

**End of Project Evaluation
Institute for Management Education
for Thailand, Inc.**

Evaluation Report No. 4

July 1985

Bureau For Private Enterprise
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END OF PROJECT EVALUATION
OF THE
INSTITUTE FOR MANAGEMENT EDUCATION
FOR THAILAND, INC. (IMET) PROJECT
Submitted to
Office of Policy and Program Review
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INSTITUTE FOR MANAGEMENT EDUCATION FOR THAILAND, INC.
(IMET)

EXECUTIVE SUMMARY

Problem and Overview: In February 1982 a Bureau for Private Enterprise (PRE) Reconnaissance Mission identified the development of management education as an important component of Thailand's efforts to strengthen its private business sector. A follow-up visit to Thailand resulted in an unsolicited proposal to PRE to provide funding for the Institute for Management Education for Thailand, Inc. (IMET).

IMET's mission was originally envisioned as upgrading capabilities of urban managers and of management education faculty in Bangkok universities. This mission was subsequently broadened to concentrate on management training for rural business people. IMET has carried out its programs through four institutions: Thai Management Association (TMA), Thammasat University, National Institute of Development Administration (NIDA), and Chulalongkorn University.

U.S. Assistance: The Bureau for Private Enterprise (PRE) and IMET signed a specific support grant agreement (940-0072) in September 1982. The project, administered from Washington, provided \$1 million to establish IMET. The objectives were to provide: 1) intensive private sector middle management programs; 2) faculty development symposia; 3) hardware and software teaching materials; and 4) short-term consultants from the U.S. business administration academic community. The grant agreement required IMET to raise \$400,000 in private sector matching funds. The project enjoyed the support and active involvement of the U.S. Ambassador to Thailand.

Purpose of Evaluation: The evaluation, conducted during June and July 1985, was to provide PRE with an assessment of the project's successes and/or failures, focusing on development benefits to the Thai business community. The evaluation was intended to determine the project's accomplishments as compared to the original objectives and to assist PRE in a decision on additional funding.

The findings and conclusions of this report result from a four week stay in Thailand by the evaluation team. In Bangkok the team reviewed relevant documents and conducted interviews with present and past IMET Board members and staff, those responsible for IMET's program implementation, U.S. and Thai businessmen, AID officers and Royal Thai Government officials. The team also visited several rural locations to observe programs in session and conduct interviews with current and former participants.

Findings:

1. The objectives of the Grant Agreement have been met. IMET has been established. Contributions to IMET, in cash and in kind, have exceeded the grant's matching funds requirement. Grant funds have been successfully used to upgrade management in Thailand through seminar programs for over 2,000 businessmen and business school faculty.
2. The project has given priority to basic management education for owner-entrepreneurs of rural businesses, a shift away from its early focus on upgrading business school faculties and the middle management of Bangkok businesses.
3. Participant response has been striking. Contributions of close to \$1000 per participant have been made at the end of seminars, thus demonstrating strong appreciation of benefits obtained.
4. Business results at the micro level have been verified. Examples were discovered of sales increases as high as 300% and inventory reduction of 35%, thanks to approaches learned in seminars. A contribution to macro-economic growth, though hard to track, is beginning to be discernible.
5. University faculty have welcomed the opportunity to adopt a new role in taking management education out to rural businessmen. This contact has had a positive influence on the way they teach their university classes.
6. In teaching rural businessmen, university instructors have been handicapped by their lack of experience with non-academic methodologies. Not enough time and money have been spent in preparing them for working in a new terrain, whose demands are quite different from the university classroom.
7. Recently a new IMET with a strengthened, reorganized Board, a full-time Managing Director and a Corporate Plan has emerged. Because IMET had no organizational structure when the project was designed and because the project design did not address the question of IMET's structure, organizational change and development has been inevitable and necessary.
8. IMET is not yet self-sustaining. It has encountered stiff competition in securing tax-deductible contributions which are limited by Thai law to 1% of corporate profits. Most contributions have been pass-through funds earmarked for GIBA (Graduate Institute of Business Administration at Chulalongkorn University). IMET's major source of funds has been participants' contributions, which are growing.
9. Programs are on hold pending a PRE funding decision. IMET's thrust will soon lose momentum unless it receives funds.

Project Design and Policy Implication: The IMET project was designed to bring together businessmen and business school faculty for common action to improve the quality of management and management education in Thailand. The design allowed enough flexibility for IMET to change the original focus of the project to one that was not foreseen in the Grant Agreement nor reflected in its budget.

This demonstrates the difficulty of having in advance detailed knowledge of the exact direction a project should take. Care should be taken, therefore, when designing projects and in monitoring project expenditures to allow the flexibility observed in IMET project implementation. This need not - and in fact should not - exclude a thorough review by PRE when a grantee sees fit to redirect project funding.

Conclusions and Recommendations:

1. Conclusion: The "Corporate Plan" is the beginning of an effort of self-definition by an organization formed to be the recipient of a grant. IMET needs to continue the process of self-definition and complement it with serious strategic thinking about its future.

Recommendation: PRE should encourage and support IMET in its efforts to develop, through successive iterations, a strategic plan for the medium term (4 to 6 years) that will clarify for its principal actors IMET's future path, significant milestones along the path, and the roles of these actors in moving towards them.

2. Conclusion: IMET is on its way to becoming self-sustaining, but needs more time and merits being given this time, since it is scoring notable successes with agribusinesses and upgrading private sector management, an achievement critical to Thailand's growth.

Recommendation: AID should provide enough funding to IMET over the next several years, on a progressively decreasing basis, to allow IMET time to put itself on a more secure footing and permit a gradual transition to self-sustainment.

...to program...
Recommendation: PRE, as a general guideline in funding projects anywhere, should ensure that the project design is conducive to making the grantees' activity self-sustaining by the date of project termination.

3. Conclusion: IMET's desire to move into new areas, largely because it is hoped they will generate funds, coupled with PRE's policy of funding new ventures, endangers the continuation of programs successfully piloted.

Recommendation: PRE and IMET should jointly review the pending proposal for funding of five programs in the light of its impact on successful past programs. IMET should implement both new ventures and proven programs in a proper mix.

4. Conclusion: IMET's entry into a new program area, the delivery of business management education to practicing business people outside of Bangkok, lacked consideration of factors that are critical when breaking new ground.

Recommendation: In new programs, IMET should include time and budget for the identification and selection of appropriate methodologies to:

- assess the target audience's needs;
- design programs to meet these needs;
- select learning methodologies appropriate for the target audience;
- develop evaluation plans and procedures prior to initiating programs.

Recommendation: IMET should assess program developers' and instructors' knowledge of, and skills in using, the above methodologies; provide time and money for familiarization and training where needed.

Recommendation: PRE should in the future make built-in formative evaluation a significant component of a project such as IMET that is not using field-tested methodologies.

5. Conclusion: The results of the project, many of them unforeseen at the beginning, indicate that a project design which brings together urban private sector businessmen and university business administration faculty to provide basic management education and training for an under-developed rural business sector is replicable in other countries. The success of the IMET project was also due in large measure to the confluence in the host country of very favorable conditions for implementation.

Recommendation: PRE should survey other countries to determine those which may have the conditions and resources meriting more elaborate feasibility study.

PROJECT IDENTIFICATION DATA

1. COUNTRY : Thailand
2. PROJECT TITLE : Institute for Management Education for Thailand, Inc.
3. PROJECT NUMBER: 940-0072
4. PROJECT DATES :
 - a) First Project Agreement: September 30, 1982
 - b) Final Obligation: On-going Project
 - c) Project Activity Completion Date (PACD): December 31, 1985
5. PROJECT FUNDING:
 - a) A.I.D. Bilateral Funding: \$1 million grant
 - b) Local Currency Matching Funds: None
 - c) Other Major Donors: None
 - d) Host Country Counterpart Funds: None

Total Funding: Loan - None
Grant - \$1 million
6. MODE OF IMPLEMENTATION: Activity by Grantee
7. PROJECT DESIGN: Bureau for Private Enterprise
8. RESPONSIBLE OFFICIALS:
 - a) Bureau for Private Enterprise/Assistant Administrators: Elise W. DuPont 1982-1984, Edgar C. Harrell (Acting AA 1984), Neal Peden 1984-85
 - b) Project Officers: Roger Moeller 1982-83
Andrea Mohn 1983-85
Larry Brown 1985
 - c) Mission Directors: Robert Halligan 1982-85
9. PREVIOUS EVALUATION AND REVIEWS: None

PROJECT EVALUATION DATA

10.	COST OF PRESENT EVALUATION	:		
	a) Direct Hire:		N/A	
	b) Contract:		\$49,080	
	c) Local Hire:		\$10,000	
			TOTAL:	\$59,080

11. **DATE OF PRESENT EVALUATION:** June 4 - July 19, 1985

12. **HOST COUNTRY EXCHANGE RATES:**

Sept. 1982: Baht 22.9 = \$1.00
 June 1984: Baht 27.0 = \$1.00

- a) A.T.D. bilateral funding: \$1 million grant
- b) Local currency matching funds: None
- c) Other major donors: None
- d) Host country counterpart funds: None

Local funding: loan - None
 grant - \$1 million

- 6. MODE OF IMPLEMENTATION: Activity by Grantee
- 7. PROJECT DESIGN: Bureau for Private Enterprise
- 8. RESPONSIBLE OFFICERS:
 - a) Bureau for Private Enterprise/Assistant Administrators: Elise W. Dutton 1981-1984, Edgar C. Harrell (Acting AA 1984), Neal Reden 1981-82
 - b) Project Officers: Roger Mosler 1982-83, Andrea Mann 1983-85, Larry Brown 1985
 - c) Mission Directors: Robert Halligan 1982-85
- 9. PREVIOUS EVALUATION AND REVIEWS: None

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A. THE ORIGINS AND GROWTH OF IMET

Because of the unusual circumstances of this project - a grant to contribute to the establishment of an Institute - it is useful to review in some detail the origins and growth of the Institute for Management Education for Thailand, Inc. (IMET).

In February, 1982, Mrs. Elise R.W. du Pont, Bureau for Private Enterprise, Assistant Administrator, led a Reconnaissance Mission to Thailand to survey the prospects for increased American private sector involvement in Thailand. A follow-up visit in June, 1982, by Dr. Margaret B.W. Graham, of Harvard University's Graduate School of Business Administration, and Mr. Richard Floor, of the law firm of Goodwin, Proctor & Hoar, focused exclusively on the area of management training and development. It was during this visit that the idea of establishing a U.S.-Thai foundation to promote management education in Thailand was formulated.

