institution for the placement of the participant through the same basic documentation used for U.S. training. With this option, the mission serves in the role of SER/IT in the United States. It can also request the AID mission in the country of the training institution to coordinate the placement of the participant, to do the required "legwork." In any case, the total administrative burden of the missions with regard to third-country training is much heavier than in the case of U.S. training. AID missions located in countries with training facilities heavily used by other AID missions, such as Thailand and Kenya, find themselves with substantial responsibilities in this regard.

(2) AID/W Bureaus

Program officers in the bureaus and offices in AID/W are only peripherally involved in participant training related to a mission-initiated project. Their most significant involvement probably comes as part of their normal program responsibilities when they review the training components of project documents and loan papers. As discussed previously, the level of attention paid to training components varies from bureau to bureau and project to project. Projects which amount to training projects naturally have the participant component reviewed more thoroughly.

In absolute terms, and relative to other project implementation duties, the amount of time devoted to the implementation of PIO/P-funded, mission-initiated participant training is best described as negligible. One exception to the rule is that program officers may occasionally find themselves involved as the initial points of contact for resolving a problem concerning an individual participant.

In such cases they define their role as finding out the identity of the person within SER/IT who should deal with the problem. It should be noted that many of those interviewed had only vague notions about the procedures which SER/IT

follows in the implementation of participant training. For example, all that one respondent knew is that the information copy of the PIO/P which crossed his desk somehow, "as if by magic," was transformed by SER/IT into a participant who came to the United States, received his training, and returned home usually without any problems.

The mechanics of the involvement of the bureaus in AID/W in mission-initiated participant training handled by SER/IT is largely minimal and routine, such as receiving information copies of communications between SER/IT and the missions.

It is true that in any case, the involvement of AID/W in the implementation of any portion of an AID project in the field tends to be indirect. However, for the most part, personnel in AID/W are much more likely to be involved, say, in the development of the scope of work needed to put a contractor in place in the field to help implement an AID project than they are to perform any activity related to the implementation of participant training.

The one category of personnel in AID/W who may be more directly and continuously involved in participant training are those who are responsible for regionally or centrally-funded programs which include training as part of their programmatic activity. The most conspicuous of this type of activity are the wide array of training programs funded inter-regionally in the functional category of population and family planning and the activities of the Office of Labor Affairs. While some participants in these programs are processed by SER/IT and other Federal agencies such as the Bureau of the Census, many are recruited, selected, trained, and administratively supported by contractors. The basic role of AID personnel who are involved in such programs is that of a contract manager. The intensity and scope of activity, and the level of interaction with the contractor no doubt is subject to wide variation. However, the main role of AID personnel involved with these programs is managerial rather than administrative. It appears to involve consultations with the contractors on strategic matters, review of training courses, and handling unusual problems which may have political consequences, especially in countries where population and family planning programs are highly sensitive.

The administrative routine of selecting, transporting, and supporting the participants as well as actually training him, is handled by the contractors. It was mentioned by a

respondent in the Office of Population that in the case of at least one training program, AID staff participate in the selection of trainees, but this is probably an unusual example of direct involvement in the detailed processing of participants.

As said above, with the exception of SER/IT, there is only one other office within AID/W whose role in training is different from that of the other bureaus and offices, and that is the Office of Labor Affairs (OLAB).

The Office of Labor Affairs administers participants in the labor and manpower field which are funded both from the mission-level and from a central source of funds under its control. Its staff of 13, including 8 professionals, draws up the PIO/P's for the participant if the training is centrally-funded. Training carried out under its purview is reported to SER/IT, but the latter is otherwise uninvolved.

5. ROLE OF CONTRACTORS*

Private organizations under contract with AID are a significant element in the participant training system. The table below shows that the number of participants programmed under the budgets or the regional bureaus who were identified as contract participants has been consistently greater than the number of non-contract participants.

PARTICIPANTS PROGRAMMED FOR BUDGETARY PURPOSES

<u>FISCAL YEAR</u>	<u>CONTRACT</u>		<u>NON-CONTRACT</u>	
	<u>#</u>	<u>% OF TOTAL</u>	<u>#</u>	<u>% OF TOTAL</u>
1974	3565	56.9	2702	43.1
1975	3562	53.4	3106	46.6
1976	4024	54.2	3405	45.8

The scope of work of contractors who are involved in AID participant training varies widely. At the mission level, the contractor may be responsible for placing the participant in a

* The reader is directed to Appendix III, VI and IX

training institution in the United States (often, in the case of university contractors, in this "home" institution) and arrange to have him met at the university whereupon university personnel arrange the academic program of the participant, monitor his progress, and otherwise responsible for his well being. The contractor may also arrange to obtain ancillary benefits available from SER/IT, such as insurance and various complementary programs.

Contractors who implement centrally-funded programs often perform the full range of activities within the participant training cycle. They -- or their field agents -- may assist in the recruitment and selection of participants, and perform all necessary administrative support functions such as the arrangement of his transportation, and disbursements of his maintenance allowance. These contractors may design and conduct training programs for the participants or place them in academic or non-academic training facilities and courses. All of these activities are carried out quite independently of SER/IT, to whom the contractor may or may not report on the number of participants trained under his contract.

Examples of such contractors include the consulting firm which administers Latin American population training activities for the Office of Population, the African American Institute which has administered the regionwide participant training program in Africa, and the American Institute of Free Labor Development which conducts training courses for Latin American trade unionists at its own facility in Front Royal, Virginia.

The reasons for the reliance by AID program managers upon contractors to implement participant training are many. By and large, though, they are related to the belief that a contractor-managed program can provide what program managers see as flexibility and convenience which may not be present under the PIO/P-SER/IT system. Also, with the imposition of fixed costs for training by SER/FM some may feel contractor training to be cheaper than SER/IT arranged training.

6. ROLES OF OTHER AGENCIES*

On the basis of a very small sampling, it can be briefly stated that two organizations (USDA and the Census Bureau) have training offices which develop and provide training courses directly, as well as arrange training at other facilities.

These two agencies, as well as the Labor Department, generally are responsible for all functions relating to a participant, from

* Refer to Appendix IX, as well as Section V, subsection 5. of this report.

the time his training is requested in the form of a PIO/P until he returns to his home country.

7. FUTURE OF PARTICIPANT TRAINING*

Most of those interviewed during the course of the study foresaw an increasing use of third-country training institutions for AID participants. At the same time, it was felt that there would always be a need for some U.S. training, especially in technical areas in which U.S. institutions are uniquely qualified to provide training. However, it should be noted that respondents often appeared to be expressing the belief that AID ought to rely upon third-country institutions, rather than providing firm data to indicate that third-country training will increase.

There were several reasons given for the projected increase in third-country training. First, it is believed to be less costly than U.S. training, although at least one respondent saw the need for a study to validate this widely shared belief. Second, third country training is often more effective because it is not attended by the cultural shock of adjusting to the United States and is often more appropriate to the actual requirements of the participant. In the words of one respondent, "Many times training in the United States is great for the participant personally, but it is over-training him." Finally, it was believed that in many cases, training institutions in Asia, Latin America, and, to a lesser extent, in Africa, have achieved a level of sophistication which is amply suited to the training needs of most AID participants.

It should be noted that AID personnel perceptions of the future directions of participant training were heavily contingent upon the stage of development and the institutional capabilities of the countries and regions within their purview. Personnel within the Africa Bureau and at the missions in Africa included within the survey were much less forceful in their belief in a rising trend in third country training. It was thought that, especially with regard to graduate degree training, the missions in Africa would continue to rely heavily upon American institutions. The one change that was noted was that training needs in Africa will have to be defined more rigorously than in the past, when the dearth of trained manpower was such that the addition of any individual with any kind of training to the manpower pool could almost automatically be assumed to be meeting developmental needs. As one respondent put it, " Manpower development has to be tied to functional areas. In the 60's there was a desperate

* The reader is directed to Appendix II. and III.

need for general training in Africa. Now we have reached a different state where we need people to fill sectors. This in turn has to be tied to the specific requirements of the individual country."

In Asia, on the other hand, where there is a network of training institutions capable of providing training in a number of technical fields, both mission level and AID/W staff were more positive in their belief that there would be more use of third-country institutions by AID.

Another trend in the training of foreign nationals by AID is an expressed desire by program managers to hold more training courses in-country. As previously noted in this report, AID already devotes a substantial amount of its resources to in-country training programs. On the evidence of the interviews conducted during this study, it is likely that such training will increase. One respondent in the Office of Population believed that population training in countries within the purview of the NESB Bureau will mostly be non-degree and in-country. Another respondent believed that, "We may package and export training programs. U.S. training is expensive and not necessarily the best way to accomplish objectives. If we can offer training on a regular basis in the native language and culture, then there are fewer problems."

Although the relative importance of U.S. training will probably decline in the future, it is highly improbable that it will disappear altogether. In the first place, and as said earlier, U.S. institutions are often uniquely qualified to provide training in certain technical fields. In the second place, most governments are interested in having participants pursue degree training in the United States due to the fact that their civil service systems usually place more of a premium upon formal U.S. education as a criterion for advancement than upon practical experience. Indeed, one program officer in AID/W believed that as most countries acquire more and more direct control over AID funds through loans and block grants, they will program even more U.S. degree training than has been done in the past because of this emphasis upon academically trained individuals.

Finally, it was felt that participant training in the United States has intangible benefits unrelated to specific technical needs. Several respondents volunteered the opinion that a participant trained in the United States returns to his country with work habits and attitudes toward efficiency and productivity which contribute to the development process independently of his ability to apply a given skill to a

technical problem. In addition, it was often felt that the contribution of U.S. -based participant training to the overall foreign policy interests of the United States argue in favor of its continuance. Certainly many of the staff of SER/IT perceive the exposure received by the participant to American culture as increasing his understanding of and receptivity toward U.S. actions and policy, and this same view is held by many others within the Agency as a whole.

8. CONCLUSIONS CONCERNING PARTICIPANT TRAINING

(1) There is no Clear Understanding of the Meaning of the New Policy Mandate of "Reaching the Poorest of the Poor"

The study team found a wide array of perceptions as to what the new policy mandate effectively meant. In some instances, it was believed that the thrust of all developmental efforts should be directed toward the "rural poor"*, while in others the solution appeared to hinge in developing change-agencies and/or change-agents which later on would be able to reach the "poor majority" and improve their condition. In a few cases, the new mandate only appeared to cause some cosmetic changes in the wording of project documents to make old or continuing projects acceptable endeavors under the perceived new guidelines.

