

Country Name	The Project for Business Human Resource Development
People's Republic of China	

## I. Project Outline

Background	<p>The City of Dalian was on a course of development as one of the leading international commercial cities in Northeast China. Under the policy of state-owned enterprise reform in the northeastern area inviting foreign investment, Japanese companies expanded their business in Dalian, and the number of Japanese companies reached 2,900 in 2005. With such development, it was projected that there would be increasing demand for human resources with knowledge and skills of Japanese language, IT and management that would be necessary in Japanese companies and business for Japan. Establishment of a training center to respond to the demand was therefore needed.</p> <p>Under such circumstances, the China-Japan Friendship Dalian Center for Human Resource Development (hereafter "the Center"), a non-degree higher education institution, was established with Grant Aid. This project was to extend technical cooperation for initial operation of the Center at the time of its establishment.</p>										
Objectives of the Project	<ol style="list-style-type: none"> <li>Overall Goal: The Center will play a vital role in developing business human resources that contribute to the economic development of Dalian and Northeast China, as well as to closer economic relations between Japan and China.</li> <li>Project Purpose: At the Center, implementation structures will be strengthened for developing business human resources that contribute to the economic development of Dalian and Northeast China, as well as closer economic relations between Japan and China.</li> <li>Assumed steps for achieving the project goals<sup>1</sup>: This project develops a training system of the Center for its clients, i.e. Japanese companies and local companies that place importance on business relations with Japan (Japan-related companies), and provides training courses that match the clients' needs, and thereby aims to narrow the demand-supply gap of human resources to contribute to business between Japan and China.</li> </ol>										
Activities of the project	<ol style="list-style-type: none"> <li>Project site: City of Dalian</li> <li>Main activities: Development of training plans and curricula, implementation of training courses, evaluation and improvement of training courses, support for networking with Japanese companies or others (expansion of contacts and public relations for attracting customers/marketing), etc.</li> <li>Inputs (to carry out above activities) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">Chinese Side</td> </tr> <tr> <td>1) Experts: total 24 persons</td> <td>1. Staff allocated: 27 persons</td> </tr> <tr> <td>2) Trainees received: 26 persons</td> <td>2. Land and facilities: Project office, training facilities and equipment (developed by Japanese Grant Aid)</td> </tr> <tr> <td>3) Equipment: Simultaneous translation system, books, etc.</td> <td>3. Local cost: Operation and maintenance cost for the Center</td> </tr> </table> </li> </ol>			Japanese Side	Chinese Side	1) Experts: total 24 persons	1. Staff allocated: 27 persons	2) Trainees received: 26 persons	2. Land and facilities: Project office, training facilities and equipment (developed by Japanese Grant Aid)	3) Equipment: Simultaneous translation system, books, etc.	3. Local cost: Operation and maintenance cost for the Center
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Project Period	March 2006 to February 2010	Project Cost	544 million yen								
Implementing Agency	Science and Technology Bureau of the City of Dalian; Dalian Jiaotong University; Dalian University of Technology; Dalian University of Foreign Languages; Dongbei University of Finance and Economics; etc.										
Cooperation Agency in Japan	The Japan Foundation; KRI International Corporation.										
Related Projects	Japan's cooperation: The Project for Construction of the China-Japan Friendship Dalian Center for Human Resources Development (Grant Aid, 2004); dispatch of Japan Overseas Cooperation Volunteers and Senior Volunteers (2010-2012).										

## II. Result of the Evaluation<sup>2</sup>

1 Relevance	<p>This project has been highly relevant with China's development policy "redevelopment of old industrial areas and reform of state-owned enterprises in Northeast China" as set in the Northeast China Revitalization Plan (2003) and the 11<sup>th</sup> Five-year Plan (2006-2010), development needs "development of human resources equipped with abilities of Japanese language and specialized skills for working at Japanese companies and business for Japan", as well as Japan's ODA policy, the China Economic Cooperation Plan (2001), at the time of both ex-ante evaluation and project completion. Therefore, relevance of this project is high.</p>
2 Effectiveness/Impact	

<sup>1</sup> Reviewed at the time of the ex-post evaluation.

<sup>2</sup> The constraints to evaluation include (i) difficulties in collecting information from ex-trainees and companies that sent their staff for training, which limited the confirmation on the use of training outcomes in actual business between Japan and China; and (ii) unavailability of financial data from the Center.

This project developed training plans and curricula, and implemented training courses in the four fields, namely, (i) Business Management, (ii) Production Management, (iii) Software Development and Process Management (IT), and (iv) Business Japanese, at the Center for its clients – Japanese companies and local companies that place importance on business relations with Japan (Japan-related companies). Teachers of Dalian Jiaotong University (counterpart), who acted as the training instructors, received technical transfer from Japanese experts, and then became able to carry out training activities from identification of needs to course evaluation and improvement.