A U.S. incorporated foundation would be composed of ex-officio members, both Thai and U.S. nationals, living in Thailand. The foundation would seek and obtain both U.S. and Thai tax-exempt status and serve as a vehicle for funding management education activities in Thailand. This dual tax-exemption would attract donations from U.S. corporations with business activities in Thailand as well as from Thai businesses and business associations.

On July 16, 1982, IMET was incorporated in the Commonwealth of Massachusetts to implement this concept. The By-Laws of the corporation specify that a Board of Directors, initially set at 15, but subsequently to be a number determined by the Board itself, and appropriate officers would be elected by the ex-officio members.^{1/}

^{1/} The ex-officio members of the foundation are the Rector of Chulalongkorn University, the Rector of Thammasat University, the Dean of The National Institute of Development Administration, the Ambassador of the United States to Thailand, the President of the Thai Management Association, the President of Associated Thai Industries, the President of the American Chamber of Commerce for Thailand and that person nominated by the National Economic and Social Development Board of Thailand. Originally, the Dean of the Open University was also an ex-officio member, but this was changed at the first meeting of the foundation, September 22, 1982.

On July 23, 1982, an unsolicited proposal for a specific project grant was submitted to the Bureau for Private Enterprise (PRE) by Mr. Floor. The proposal aimed at improving management training in Thailand. This would be achieved through partial funding of the newly-established Graduate Institute of Business Administration at Chulalongkorn University (GIBA); staff development courses, professional development conferences, and doctoral studies in the U.S. for Thai university faculty; the production of Thai management education materials and the procurement of educational hardware.

On September 22, the first meeting of IMET members was held in Bangkok. Amendments to the U.S. By-Laws were made. A Board of Directors was elected. Mr. Kasame Chatikavanij was named Honorary Executive Director and empowered to sign the Grant Agreement for IMET.

The Grant Agreement was signed on September 30, 1982. Its stated purpose was "to provide support for up-grading the capability of existing institutions to provide management training in Thailand through cooperation with the Institute for Management Education for Thailand".

The objectives of the project were "to provide AID financing, to be matched by private sector contributions, to contribute to the establishment of the Institute, which will fund: (1) intensive private sector middle management programs; (2) faculty development symposia in Thailand; (3) hardware and software teaching materials; and (4) short-term consultants from the U.S. business administration academic community to coordinate and oversee the programs."

The Grant Agreement further stated: "The grantee will implement the program as outlined below and described in their proposal attached to the program description", despite the fact that the program description and the proposal differed greatly from one another. The most significant differences were:

- a) The proposal called for AID funds to go to GIBA while the grant says that only matching funds can be used for GIBA;
- b) The proposal called for up-grading of Thai faculty to be done through courses and conferences in the U.S.; the grant, through seminars in Bangkok;

- c) The proposal did not envision any funds being used to provide training for practicing Thai managers, while the grant called for intensive middle management training programs;
- d) The proposal called for \$2 million funding over a three year period; the grant, for \$1 million over a two year period.

After the signing of the Grant Agreement, the Board of Directors met three times in 1982 to start elaborating IMET's organizational structure. It increased its membership to 18; selected a part-time Executive Assistant; appointed a Working Committee to begin developing a training program plan to supplement the Thailand Management Association (TMA) seminar program explicitly foreseen in the Grant Agreement. It approved the selection of Dr. Harold Leavitt of Stanford University as Academic Advisor, with whom it contracted to produce the project evaluation reports foreseen in Section G of the Grant Agreement. An IMET accounting manual was produced and submitted to PRE for approval as required by the Grant Agreement.

At its December 22, 1982, meeting the Board approved the first IMET training projects which were to begin implementation of the Working Committee's "bold and different" approach: focus on raising management standards in rural areas. The TMA seminar program would provide training for middle management of Bangkok, as well as some up-grading for business faculty, and initiate the production of case studies adapted to the Thai business environment. The thrust of the other programs would be to reach the owners of businesses, especially agribusinesses, outside of Bangkok; the members of Agricultural Co-ops and other types of Thai agricultural organizations and village farmers. The programs would introduce them to the concepts of systematic management and initiate them into the use of some techniques adapted to their level and scope of business activity.

The rural area programs were begun by Chulalongkorn University in April 1983; by Thammasat University (TU) in May 1983; and by the National Institute of Development Administration (NIDA) in June 1983. The TMA seminar program began in October 1983 and ran through August 1984.

Since then the Chulalongkorn University courses (referred to locally as the Chula courses), the Thammasat University courses and the NIDA courses have been repeated in 1984 and 1985.

IMET's By-Laws were translated into Thai, with some changes to meet the requirements of Thai law. IMET was registered as a foundation with the Thai Ministry of the Interior on February 14, 1983. The Ministry of Finance accorded tax-exempt status to the IMET foundation on May 3, 1983.

As time went on, IMET's need for a full time Managing Director was being more clearly perceived. This point was specifically addressed in Dr. Leavitt's letter of April 12, 1983 to Dr. Chaovana Na Sylvanta, Board Chairman, and Ambassador Dean, Vice-Chairman. Shortly thereafter the Board began the search for a full-time Managing Director. The position was filled in March 1984 by Dr. Sunt Techakumpuch. Unfortunately, Dr. Sunt submitted his resignation for personal reasons in early May. However, his resignation was not accepted by the Board until August when the search for a new Managing Director began.

Another felt need for IMET was that of a long-term plan. Dr. Titaya Suvanajata, Rector of NIDA, had proposed the development of one to the Board. The PRE project manager, a guest at the May 1984 Board meeting, specifically requested the submission of such a plan to PRE. A document entitled "Proposed Corporate Plan for IMET" was prepared by the NIDA faculty under Dr. Titaya's direction. It was submitted to the Board in December 1984, and approved at the following meeting in February 1985. At this same meeting Dr. Titaya Suvanajata, no longer Rector of NIDA, was appointed IMET's new Managing Director. Having served as a member of the Board since IMET's inception, he is thoroughly familiar with the Institute's strengths and weaknesses.

When the Board reached the mid-point of its four year term, one-half of its members were legally required to resign. At its February 1985 meeting the Board appointed a nominating committee to select new members before the next meeting.

The IMET Board had reached the conclusion that it could function better if the four implementing institutions (Chulalongkorn University, Thammasat University, NIDA and TMA) were not represented on the Board. These institutions were submitting program proposals and budgets to the Board for approval. A more frank discussion of the respective merits of program proposals would be possible if the proposers were not members of the Board. The representatives of the four implementing institutions, therefore, agreed to resign and be replaced by new members from the business community. This, in turn, strengthened IMET by expanding its base of support.

The next, and most recent, meeting of the Board was held on May 23, 1985. At this meeting the new Board was installed. Four members of the old Board were re-elected, and five new members added.

Four committees were also set up: the Program Committee, the Financial Committee, the Project Evaluation Committee and the Public Relations Committee. Each committee is chaired by a Board member. Representatives of IMET's four operating agencies (formerly represented on the Board) are now members of the Program Committee.

The "Corporate Plan" had called for the establishment of an Executive Committee of the Board. This Committee has not yet been set up because to do so the By-Laws would have to be amended. Instead, the four Board members who are committee chairmen and the Managing Director will act as an Executive Committee.

The original two-year period of the PRE grant had been extended to three years in April 1984. In June 1985, the Project Activity Completion Date was again extended to December 31, 1985.

1/ A complete list of the members of the original Board and the new Board and members of the committees can be found in Appendix A.

B. IMET AT THE CROSSROADS

1. IMET Accomplishments and the Grant Objectives

The 1982 Grant Agreement had as its objectives:

- 1) to provide AID financing to contribute to the establishment of IMET;
- 2) to stimulate private sector contributions through a matching funds mechanism;
- 3) to provide IMET with funds:
 - a) to conduct intensive private sector middle management programs and faculty development symposia in Thailand;
 - b) to procure hardware [for program delivery];
 - c) to procure [or produce] software teaching materials; and
 - d) to procure the services of short-term consultants from the U.S. business administration academic community to coordinate and oversee the programs.

The first objective of the grant agreement has been attained. IMET has been established. From an organization set up seven days prior to its designated representative signing a \$1 million Grant Agreement with PRE it has developed into an organization which now has an office and staff of its own, a Managing Director and an active Board of Directors (attendance at Board meetings has averaged 70%). It has the active support of the Thai Bangkok business community as shown through the volunteer work provided by its Board of Directors and the Working Committee which carried IMET forward until it could procure the services of its first Managing Director. They also kept IMET functioning during the period of about 8 months when IMET had no Managing Director (after Dr. Sunt submitted his resignation and before the appointment of Dr. Titaya). IMET has created a growing constituency among the rural (non-Bangkok) business community through its programs to meet the needs of this community. Support for IMET is also growing among the Provincial Chambers of Commerce, which now exist in 55 of Thailand's 72 provinces. Fifteen of the Chambers have requested IMET programs in their provinces.

The second objective - to stimulate private sector contributions - has also been met. The grant requirement of \$400,000 in matching funds has been exceeded by \$370,185. (See Section D, Tables 4 and 5 for details).

The third objective - the funding and carrying out of activities - has also been met in those areas in which IMET's Board of Directors considered the expenditure of funds to be useful and prudent, making full use of the Grant Agreement's mechanism for the reallocation of funds between line items. Intensive training for middle managers in Bangkok, up-grading for university faculty in teaching techniques and in case writing and the production of a number of Thai case studies were provided for by the TMA seminar program. No educational hardware was procured because this was not perceived to be a priority. The services of U.S. consultants were not procured to coordinate and oversee the programs. However, the services of an Academic Advisor were used, and U.S. business school faculty were used as providers of services in the TMA seminar. The unused funds in several line items were redirected, with PRE consent, to fund IMET's intensive programs in areas outside of Bangkok. (A detailed discussion of IMET's programs is contained in Section C)

2. IMET's Mission, Objectives and Functions

Since 1982, IMET has been operating without any formal statement about itself other than the By-Laws which had been drawn up to establish it as a legal Thai foundation. In December 1984, a document called the "Corporate Plan" (CP) was produced. It was approved by the Board at its February 1985 meeting.

The CP begins with a Section entitled "Background" which describes Thailand as a developing country in need of a more efficient private enterprise system and of greater cooperation between the public and private sectors. These needs cannot be met by government action alone. The private sector must take steps to strengthen itself. There is a need for "an independent and nonprofit-oriented organization to act as a catalytic force." The CP sees IMET fulfilling this role provided it overcomes its problems of: a) "the lack of a well-defined process to provide guidance and determine priorities for proposed projects"; b) the existence of unproductive competition among institutions seeking funding, leading to inefficient use of resources; and c) the absence of a well-defined process for monitoring results. The root of these problems is described as a lack of well-defined mission and purpose.