(2) There is no Consensus Concerning the Effect of the "Poor Majority" Policy Mandate Upon Participant Training.

The study team found a wide divergence of opinion as to the consequences of the new policy mandate for participant training. At one end of the spectrum, was the belief of one respondent that "only the richest of the rich come to the United States for a degree. It might be far more effective to send a member of a village council to a third country for training in administration." At the other end of the continuum, there was the belief that, "AID still has to work with and train most government staffs directly," to carry out AID-funded programs. In short, there was no consensus of opinion as to whether and how the poor majority policy would result in changes in participant training.

* This would seem to disregard the needs of a sizeable portion of the population in some countries -- the "urban poor".

(3) The Term "Participant Training" May no Longer be a Useful Concept for Policy Review, Program Evaluation or Management Analysis

While it may have been true a number of years ago that the term "participant training" would be defined as co-terminous with the "training of host country nationals in the United States," it is clear that this traditional definition no longer holds. AID funds are now used in a wide variety of ways to train host country nationals both in the U.S. and abroad.

The different modes of delivering and funding training have outpaced customary methods of accounting for numbers of participants and dollars expended for AID-funded training programs.

Seminars held in-country by an AID contractor whose purpose is to introduce local leaders to problems and issues in developmental planning are activities which, if they were budgeted from the participant training component, would be called participant training and the participants would be counted as such -- especially if the training would have occurred in the United States. However, despite the total similarity between the character of the training activities carried out under such a project and "participant training" as traditionally defined, it is not likely that this type of training would be considered as such.

In the same way, "invitational travel", under any other name, is often an unrecognized version of "participant training."

The issue which needs to be addressed by AID is what exactly it needs to know about what happens to its funds which are used to train host country nationals in the skills which are required to promote the process of development.

(4) The AID Participant Training System is Fragmented, but it Meets the Needs of AID Program Managers

The ad hoc, incremental growth of the participant training function into a system of numerous alternatives may objectively be confusing, and aesthetically unpleasant, but from the point of view of program managers in Washington and in the field, it has one major positive aspect--it works.

AID personnel at the mission level and in Washington who have program management responsibility prefer to have

alternatives available in the implementation of participant training. The situation which may be defined by the outside observer as "fragmented" is seen by AID program managers as "flexible." What may be required here is just simply to document the steps and procedures required to implement all available options--and insure full accountability.

(5) Fragmentation Within the Participant Training System Does Contribute to the Absence of Reliable Data on Participant Training

Although the diverse arrangements for participant training probably do not inhibit--and indeed may contribute to--the effectiveness of AID program management at the working level, it is certainly true that the system has contributed to the inability of top management within the Agency to have available dependable statistics on participant training.

(6) There May be a Need for the Agency to Reexamine its Posture With Respect to the Training Components of its Programs

The overall impression of the study team is that participant training has achieved the level of an institution which, as it customarily surfaces in AID project design and review, is largely taken for granted. There were enough opinions expressed by respondents to indicate that the participant training component of individual programs receives relatively low priority in the AID programming process. Yet, there is evidence to suggest that the perception that training "falls out" naturally from individual projects is outmoded.

The number of "general" training projects on a regional or country-level basis suggest that a substantial amount of training is being carried out distinct from individual projects. Therefore, the issue is whether the Agency should now focus more on training as an element within the overall development process of a country--which is related to needs which transcend the specific needs of an individual project.

(7) SER/IT Plays a Vital But Nonetheless Partial Role in Participant Training

The participant training system is composed of a wide array of elements. In a programmatic sense, AID mission and bureau personnel are principally responsible for the technical definition of training needs. AID contractors play a substantial role in implementing participant training.

The role of SER/IT is to place and monitor participants who represent only a portion of AID participants. (In FY 1975, for example, SER/IT placed only 40.2% of AID participants recorded as arriving in the United States.)

(8) New Trends in Training May Eliminate Foreign Policy Benefits

In order to achieve the overall objective of designing training programs which are technically appropriate as well as cost/effective vis-a-vis the needs of developing countries, decisions in the area of participant training programming will increasingly consider third-country or in-country operations. This will considerably diminish the foreign policy benefit of US-based training.

AID may have to address this issue and develop new participant eligibility criteria for special cases where policy benefits will clearly override cost/effectiveness factors.

(9) New Trends in Training May Require New Field Development of Personnel and Additional DTS Staff in SER/IT

Based on the study team's selective sampling of AID missions throughout the world, and recent new demands for SER/IT training placement and counseling services by foreign governments, we believe there may exist in the future three areas of additional manpower requirements. These three areas are: (1) third country training, (2) human resources development and, (3) reimburseable foreign national training. We emphasize the term future requirements because no pressing need, based on our analysis, is known to exist in these three areas at this time.

We believe, based on inputs from the missions, that the use of third country training will increase although not disproportionately to other traditional modes of participant training. This will occur in "graduated" countries such as Colombia in Latin America, Kenya in Africa and Thailand in the Far East. Presently, such training is coordinated by in-country mission personnel, not only for their own participant trainees but also for other AID missions within the geographic region. This is done on a courtesy or reciprocal agreement basis, usually by the local training assistant assigned to the supporting mission. Should the number of trainees sent to the three countries mentioned significantly increase, then additional local staff will be required. Even with such an increase, no more than one additional person should be required per mission; and even then, they should be a local hire, as most of the mission training assistants now are.

As stated later in the report, AID may find it advantageous to investigate the concept of regional or worldwide human resources development training (HRD). Such training would transcend specific programs or projects, or for that matter, any one specific mission. While we detected some indication of need for such a program, we would advise AID to thoroughly evaluate the need. If a need does exist, then we recommend that a nucleus for HRD be created in the Technical Assistance Bureau (TAB). Such a nucleus possibly should be preceded by an agency task force analysis team composed of detailed personnel from AID bureaus and offices to investigate the need and identify level of resources and effort required.

We feel that if such a need exists, a core group of 3 to 5 people in TAB would be sufficient for implementing the initial phases of AID HRD training. Additional staff would then be a direct function of how expansive the agency wanted the program to be as compared to existing, more traditional modes of participant training.

The final new area of training or training services which may have an impact on agency manpower is that of reimburseable training provided directly to other foreign governments. This has been done in the past and basically involves SER/IT in the selection of training facilities and placement of foreign students in U.S. universities where no mission funds are involved (i.e., the requesting country pays for the training using its own money). Again, the manpower requirements of such support are a direct function of how vigorously AID desires to pursue such support, either as a service to foreign governments or as a marketing agent for U.S. education and training institutions. AID can escape any additional staffing requirements by simply declining requests without jeopardizing ongoing participant training programs. On the other hand, it cannot accept additional reimburseable training and placement work without affecting its own participant training with the existing SER/IT staff. The absolute number of new hires will, like hires for AID placement, have to be based on the volume of requests anticipated, which at this time is unknown.

(10) Centralization of Training does not Seem Appropriate at this Time

Many AID program managers perceive training as an activity which is meaningful only in a programmatic, project-related context. Centralization of all training activities and decision-making process within SER/IT does not appear to be consistent with the existing programming system of AID.

(11) New Funding Trends Will Require Adjustment in the Existing Administrative Mechanisms

The potential growth of training requirements funded from non-US sources (e.g.: OPEC nations) for which AID may be requested to provide placement and monitoring support, makes necessary an Agency-wide evaluation of (1) AID's desire to engage in such activities, and (2) AID's system and procedures to expeditiously and cost/effectively manage such assignments. The study team has the impression that the operational, administrative, financial and legal issues which may be created by these assignments are not fully understood within SER/IT and other elements within the Agency.

V. THE OFFICE OF INTERNATIONAL TRAINING

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An important requirement of the Arthur Young & Company management study was to clearly define the role SER/IT plays in AID participant training and how that role might be changed to enhance SER/IT's contribution to the Agency. To properly assess SER/IT's role, it was examined from two perspectives -- the first from its users' point of view, the second from within SER/IT itself.

The study team conducted a series of interviews with representatives of the principal bureaus and offices in AID/W and in ten missions throughout the world.

To gain the second perspective, that of SER/IT management and staff, a two day orientation workshop was held at the beginning of the project followed by individual interviews and questionnaires addressed to SER/IT management and staff.

1. PERCEPTIONS*

The study team found that Agency personnel in Washington and in the field view SER/IT as a service organization which performs acceptably the responsibilities of placing, monitoring and generally supporting AID participant trainees. The missions rely heavily on the training opportunity advisories prepared by SER/IT, and regard complementary training arranged by the Office to be a worthwhile supplement to the primary training received by participants during their stay in the U.S. Furthermore, the missions felt that a SER/IT type service organization is a necessary link between the participant and the mission during his stay in the U.S., especially when longer-term academic training is involved.

On the other hand, AID personnel in Washington and in the field show strong resistance to any involvement by SER/IT in training program development. This is based on two premises. One is the perceived lack of ability of SER/IT to carry out additional or more technically substantive functions, mainly because of existing staff skills and physical and organizational remoteness from the mainstream of Agency activities. The other is that there is no perceived need for a third party input into the design and development of bureau or mission training programs.

In essence, AID line organizations are very specific in limiting what they feel they require from SER/IT as a staff support function. Anything other than placement, monitoring, administration and training information is considered an unnecessary encroachment by a staff office which, in their view, has nothing else to offer.

* The reader is directed to Appendices II and VIII.

The results from interviews and questionnaires addressed to SER/IT management and staff consistently emphasized the need for some form of organizational identity, and a continuing dissatisfaction with being excluded from the mainstream of action within the Agency. It was widely felt, especially by SER/IT management, that the "status" of the Office could be restored if in some way SER/IT were allowed to make a "substantive" contribution to Agency programs in addition to "merely" providing administrative services. This relative value judgment, we believe, is a key issue and will be addressed again later.

We found that SER/IT staff (as opposed to management) tend to define the future of SER/IT in terms of incremental improvements to existing services, while management would prefer a future based on sweeping changes in the role of the organization to the point where mainstay services would be contracted out and in-house activities would become solely programmatic or policy oriented. In fact little if any comments were made by SER/IT management for improving procedures or reshaping the organization to perform its traditional role more effectively.

Our findings, conclusions and recommendations based on these two perspectives, are presented below.

2. THE ROLE OF SER/IT*

Any part of an organization, especially a staff entity, owes its existence to the contribution it makes to the goals and objectives of the parent organization. SER/IT exists to support AID participant training which is considered a key Agency program objective. However, some doubt exists, particularly within SER/IT, as to what form that support should take. This confusion is perpetuated by a rather broad mandate for SER/IT as stated in AID's organizational manual. It reads:

"The Office of International Training provides participant training policies and standards; develops and manages training programs for participants; and arranges for implementation of approved participant training programs."

