

**PROJECT ASSISTANCE COMPLETION REPORT**

Project Title: Regional Management Training Project  
Project Number: 538-0148  
Funding Period: 7/24/86 - 9/30/95  
LOP Funding: \$5,924,100 reduced to \$4,898,552  
Implementing Agency: University of the West Indies Cave Hill  
PACD: 9/30/95

**I. PURPOSE:**

The purpose of the amended project is to assist in alleviating the shortage of skilled upper and middle managers by enhancing delivery of management education, training, research and consulting services to the private sector within the Eastern Caribbean

**II. BACKGROUND:**

Phase I of the Regional Management Training Project (RMTP) was a pilot project authorized in 1986 at a level of \$2.7 million. Phase II was an amendment to the original project, adding an additional \$3.224 million over a five year period (8/31/90 through 9/30/95.)

The Pilot Project and, in large part, its successor were designed to help alleviate the shortage of upper and middle level managers in the Eastern Caribbean through the provision of training by local institutions on a cost recovery basis. The final evaluation of the Pilot Project found that employers in the region were willing to purchase high quality training at nearly full cost. This discovery is what led the mission to institute RMTP, a much broader project than the pilot, which aims not only to continue the provision of fee based management training, but also to establish a private sector oriented management development center offering an executive MBA and management seminars and symposia; to upgrade the Department of Management Studies at the University of the West Indies, Cave Hill, and; where necessary strengthen the quality of other management training institutions of the region. This PACR will address the Phase II of the RMTP.

Specifically, the RMTP has three components: 1) the establishment of a semi-autonomous, self-financed Center for Management Development (CMD), affiliated with the University of the West Indies at Cave Hill (UWI/CH); 2) improvement of the Department of Management Studies (DOMS) at UWI/CH; and 3) strengthening the capacity of some of the existing training institutions in the Eastern Caribbean region to deliver high quality training in management.

**III. SUMMARY OF INPUTS AND ACCOMPLISHMENTS:**

Project Progress: The first year of the RMTP was utilized by the Grantee to fulfill a number of conditions precedents and covenants outlined in the Project Agreement Amendment No. 4 including: position descriptions and nominations for the position of Director and other key staff

of CMD; establishment of the organizational and procedural guidelines for the semi-autonomous CMD; and a private sector dominated CMD Board. It was not until August 1991 that the amended Project became operational.

During the two years (1991-1993) prior to the Project mid-term evaluation, the pace of implementation of the various Project components was uneven. In particular, the DOMS component was remiss in nominating suitable candidates for the six Masters and PhD level scholarships available under the Project. The Executive Director of CMD moved forward the start-up of the EMBA program from Year 4 of the Project to Year 2. The first EMBA cohort was initiated in October 1992 with 38 students. Other than launching the EMBA program, CMD's performance lagged, in particular not meeting its targets for seminars and consultancies that were deemed important for the eventual self-sufficiency of CMD. As contemplated in the Project design, the Chairmanship of the Board was turned over from the Principal, Cave Hill Campus, to Mr. Ken Boyea, of the Eastern Caribbean Group of Companies in St. Vincent, thereby providing private-sector leadership of the CMD Board of Directors.

**Reserve Fund:** The Project design and Agreement called for the establishment of a Reserve Fund, intended to provide a "cushion" of US\$250,000 to be utilized by the self-financing CMD when USAID support was ended, and as a demonstration of the Eastern Caribbean Private Sector's commitment to the Project. In fact, little was accomplished in way of generating contributions to the Reserve Fund, indicating a major implementation problem with the Project. Further, although the CMD Board chairmanship was in the hands of the private sector, the development of the legal instrument and truly autonomous nature of CMD was never worked through, leading to ambiguities in management of the Project between the CMD staff, the CMD Board and UWI personnel.

**Mid-Term Evaluation:** The mid-term evaluation of the Project in August 1993 provided a golden opportunity for an objective assessment of the Project, its progress and constraints, and way forward for joint consideration by USAID and UWI. Whereas it was postulated that a flawed Project design (overambitious and unrealistic) was responsible for the implementation delays experienced during the first three years of the Project, the evaluation team concluded that, "...the difficulties experienced by the Regional Management Training Project stem from management as distinct from design problems." The team acknowledged that the multi-nationality of the project added to the complexity of management, in that in contrast with its sister Institutes of Business in the University of the West Indies campuses in Jamaica and Trinidad, CMD serves Barbados, St. Vincent, Grenada, St. Lucia, Dominica, Antigua and St. Kitts/Nevis.