The CP then goes on to present a very broad mission statement: "to promote and support endeavors to advance the growth, effectiveness and efficiency of [the] private enterprise system [in Thailand]". The objectives to be pursued because of this mission are also broad: a) improving management capability in private business; b) increasing cooperation between the public and private sectors, and also within the private sector; c) mobilizing resources ... for development of the private sector; and d) reinforcing awareness of business ethics.

The future role of IMET is then stated as:

- a) analyzing and diagnosing the business environment on a continuing basis;
- b) encouraging and stimulating the development of proposals;
- c) suggesting project types and determining the direction and priorities of related activities;
- d) screening and recommending proposals;
- f) monitoring progress of funded programs;
- g) fund-raising to finance programs.

A reorganization of IMET is then proposed to attain its mission and objectives:

- a) expansion of the Board of Directors "to reflect the composition of the Thai economic environment";
- b) establishment of a five-person Executive Committee of the Board (called an "Executive Board" in the CP);
- c) establishment of ad hoc committees "to assist and make recommendations to the Board";
- d) the Managing Director [who] is to be the general administrator for IMET;

- e) establishment of three offices under the Managing Director:
- an Administrative Office;
 - a Funds Office: "to assist the Managing Director in fund raising activities each year", to make financial plans, "to coordinate with the Project Office in disbursement of grants and scheduling of payments to ensure that sufficient funds are maintained to support on-going projects";
 - a Project Office: "to monitor, evaluate and control approved projects", "to screen project proposals";

In addition, a project referee system is proposed "to assist the Managing Director in project proposal evaluation and selection".

The CP concludes with an action plan for 1985 which includes a fund raising campaign and recruitment of a new Managing Director to replace Dr. Titaya who is now serving as an "acting" Managing Director (until November 1985 according to the CP).

3. Analysis of the "Corporate Plan":

The "Corporate Plan" is IMET's first effort at defining its identity. As such it cannot be expected to be a finished product. Its statement of the problems facing IMET is incomplete. For example it mentions neither IMET's very uncertain financial future nor the difficulty in securing a permanent Managing Director.^{1/}

^{1/} The Managing Director of IMET needs skills and creativity of a high order to give it the leadership necessary at this critical juncture of its development, marshal the human and financial resources its mission requires, and resolve the complex issues it faces. IMET's uncertain future and shaky finances, however, make the position unattractive to a person of the calibre needed.

The document needs to be completed by a long-term strategic plan. As a result of defining its mission and objectives in very broad terms IMET has increased the number of alternative courses of action from which to choose. So now IMET needs to develop a strategic plan.

The strategic plan should include, as a minimum:

- a refined mission statement;
- a realistic assessment of IMET's strengths, weaknesses and available resources;
- identification of KRA's (Key Results Areas);
- formulation of a clear, attainable and measureable objective for each KRA;
- budgetary projections of both income and expenditures, clearly identifying any short-falls; and
- an outline of potential problems and appropriate responses.

In the course of developing its plan IMET should also:

- conduct an organizational scan to define more clearly what it is and what it is not; what the precise relationship is to be between IMET-foundation and IMET-participating institutions;
- describe its relationship to its environment: what are its various constituencies; who are the "stakeholders" in IMET; and
- define the market which it is trying to serve.

An organizational scan, the first step in developing a strategic plan, would enable IMET to detect and correct deficiencies in its operating procedures, such as:

- an inadequate definition of the roles which must be assured;
- an inadequate perception of these roles by the people who must fulfil them; and
- a lack of recognition of the information flows which are needed within the organization and of defects in the flow of information.

By developing a strategic plan, IMET will be forced to make choices and assign priorities to activities planned for the next five years. One benefit of clearly articulating such a strategic plan would be to create confidence among prospective donors.

However, since an implementable plan must arise from a consensus among many actors and must have their support, the process of elaborating the plan will take time.

C. PROGRAMS

1. Overview

The main thrust of IMET's programs has been to provide management education for businessmen in all five of Thailand's Regions. The TMA seminar program - the only one budgeted for in the Grant Agreement - had 254 participants (121 urban managers and 133 university faculty members). The unplanned programs, however, have reached 1,321 provincial businessmen (primarily owners of agricultural trading and processing companies) and 86 farmers as of July 1, 1985. Table 1 shows the number of participants by category in the programs conducted by each of the four IMET implementing agencies.

Providing management education programs to the rural sector represents an entirely new activity in Thailand, and one which has met with success, according to anecdotal information collected by the team in interviews with 70 participants.

IMET's rural-oriented programs may best be described as education, the aims being mainly to develop an appreciation and awareness of management concepts. This contrasts with training, which focuses on the development of skills proficiency. Because skills requirements and proficiency differ among IMET participants, skills training is more difficult to carry out than it would be in the case of a more homogeneous group. Even in this form of adult continuing education, however, learning strategies differ from those required in campus classrooms.

PRE has been the single largest donor to date of management education programs for the private sector in Thailand. The Department of Technical and Economic Cooperation lists 22 externally funded management education projects undertaken since 1983: Of these it appears that only three have been management education for the private sector. In addition, the Asia Foundation has funded programs to up-grade management teaching since 1983 in amount of \$115,146.^{1/} The Swedish Institute of Marketing gave \$4,350 to Thammasat to initiate the TU Master's in Marketing (MIM) Program, which also involves

^{1/} The Asia Foundation's total funding for business and economics teaching and other projects has totalled \$1.3 million. Funding has largely gone to Khon Kaen University, GIBA, Prince of Songkhla, Thammasat, and Chiang Mai Universities in that order.

Swedish professors in team-teaching the eight MIM courses. TMA has received some funding for small projects from France, West Germany and Japan.

The IMET management education programs are instrumental in fulfilling general AID, PRE, and Royal Thai Government (RTG) development goals, all of which stress private sector initiatives as the key to self-sustaining growth. They also contribute to the general RTG goal of reducing the development gap between Bangkok and other areas, and the specific goal of increasing the efficiency of private sector managers.

PARTICIPANTS IN IMET TRAINING - UP TO JULY 1, 1985

TABLE 1

CATEGORY OF PARTICIPANT	INSTITUTIONS PROVIDING TRAINING				TOTALS	%
	CHULALONGKORN UNIVERSITY	NIDA	THAMMASAT UNIVERSITY	THAI MGMT ASSOC		
University Faculty	-	-	-	133	133	6%
Urban:						
Top Mgmt small business	-	-	-	24	24	
Middle Mgmt large business	-	-	-	97	97	
<u>Urban total</u>	-	-	-	121	121	6%
Rural:						
Owners of medium to large business	-	299	-	1	300	
Owners of small business	715 <u>1/</u>	57	249	-	1,021	
Agricultural Coops/Assoc.	43	-	259	-	302	
Farmers	-	-	86	-	86	
<u>Rural total</u>	758	356	594	1	1,709	83%
Government Employees	-	-	94 <u>3/</u>	1 <u>4/</u>	95	5%
<u>Grand Totals</u>	758	357	718	256	2,058 <u>1/</u>	
Percentages of Grand Totals	37%	17%	33.5%	12.5%		100%

1/ approx. 360 more participants to be trained within next 2 to 3 months

2/ Largely private farmers, plus some paid Co-op staff

3/ Coop Officers as observers

4/ Management Trainer

2. Seminars for University Faculty and Middle Managers

To implement the grant objectives of providing high quality middle management training for practicing Thai managers and of upgrading university faculty, Thai Management Association (TMA), a not-for-profit institution patterned upon the American Management Associations, submitted a proposal to IMET, which was accepted. TMA specified in its proposal the following objectives:

- a) To provide an immediate impact on the business community by means of providing high-quality seminars for upper-middle and middle managers to be attended by over 125 managers.
- b) To provide immediate development symposia to 150 faculty members in Thailand, leading to the strengthening of management education in Thailand.

After extensive advanced planning between October 1983 and June 1984, TMA brought from the U.S. 12 top-rank university professors and an expert on energy management to conduct 17 seminars of five days duration each. Eleven of the seminars were for university professors, six were for practicing middle and upper middle managers.

a. Selection and Planning

The selection of participants to attend the seminars for university instructors was made by a special coordinating group consisting of representatives from NIDA, Thammasat, Chulalongkorn and TMA, appointed by the Working Subcommittee of IMET.

In the case of the seminar for practicing managers, TMA was authorized by IMET to appoint a selection committee to screen potential attendees, using the criterion that participants would be representative of the Bangkok business community (multinationals, manufacturing, trading and service companies).

During the March, 1983 visit of IMET's academic advisor, Professor Harold Leavitt, the subject of the seminars was thoroughly discussed with him.

b. Focus

Major importance was given to the subject of case writing. The cases formerly used in Thai universities were all foreign. Of the eleven seminars conducted for Thai professors, five were devoted to Case Writing; 43 professors, 33 from Bangkok universities, attended these seminars. The content was:

1. Writing business cases;
2. The usefulness of the case method for management training;
3. Preparation to teach a case;
4. Performance criteria used in the evaluation of case course.

As a prerequisite, each participant had to present a case and send it to TMA for reproduction prior to course commencement. Each participant was also required to have a background in management education and acquaintance with the case method.

During these case writing seminars the participants, working in groups, selected a case developed by one of the participants in the group, and developed it in greater detail with the help of the guidelines and coaching of the visiting U.S. professor. The fruit of their labors is found in Case Book, published by IMET in October, 1984; it contains 13 cases, some of them with teaching notes. The book, in English, is a first, and is being translated into Thai.

The other eleven seminars conducted for Thai university instructors were aimed at improving their teaching techniques in one of the following areas:

1. Operations Management;
2. Organizational Behavior;
3. Marketing Management;
4. Financial Management;
5. Information Systems and Technology;
6. Human Resource Management.

Each of the 90 participants was required to be presently an instructor in the particular field of the seminar.

The other series of seminars planned and executed by TMA focused on the needs of the Bangkok business community. 121 invitees from among the estimated population of 5,000

middle managers in the Bangkok area attended six seminars conducted by U.S. university professors. These seminars covered the following areas:

1. Productivity, Planning and Motivation;
2. Management Decision-Making;
3. Energy Management in Manufacturing;
4. Marketing;
5. Contemporary Management Problems;
6. Financial Management.

c. Outcomes

IMET has not carried out a systematic evaluation of the impact of the seminars on the subsequent job performance of attending university instructors and middle managers, possibly because of the major logistics problems this would involve or because of IMET's decision to concentrate its limited resources in the future on owner-entrepreneurs in rural Thailand.