Succinctly stated the problem is: Should SER/IT play some active role in the identification of foreign national training needs and the design and development of training programs to meet those needs? Or, should SER/IT's role in participant training be limited only to the support (through placement and monitoring activities) of training programs developed by others? With very few exceptions, AID bureaus, offices and missions strongly indicate a need for only the latter.

* The reader is directed to Appendix II.

AID personnel in Washington and the field perceive SER/IT as an administrative support organization whose function is to place, monitor, maintain and otherwise support individual AID participants during their training stay in the United States. Users do not seek nor do they want anything else from SER/IT. For the most part, they are satisfied with the support they receive from SER/IT and recommend that the only improvement SER/IT should make would be to do more of what it has always done -- better

On the other hand, SER/IT suffers from a classical identity crisis, not unlike other staff offices in a line oriented organization. It seeks to not only provide support to line organizations but to assume programmatic and review responsibilities. To evaluate the merits of such a role for SER/IT it is first necessary to understand how participant training is carried out within AID.

Because mission initiated participant training has historically been the mainstay of agency training activities, we will use it as a model, although centrally funded training by AID/W bureaus may, from a total funding viewpoint, be considered equally important.

Missions develop and design training activities, usually as a part of broader local development projects or programs, which by virtue of their understanding of local needs and priorities and their ongoing relations with the host country government, they are best able to do. The mission, in conjunction with the host country government and contractors involved with the overall project, defines the type of training required and the number of participants to be trained. Training is done to ensure that qualified individuals will be available at some point in the future to assume positions created by the parent development project. Quite often in their request for services from SER/IT (usually via a PIO/P), the mission will supply a tentative list of universities or other institutions felt to have adequate resources for the training program required.

Training can be conducted in the United States, within the host country itself, or in a third country usually in the same geographic region. Placement arrangements can be made directly by mission personnel, through a private contractor or, where training is sought in the U.S., by SER/IT. SER/IT can actually make the placement or pass that responsibility through to another Federal agency which it then monitors.

SER/IT's placements have been limited for the most part to facilities in the U.S. and to non-contractor related participants, although SER/IT does on occasion become involved with contractor placed participant trainees. This involvement usually includes supplemental or "complementary" orientation, training or counseling.

Regardless of where or who arranges training, SER/IT is theoretically responsible for maintaining the participant training records for the Agency. This is easiest for those students placed and monitored by SER/IT and most difficult for students placed by the mission or contractors.

Training, as described in Section III of this report, may be divided into two broad categories: academic and non-academic. These, in turn, may be further sub-divided into the following categories:

- . Academic
 - Degree
 - Non-degree
- . Non-academic
 - On the job
 - Observational
 - Specialized
 - Complementary.

Any one training program can, and often does, include some combination of the above. SER/IT, as a service function to the Agency, publishes a Development Training Handbook advising of training opportunities available, especially in the non-academic degree areas.

After placement is made, SER/IT acts as the agent of the funding mission by providing all necessary monitoring and maintenance assistance to the participant trainee until his return to the host country.

Much of the separation of roles is a question of proximity. SER/IT, by its location and size, can contribute very little to mission projects or bureau programs concerned with foreign development assistance. This would be true even if SER/IT had regional or mission posted representatives because of the many functional disciplines required by project or program designers -- which can considerably change with each project.

The missions, by virtue of their remoteness to U.S. training facilities, are not able to, on an expeditious basis, make placements or provide the required support to students during their stay in the United States. Therefore, both SER/IT and the field have distinct comparative advantages with little to be gained by overlapping the two. For this reason, the study team strongly recommends that the line responsibilities of the field and the staff responsibilities of SER/IT continue to be differentiated. By doing this, no implication is made about the relative importance of either organization. The relationship is synergistic and SER/IT ought to recognize this.

So far, only current training activities have been discussed. During its visits to AID missions, and in discussions with AID/W personnel, the study team found indications of the possible increasing need for a type of Agency training activity that would identify and fulfill the manpower or human resources needs of a country or region, but not be directly related to any one mission or bureau training project.

Human Resources Development (HRD) is not a new concept to AID although its implementation as an Agency program may be. The study team did not explore HRD because, like other substantive aspects of AID training per se, it was not within the study charter. However, the study team did consider some potential implications of HRD as it may organizationally affect SER/IT (or any other AID office) in the future. Specifically, we assumed that an HRD function may have a substantive role in:

- . Identifying and developing responses to training needs shared by more than one mission
- . Developing manpower planning and developing methodologies for use by missions
- . Continually reviewing the adequacy of omnibus training programs
- . Conducting substantive policy reviews on such issues as the trade-offs among U.S., third country, and in-country training
- . Providing technical assistance to nations developing training programs funded on a reimbursable basis
- . Serving as advisor to AID/W on the overall priorities and benefits of Agency training activities, both mission and centrally funded, and making recommendations for improvement.

Accepting the above roles as a possibility before any organizational decision on responsibility is made, AID first has to assess the need for a Human Resources Development Program. Arthur Young & Company strongly recommends that AID management consider the indicators picked-up by the study team during their field visits and other evidence of need -- both from within and outside of the Agency -- and decide if an extensive investigation of such a need is required. Some of the questions we feel should be addressed and objectively answered before AID commits itself to broad human resources development programming, either organizationally or financially, are: Do foreign countries want general human resources development assistance? Can missions fill this need or is something else required? What would be the magnitude of such a program?

At this stage, however, the study team does not foresee SER/IT having either the resources or necessary expertise to assume a role in human resources development other than that which it provides to existing training programs. Based on our interpretation of organizational responsibility, any HRD role could more properly be placed within the Technical Assistance Bureau (TAB) where functional expertise already exists, rather than attempting to reshape and restaff SER/IT. This, we believe, would be a reasonable utilization, or expansion of existing Agency resources.

Our conclusions on TAB's potential role (if, indeed, a need for HRD is found to exist) are tentative and based on both our interpretation of TAB's statement of functions as well as limited interviews with TAB management personnel. However, our recommendations on SER/IT's involvement are not. They are, we believe, founded on a realistic assessment of SER/IT's existing and future capabilities and a desire to make the most effective use of AID resources in achieving known and future organizational objectives.

In summary, the study team recommends that SER/IT be recognized once and for all as a vital service organization - period. Once this is agreed to, the effort that is being spent within SER/IT to define an organizational identity can then be redirected into much needed improvements in the organizational and operational aspects of the Office.

3. THE PRESENT SER/IT*

Exhibit V-1, depicts the organization of SER/IT as it exists today. The two divisions, Program and Training Support, perform the placement and monitoring of participants in the U.S., receive and maintain statistics on all AID training, disseminate information on U.S. training opportunities and provide orientation and complementary training programs. The Office is headed by a director and deputy director. Two staff offices provide planning and special project support to the Division. The two line divisions are described below.

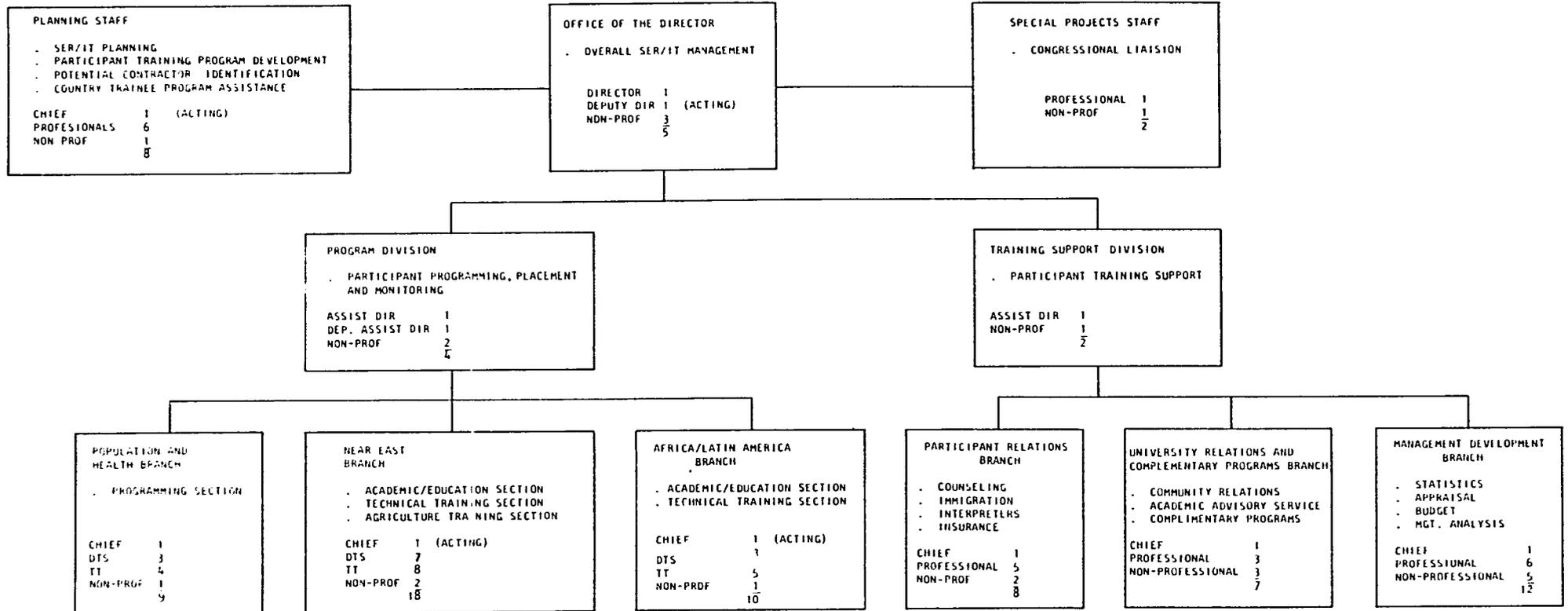
(1) Program Division Overview

The Program Division is responsible for reviewing PIO/P - requested U.S. training, identifying suitable training facilities and making the best match possible between training required, training offered, and a participant trainee's qualifications. The Program Division also monitors the progress of participants and provides maintenance support during their stay in the U.S. The Program Division is divided into three branches:

- . Population and Health
- . Asia and Near East
- . Africa and Latin American.

*The reader is directed to Appendix VII.