UWI and USAID convened a joint high level meeting to consider the draft findings of the evaluation team, including the USAID Director, Vice-Chancellor of UWI, Cave Hill Principal, CMD Board Chairman, among others. It was agreed to "fix the management of the Project." This resulted in some restructuring and revision of job descriptions of CMD and its staff, and the appointment of an overall Project Coordinator for UWI. The restructuring undertaken by the CMD Board did not satisfy USAID and consequently, USAID withdrew its support for the

operating costs of CMD as of December 1993 and approved the use of the Pilot Project Participant Fees account for this purpose. At the same time, in a letter dated February 11, 1994, the USAID Director stated USAID's willingness to match private sector contributions to the Reserve Fund up to a total of US\$250,000. It was estimated that the annual operating expenses of CMD were approximately \$120,000 per year; hence the "lost revenue" to CMD was simply shifted to become an incentive for galvanizing the Reserve Fund.

The appointment of the overall Project Coordinator in UWI resulted in acceleration of DOMS activities. Computers for the lab and CD ROM were procured and installed; two candidates were trained at the Masters degree level and a number of faculty undertook short-term U.S. based training as the amount of time remaining in the Project was insufficient for additional long-term training. Four long-term scholarships were never achieved.

The restructuring of CMD resulted in the resignation of the Executive Director and the filling of the position by a person seconded from DOMS who filled the position on an interim basis. Efforts to recruit a new fulltime CEO were protracted. It was not until March 1995 that a new CEO was in place in CMD.

**Recent Progress:** The newly appointed CEO's efforts and initiative led to a movement forward in a number of key areas where progress had not previously been made. In order that sufficient time be available to achieve some of the Project's critical objectives, the Project Grant was extended from July 31, 1995 until September 30, 1995. Recent achievements are:

- 1) **Reserve Fund:** With the help of a Barbados based private sector Board member, over B\$500,000 (US\$250,000) in pledges and contributions over the next five years will be made to the CMD Reserve Fund by the Barbados private sector. Pledged contributions have also come forward from St. Kitts. With concurrence from the General Counsel in AID/Washington, USAID has agreed to match the pledged amounts (based on signed covenant agreements) as well as actual contributions to the Reserve Fund bank account.
- 2) **Satellite Training Centers:** Sites were identified in each of the seven OECS countries for satellite training centers, generally in community colleges or training institutions. The Project is providing audiovisual and teaching equipment in these designated facilities so that local seminars, EMBA modules, or pre-EMBA certification programs can be held.
- 3) **Restructuring of EMBA:** The EMBA has been restructured to become a revenue earner rather than a revenue loser. An important change was the use of a new Cave Hill campus dormitory in lieu of hotel/meal accommodations.
- 4) **New Revenue Earning Programs:** New programs will be offered by CMD including a Graduate Diploma in Human Resources Management beginning in February 1996, and Executive Development Seminars. It is anticipated that the CMD will be fully self-financing by 1996.

- 5) **Staff Restructuring:** New staff have been hired who have the necessary skills in financial analysis, executive development programs, and marketing/proposal development.

**Project Accomplishments:** Following is a table which compares the planned outputs of the Project with the actual outputs.

### Summary of Major Project Outputs

Major Outputs	Planned	Accomplished	% of LOP
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#### Center for Management Development (CMD)

1. Training Seminars	27	12	44%
2. Graduates of CMD Seminars	600	376	62%
3. Participants in Workshops	400	330	83.5%
4. EMBA Program designed	1	1	100%
5. EMBA Graduates	20	68	100%
6. Other OECS training institutions	10	8	80%
7. CMD sponsored research/consulting activities	13	2	61.5%
8. Textbooks published	6	2	33%

#### Department of Management Studies

9. DOMS faculty trained long-term	6	2	33%
10. Course manuals developed	15	4	27%
11. DOMS equipped	100%	100%	100%

#### CMD Component Achievements

The Center for Management Development was established in 1991 with a small core staff led by an Executive Director. In 1992 the EMBA program was launched and 38 students registered. Enrollment to date: Cohort 1 (1992 to 1994) with 38 students; Cohort II (1993 - 1995) with 34 students; cohort III (1994-1996) with 32 students; and Cohort IV (1995-1997) with 44 students for a total of 148 students.

In addition, the Center has finalized arrangements to teach a Graduate Diploma in Human Resource Management beginning February 1996.

The CMD conducted two case writing workshops and two Training of Trainers Workshops. These workshops targeted persons from throughout the OECS sub-region, most of whom did not possess an adequate capability to assist with training and development initiatives in their respective countries.

The CMD has designed over 100 Caribbean cases, published two text books and edited several seminar presentations.

In the area of seminars, symposia and workshops, the CMD conducted a range of Executive Development Programs in response to current needs. In 1994 a Certification Course in Business Administration was administered for the St. Lucian Government. In 1995 an extensive six month reclassification Certificate program was conducted for forty public servants in St. Lucia. Several seminars/symposia and workshops were held throughout the Eastern Caribbean.

The Center established and fully equipped seven Satellite Training sites in the Eastern Caribbean.