The evaluation team has been able to discuss these seminars with seven of the U.S. professors who conducted them; and with seven Thai university instructors and eight middle managers who attended them. In talking with them the team focused on a) the learning that occurred during the seminars; b) subsequent on-the-job application of learnings; and c) suggestions for improving any future seminars. Following is a sampling of their more significant comments:

1. U.S. Professors

- Bright people, worked into the night;
- Good support from TMA and IMET;
- Dynamic group, good English;
- They carried away a personal appreciation of participatory learning;
- More able than I thought they would be; so I dropped what I had prepared and shifted to the use of computers in teaching Finance;
- Extraordinarily motivated and serious ... as good as any I have taught anywhere;

- Too great a spread among participants; better if they were less heterogeneous and more proficient in English;
- Team-teaching with an outstanding Thai would be good;
- Next time I would mix businessmen with professors.

2. Thai Instructor Participants

- I am now using cases in my teaching and writing a case book in Thai;
- I have not yet written a case since I cannot get information from businessmen;
- I learned many techniques ... now I can teach job costing; a difficult concept;
- Good sharing between participants from different universities;
- I learned to use a computer, but have not used it in teaching as we have none;
- Has changed my teaching a lot; our whole department should go;
- If we had businessmen with us in the seminar, we could have gotten good data for cases;
- Only a few of us could speak English easily; better if a Thai co-taught;
- Professor was boring, talked theory, which Thai know. Little participation.

3. Middle Managers

- Very helpful; I had been 10 years without management training. Good professor, down to earth, practical. Other seminars in Thailand are all theory;

- I enjoyed the seminar very much; the professor was capable and energetic. Most of the content was familiar to me, but I think others learned;
- It was too long ... too much theory. I would prefer less lecturing and a case study;
- One of the best I have ever attended, lots of new ideas, it changed my thinking and approach to marketing;
- It was too short. Very good;
- Most helpful. The approach was different - participation and sharing. Professor's English was tough, but 80% of us understood;
- Not long enough. Case study method was good. Professor spoke slowly. It was a chance to talk to others. Dr. Somburana should organize a reunion;
- Helped me in handling people.

d. Discussion

The comments made by both Thai university instructors and businessmen show that the TMA seminars brought to Thailand a different kind of management seminar, appreciated by the Thai who attended, many of whom can testify to the seminars' impact on the way they do their work.

In carrying out such an enterprise for the first time, with all its concomitant complications of selecting a sufficiently homogeneous group of participants with a level of English and the right kind of experience to benefit from the seminar, shortcomings in program execution must be expected. It appears, however, that the benefits - particularly with respect to some of the seminars - outweighed the shortcomings, and valuable lessons have been learned that make it possible to improve seminars of this type in the future. Whether or not carrying out more of the same is justified in view of their cost and the priority being given to rural management training - is a decision that IMET's program committee and board must grapple with.

3. Programs for Provincial Businesses and Farm Groups

At the time the Working Committee defined the focus on rural areas, it also delineated target groups by institution:

NIDA - leading provincial businesses;
Chulalongkorn U. - small businesses;
Thammasat U. - rural agricultural groups.^{1/}

In the case of Thammasat (TU), research on the problems of agricultural associations and co-ops predates IMET. However, no funds had been available for program delivery prior to the PRE grant. Chula, as well as TU, had identified small businesses for research, but had undertaken no training prior to IMET. All the 24 IMET-funded off-campus programs provided by Chula, NIDA, and TU may thus be considered additions to the institution's curricula. Many faculty members particularly at TU and NIDA report that the contact with business realities has altered their campus classroom teaching: more examples are used, and the weaknesses of teaching only theory are better understood. In addition, TU has developed a module on patterns of small business accounting as part of a new course on Accounting Information Systems. Table 2 shows the types and number of courses by institution.

a. Conceptualization and Development

The general conceptualization and detailed development of programs has been carried out by each provider institution independently. Proposals outlining the broad concepts, target population, selection procedures, work schedules and budgets are submitted early in the fiscal year to IMET for review by the Board. All management education proposals have been accepted largely as submitted, although with some budget revision.

^{1/} Cooperatives, Agricultural Associations, and Production Savings Organizations, members of which are independent farmers.

TABLE 2

Types and Number of IMET-Funded Management Education Courses

Course Type and Target Group	Chulalongkorn University	NIDA	Thammasat University	TMA	Total
Business Mgmt. Education				11	11
Medium Large Business Management		3		6	9
Marketing (Agribusiness)		3			3
Small Business					
General Management	6 <u>1/</u>	1	3		10
Agri-business	1				1
Agricultural Co-op and Association Management	1		5		6
Farmers			1		1
Total	8	7	9	17	41

1/ Chula has scheduled 2 additional programs for the next 2 to 3 months.

The conceptualization of programs was initially topic-driven, rather than problem-driven. Although this orientation has changed somewhat, building on the preceding years' experience, there is a need to move to a greater problem-centered approach.

Such a shift would be aided by a more rigorous needs assessment. Currently, needs are assessed independently by NIDA and Thammasat lecturers in open-ended interviews with a sample similar to the potential participants. The extent to which the program is revised may be limited by the high cost of change relative to use of materials already developed, although modules on computers have been dropped from two programs because rural businessmen perceive no need for their use. Lecturers recognize that they are at a disadvantage when they have no advance knowledge of the management practices and problems and general abilities of participants.

The Board rejected a 1983 NIDA needs assessment proposal as inconsistent with the IMET emphasis on training rather than research. While the need existed for high-visibility action in IMET's early years, needs assessment is as vital to effective adult education as market research is to new product development. The importance of needs assessment is recognized among instructors, one of whom indicated IMET is reaching only a fraction of the population. Before doing more of the same programs, however, he maintains that funds are needed to examine new directions and adjust the program.

b. Selection of Participants

While each institution contacts and selects potential participants independently, selection processes are similar. Civic and business organizations and the Chief Commercial Officer in each province are asked to circulate applications and information and to do initial screening, or to recommend businessmen. Where ex-IMET participants reside, they are also asked to refer possible participants. Final screening is done by NIDA and Thammasat for their programs. No screening was done by Chula in 1985. While the general method is useful, all three institutions report instances in which Provincial Officers or Chambers of Commerce have not responded as desired. Delays and fewer participants than the targeted number are the result. It would appear that the IMET office could coordinate contacts with provincial associations and government offices, reducing redundant contacts and perhaps streamlining the selection process.

c. Delivery

Major differences in the delivery of 1985 programs are summarized in Table 3. The Chula program differs markedly from the others, relying on an audio-visual package, including video-tapes, narrated slide shows, and transparencies, and lasting less than half the time of the Thammasat program. The combination of practicing businessmen and academics is generally applauded by participants.

Some highlights of participants' comments on programs follow; the training institution is indicated in parentheses.

- need more on financial management; "more than just how to keep accounts" (Chula);
- need local resource people to contact when problems arise (NIDA);
- need more on how to develop teamwork among employees (Chula);
- need for single-focus programs on individual management areas (Chula, NIDA, TU);
- need for review and revision (Chula, NIDA, TU);
- need to select participants who will share their knowledge with others (Chula, NIDA, TU);
- internal control unnecessary; business too small to make this a problem (TU).

TABLE 3

1985 Programs Observed by Evaluation Team

	Chulalongkorn	NIDA	Thammasat
Delivery Mode	A-V package, interspersed with live instructors comments and review of answers to workbook exercises	Live lectures by academics and business people	Live lectures by academics and business people
Duration	2 1/2 days	10 days	5 days
Type	Non-residential	Residential (some evening sessions)	Residential (some evening sessions)
Trainee classroom participation	Limited opportunity	Good to excellent	Good to excellent
Materials provided	Text and Workbook	Readings + transcripts of seminar proceedings	Readings
Group work	As time permits; not scheduled	Case study Participant-organized fund raising Group discussion	Games to encourage trainees to think about human relationships; entertainment.

Several people with previous management training stressed the need for group discussion and problem identification, despite the varying backgrounds of participants. Most participants expressed general satisfaction.

d. Materials

The quality, quantity, and type of materials in use at the 1985 seminars observed by the evaluation team varies among the three institutions, each having produced a set of materials based on prior experience and some contacts with potential participants. While Chula's use of a workbook (exercises are completed during the seminar) is a good method for reinforcing and testing, the materials focus less on skills than on sometimes peripheral facts. The NIDA and Thammasat materials observed include text but no exercises for participants.

Participant involvement is encouraged through NIDA's use of cases and group discussions, and Thammasat's group activities, as well as the somewhat more active audience participation than occurs in the Chula sessions. The short, non-residential Chula courses allow less opportunity for individual questions and interaction with instructors than do the longer TU and NIDA sessions.

The shift from classroom lecture style to continuing adult education presents a new challenge to instructors. There is evidence of progress toward a less academic style. IMET instructors should continue their efforts to make the sessions:

- problem-driven rather than topic-driven;
- problem-focused with small-group work on problems rather than lectures;
- relevant to individual participant needs defined at the beginning of the program;
- responsive to individual needs and problems as they arise during the program.

Beyond the topics now covered, there may also be a need for attention to building general skills in problem identification and problem solving.

e. Program Evaluation Activities

Since the programs being conducted by each of the three institutions are breaking new ground and bringing university professors into contact with practicing businessmen, who have a strong bias toward actual work problems, evaluation takes on added importance.

Aside from the three reports of Professors Harold Leavitt and Jean Lipman-Blumen, program evaluation to date has been the responsibility of each institution.^{1/} Methods used have included observation of participants, analysis of responses on seminar evaluation forms, and, for NIDA and TU, some follow-up activities.

Sample seminar evaluation forms ask participants to rate various items:

- pre-session knowledge of subject
- post-session knowledge
- applicability of learning
- course materials
- instructors
- schedule, site, accommodations

In its 1985 programs, Chula has administered pre- and post-tests of subject matter knowledge. Chula trainers have themselves found these tests to be poorly designed: high pre-test scores prevent any substantial gains, and indicate the prepared AV materials are geared to a lower level audience than attends seminars.^{2/} Here, as regards conceptualization discussed above, we found a lack of problem or skills orientation. The pre-test/post-test technique is a potentially valuable tool, but requires thoughtful construction to maximize its usefulness.

1/ Interviews with instructors and IMET Board members indicate that the services of a U.S. Academic Advisor are no longer needed.

2/ Administrators of the Chula program determined that 1984 training was too difficult for their Northeastern audience, and re-designed both content and delivery for this year's training. At the same time, Chula assessed a 500 Baht (\$18.50) fee, provided no housing and only a noon meal. Consequently, the market changed. Participants in 1985 have higher education than those in 1984.