SER/IT ORGANIZATIONAL OVERVIEW AS OF OCTOBER 1975



HANPOWER RECAP

	FULL TIME	PART TIME	TEMP	TOTAL
OFFICE OF THE DIRECTOR	4	1	0	5
SPECIAL PROJECT STAFF	2	0	0	2
PLANNING STAFF	8	0	0	8
PROGRAM DIVISION	40	4	0	44
TRAINING SUPPORT DIVISION	25	3	1	29
TOTAL	79	8	1	88

NOTE: - PROFESSIONAL IS DESIGNATED BY GS 5-7 OR ABOVE
 - ACTING OR TEMPORARY ASSIGNED PERSONNEL ARE SHOWN
 IN THE POSITION THEY ARE FILLING

(2) Training Support Division Overview

The Training Support Division provides orientation and complementary training support to Program Division participant trainees, maintains Agency training statistics and provides general administrative support to all of SER/IT. It has three branches:

- . Management Development
- . University Relations and Complementary Programs
- . Participant Relations.

Based on the data gathered and subsequent analysis, eight specific organizational characteristics of SER/IT and two major workflow findings were felt by the study team to require consideration in any plans for improvement or reorganization in the future:

- . Managerial Imbalance

As illustrated in Exhibit V-2, there appear to be certain inequalities between managers and those being managed. This is especially true at the Branch Chief-DTS/POA level. While no one arbitrary ratio or span of control fits every situation, it appears that in the Program Division there are too many managers for too few paraprofessionals and technicians.

- . Low Morale

SER/IT morale has been affected by several factors. One is the changes associated with a new director and the uncertainty about where the organization is going and what part the individual staff member will play. Another unsettling factor has been the recent experience with RIE's and the possibility of even more cuts.

- . Functional Ambiguity

As a by-product of staff reductions and delineation between DTS and POA, responsibilities have become blurred. Also, a number of different people are involved, not necessarily on an integrated basis, in monitoring contract student activity or in registration for complementary program training. This results in duplication, parallel activities and generally poor internal communication.

STAFF/MANAGEMENT RATIO

	<u>BRANCH CHIEF</u>	<u>GS-6 above</u>	<u>Non-Professional</u>	<u>Total Staff</u>
<u>TRAINING SUPPORT DIVISION</u>	(CHIEF= FS/R-2)			
MANAGEMENT DEVELOPMENT	GS-14	8	3	11
UNIVERSITY RELATIONS	FS/R-4	3	3	6
PARTICIPANT RELATIONS	FS/R-6	5	2	7
<u>PROGRAM DIVISION</u>	(CHIEF= FS/R-2)			
ASIA/NEAR EAST	FS/R-3	15	2	17
AFRICA/LATIN AMERICA	GS-12	8	1	9
POPULATION/HEALTH	GS-15	8	1	9

- Lateral Communications

It was found that DTS/POA teams tend to work independently of one another with no formal forum to exchange information on placement experience or techniques that may be helpful to others.

- Ad Hoc Work Planning

No systematic approaches are taken to workload planning and caseload distribution. In fact, placement specialists are being reassigned to special projects, causing even greater confusion in workload assignment. In addition, there is little evidence that SER/IT is considering the staffing implications of new training options such as third-world funding of U.S. training.

- "Client" Orientation

SER/IT placement specialists perceive their client to be the participant trainee and not the initiating mission. Their focus is oriented toward the needs of particular participants rather than a familiarity with general categories of training or training programs. This may limit their usefulness to the missions in knowledgeably commenting on suggested training institutions and to making strong recommendations for better placements.

- Personal Attitudes

Because of the FS/R-GS mix in SER/IT, career paths are uncertain. FS/R's consider assignment to SER/IT more temporary than their GS counterparts. POA's have a vested interest in assuming as much the DTS's workload and responsibility as possible to enhance their own career development.

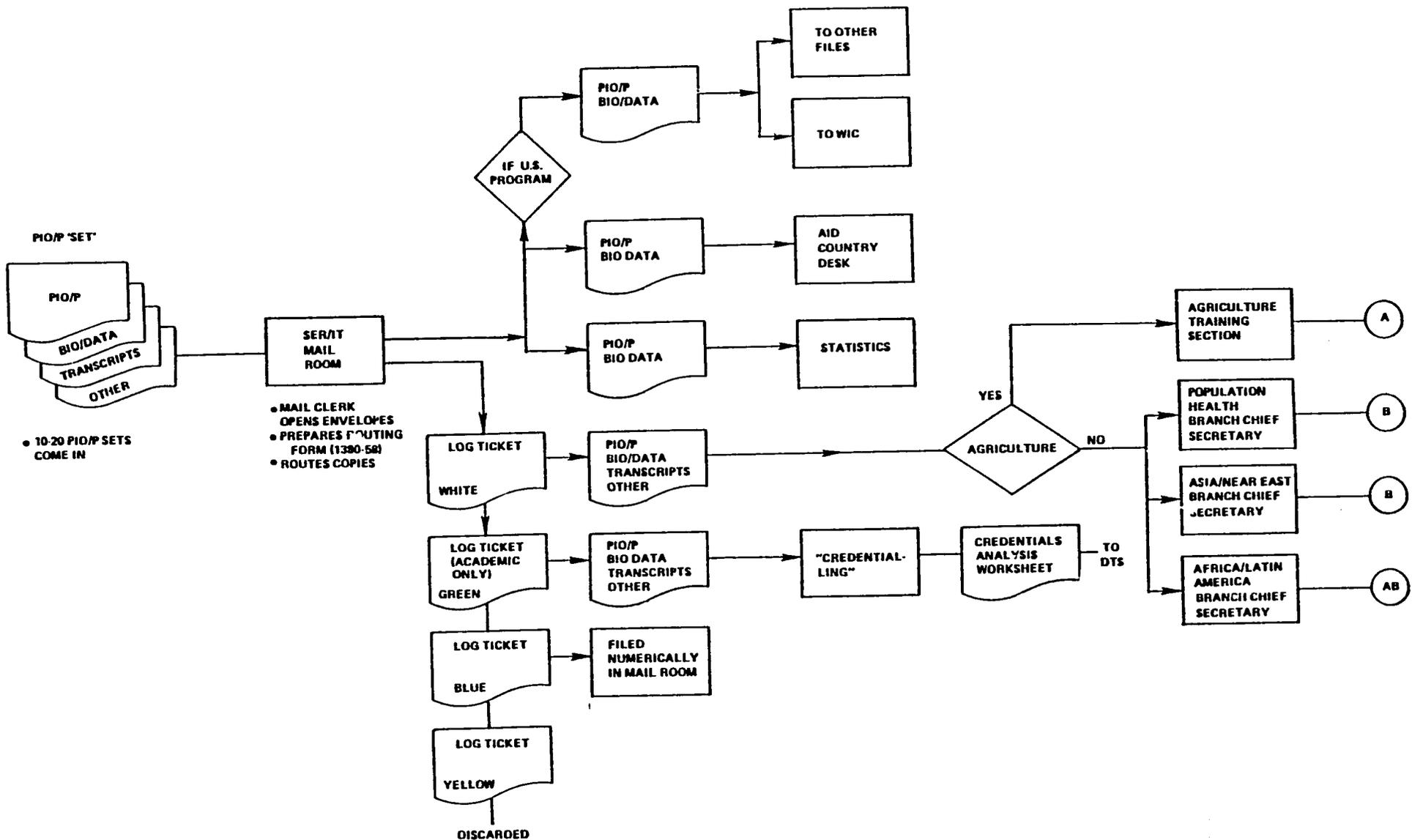
- Organization

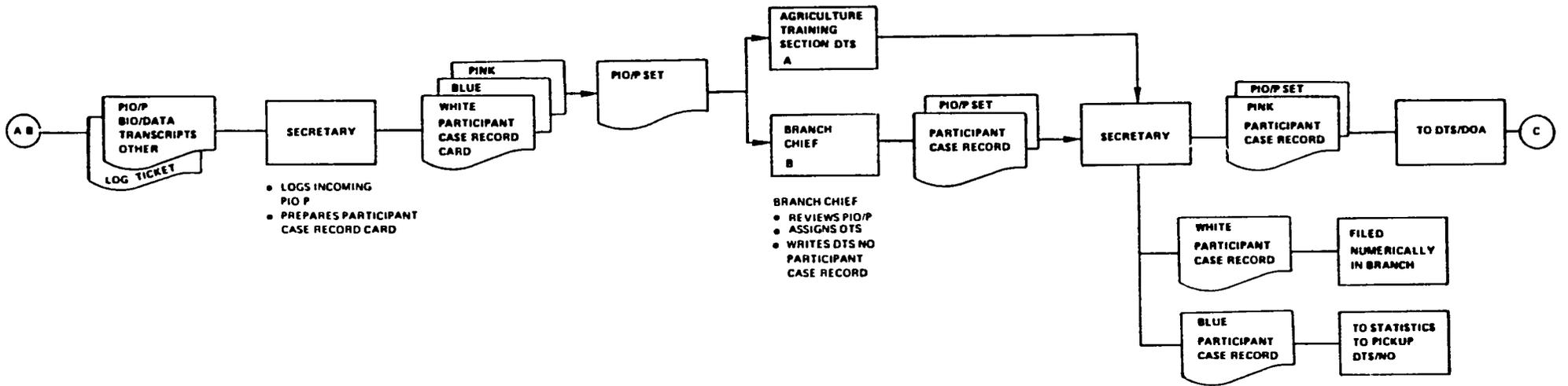
There appears to be a sound rationale for the continued separation of the Program Division along functional or role-related lines. This does not hold true for the geographic separation.

- PIO/P Routing

The PIO/P, which is the prime mover for SER/IT activity (Exhibit V-3), is never seen by the head of the Program Division or his deputy because it is distributed directly to the Branch Chief by the Office mail clerk, who decides on the distribution. In the case of agriculturally-related training, not even the Branch Chief is involved in the routing.

PIO/P FLOW





. Production Control

A number of different logs are kept in SER/IT to record or follow the progress of a PIO/P placement request. One is the Statistical Unit for arrival, another by the Program Branch Chief's secretary, the the third by individual DTS's; and even with these multiple control procedures, the mission remains the primary control over PIO/P's too long in processing or lost. The mission must also serve as monitor of the adequacy of the placement program, its relevance to the project, and finally the evaluation of the training as it relates to the contribution of the returned participant following training. Most importantly, there is no one central control point within SER/IT capable of monitoring PIO/P progress and spotting inordinate delays for corrective action.