### **DOMS Component Achievements**

The Department of Management Studies, the beneficiary of the Institutional Strengthening component of the Project, achieved some of the targets set out in the Project. Implementation of the project recorded uneven progress, with accelerated development occurring in the latter half consequent upon the Mid-Term Evaluation.

Two members of the Department completed the Masters of Business Administration (MBA) Degrees at Florida International and Boston University respectively. All members of the Department took advantage of the provision for short-term training locally as well as in the US.

The Department was able to strengthen its teaching and other delivery skills both in and out of the classroom with the acquisition of modern audio-visual, library, and computing equipment and supplies. Computers were provided for a Computer Laboratory, as well as for staff members' offices. The Department acquired a CD-ROM library facility. A comprehensive network of "structured wiring" was installed which gives access to the CD-ROM system from the DOMS faculty offices, as well as access to all other networking on-line systems on campus. There were a total of four Teaching Manuals completed for use by the Department.

Technical assistance in faculty performance appraisal was provided to the Department by two consultants during February and March 1995. During the 1995-1996 academic year, the DOMS commenced implementation of some of the recommendations contained in the Performance Appraisal Instrument on a pilot basis with full implementation to take place in the next academic year.

#### **IV. DEVELOPMENT IMPACT**

The Project will have its greatest development impact in three areas: through the students in the EMBA program; the improved training facilities available in each of the countries; and the establishment of a self-financing CMD which has the capability to meet the non-EMBA training needs of the region.

The EMBA program is attracting both public and private sector students from the OECS countries, Barbados, and more recently Jamaica and Trinidad. As more and more people graduate from the program, they will return to their countries and institutions, with improved management and business capability. It is apparent even now that the EMBA students and graduates are making an impact in terms of new business ideas (medical practice in St. Lucia) to improved public sector management (Permanent Secretary in Health in Dominica). The potential for widespread impact throughout the region and its public and private sector institutions is vast. The Government of St. Lucia, in particular, has sponsored a large number of its employees to the program.

The Satellite Training Centers, although late in coming on stream, once in place, provide the potential for getting the training programs out to the smaller OECS countries, augmenting the course offerings of CMD and increasing the potential intake into the EMBA program.

A functioning well-managed CMD is now a reality. However, given the previous problems in project management and implementation, the only real accomplishment of the program to date has been the EMBA but there is great potential for other programs to be launched. Additional programs offered by CMD will contribute to the overall Project purpose of alleviating the shortage of trained managers in the region.

A disappointment of the Project is the failure of UWI to nominate the six candidates from the DOMS for long-term training. The original project design envisioned a strengthened DOMS faculty working in close coordination with the CMD program offerings, teaching in the EMBA program as well as the proposed consultancies and research. It is certainly a missed opportunity that these scholarships opportunities were not realized. Although the training was reprogrammed instead for short-term U.S. training, it does not make the same long term contribution as the true upgrading of DOMS faculty.

#### **V. RECOMMENDATIONS FOR CONTINUING MONITORING**

With the closure of the RDO/C office in FY 1996, there is no possibility of further USAID monitoring beyond that date. But 1996 is the year it is projected that CMD will become self-financing and that was a critical objective of RMTP.

## VI. LESSONS LEARNED

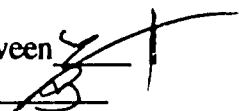
- 1) Sticking it out can be worth it: Given the myriad of problems USAID had with the Grantee in the meeting of Project conditions, covenants, and adherence to the implementation plan and Project outputs, and overall management problems, there were many times where USAID was ready to terminate the Project. However, in the final six months of the Project with the appointment of a new CEO, it is clear that the overall Project objectives will be achieved.
- 2) Avoid too many Project Agreement conditions and covenants: over conditioning and covenanting the RMTP grant agreement appears to have been done because consensus with the grantee was not achieved beforehand. Perhaps the rush to obligate funds led to this. What occurred was a series of unrealistic deadlines given to the Grantee which USAID continually had to extend; and in cases where they were fulfilled, it was in form and not in substance. It would be better to delay Project obligation until things were truly agreed to with "the customer."
- 3) Getting the right person in the right place at the right time: Although the Project design was considered adequate, for some reason the Project didn't seem to gel. However, once an overall Project Director was appointed, this made a real difference in the Grantee's responsiveness to USAID. The impact of the new CMD Executive Director has already been discussed. What was looking like a failed Project (USAID was anticipating CMD would fold and UWI would pick up the EMBA program), is now projected to be a self-sufficient, semi-autonomous management training institution by 1996.

Drafted by: C/GDO:RCohn: 11/20/95: Doc. GDOPUB\RMT.PACR

Clearances:

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A handwritten signature in black ink, appearing to be 'S. H.', is written over the typed names 'MHorween' and 'PBisek'.