TU alone is explicitly including follow-up in program design. This follow-up, associated with programs for farm group leaders, serves two purposes: evaluation and additional intensive training. Budget and time constraints restrict intensive follow-up to a single village in a multi-village area served by the original program. Small businessmen receive an informal visit with TU staff, while fourth year TU students spend a week in the village with participants and other interested persons. This provides TU staff a feel for how initial learnings are being used, which areas were poorly understood, and what is not applicable to small scale business.

The NIDA follow-up consists of a participant-initiated and funded reunion. Evaluation in 1985 became an incidental part of the reunion, with participants suggesting the inclusion of sessions on managing for growth and political and economic forecasting.

In summary, program evaluation procedures are beginning to be developed. Staff show awareness of the need for more evaluation, but this has not been uniformly turned into action plans. Provider institutions might consider two evaluation cycles: the first a learning-objectives-based evaluation of each program, and the second, an overall evaluation of the institution's annual programs. To the extent that future programs resemble past programs, explicit evaluation procedures would contribute to more effective re-design.

f. Results

1) Direct Impact on Business Firms

Because the program has not included specific evaluation of business results, assessing this type of impact on Thailand is necessarily tentative. The Evaluation Team interviewed 20 participants from 1983 Chula and NIDA programs, and some 50 participants during 1985 Chula, NIDA, and TU programs. It should be stressed that virtually all those interviewed are independent owners of businesses in rural Thailand. The only exceptions were managers (who are often share-holders), constituting less than 5% of the sample. Interviews indicate the impact has been considerable in some cases. Examples from interviews with the 20 who attended programs a year or more ago reveal the following:

five reported a reorganization and greater delegation of authority;

- four reported inventory reductions as high as 15 to 35%;
- two reported improved cash flow;
- eight reported improved human resource management, 2 indicating this resulted in decreased employee turnover, 1 having introduced an employee development program;
- three reported improved marketing, resulting in 15%, 60%, and 300% increases in sales;
- three reported increased understanding of accounts, one is now able to use unit costing;
- four reported applying a systems approach to management, in one case, the complete remodeling of a community irrigation system, resulting in increased yields.

The improvements in individual company operations can be expected to contribute to increased macro-level efficiency in the allocation of resources, and thus to national growth. It is of course difficult, if not impossible, to demonstrate this conclusively because of the many other factors involved in tracking a connecting link from increased efficiencies at a micro-business level through to their contribution to macro-economic development.

2) Unplanned Achievements

Interviews with both participants and instructors indicated some unplanned outcomes. These include the development of an expanded business network (enabling, for example, crop growers in one area to find a buyer, thus eliminating what had been a major constraint on production that exceeded local demand); requests for follow-up consulting from some businessmen who were trained; requests from the Industrial Finance Corporation of Thailand and RTG units for TU assistance in designing accounting forms and systems for small businesses and farmers' associations; involvement of IMET's former participants in the move to open Chambers of Commerce in all provinces; and the development of university/business interchange, resulting in increased mutual respect.

D. FINANCES AND IMET'S FUTURE

1. Financial History

The Grant Agreement of September 30, 1982 provided IMET with \$1 million for a two-year project to upgrade university teaching faculty and provide management training. It also stipulated that the funds be utilized as follows:

BUDGET ESTABLISHED IN 1982 AGREEMENT

I.	Thai Management Association Program	\$ 220,000
	Approximately 20-5 day Seminars	
	Travel & Per Diem for Seminar Lecturers	101,000
II.	Course Development (Thai Language Modules)	200,000
III.	Case Development	180,000
IV.	Hardware (Education materials including Audio-visual, computer equipment, course and training materials, etc.)	235,000
V.	Faculty Advisor	25,000
VI.	U.S. and/or Thai Business Faculty	14,000
VII.	Administrative Costs	<u>25,000</u>
		\$1,000,000
		=====

A condition of the grant was that IMET obtain from the private sector matching contributions of at least \$400,000, 50% of which could be in kind. Table 4 and Table 5 show that this requirement has been more than met. Well over half of IMET private sector funding has, however, been pass-through funds designated for the Graduate Institute of Business Administration at Chulalongkorn University.

TABLE 4

MATCHING FUNDS - CONTRIBUTIONS BY FY IN US \$

FY	FROM SEMINAR PARTICIPANTS		FROM COMPANIES & INDIVIDUALS				TOTAL
	Cash	Kind	UNDESIGNATED		DESIGNATED (mainly GIBA)		
82/83	<u>Cash</u>	<u>Kind</u>	<u>Cash</u>	<u>Kind</u>	<u>Cash</u>	<u>Kind</u>	
	46,637	-	41,421	-	187,718	-	275,776
83/84	130,616	2,620	28,646	7,836	87,568	110,018	367,304
84/85	74,350	-	4,220	2,620	45,915	-	127,105
TOTAL	251,603	2,620	74,287	10,456	321,201	110,018	770,185

Table 5
CONTRIBUTIONS BY COMPANY AND FY IN U.S. \$

NAME OF COMPANY/INDIVIDUAL	FY 82/83	83/84	84/85
Chase Mannattan	21,834		
Esso Standard	21,834		
William Jackson	437		
S. P. International	8,734		
Union Finance	437		
Siam Cement Co., Ltd.	43,668	33,720	3,717
Bangkok Bank	43,668		
Thai Military Bank	8,734		
Osothsapha (Teck Heng Yoo)	26,201		
Kaset Rungrueng Phaholyothin	8,734		
Saha Union Corp.	437		
Siam Kraft Co., Ltd.	874		
Khun Sukhum Navaphdn	10,917		
Thai Farmers Bank	26,081	39,533	45,914
Berli Jucker Co., Ltd.	4,366		
Loxley Co., Ltd.	2,183		
Education and Public Welfare		41,620	
Siam Yamaha Co., Ltd.		437	
National Thai Co., Ltd.		437	
Siam Motors Co., Ltd.		8,734	
Siam Kubota Deisel Co., Ltd.		437	
The East Asiatic Deisel Co., Ltd.		218	
Mr. Herbert and Khunying Alma Link		437	
Signetics Thailand Co., Ltd.		218	
Thai Management Dev. and Productivity Center		218	
Jalaprathan Cement Co., Ltd.		655	
Mitr Phol Corp. Ltd.		437	
The Thai Chamber of Commerce		1,572	
SGV-NA Thalang		1,310	
Dhana Siam Finance and Securities Co., Ltd.		218	
Mobil Oil Thailand		218	
Datamat Co., Ltd.		6,472	
(Computer NEC PC 8001) <u>1/</u>			
The Northeastern Region Group (Overhead Projector) <u>1/</u>		323	
The Northeastern Region Group (Radio Cassette) <u>1/</u>		153	
Data General Ltd. (Computer C 350) <u>1/</u>		87,383	
I.B.M. (PC Computers) <u>1/</u>		26,025	
Thailand Carpet Manufacturing (carpeting for IMET office) <u>1/</u>		1,180	
Dr. Som Jatusipitak			131
Khun Tawat Yip In Tsoi			372
NIDA Seminar group (Copy Machine) <u>1/</u>			2,620
TOTALS:	234,068	240,069	52,754

1/ Contributions in kind; equivalent monetary value shown.

The Royal Thai Government (RTG) has approved IMET as a public charity organization: This permits IMET to receive tax-deductible gifts and to be exempt from paying income taxes. At the end of five years IMET's status as a charitable organization will be reviewed by the RTG, and can be revoked.

Most of the PRE grant has been spent for "Case and Course Development". Under this item is also included costs incurred in conducting the rural management courses, as well as the design of courses and development of cases. When IMET was first conceived, no allowance was made for on-going seminar programs to up-grade rural businessmen, which has proved to be IMET's major activity. This is reflected in the budget established in 1982 (see page 29). IMET, however, has exercised initiative in giving priority to rural Thailand, and PRE has demonstrated flexibility in approving IMET's request to reallocate funds from other line items to Case and Course Development.

Table 6 gives details regarding the total cost of seminars, the cost per participant and the cost per day per participant. And it shows the contributions made by participants at the end of seminars. The size of these contributions very clearly indicates participant satisfaction with the seminar. When interviewed, participants stated unequivocally that they contributed generously because of the seminar's excellence and benefit to them.

IMET FUNDED SEMINARS: COSTS AND CONTRIBUTIONS

	COST \$	NO. OF PARTICI- PANTS	COST PER PARTICI- PANT \$	DURATION OF SEMINAR IN DAYS	TOTAL DAYS OF INSTRUCTION	COST PER PARTICIPANT DAY ^{1/} \$	CONTRIBUTIONS FROM PARTICIPANTS \$
<u>TMA</u>							
1983/84	185,030	256	723	5	1,280	145	27,074
<u>THAMMASAT</u>							
1982/83	72,163	151	480	7	1,057	68	0
1983/84	17,310	228	76	4	912	19	1,310
1984/85	70,320	215	327	5	1,075	65	?
	<u>159,793</u>						
<u>CHULALONGKORN</u>							
1982/83	92,894	288	323	5	1,440	64	2,532
1983/84	16,555	103	161	3	309	54	686
1984/85 ^{2/}	102,491	800	128	3	2,400	43	14,870
	<u>211,940</u>						
<u>NIDA</u>							
1982/83	85,145	100	851	10	1,000	85	44,105
1983/84	87,161	99	880	9	891	98	84,079
	17,467	57	306	4	228	77	17,467
1984/85	75,643	100	756	9	900	84	59,480
	<u>265,416</u>						
<u>TOTALS/ AVERAGES</u>	813,446	2,397	339	5.8	11,096	73	251,603

^{1/} For purposes of comparison, on July 6, 1985, HRD Int'l advertised in the Bangkok Post a one day seminar for \$ 220.

^{2/} This program is still in progress; thus information on this line is estimated.

Note: The costs cited here, besides delivery costs, also include those of preparatory needs surveys, seminar follow-up and course revision. Since in some instances, e.g. Thammasat programs, the follow-up is extensive, the costs shown are far from being strictly comparable.

The amounts contributed by participants, most of whom are owner-entrepreneurs of small businesses, varies considerably for two reasons:

- a) ability to contribute, which is greater in the case of the owners of substantially larger businesses, who attend NIDA seminars;
- b) policy and strategy directed towards obtaining contributions on the part of the institution conducting the seminar.

2. Present Financial Situation

Before long the PRE grant of \$1 million will be fully drawn down. IMET is still far from being self-sustaining. The \$338,966 contributed in matching funds not designated for GIBA and other institutions represents no more than 42% of the \$813,446 spent on training. IMET's Managing Director informed the team that IMET now has in hand \$67,000. At its present level of expense, even with office space provided free, IMET needs \$40,842 annually to maintain its office and support the Managing Director and staff.