While the study team found the basic structure of SER/IT to be reasonably responsive to the service needs of the Agency, certain adjustments could be made that would increase responsiveness and make better use of existing resources. Recommended changes are:

- . Consolidate the Program and Training Support Divisions into one Operations Division. All placements could be under one branch chief allowing caseloads to be more equitably distributed and will encourage the exchange of technical placement information. This would also correct the inordinate ratio of branch managers to placement staff that exists in the three-branch placement system presently used. The high ratio of supervisors to DTS/POA's is especially questionable because of the independent and recurring nature of the work performed and the skill levels of the staff supervised. Also, the study team recommends that if DTS/POA's specialize, they do so along programmatic lines rather than geographically.
- . Create a Planning Group composed of SER/IT management rather than a separate staff group. The study team recommends that SER/IT line managers assume responsibility for:
 - SER/IT planning, organizing, and general operating policies
 - Special projects
 - Development of position papers on changing international training requirements and resources

- Making recommendations for the administration of AID participant training and placement for the future.

It should be noted that this planning group would not be a stand-alone staff group, but rather would be comprised of SER/IT line managers who will not only have responsibility for developing plans but also carrying them out.

Create a new Division responsible for training statistics and training opportunities identification.

Create a separate Administrative Support Group reporting to the Deputy Director.

4. A COMPARISON OF SER/IT TO OTHER FEDERAL AGENCIES*

The study team visited other Federal agencies and one private organization providing comparable services to those of SER/IT or in support of SER/IT. We were particularly interested in organization and infrastructure, levels of staffing, operating systems and procedures, and, where applicable, relationships with SER/IT. The four organizations visited were:

- . Office of International Training, Economic Research Service, U.S. Department of Agriculture
- . Office of International Visitors' Programs, Bureau of International Labor Affairs, U.S. Department of Labor
- . International Statistical Programs Center, Bureau of the Census, U.S. Department of Commerce.
- . International Institute of Education (IIE).

The team also conducted a comparative analysis of workloads and cost per participant for placement and monitoring. For purposes of general understanding we have included some of the broader findings made below.

(1) Other Agency Findings

The three Federal agencies visited are all organized on the basis of technical specialities. The IIE Fulbright staff, like most of SER/IT's Program Division, is organized by geographic regions of the world. USDA and the Census Bureau provide training courses of their own as well as arrange training similar to the services of SER/IT.

*The reader is directed to Appendix IX for a detailed review of this subject-theme, especially as it refers to procedures.

All of the Federal agencies appeared to follow the SER/IT DTS/POA combination, where one program specialist was supported by a program or administrative assistant and both were responsible for all participant training support activities from receipt of request for training until return to host country. IIE makes a separation between specialists who can identify training resources and those that can effectively deal with admissions officers and industry representatives. A point-of-interest noted during this comparative analysis was that only at SER/IT were supervisors not directly involved in workload distribution and assignment. Other agency management felt this to be an important control function.

It was generally found that the level of support or complementary services provided to foreign participant trainees was comparable to that furnished by SER/IT. Most conducted some form of U.S. orientation and provided additional training that would enhance the primary training skills acquired by the participant during his training. None of the other agencies or organizations met the arriving participant at point-of-entry. Also because these organizations were not directly supporting or responsible for field operations, their reporting and statistical requirements were not comparable to SER/IT's.

Most other organizations used some type of batch distribution of allowance checks. Checks were either sent to a foreign student advisor on campus or picked up by the student in person. SER/IT sends checks to its participants via the Treasury and therefore must constantly maintain a current address list.

(2) AID - Funded Other Agency Activities

In FY 1975 AID funded 19 other Federal agencies for training placement services at a cost of \$3.5 million. The cost per man-month of training is shown below.

<u>Participating Agency</u>	<u>Cost Per Man-Month of Training Provided</u>
Agriculture	\$ 194
Commerce	324
Farm Credit Administration	2,714
Federal Communications Commission	257
Health Education, and Welfare	299
Interior	214
Labor	860
Transportation	296

Because of the lack of availability of SER/IT's figures on man-months of training we were unable to compute SER/IT's cost.

The study team believes the variances in costs of man-months of training are indicative of the need to carefully assess the continued use of certain supporting agencies, although an index based on placement made rather than man-month of training arranged would be more appropriate.

The extreme variances in cost per mon-month of training may be due to a number of factors, such as nature of placement, availability of training facilities, fewer actual placements than originally budgeted for or excessive cost. The study team recommends that AID evaluate all support agreement services.

(3) Recommendations Based on Other Agency Organization and Procedural Findings

Based on the findings of other comparable training organizations, the study team makes the following recommendations:

- . Involve SER/IT Operations Management in caseload distribution - SER/IT should alter its procedures used for distributing caseloads to programming personnel. Such a change would accomplish two objectives. It would make management personnel aware of work on hand and would allow them to equalize DTS/POA workloads. Workload distribution is especially important in SER/IT because of recent reductions in force.
- . Assess the Support Level Required of Other Supporting Agencies - SER/IT, faced with increasingly tight budget constraints, should be concerned with the extreme range of support service costs it is experiencing in the case of other agencies. It may be necessary to make other arrangements or to do in-house the programming of participant trainees in areas where the demand for training does not justify AID's support of a standing participant training staff in another agency on a cost effective basis.

- . Investigate the merits of Batched Check mailing - One activity currently requiring a considerable expenditure of SER/IT personnel resources is the monitoring and correction of participant trainee home address and the search for, and replacement of, lost monthly maintenance checks. Both ITO and ISPC use the batch approach for distributing checks. This procedure eliminates the need to maintain a current home address for all participants for check mailing purposes. Furthermore, by batch mailing checks to one address the possibility that on check will go astray is substantially reduced. SER/IT should consider a similar system for its own use.

5. THE RECOMMENDED ORGANIZATION*

Exhibit V-4 depicts the organizational structure for SER/ITS -- the Office of International Training Services. Like other AID services/administrative organizations, it would continue to be part of the Program and Management Services Bureau.

SER/IT's role in participant training would be restated to reflect the basic needs of the missions and bureaus. This would include:

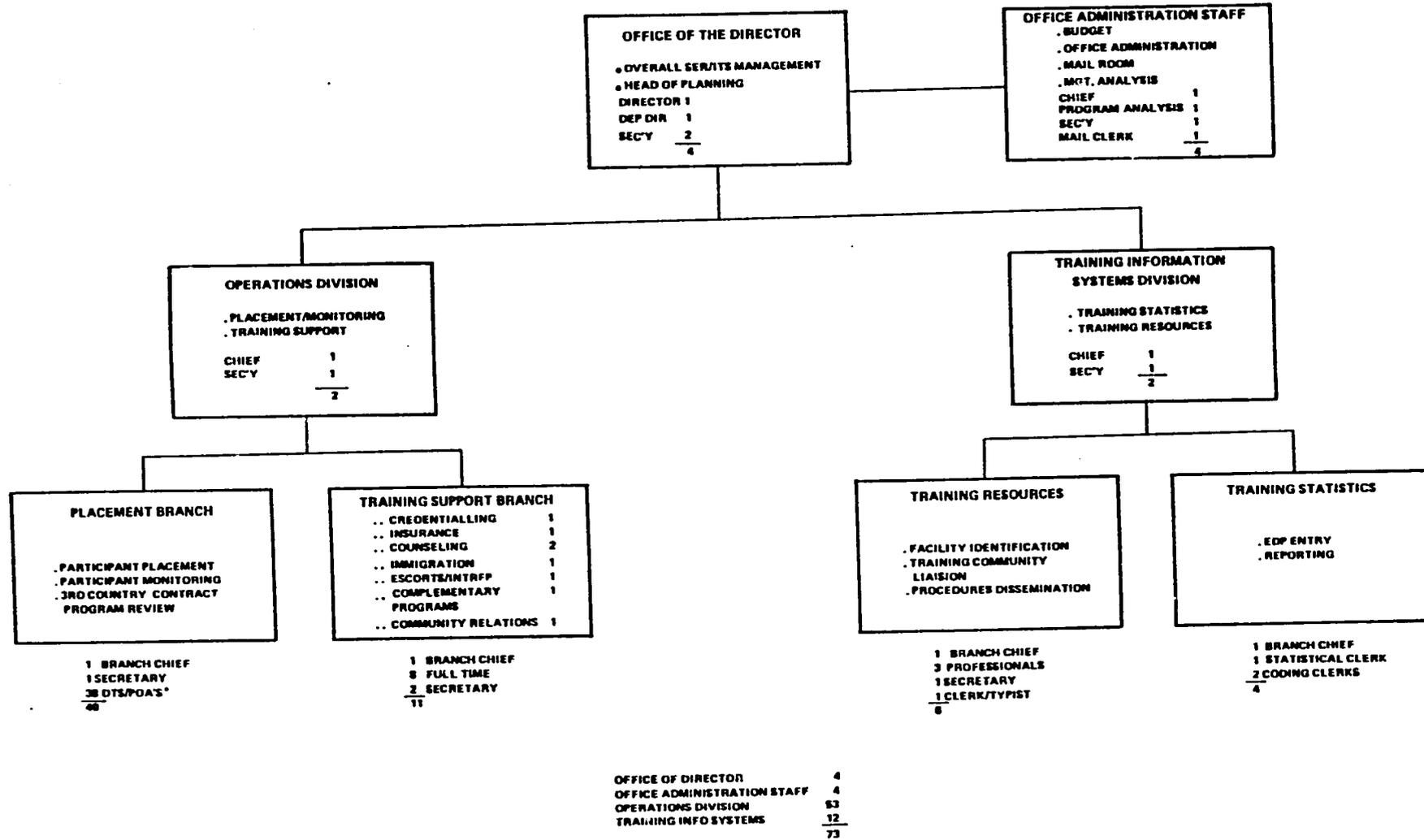
- . The use of both SER/IT and contractors in the implementation of participant training
- . Continued mission responsibility for design and development of participant training programs
- . Heightened capabilities for identifying appropriate training facilities on a worldwide basis
- . Identification of cost-effective alternatives for U.S. placement and monitoring (i.e. AID vs. contractor)
- . Responsiveness to changing modalities of training that may be requested by AID missions or developing countries themselves.

SER/IT's major services in Agency participant training would be:

- . Placement and monitoring all AID sponsored, non-contracted, U.S. participants
- . Maintenance of accurate training statistics on all AID sponsored or placed participant trainees

* The reader is directed to Appendix VII.