The figures used here in analyzing IMET's financial situation have been constructed from IMET's financial records and the quarterly reports faithfully made to PRE. In these records and reports, the figures are not available in the form reported here. IMET's accounting system, a hybrid cost-accrual system, was approved by PRE at project outset. But no Project Implementation Letter (PIL) was ever prepared to clarify aspects of the project's implementation and furnish an example of the type of quarterly report needed by PRE. As a result IMET has not been reporting in a way that gives PRE officials all the information they need, nor in a manner that makes easily accessible the data needed for the analysis done here. Because of the lack of a PIL, it has frequently been necessary for PRE and IMET to exchange letters to clarify points of implementation.

To assure its survival IMET hopes to establish a \$5 million endowment fund. But very little progress has been made towards this ambitious goal. It was expected that, because contributions to IMET are tax-deductible, private sector gifts would be forthcoming. At present, however, IMET has advanced less than 5% of the way to its endowment goal. Support expected from the U.S. private sector has not materialized. And potential Thai contributors stress their previous commitment to GIBA and the Thai Association of Industries,

whose efforts to build up their own endowment funds compete with IMET's. Since Thai law limits tax-deductible contributions to 1% of company profits, potential donors are not motivated by tax-deductibility as in the U.S.

IMET feels it may succeed in obtaining RTG approval for an allocation of \$371,747 of counterpart funds. The Department of Technical and Economic Cooperation (DTEC), the RTG office responsible for counterpart funds, says, however, that counterpart funds are nearly exhausted and IMET faces stiff competition in obtaining them. In this endeavor, DTEC also mentioned, IMET is handicapped because it is not well known. Even were IMET to receive this amount in counterpart funds, it would move only another 7 1/2% along the way to its goal of \$5 million.

"The principal responsibility within AID to carry out the private enterprise policy rests with the AID field missions..."^{1/} And among PRE's objectives is "to help AID field missions design their own private sector projects, multiplying the impact of the Bureau's lean budget and spreading the initiative throughout the agency."^{2/} It has been hoped therefore that USAID/T could be interested in incorporating IMET into its portfolio. The team found that aside from a modest role in one Mission project, IMET does not figure in the Mission's current two-year planning cycle.

Another way for IMET - or for the programs implemented by the institutions - to become self-sustaining is through seminar participants making contributions sufficient to defray program costs. As can be seen in Table 6, NIDA seminars are within reach of achieving this. Chulalongkorn this year has begun charging \$18.50 (500 Baht) per participant for its seminars, which comes to 15% of its cost per participant^{3/}. Though

^{1/} AID Policy Paper: Private Enterprise Development (Revised), March 1985, p. 16

^{2/} Bureau for Private Enterprise, Progress Report, July 1984, p. 5

^{3/} If adjustment is made for a one-time cost of developing audio-visual course materials, this rises to 23%. But a Chulalongkorn instructor informed the team that, in beginning to require a contribution for the course, a different audience has been attracted and it will be necessary to re-do the audio-visual package.

Chula expects to increase this amount, it will still fall far short of making the program self-sustaining. Thammasat's participant audience, reportedly, is too poor to contribute anything approaching program costs.

When we enquired about the possibility of reducing program costs through a "barefoot doctor" approach, we were told this is not feasible.

Certain steps IMET could take might help in some measure to alleviate its financial straits. It could, as suggested by an IMET committee member, develop projections for its activities and funding needs over the next several years. It might also bring into its Board representation of the non-Thai business community; at present the only non-Thai on the Board is the U.S. Ambassador.^{1/} And it might consider funding further management training for the Bangkok business community. IMET has decided its priority is to reach out to rural businesses, where the need for management training is much greater. Bangkok business, it is felt, is able to pay for its training needs, which TMA, a well established institution, and other providers are able to fulfill. The IMET funded seminars for mid-level managers, carried out by TMA in FY 1983/84, however, were appreciated by participants from Bangkok business and fulfilled a need to which TMA could not have responded without a subsidy. By channeling funds into a few carefully chosen seminars for Bangkok businesses, IMET's endeavors would become better known and the approach to potential private sector donors made easier.^{2/}

Such measures might help, but will not remedy IMET's precarious financial situation. It will be several more years before IMET becomes self-sustaining.

3. Another Grant

Meanwhile IMET requires the assurance of external funding over a period of years to:

^{1/} Ambassador Dean until his departure from Thailand. Ambassador Brown, newly arrived, will be invited to take his place.

^{2/} This discussion underlines the need for strategic planning by IMET.

- a) continue programs already established and build on the good start made with them;
- b) launch new programs proposed to PRE;
- c) maintain the IMET office;
- d) provide the salary and security needed to attract a Managing Director of the calibre needed.

It is widely felt that the short time that has elapsed since its inception has been too short for IMET to have become self-sustaining. Interviewees cited examples in Thailand such as NIDA and TMA, which required seven years before being self-sustaining. When interviewees were asked if it was understood at the beginning of the project that IMET was expected to be self-sustaining by the end of the two-year grant period, the team heard both "Yes" and "No".

Regardless of what was understood by IMET regarding additional funding from PRE once IMET had proved itself, greater clarity regarding the time span over which PRE could reasonably be expected to support IMET would have been beneficial. One way of contributing to such clarity is to establish at project inception a schedule for gradually scaling back the amount of PRE funding over the period of the grant. Such a successive reduction of funding was part of the original proposal made to PRE. A mechanism of this sort supplies the framework for an organization being funded to effect a smooth transition from a state of receiving substantial outside funding to one of being able to stand on its own feet.

As noted above, even with office space being provided free, IMET now requires \$40,842 a year to maintain its office and support the Managing Director and staff. The grant allowed for \$25,000 to be used in defraying administrative costs over the initial six months of the grant period. Apparently it was

assumed that IMET could organize itself^{1/} and get its programs underway without engaging a full-time Managing Director of the stature and ability it now possesses on an interim basis. Limiting the funds that could be used in supporting IMET administration reinforced this assumption. In Section B we have shown that this view was unrealistic. But it has delayed until now, with the naming of Dr. Titaya as Managing Director, putting IMET's house in the order requisite for the complexity of the task it faces.

^{1/} Generally grants are made to existing institutions or foundations, which have staffs and office space and are already operating. Therefore it is common practice for grantors, when making grants, not to allow any part of the grant to be used for administrative costs. This is not a practice that makes sense in the case of IMET, which was not yet operating when the grant was made. An exception was made in IMET's case by allowing \$25,000 for initial administrative costs. But this was not enough to offset a serious limitation on IMET's organization and development.

E. NEW PROGRAMS PROPOSED

IMET has proposed to PRE for funding in 1986 and 1987 five programs and is awaiting word of PRE approval of funding before designating the institutions to implement these programs. Following is an analysis of each of the five programs:

1. Management Training for Regional Universities

The concept is an attractive one: up-grading the relevance and quality of management training in regional universities. It is also in line with IMET's priority of taking management education to the provinces.

The cost per participant per day of \$72 is quite reasonable, although the figure of Baht 15,000/mo. for participant salary appears excessive.^{1/} However, if the provincial professor trainees will join in the effort to train rural businessmen from their vantage point nearby, the project becomes more attractive. But the proposal does not mention this as an outcome of the training. The stated purpose is simply to upgrade management training in regional universities.

A question suggested by the proposal is: How can 150 trainees be recruited from the management faculties of provincial universities - assuming that all recruited will be willing and will be given time to spend a full month in a training session. There are only five provincial universities: Chiang Mai, Kasetsart, Khon Kaen, Prince of Songkla and Payap, and the total number of instructors teaching business subjects in them is less than 100.^{2/}

It is good that the proposal has an evaluation component built into it. But evaluation represents only 2 1/4% of the total budget. One wonders if this is enough to do satisfactory evaluation of a new program for which no established pattern exists. No detail is given regarding the evaluation methodology; so the team cannot make a judgment about its adequacy.

^{1/} This amount is not being requested of PRE. It is shown in the proposed budget as a Thai contribution.

^{2/} In a discussion with IMET it was learned that the intent is to include in the training not only university faculty, but also instructors in other institutions of higher learning.

One wonders also at only 12 days being allowed in the budget for needs assessment, course design and course development. The budget calls for 5 trainers working 192 days, of which 180 are training days.

A good case can be made for stretching the training out to 30 days. Several university professors who participated in the IMET-TMA seminars last year said they were not long enough. A case can also be made for continuing and reinforcing the training IMET provided for 133 university instructor participants last year - and for extending it to the hundreds of university business instructors in Bangkok, where the overwhelming number of Thai business students are studying.

2. Training Through Business Associations

The approach proposed is excellent on several counts. It makes provincial Chambers of Commerce part of the IMET training system. It also provides for regional universities - presumably the term "regional training institutions" signifies these - to be integrated into the IMET management training being done in their area. Thanks to their proximity the regional lecturers are in a better position to provide the follow-up advisory function requested by rural businessmen when interviewed by the team. This approach also promises to make IMET training self-sustaining sooner. Rural Chambers constitute an ideal mechanism for increasing the contributions made by participants of training programs.

It also seems that this approach will provide a way to continue the programs conducted until now by the IMET institutions. At the end of this section the team express concern about the future of these programs.

3. Business Advisory Services

This proposal arises from the experience university staff have had with participants' requests for specific advice regarding their own business problems. The proposal indicates these requests exceed the capability and time of instructors, and suggests the establishment of a Thai Business Service Corps to fill this gap, maintaining that "substantial capabilities exist especially in Bangkok's large businesses to solve problems of rural businesses." The target is to provide technical and managerial assistance to 70 such businesses in 1986 and 1987.

The concept of using indigenous technical and managerial expertise is praiseworthy. Some possible pitfalls may lie in the implementation road, however. These include:

a) Identification of a pool of urban business people willing to commit their time to the project (anticipated 10 days/project), whose companies would support the project by granting paid release time.

b) Possible lack of candor on the part of rural businesses for fear of revealing business secrets.

These potential problems surfaced in interviews with Bangkok businessmen, who added that the problems are not insurmountable. One suggested that a realistic plan would involve 5 Bangkok businessmen in Year I activities - one each in the areas of general management, marketing, finance, sales and production - with a doubling of the Corps in Year II.

Each individual in the consultancy relationship will be taking a new role, based on a contractual relationship rather than a personal acquaintance, a common source of informal business advice for Thais. The likelihood that this might pose a problem is no doubt reflected in the high proportion of the budget set aside for promotional materials and promotional trips: 170,000 Baht, or 9% of the budget.

The proposal provides funding for an additional IMET staffer (2 years) and for assistance from the International Executive Service Corps (3 months). It does not specify the role or duties of either. Additional detail on envisioned implementation and evaluation activities would be useful.