PROPOSED SER/ITS ORGANIZATION



* Includes 3 working supervisors

- . Clearinghouse type services to the Agency concerning training opportunities both in the U.S. and other countries
- . Design and dissemination of all procedures that address the mechanics of participant selection, training and reporting.

The recommended organizational structure for SER/ITS is not radically different from the existing one but rather incorporates adjustments which we believe will make it more effective. Brief functional statements for each component would be as follows:

- . Office of the Director - The Director would have overall responsibility for SER/ITS planning, direction, and management
- . Deputy Director - The Deputy Director would serve as Congressional liaison, chairman of the SER/ITS planning group and act in the Director's absence.
- . SER/ITS Office Administration Group - Would report to the Deputy Director and be responsible for all general administrative duties such as budget, personnel, and other related administrative activities
- . Training Information Systems Division - Would have responsibility for collecting training data on all AID worldwide activities and preparing related reports, serving as SER/ITS's outreach capability to the international training community to identify training opportunities, and analyzing exit and entry interview results
- . Operations Division - Operations would provide all placement and monitoring support for participant trainees in the U.S. It would monitor third country and contract placed participants and be the primary source of input to the Training Information Systems Division. It would also be responsible for all orientation, counseling, and complementary training.

In terms of staffing requirements, Exhibit V-5 shows the initial differences between SER/IT and SER/ITS.

6. STAFFING REQUIREMENTS FOR SER/ITS*

Of particular concern to AID and SER/IT management is the question of staff size in SER/ITS. SER/IT's staff has been greatly reduced in the last year, and further reductions may

*The reader is directed to Appendix VII.

RECOMMENDED
SER/IT PERSONNEL CHANGES BY FUNCTION

	<u>Old</u>	<u>New</u>	<u>Change</u>
SER/IT Mgt.	5	4	- 1
SER/IT Planning <u>1/</u>	8	0	- 8
Special Projects Staff	2	0	- 2
Training Information Systems Mgt.	0	2	2
Training Resource ID Branch	0	6	6
Office Admin/Mgt. Analysis	3	4	1
Operations Division Mgt.	0	2	2
Placement/Monitoring Mgt.	4	2	- 2
Placement/Monitoring	38	38	0
Training Support Mgt.	2	0	- 2
Training Support Functions			
• Branch Chiefs	3	1	- 2
• Counseling	2	2	0
• Immigration	1	1	0
• Escort/Intrep.	1	1	0
• Insurance	1	1	0
• Community relations	1	1	0
• Academic advisory	1	1	0
• Complementary Prog.	1	1	0
• Appraisal	3	0	- 3
• Secretaries/Clerks	6	2	- 4
Statistics Branch	4	4	0
Total	86	73	-13

1/ Functions assumed by planning committee in SER/ITS

be anticipated. We believe that with the exception of the Planning Staff Group, which we recommend be replaced by SER/ITS' line management, reductions would only be feasible in the consolidated Operations Division (previously Programs and Training Support). This is true when it is considered that the existing Programs Division:

- . Employs more than any other single group in SER/IT (42 positions out of 86)
- . It is SER/IT's only group responsible for the fundamental activities of placement, monitoring and participant trainee and administration.
- . It is the only group in SER/IT that has a significant number of employees performing similar work.

However, this group has been greatly reduced in recent years and any further reductions should be carefully considered for their impact on work to be performed and quality. Work measurement is probably the only objective way to evaluate work performance and requirements so that legitimate staff levels for SER/ITS can be developed into the future.

(1) Approaches Considered

The study team evaluated three approaches to work measurement in the Program Division:

- . Time Study
- . Work Sampling
- . Historical Data Analysis.

Time study and work sampling were ruled out because the organizational environment encountered in SER/IT was not stable enough to reflect a steady state for evaluation (recent large-scale reductions in the work force and concurrent shifting workload). Also, it was the opinion of placement staff that quality of work performed had decreased.

Historical data would have been the only other alternative. However, quantitative workload data in SER/IT does not provide meaningful breakdowns of activity, or reflect major changes brought about by organizational changes or fluctuations in SER/IT manpower. What data was available was incomplete or of questionable accuracy and for this reason, the study team concluded that, like the observation techniques, would not be fair measure of program staff performance.

Given the inherent problems with existing workload data in SER/IT, the only realistic solution is to create a data system that measures meaningful units of work effort, reports them on a timely basis and builds a solid data base from which staffing decisions can be made, as shown below.

(2) Recommended Approach to SER/ITS Work Measurement

Several very important steps must be taken before work measurement can be implemented in SER/ITS:

- . Work must be broken down into discretely measurable units
- . A standard time estimate must be constructed for each unit of work
- . After each unit is completed it must be entered into the work measurement reporting system
- . Monthly, each unit of work must be multiplied by the standard time estimate and summed to reflect total productive time
- . Total productive time should be compared with total available time to compute a productivity index
- . Annually, this productivity index should be used to make staffing decisions for placement and monitoring personnel in SER/IT.

The study team recommends that four work units in the placement and monitoring process be used in SER/ITS. They are:

- . Participant Placements
- . Pre-arrival Administration and Orientation
- . Monitoring and Maintenance
- . Pre-departure Administration and Closeout.

Each requires a certain amount of staff time to complete which may vary depending on the type of training requested. For example, it is known that U.S. SER/IT-placed, non-academic training, on the average, required the most staff time, while contractor-placed training requires the least. The matrix below for estimated standard times illustrates the required variables:

	PLACEMENT COMPLETED	PRE-ARRIVAL & ORIENTATION COMPLETED	MONITORING IN PROGRESS	PREDEPARTURE COMPLETED
CONTRACTOR/MISSION PLACED 3RD COUNTRY	STD TIME EST			
CONTRACTOR U.S.		STD TIME EST		
OTHER AGENCY PLACED U.S.			STD TIME EST	
SER/IT PLACED ACADEMIC				STD TIME EST
SER/IT PLACED NON-ACADEMIC				

Each box could conceivably have a different average time estimate, although it is believed monitoring effort will be much the same regardless of who does the placement, or if academic or non-academic training is involved.

It would be ideal if placement work was completed in some neat manner, but it is not. In fact, a DTS may be working on several placements simultaneously or intermittently on one placement over several days or weeks. Therefore, it would be extremely difficult to quantify how much time a particular placement took. The same is true for monitoring and other related duties. Therefore the need for average estimates.

The study team found that because of the inadequacies of historical data, some other way must be found for developing standard times. We recommend that an "expert opinion" approach be used in completing the matrix variables identified. Each DTS, POA, and Program Branch supervisor

should be polled on how much time each unit of work by category of training is required. The average or consensus figure should then be used as the standard time estimate. After this is done, it will only be necessary to enter work unit completions into the PTIS to assemble a monthly work measurement data base.

Monthly, each unit of work completed by a DTS/POA team would be summed in terms of expected man-hours of effort (events x standard time estimates) and compared to overall hours available to measure productivity. This can be done for all SER/IT placement and monitoring staff as an aggregate to assess additional manpower requirements or reductions proposed by the Agency.

Standard time estimates can also be used to predict anticipated fiscal year staffing requirements. By reviewing the budget submissions of the bureaus, missions, and offices it is possible to identify new arrivals planned, or continued training of previous arrivals, by category of training. By multiplying estimated standard times for placement, monitoring, and administration activities times new arrivals or continued training anticipated, man-hours of effort can be estimated for the coming year.

7. PARTICIPANT TRAINING POLICIES AND PROCEDURES

The document which prescribes the procedures for implementation of AID participant training is AID Handbook 10. The handbook is composed of five parts:

- . Part I summarizes the organic legislation which authorizes participant training.
- . Part II "emphasizes the planning and programming necessary for participant training."
- . Part III, the core of the handbook, outlines the detailed procedures to be followed in the implementation of participant training.
- . Part IV describes the participant reporting system.
- . Part V explains evaluation and follow-up activities.

Arthur Young & Company carefully received the Handbook to determine its completeness, clarity and overall adequacy. In general, we found the Handbook to be a comprehensive "cookbook" for the implementation of participant training carried out through the PIO/P-SER/IT mechanism and appears to provide adequate instructions for the execution of the required documentation. The Handbook itself, when combined with examples of the various forms

used and the various Training Procedures and Notices periodically issued by SER/IT to deal with particular training problems, questions and opportunities, is quite bulky and unwieldy. This is probably unavoidable in such a comprehensive publication which deals with such a complex system.

The major failing of Handbook 10 is its misplaced sense of priorities. The publication devotes page after page to the necessary minutia associated with the administration of training carried out by way of the funded PIO/P-SER/IT mechanism. If one were to assume that the amount of space devoted to the various types of training implementation were proportionate to their significance in reality, it would be assumed that PIO/P funded training is by far the most important. In fact, the opposite is true. The reality is, for example, that the amount of contract training is now equal to or in excess of PIO/P-funded and SER/IT administered training, and in the future, independently-funded and loan-funded training is bound to increase. However, these latter categories receive attention in a scout way which is out of proportion to their present and future significance.

Another issue which is inadequately handled relates to a major function of SER/IT, namely, achieving an accurate count of AID participants. This major function is discussed in approximately 2 pages. In short, we believe that Handbook 10 ought to be re-scoped so that its prescriptions and comments reflect what we perceive to be the realities of the participant training system. Specific comments on the Handbook follow.

Insufficient Attention is Paid to Contract Training

The amount of participant training carried out by AID contractors probably exceeds that which is implemented through the PIO/P-SER/IT mechanism, but the amount of attention paid to contract training in Handbook 10 is slight. Indeed, the Handbook is written as if most training were carried out through the PIO/P mechanism and contract training were the exception, when in fact, the opposite may be true.

The basic statement governing contract training is that "contract participants are subject to all the policies, regulations, and procedures applicable to other AID-sponsored participants." (Page 2-1). This apparently hard-and-fast rule, however, is subject to certain exceptions which are outlined in Chapter 10 and which effectively remove the contract participant from the funded PIO/P-SER/IT system. Moreover, our impression is that the requirements levied upon contractors by Chapter 10 (e.g., use of non-funded PIO/P and submission of reports to SER/IT) are honored

more in the break than in practice. In short, the treatment by Handbook 10 of contract training is not appropriate to that activity's importance, and does not seem to have been emphasized enough to ensure compliance with the regulations. The conclusion is that the Handbook's discussion of contract training should be substantially expanded and made more prominent. Most important, the language used should be stronger so that there is no doubt in the minds of missions, bureaus, and contractors about their obligations with respect to the implementation of participant training.