The Board has already committed (May 1985) \$55,000 of IMET funds to a Business Diagnosis Service, explicitly seen as a lead-in to the Business Advisory Service. Despite the potential problems in initiating this promising project, it is worth funding on a pilot basis.

4. Technical Training

The stated purpose of this program is to increase the knowledge of rural businesses about the advantages and uses of small computers. Stated in terms as broad as these, the purpose is easily achievable in as few as three days training. It would more aptly be called orientation. For in three days six trainers working with a group of 50 trainees cannot do much to help them understand how a computer can aid them manage their businesses.

An orientation of this sort can be valuable. But it will not improve "almost non-existent financial management". A businessman must first possess a functioning management system

before trying to program a computer for a more expeditious performance of the system. Potential trainees, therefore, must be screened accordingly. Also selection of trainees should be confined to those whose business is of a scale and nature that would likely lend itself to a computer application.

To determine that these conditions are met, preliminary screening and diagnosis must be done. In the proposal's budget no allowance is made for this.

5. Advanced Case Development

This proposal possesses the distinct advantage of building on previous IMET programs. The team's interviews with university lecturers who participated in these programs confirmed that these lecturers perceive a need for further work in this area. Interviewees indicated that many cases were begun in the seminars, but only a small proportion completed. They feel a need for correcting and polishing of the work begun.

The intent to use U.S. lecturers otherwise available in Thailand represents a cost-effective use of resources. The involvement of Thai instructors responds to a need also perceived by former IMET-TMA participants, and their collaboration with U.S. professors will materially contribute to their professional development.

Future of Existing Programs

All five proposals merit funding; some are innovative and some continue or are logical extensions of IMET programs that have already produced good results. But, as pointed out elsewhere, all of the IMET sponsored programs that have been underway for three years have proved their value and need to be continued and strengthened.

The evaluation team also mentioned elsewhere in this report that IMET has no assured funding for the existing programs, of which only NIDA's shows promise of becoming self-sustaining in the foreseeable future. We see therefore the desirability of IMET setting priorities among its existing and proposed programs. A good place to do this is in their forthcoming Strategic Plan.

F. LESSONS LEARNED

1. Whenever project objectives are stated in terms of the inputs to a project, without mention of targeted outputs - much less quantification of them - evaluators find themselves without a yardstick to measure results and the evaluation is reduced to anecdotes and subjective appreciations.
2. The Proposal and Program Description, which the Grant Agreement states are integral parts of the agreement, exhibit discrepancies on several important points. As a result, there has emerged misunderstandings regarding the thrust of the project and delays in releasing grant funds. A PIL could have obviated the confusion, but none was prepared. This underscores the value of preparing a PIL even in the case of a project as small as IMET.
3. When the responsible project officer is located in Washington D.C., it is extremely difficult: a) to have sufficient information regarding project status and major shifts in the use of project funds; b) to exercise the degree of management control desirable; and c) to ensure an adequate level of dialogue and understanding between grantor and grantee. Even in the case of a centrally funded project, therefore, it makes sense for the project officer to be resident in the host country AID Mission.

G. REPLICABILITY

In considering the replicability of the IMET project in other countries there are several things to note.

The concept of a foundation incorporated in both the U.S. and the host country as an incentive for individual or corporate giving is of questionable value in attracting donations. In the case of IMET it did not work.

However, the creation of an organization that is more than a simple consortium of universities could be a successful formula. IMET brought together representatives of a strong urban business sector and university business schools. Independently of PRE, this group decided that the priority area for its activity should not be the Bangkok business environment, but the underdeveloped provincial business sector. This orientation, proposed by the Working Committee composed mainly of implementors, had the support of the Board, which represented strong Bangkok business interests.

The timing was right because the orientation coincided with RTG policies of encouraging the private sector and of wishing to see an underdeveloped, unstructured but fast-growing, provincial sector become a counter-balance to Bangkok, while channeling the entrepreneurial spirit in the rural areas into business activities that would contribute to national economic growth.

Similar conditions and resources may be present in other countries. In launching similar projects, however, PRE will be well advised to design a project that is flexible and allows the host country partners to shape the project according to their perception of priorities and eventual courses of action. PRE's policy that new institutions become self-sustaining must be made clear to the Grantee and the project design should be conducive to producing that result.

H. Conclusions and Recommendations

1. Conclusion: The "Corporate Plan" is the beginning of an effort of self-definition by an organization formed to be the recipient of a grant. IMET needs to continue the process of self-definition and complement it with serious strategic thinking about its future.

Recommendation: PRE should encourage and support IMET in its efforts to develop, through successive iterations, a strategic plan for the medium term (4 to 6 years) that will clarify for its principal actors IMET's future path, significant milestones along the path, and the roles of these actors in moving towards them.

2. Conclusion: IMET is on its way to becoming self-sustaining, but needs more time and merits being given this time, since it is scoring notable successes with agribusinesses and upgrading private sector management, an achievement critical to Thailand's growth.

Recommendation: AID should provide enough funding to IMET over the next several years, on a progressively decreasing basis, to allow IMET time to put itself on a more secure footing and permit a gradual transition to self-sustainment.

Recommendation: PRE, as a general guideline in funding projects anywhere, should ensure that the project design is conducive to making the grantee activity self-sustaining by the date of project termination.

3. Conclusion: IMET's desire to move into new areas, largely because it is hoped they will generate funds, coupled with PRE's policy of funding new ventures, endangers the continuation of programs successfully piloted.

Recommendation: PRE and IMET should jointly review the pending proposal for funding of five programs in the light of its impact on successful past programs. IMET should implement both new ventures and proven programs in a proper mix.

4. Conclusion: IMET's entry into a new program area, the delivery of business management education to practicing business people outside of Bangkok, lacked consideration of factors that are critical when breaking new ground.

Recommendation: In new programs, IMET should include time and budget for the identification and selection of appropriate methodologies to:

- . assess the target audience's needs;
- . design programs to meet these needs;
- . select learning methodologies appropriate for the target audience;
- . develop evaluation plans and procedures prior to initiating programs.

Recommendation: IMET should assess program developers' and instructors' knowledge of, and skills in using, the above methodologies; provide time and money for familiarization and training where needed.

Recommendation: PRE should in the future make built-in formative evaluation a significant component of a project such as IMET that is not using field-tested methodologies.

5. Conclusion: The results of the project, many of them unforeseen at the beginning, indicate that a project design which brings together urban private sector businessmen and university business administration faculty to provide basic management education and training for an under-developed rural business sector is replicable in other countries. The success of the IMET project was also due in large measure to the confluence in the host country of very favorable conditions for implementation.

Recommendation: PRE should survey other countries to determine those which may have the conditions and resources meriting more elaborate feasibility study.

CURRENT AND PAST BOARDS OF DIRECTORS
AND COMMITTEE MEMBERS

I. Current Board of Directors of IMET

- | | | |
|-----|--|-----------|
| 1. | Dr. Chaovana Na Sylvanta
Privy Councillor and Chairman of the Board,
Petroleum Authority of Thailand (PTT) | Chairman |
| 2. | U.S. Ambassador to Thailand (ex officio) | |
| 3. | Dr. Som Jatusripitak
Director, Berli Jucker Co. | Treasurer |
| 4. | Mr. Banyong Lamsam
President, Thai Farmers Bank Ltd. | |
| 5. | Mr. Somboon Nandabhiwat
President, Laem Thong Bank Ltd. | |
| 6. | Mr. Tawat Yip In Tsoi
Owner, Yip In Tsoi & Jacks Co., Ltd. | |
| 7. | Mr. Pong Sarasin
Chairman, Thai Nom Thip Co., Ltd., | |
| 8. | Mr. Vichien Techapaibul
Director and Senior Executive, Vice President
Bangkok Metropolitan Bank Ltd. | |
| 9. | Mr. Chatri Sophonpanich
President, Bangkok Bank Ltd. | |
| 10. | Mr. Kasame Chatikavanij
Chairman, Sayam Bank Ltd. and
Chairman, Thai Oil Refinery Co. Ltd. (TORC), | |
| 11. | Mr. Paron Israsena
President, Siam Cement Co. | |
| 12. | Mr. Staporn Kavitanon
Deputy Secretary-General,
Board of Investment (BOI) | |

13. Mr. Apilas Osatananda
Director General,
Department of Technical and Economic Cooperation, (DTEC)
14. Mr. Sukree Kaewcharoen
President,
Industrial Finance Corporation of Thailand, (IFCT)
15. Mr. Charas Xuto
Chairman, Siam Cement
16. Mr. Tarrin Nimmanahaeminda
President, Siam Commercial Bank Ltd.
17. Dr. Tongchat Hongladarom
Governor
Petroleum Authority of Thailand (PTT)
18. Mr. Sukum Navapan
Owner
Navathoni Real Estate Development Company
19. Dr. Titaya Suvanajata
Managing Director, IMET

II. Former Board of Directors of IMET

1. Dr. Chaovana Na Sylvanta Chairman
Privy Councillor and Chairman of the Board,
Petroleum Authority of Thailand (PTT)
2. Mr. John Gunther Dean Vice Chairman
U.S. Ambassador to Thailand
3. Dr. Somburana Srisupandit, Treasurer
Director of Programs
Thai Management Association (TMA)
4. Dr. Chokechai Aksarananda
Honorary Secretary General
Association of Thai Industries (ATI)
5. Mr. Banyong Lamsam
President, Thai Farmers Bank Ltd.
6. Dr. Som Jatusripitak
Director, Berli Jucker Co.
7. Mr. Somboon Nandabhiwat
President, Laem Thong Bank Ltd.
8. Mr. Thawat Yip In Tsoi
Owner, Yip In Tsoi & Jacks Co., Ltd.
9. Mr. Pong Sarasin
Chairman, Thai Nam Thip Co., Ltd.
10. Professor Nongyao Chaiseri
Rector, Thammasat University
11. Professor Titaya Suvanajata
Rector, National Institute of Development
Administration (NIDA)
12. Professor Toemsakdi Krishnamara
Director, Graduate Institute for
Business Administration (GIBA)
13. Mr. Vichien Techapaiboon
Executive Director, Bangkok Metropolitan Bank Ltd.
14. Mr. Chatri Sophonpanich
President, Bangkok Bank Ltd.

15. William Jackson
Country Manager, ESSO
16. Mr. Kasame Chatikavanij
Governor, Electric Generating Authority of Thailand
17. Mr. Paron Israsena
President, Siam Cement Co., Ltd.
18. Mr. Staporn Kavitanon
Deputy Secretary General, Board of Investment (BOI)

III. IMET Standing Committees

1. Program Committee

1. Mr. Charas Xuto	Chairman
2. Khuning Tongtip Ratanarat	
3. Asst. Professor Naengnoi Chai-Onnom	
4. Professor Dr. Narasri Vaivanijskul	
5. Assoc. Professor Dr. Nikorn Watanapanom	
6. Assoc. Professor Sophit Thongparn	
7. Professor Dr. Somburana Srisupandit	
8. Assoc. Professor Dr. Titaya Suvanajata	(ex officio)
9. Assoc. Professor Prompilai Khunaphante	(ex officio)

2. Finance Committee

1. Mr. Banyong Lamsam	Chairman
2. Mr. Tarrin Nimmanahaeminda	(Board Member)
3. Mr. Chumpol Pornprapa	
4. Mr. Vichien Techapaibul	(Board Member)
5. Assoc. Professor Dr. Titaya Suvanajata	(ex officio)
6. Assoc. Professor Prompilai Khunaphante	(ex officio)

3. Evaluation Committee

1. Mr. Paron Israsena	Chairman
2. Mr. Prasit Tansuvan	
3. Mr. Jeffrey Evans (USAID)	
4. Dr. Sunt Techakumpuch	
5. Assoc. Professor Dr. Titaya Suvanajata	(ex officio)
6. Assoc. Professor Prompilai Khunaphante	(ex officio)

4. Public Relations

1. Dr. Tongchat Hongladarom	Chairman
2. Mr. Sukree Kaewcharoen	(Board Member)
3. Mr. Sukum Navapan	(Board Member)
4. Assoc. Professor Dr. Titaya Suvanajata	(ex officio)
5. Assoc. Professor Prompilai Khunaphante	(ex officio)

Evaluation Methodology

The IMET Evaluation Team was composed of two U.S. based organization and training consultants with long residential and professional experience overseas and two Thailand based consultants, one Thai and one American with over 10 years experience living and working in Thailand - both fluent in the Thai language.

The U.S. consultants spent over a week prior to departure for Thailand in reviewing PRE files in Washington, being briefed on the assignment, and conducting interviews via telephone with U.S. professors who had conducted seminars for IMET in Thailand. Mr. Richard Floor, author of the original IMET proposal, and Dr. Harold Leavitt, IMET's Academic Advisor, were interviewed in Boston.

Prior to the arrival of the U.S. team members in Thailand, the Thailand based team members observed two IMET Seminars and reviewed PRE files in Bangkok. No formal interviews were held until the full team was on site in Thailand.

In June and July, 1985, the team spent four weeks in Thailand for the evaluation including the drafting of the report. The methodology included, in addition to the observation of four seminars and examination of seminar materials, a review of relevant documents and interviews with people involved in the project at various levels.

Documents reviewed were PRE files in the USAID/T office, IMET files in IMET's office (minutes of the Executive Board meetings; proposals for, and reports on, training programs conducted by the providing institutions; quarterly financial and progress reports).

Persons interviewed in Bangkok and four rural locations were IMET executive staff, IMET Board members (both present and past), program directors and instructor staff of the universities providing training, a representative sampling of participants in past and current IMET programs, leading members of the Thai and American business community, concerned USAID and RTG personnel.

In reviewing documents, observing seminars and interviewing, the evaluation team focused on the following:
the competence of instructors, the relevance of seminar content, methodologies and materials, the learning achieved, and its subsequent on-the-job application;

- assessment of participants' learning needs, design of seminars, and evaluation techniques;
- system and organizational factors contributing to or inhibiting IMET's success;
- IMET's strengths and weaknesses, its understanding of its mission and its plans to achieve it;
- the nature and sources of IMET funding, actions it is taking to become self-sustaining, and a projection of its current income, expenditure and overall financial situation into the future.

A presentation of the team's findings, conclusions and recommendations was made to IMET's Managing Director and to interested USAID personnel at the end of the team's Bangkok visit.

The U.S. team members submitted the draft report to the PRE Evaluation Officer, and provided a briefing to senior PRE staff in Washington prior to the submission of the final report.

SCOPE OF WORK

I. The Project

The Grant (No. 940-0072-00-G-0001-00) in the amount of Dols. 1.0 million is to provide support for upgrading the capability of existing institutions to provide management training in Thailand through cooperation with the Institute for Management Education for Thailand (IMET). The funding was provided for two years, effective September 30, 1982. In March 1984 the completion date was extended for one year to September 30, 1985. Total disbursed as of 3/31/85: Dols. 760,000.

II. Purpose and Timing of Evaluation

The Evaluation is being conducted to provide PRE Bureau management with an assessment of the project's success and/or failures. The main focus of this review is to determine the development benefits to the Thai business community. The Grant provides for an academic advisor/evaluator to analyze project status and evaluate IMET's ability to attain the goals. This evaluation will determine the project's actual accomplishments vs. objectives. Of particular interest to PRE will be any unplanned achievements and replicability of this project's unique design to other A.I.D.-assisted countries. The results of this review will assist PRE Bureau management in determining whether or not to provide IMET with additional funding to continue the program, including the conditions of such funding, over what period of time, and at what level.

The evaluation is tentatively scheduled for mid-June to mid-July, 1985.

III. Questions the Evaluation Team Will Answer

1. Has IMET met the objectives of the grant agreement?
2. How are IMET and its projects contributing to A.I.D. overall development goals? Host country development goals? PRE Bureau overall strategy?
3. Are there any constraints, including host government, U.S. government, or institutional policy, which prevent or inhibit the ability of IMET to accomplish the project objectives? If so, describe them, and provide recommendations on how these may be overcome.

4. Have the participating institutions expanded their "curricula" under the grant?
5. What has been IMET's success in obtaining matching funds and/or other contributions from the Thai and U.S. business communities?
 - a. Please provide comparison of the contributions by company and Fiscal Year in U.S. dollars.
 - b. How have these funds been allocated to the participating IMET institutions? Please provide comparison by institution and Fiscal Year in U.S. dollars.
6. Have RTG employees participated in the IMET program? If so, provide a comparison of participants (trainees), i.e. percentage from RTG vs large/urban businesses vs. rural participants.
7. IMET, at PRE's request, has submitted a Proposed Corporate Plan, dated December 1984.
 - a. Are the goals realistic and attainable?
 - b. If not, why not?
8. What is IMET's long-term strategy for becoming self-sustaining? If so, please analyze. If none, provide detailed suggestions.
9. Analyze specific proposed IMET sponsored programs, to include but not be limited to:
 - a. implementing institution?
 - b. are the goals realistic and attainable?
 - c. if not, why not?

IV. Team Composition

The team will consist of one or two U.S. management consultants preferably with education/training experience. The services of a Thai business management consultant(s) is anticipated and will be selected locally with assistance from USAID/Bangkok and the PRE Regional Advisor. This consultant(s) will:

1. assess the effectiveness and adaptability of IMET to meet local business and cultural needs; and
2. assist in determining whether the proposed Corporate Plan establishes realistic and quantifiable goals.

V. Methodology and Procedures

U.S.: The evaluation team leader and other participant(s) will spend several days in Washington, D.C. reviewing pertinent project documentation and refining the draft scope of work. Interviews will be conducted in the U.S. (either by phone or personal visits) with:

- (1) originators Richard Floor and/or Margaret Graham;
- (2) Dr. Leavitt, U.S. Consultant to IMET;
- (3) selected U.S. university professors who have participated or are participating in the IMET program;
- (4) other selected U.S. businesses contributing to IMET; and
- (5) the past and present PRE Bureau project managers. A pre-departure workshop will be conducted for the team.

U.S. consultants will be expected to work, and be paid for, a six day work week. The itinerary will be planned in consultation with the contractors.

Thailand: The team will spend up to four weeks in Thailand. Interviews will be conducted with:

- (1) IMET board members;
- (2) past and present IMET Executive Directors and supporting staff;
- (3) faculty and training program participants from each of the four participating institutions;
- (4) management from participating Thai businesses, and local business associations;
- (5) concerned RTG officials; and
- (6) appropriate Mission staff. Several trips outside of Bangkok to interview small business participants will be required. An attempt should also be made to attend an on-going seminar.

VI. Reporting Requirements

1. A final draft report should be prepared in Thailand and specifically include:
 - A. Accomplishments vs. objectives, including:
 - those achieved/not achieved
 - why/why not
 - any unplanned achievements under the grant
 - development benefits to the Thai business community and to the participating institutions.
 - B. Institutional Review - IMET
 - Management
 - Organizational development
 - Allocation of grant funding to participating institutions

- Views of participating Thai and U.S. professors
- Fund raising activities
- Proposed corporate plan analysis
- Specific proposed IMET sponsored programs.

C. Lessons Learned

D. Recommendation for redesign, if necessary.

E. Recommendations for future PRE funding.

F. Long-term sustainability.

G. Replicability to other A.I.D.-assisted countries.

2. Format of the Report

The report will contain the following sections:

- Executive summary
- basic project identification data facesheet
- statement of conclusions
- body of report
- appendices.

Specific guidance will be provided to the team leader.

3. Briefings

A. Before departing Thailand, the Team should brief interested Mission staff on their findings, conclusion and recommendations.

B. The Team will brief PRE senior staff in Washington, D.C. no later than Tuesday, July 16, 1985.

4. Submission of the Report

Six copies of the draft report will be submitted to the PRE Evaluation officer by July 15. Twelve copies of the final report will be submitted by July 19.

Additional questions follows:

1. Has there been any other donor activity in the mid-level management training area? If so, please describe in detail.
2. Are separate accounting documents maintained for the AID/IMET funds by institution?
3. What percentage of the overall program focuses on urban vs rural needs?
4. How are the private sector donations to IMET managed and distributed?
5. Have experimental programs been developed to meet the special needs of the Northeast?
6. Comparison table of actual achievements among 4 institutions should include:
 - Types of courses
 - Industries represented
 - Number of participants
 - Where student is represented in company structure
 - Cost per student
 - Contribution in dollars and/or in kind by participating companies.
7. Is there a continuing need for a U.S. academic advisor?
8. Board of Directors
 - a. Provide original and current list plus corporate affiliation/title.
 - b. Review attendance/participation.
 - c. If there is an Executive Committee, who chairs and who are the members?

- d. What major decisions have been made by Board?
 - e. What decisions have been made by an Executive Committee.?
9. What are the views of USAID/T and RTG regarding their assistance for long-term support for IMET?
- Would IMET still require a fund-raising program?
10. The newly appointed Executive Director is the former Rector of one of the four participating institutions.
- How is he viewed by the other three participating institutions given competition for the AID funding?
11. Did the PRE grant agreement allow enough funding and time for IMET to become self-sustaining?