. The Regulations Concerning Independently Funded Training Need to Be Expanded and Procedures Need to Be Developed

The Arthur Young & Company study team discovered in the course of its site visits to AID missions, one case in which administrative problems had noticeably impeded the implementation of training funded by a host country. The delays had been sufficient to arouse the personal concern of the American Ambassador. The possibility is that such training will increase in the future, especially from OPEC nations and the probability is that improved mechanisms need to be developed by SER/IT and SER/FM to handle smoothly and avoid similar administrative problems. Again, the amount of attention and level of detail devoted to independently-funded training in Handbook 10 will probably not prove to be appropriate to its future importance.

. The Chapters Spelling Out Reporting Requirements Should Be Strengthened

Arthur Young & Company has recommended that all participant training not handled directly by SER/IT be reported to SER/IT by way of the non-funded PIO/P. Whatever means are chosen by AID, it will remain true that Chapter 34, which delineates reporting responsibilities and requirements, should be given a stronger tone and provide a more detailed rationale for the importance of the timely and complete reporting of all AID participants.

8. SER/IT PARTICIPANT TRAINING RECORD KEEPING AND REPORTING*

Next to the placement and monitoring function that SER/IT performs for the Agency, its most important responsibility is the

*The reader is directed to Appendices IV and VII.

maintenance of accurate and timely records on AID related participant training activities. The study team found a number of basic problems in this area which, we believe, can be easily corrected. Our findings and recommendations on SER/IT based statistical reporting are included in this section.

(1) Participant Training Reporting Requirements

AID missions are responsible for almost all reporting of participant trainees, even when training is centrally bureau funded. Reporting requirements are set forth in AID Handbook 10 and include:

- . Monthly Report on Third Country Training (AID 1380-7) - This report is intended to cover participant trainees either sent to or received by a country for training that has no AID mission. All participants are included regardless of funding arrangement.
- . Participating Agency and Contractor Reports (AID 1380-59) This report is filed by all participating agencies who train U.S. Fellows, and AID contractors who train participants in the U.S. or Puerto Rico. It is completed in stages: upon arrival; when a training program is changed; when a program is completed.
- . Third Country Training Resources (AID 1380-85) - Filed by missions to update AID/W Catalogues of Third Country Training Resources. It does not include individual participant trainee information.
- . English language Testing and Training - An Annual report to SER/IT.
- . Returned Participants Followup Activities
- . Returned Participant Followup Data.

The chief source of information on AID participant trainees, the PIO/P-requested placement, is developed aside from the official reporting requirements above. It is from the PIO/P that SER/IT's Participant Training Information System (PTIS) is updated. In the majority of cases, however, a PIO/P is only received by SER/IT if that Office has been requested by a mission to arrange placement. It is in the area of non-SER/IT arranged placements that the chief reporting and statistical problems arise. These problems cause AID's participant training activities to be understated both for purposes of Agency planning and program/project evaluation, and for purposes of Congressional reporting and budget submissions. "Leakages" occur for several reasons:

Lack of Definition: The study team found, especially during its visits to the fields, a very narrow perception of what constituted a participant trainee. If a foreign national, trained under a grant or sector loan, was placed by SER/IT or a contractor in the U.S. for academic training then there was little question of his participant trainee status. SER/IT was aware of him, definitely if it had done the placement, and hopefully if the mission had required the contractor to report to SER/IT. On the other hand if a foreign national was trained in country or on an invitational travel order it was most likely that his or her training would show up nowhere in the SER/IT PTIS. To make participant trainee reporting accurate and complete two recommendations are made:

- Clearly Define AID Participant Training - The study team recommends that all training of foreign nationals, paid for by the U.S. Government through AID grants or loans, be considered AID participant training for purposes of reporting and evaluation. Such training may be conducted via a PIO/P (SER/IT placed or arranged), a contract (private contractor placed or arranged), or be arranged directly between the mission and a training facility. Further, we recommend that all training arranged by AID but ultimately paid for by a foreign government also be included as a separate reporting category within SER/IT's PTIS. The latter, while not AID funded, does indicate an expenditure of Agency manpower and resources and may influence future staffing decisions. Participant Training should include:
 - All training, both academic and non-academic, in the U.S.
 - All training conducted in the participant's own country
 - Training conducted in a third country other than the host country or the U.S.

Require that all New Participant Training be Reported Via a PIO/P. Currently PIO/P's are used, primarily, to request SER/IT placement assistance in training arrangements. These trainees, for the most part, are then accurately reflected in SER/IT statistics. Contractors are required to report all U.S. training, but depending on the degree of enforcement, the mission may or may not enforce this requirement. This we found to be the largest hole in the statistical system. The study teams found a variety of reporting schemes in the field:

- Annual airgrams plus monthly status reports on participant training
- Advanced reports on intended new starts
- Participant trainee slots designated in annual budget submissions to AID/W
- Monthly reports on participants by projects to Regional Bureaus
- No reports at all
- Monthly total reports to SER/IT.

We recommend that when contractors are used or placements are made directly by the mission that an INFORMATION PIO/P be sent to SER/IT. No action on this document would be taken other than to enter it in the PTIS. INFORMATION PIO/P's would be required when a student is entered in a training program, that program is significantly changed or the student completes his training program. Preparation of the INFORMATION PIO/P should be the responsibility of the missions although one PIO/P may include a number of trainees if more than one person is enrolled in a similar program.

The study team believes the use of the PIO/P as both an action and information document is advisable because it is presently used as a source document for the PTIS and therefore is properly formatted for informational data entry without necessitating a separate document. Also, even when a trainee is contractor placed in the U.S. he often requires some form of SER/IT furnished complementary training. In this case the PIO/P would have both action and informational value.

Enforce Contractor Reporting Requirements - Most missions visited who used contractors shifted reporting responsibility to the contractors involved. However, enforcement of the reporting requirements was often not carried out. Furthermore SER/CM has no way of knowing which contracts involves participant training and if a contractor is fulfilling the reporting requirements of his contract. This is also true for SER/IT which, with the exception of PIO/P placement actions, maintains a "passive" information collection system. The missions (and bureaus) should take an active role in making sure that their contractors report to SER/IT concerning

contract training. For the missions to accept what in many cases will be an additional paper work responsibility it will be necessary to convince them of the importance of timely reporting of participant training activities for purposes of Congressional interest and future budget considerations.

(2) Baseline Requirements

If the INFORMATIONAL PIO/P concept is adopted and maintained, along with the expanded definition of participant training, SER/IT should be able to maintain an accurate input to its PTIS data base. However, without validating the current data base, errors in the existing system will be perpetuated. For this reason the study team recommends that all mission and bureaus be surveyed on a one time basis, to determine the scope of their current participant training activities. This can be done by sending to the missions a listing of all trainees known to SER/IT for each mission for review and correction, or by a fill-in type survey form requesting the mission to provide participant numbers by categories of training. Either approach should provide a baseline for maintaining an accurate PTIS. This capability will be enhanced if the recommendations for improving SER/IT EDP capabilities in Subsection V.9, are adopted.

9. COMPLEMENTARY TRAINING*

SER/IT has little direct involvement in the training requested by a bureau or mission other than the placement, monitoring and maintenance functions described earlier. However, it does play a major role in providing complementary training to supplement primary training programs in the United States. Such programs are either non-technical and non-academic in nature and are designed to introduce participant trainees to the economic, political and social customs of this country, or they are given to make the participant more effective in implementing newly acquired technical skills on his return to the host country. Exhibit V-6 summarizes the cost and attendance for such training programs in FY 1975.

The study team did not attempt to measure the effectiveness of SER/IT managed complementary training programs. However, based on our conversations with private contractors providing complementary training and their SER/IT contract monitor counterparts certain observations can be made:

There appears to be little if any systematic evaluation of complementary training programs. Most complementary

* The reader is directed to Appendix VI.

SUMMARY OF SER/IT
COMPLEMENTARY AND OTHER NON-TECHNICAL TRAINING PROGRAMS

<u>NAME OF PROGRAM</u>	<u>FY 1975 TOTAL CONTRACT COST</u>	<u>NUMBER OF PARTICIPANTS</u>	<u>CONTRACT COST PER PARTICIPANT</u>
WIC RECEPTION & ORIENTATION	355,300 ^{3/}	2,067	172
ENGLISH LANGUAGE TRAINING	272,000	1,000 ^{1/}	272
PRE ACADEMIC WORKSHOP	20,000	84	238
MID-WINTER SEMINARS	71,000	880	81
COMMUNICATIONS WORKSHOP	133,000	411	323
NAFSA	128,000	-	-
COSERU	203,000 ^{2/}	-	-
DEVELOPMENT MANAGEMENT SEMINAR	90,000	170	529

-
- 1/ 3,500 training weeks divided by average stay per participant of 3.5 weeks
- 2/ Partially reimbursed by CU
- 3/ Total contract cost less reimbursements from other agencies

programs have no achievement criteria built in to measure effectiveness. What evaluation there is, is done from the perspective of the satisfaction derived by the student by attending rather than how much he learned. We believe some evaluation criteria is basic to any training program or the program, like many in SER/IT, can go on forever without anyone really knowing if it is worth the money. We recommend that:

- Each complementary training program be independently and systematically assessed as to original purpose and, especially for long running programs, continuing need.
- Gaps in complementary training or orientation be identified and assessed for potential new programs.
- Criteria for accomplishment of objective in training be quantitatively identified and measured against accomplishments.

These are elementary solutions, but unfortunately elementary problems in the review of complementary training programs were found to exist.

Active management of complementary training programs has been replaced by a contract monitoring posture in SER/IT. This has been perceived by contractors through a decline in informal communications and attendance by SER/IT representatives at formal meetings. In addition, the contractors have found it difficult to stay current on what individual in SER/IT has responsibility for their program. We believe this is directly related to recent reductions in SER/IT staff. SER/IT must, even with the reductions, return to a more active role in managing its complementary training programs. Active and ongoing reevaluation, which was recommended earlier, is one aspect of the management style suggested.

10. SER/IT's USE OF ELECTRONIC DATA PROCESSING *

SER/IT is responsible for maintaining current and accurate statistics on the Agency's participant training program and for the preparation of all statistical reporting done to AID management, other Federal agencies and Congress.

The large and varying number of participants, options, fields of study, types of training, and countries and facilities where training is accomplished placed a tremendous burden on SER/IT

* In this particular section of the report, the reader should definitely consult Appendix IV.

for accurate recordkeeping. As a result, the Participant Training Information System (PTIS) was created and has been maintained by AID and SER/IT since 1959.

The original PTIS included non-contract participants only. This partial system operated with various problems and redevelopments through June 1968. Beginning in July 1968, contract and third country programs were added to the system, completing the data base on major AID participant programs. Since the later date, the PTIS has run continuously and, for the most part, as well as possible.

To assess the PTIS within SER/IT, the Arthur Young & Company study team documented the system process; identified problem areas and developed recommended interim solutions as appropriate; developed recommended additional procedures, processes, or activities which will increase the efficiency and/or effectiveness of management reporting within AID and SER/IT; and defined potential long-term improvements that will require additional study and analysis by SER/IT and AID management.

In general, it could be said that slow and inaccurate key-punching; lack of control mechanisms over Mission-generated data (not always accurate, complete or timely); inadequate edit and update cycles and partial utilization of records; have all contributed to a statistical "system" which is -- at least -- highly suspect and non-optimized.

An initial finding by the project team was that the keypunching of PTIS transactions (currently done on contract to SER/DM) has been a major problem in entering information into the system. Misplaced coding and inordinately slow turnaround have materially affected SER/IT's capability to provide the Agency with accurate and timely participant trainee information.

Another problem is that no control is exercised to insure that monthly reports (Form 1380-7) are received monthly from all missions and that such reports cover the area of third country training (where SER/IT statistics show a decline, contrary to findings during meetings with AID/W and mission personnel).

Regarding the edit and update processing, it is currently being performed monthly, resulting in unnecessary delays in receiving and correcting errors. The current processing cycle is as follows:

- . Fifth working day of the month -- final transactions for the month are sent to SDR/DM

- . The transaction are sent to keypunch
- . Edit processing takes place. Error lists are given SER/IT about the 15th of the month. If major keypunch errors occur, transactions are returned for correction and edit processing is accomplished a second time.
- . Report processing is accomplished and monthly reports are received by SER/IT between the 20th-25th of the month.

With the above schedule, a PIO/P received on the 10th of the month will not be processed until the next month's cycle. If a coding or keypunch error occurred, the participant may not appear on the file until the second month's processing. Under this approach, edit and update cycle is inadequate.

From the project team's viewpoint, another problem area is that there is no mechanism to: (1) identify contracts in which participant training is included, and; (2) monitor contract training to ensure that all participants trained under contract are reported to SER/IT. Existing procedures result in SER/IT not knowing which contracts fund participant training, how many participants are funded under each contract, and not knowing if all participants trained under a particular contract are reported. This has made SER/IT statistics unreliable concerning third country training, and has resulted in AID understating the true extent to which AID is sponsoring participant training.

The existing Participant Master Record is 800 characters in length. Of the 800 characters available, 93 are filler characters, 387 are not currently being maintained, and 320 are currently maintained. As currently utilized, computer resources are being wasted. This applies to both storage and processing resources. In addition, the data normally available (e.g., address of the participant, complementary programs attended, etc.) is not available for reporting purposes.

Regarding the PTIS, while it is useful and necessary, it is not optimum nor does it serve all the needs of AID. SER/IT or SER/DM should undertake a systems/requirement study to ascertain its data needs. At present, PTIS utility can be assessed by the following examples:

- . A basis for insurance payments. While not 100% accurate, it is far superior to any manual system.
- . Used to answer Congressional and other inquiries. Often, SER/IT or AID is asked such questions as "How many students from X country are/have been trained in

the U.S.?" Again, the system is not fully accurate, but it remains as a focal point and, most often, the only source of information.

The Participant Locator, one output of the system, is used by most SER/IT offices to locate and/or identify participants. This report is the single most complete source of names of participants who are currently receiving AID training.

At the same time, current reports have overlapping data, are generated on a repetitive basis, indicate little or no use, or are -- in general -- produced through the application of far updated EDP techniques.

In general, it was concluded that the Office of Data Management (SER/DM) is not providing quality service in support of the PTIS and SER/IT's needs. This is directly attributed to SER/DM's lack of management control in applying its expertise to the problems of one of its users (SER/IT). The extent to which these problems are associated with other computer users within the Agency is not known. For that reason, it is recommended that a study be initiated (at the AA/SER level or above) to determine SER/DM's quality of service to AID, to evaluate the extent of such service, and to recommend service improvements. Additionally, the project team also recommends that SER/IT examine PBAR and ascertain if and how the PBAR System can satisfy planning and SER/IT management information needs.

11. SER/IT FINANCIAL MANAGEMENT*

SER/IT can draw on several sources of funding to carry out its responsibilities. It has an annual operating budget of its own, a program budget, and can program AID/W bureau or mission funds for disbursement from a Master Disbursing Account. SER/IT services are reimbursed by funds from other Federal agencies such as the Drug Enforcement Administration or Department of Defense for training support services provided. These funds are then spent for direct expenses related to LDC participant training such as tuition, fees, books, and living expenses; student orientation to the U.S.; supplemental or complementary training designed to enhance primary training skills; and placement via other agencies such as the Department of Agriculture.

(1) Budget Development

As mentioned above, SER/IT has two budget components: an operating budget which is based on anticipated staffing

* The reader is directed to Appendix V.

and related expense requirements and a program budget for programs in the areas of population and health and education and human resources. Because the evaluation of training programs or their relative value to AID's participant training capability was not a part of the study team's charter, we cannot comment with authority on either of the training programs managed by SER/IT or the appropriateness of funding provided. However, the study team found, where the operating budget was concerned, no systematic approach to annual review of SER/IT manpower requirements by SER/IT management. By systematic we mean an objective assessment of placement, monitoring and student administration personnel requirements based on known or projected new arrivals or continuing trainees. From this assessment, approved manpower requests are translated into fiscal year operating budget requirements..

As described elsewhere in this report, the study team believes this can be done by using a standard time estimate system based directly on the various categories of training anticipated by the missions and bureaus in their one and two year operating budget submissions. For this reason we recommend that AID and SER/IT management carefully evaluate the merits of this approach for use in future budgetary preparation as opposed to the "last year plus" approach now being used.

(2) Standard Costing of Participant Training

A simplified system for assessing missions and bureaus for project or program related training costs was adopted by SER/FM and SER/IT in fiscal year 1974. This "Standard Cost System" permitted the mission or bureau sponsoring a participant to simply multiply man-months of training by a fixed standard cost (\$650 for academic and \$1,750 for non-academic) to derive total cost of training. This allowed the agency to reduce excess communications between SER/IT and the field and avoid multiple adjustments to operating budgets caused by changes in an individual's training program or escalating training expenses. The use of standard costing has greatly reduced these problems. It has also created new ones.

Two major problems were found in the present standard cost system. One, the use of standard costing has caused overcharging to the field. Two, less costly training programs are subsidizing more costly ones. For example, in FY 1974 collections from the field resulted in a \$3 million surplus in excess of actual SER/IT arranged training expenses. A like amount is predicted for FY 75 operations. A great deal of this surplus is due to the lack of precision inherent in

the standard costs used and the "whole month" funding policy which requires that a mission or bureaus pay a full month's standard rate for each month or fraction thereof.

Exhibit V-7 illustrates how lower cost training, billed at inflated standard cost, is subsidizing more expensive training. If the new Congressional mandate implies more technical, job related training, then AID may want to continue what is, in effect, a subsidy policy supported by the field.

Overall, the study team found that the SER/FM-SER/IT standard cost system is neither typical of actual expenses incurred or accurate enough for effective management cost control. It is merely an accounting convenience to facilitate collection of training expenses incurred by the field. Any analysis which is done of the system is gross and untimely.

The study team feels two effects on participant training will result if the agency does not improve its standard cost systems. One, missions, regardless of how adequate a lesser cost training facility's program may be, will opt for more costly "prestige" institutions because the cost for all forms of academic degree training is the same. Two, missions and bureaus will make increasing use of private contractors in lieu of SER/IT. This carried to extreme, because of a contrived accounting system, could make SER/IT's average costs prohibitive, as diseconomies of scale force SER/IT to place and administer fewer and fewer participant trainees.

The study team recommends that SER/IT either return to an actual cost system or adopt a two-tiered user charge process. Under the two-tier system the sponsoring mission or bureau would pay actual costs for large training expenses such as tuition and fees. For other associated expenses such as living costs, health insurance, orientation and seminars, a standard rate would be assessed. This approach would retain the simplicity of not having to match every cost to an individual participant, but would discourage the use of more expensive training when lower cost but adequate training is available. Also, based on historical variances, some latitude should be given to SER/IT to make expenditures that exceed originally programmed funds by some fixed percentage. Possibly a range of +10% could be authorized before it would be necessary for SER/IT to go back to a field or AID/W sponsor for further funding authorization.

1975 COST ANALYSIS
OF PARTICIPANT TRAINING

	Academic	Non-Academic
Total Expenditures	\$11,817,358	\$10,757,590
Man-Months of Training Programs	19,700	5,392
Cost per Man-Month	\$599.86	\$1,995.10
"Standard Cost" for FY 75 per Man-Month	800.00	1,250.00

12. RELATIONSHIPS WITH AND AMONG THE VARIOUS BUREAUS AND OFFICES OF AID AND OTHER AGENCIES AND ORGANIZATIONS

Our basic finding concerning the character of relationship between SER/IT and other bureaus and offices in AID/W was that SER/IT has not achieved an effective working relationship with other entities within AID in the area of program design and review, but that it has acquired considerable respect for its administration of the participant training function. It was found that the bureaus and missions perceived that their working relationship with SER/IT in the latter area was productive and relatively problem-free (See Appendix II). We believe that once the identity of SER/IT as an administrative service organization is firmly fixed, there will be opportunities to build upon the base already established by its previous sound record in training administration. Certainly SER/ITS should continuously query program managers in AID/W and in the field to determine how its services can be improved and conversely, to suggest how its counterparts in Washington and in the field can cooperate in the implementation of participant training.

With respect to the relationship between SER/IT and other Federal agencies, we have concluded that there is substantial room for improvement in interactions between SER/IT and USDA/ITO. While we detected no problems at the procedural level between these two offices, there is no doubt that, at the time this study was conducted, there existed a failure of communication and a certain mutual lack of trust. The attitude in some quarters within SER/IT is that their counterparts within USDA/ITO are overpaid and underworked. On the other side, there is frustration because SER/IT is perceived as refusing to grant the role of USDA/ITO in the administration of training for UN fellows and for failing to understand the technical requirements associated with training in the agricultural field. The need for a dialogue between the two offices is clear.

Finally, in Appendix III and elsewhere in this report, we have noted the need for SER/IT to undertake a more positive role with respect to its complementary program contractors.