As a result, the project purpose “strengthening of implementation structures for developing human resources for business between Japan and China” was achieved. The number of trainees in the above-mentioned four fields of training courses reached nearly 8,000 persons during the 5-year project implementation period. After project completion, training courses have been continuously provided, and more than 8,000 additional persons received training in 2010-2012. Although the Center has not kept results of satisfaction surveys conducted during project implementation, the results of course evaluation by trainees, questionnaires organized by the Center after project completion, show that more than 80% of the trainees awarded over 4 point on a 5 point scale to evaluate the degree of their satisfaction. The Center has neither counted the number of companies that sent their staff for training nor conducted satisfaction surveys for those companies. Nevertheless, instructors of the Centers discuss with client companies for each training course, and develop the curriculum based on needs of the client companies as well as trainees. Also, when necessary, i.e. for subjects that the Center instructors cannot handle, the Center invites visiting lecturers from outside institutions such as Liaoning Normal University and Dalian Maritime University<sup>3</sup>. Continuous securement of Japanese instructors, a recommendation from the terminal evaluation, has been realized as well.

With respect to the overall goal, the number of Japanese companies in Dalian reached approximately 4,300 in 2012. The Center has responded to a certain extent to the particular needs for human resources with Japanese language abilities and specialized IT skills by training approximately 3,000 staff of Japanese companies or Japan-related companies in the above-mentioned four fields of training every year after project completion. While the Center has not conducted follow-up surveys to companies (as mentioned above), a study for this ex-post evaluation confirmed reporting from ex-trainees and their companies that they utilized the training for development of business between Japan and China. From this and the high level of satisfaction of trainees shown in the above-mentioned course evaluation, it could be concluded that trainees acquired knowledge they needed and used it for their job. Therefore, effectiveness/ impact of the project is high.



A training course

#### Achievement of project purpose and overall goal

Aim	Indicators	Results
(Project Purpose) Strengthening of implementation structures for developing human resources for business between Japan and China.	Number of trainees in each field	(Project completion) Total from 2006 to February 2010: 7,907 persons, consisting of 2,149 in Business Management, 2,660 in Production Management, 849 in Software, and 2,249 in Business Japanese. (Ex-post evaluation) Total from 2010 to 2012: 8,486 persons, consisting of 1,914 in Business Management, 878 in Production Management, 304 in Software, and 5,390 in Business Japanese.
	Number of companies that sent trainees in each field.	(Project completion) No data. 227 Japanese companies and other related companies used the Center. (Ex-post evaluation) No data.
	Trainees' satisfaction with the Center's training course they attended.	(Project completion) No data. (Ex-post evaluation) Level 4 or higher satisfaction (in 5-level choices)
	Companies' satisfaction with the Center's training course they sent their staff to.	(Project completion) Mixed results with high evaluation and need for more practical training. (Ex-post evaluation) No satisfaction survey has been conducted, but the Center has developed the curriculum for each course through discussion with the companies.
	Number of companies that newly sent their staff to the Center for training	(Project completion) No data (Ex-post evaluation) Around 10 new companies send their staff for training every year.
(Overall goal) The Center will play a vital role in developing business human resources that contribute to the economic development	Total number of trainees who finished the Center's training courses	(Ex-post evaluation) The Center trained a total of 16,122 persons by 2012. After project completion, it trains around 3,000 persons every year.
	Total number of companies that used the Center's training courses	(Ex-post evaluation) No data. (Related information: A total 7,315 persons received in-service training at the Center in 2010-2012, though the number of companies is not available.)
	Contribution of ex-trainees to	(Ex-post evaluation) According to interviews with the Center, there are some reporting from ex-trainees and their companies (Japan-related companies), such

<sup>3</sup> This ex-post evaluation could not confirm whether any measures have been taken to cope with the difficulties in training for practical workers by university teachers (counterpart personnel) who do not have much business experience, an issue pointed out in the terminal evaluation.

of Dalian and Northeast China, as well as to closer economic relations between Japan and China.	development of business between Japan and China (cases where ex-trainees utilized the training to their job) <sup>(Note)</sup>	as “Japanese language is very useful for daily work”, and “Japanese language is useful for negotiations with clients and communication at workplace” (Japanese courses), and “the training enhanced my willingness to learn more related knowledge”, “I’m using the learned contents at work”, and “logical level of group leaders at production site was upgraded” (Production Management courses).
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Sources: Project Completion Report and responses to the questionnaire from the Center.

Note: The original indicator was “total number of unofficially-appointed workers who got employed by Japanese companies”. Since the relevance of this indicator to this project was not clear, the mentioned alternative indicator was used instead.

### 3 Efficiency

While the inputs were mostly appropriate for producing the outputs of the project, the project period was longer than the plan (ratio against the plan: 133%) due to the extension of the cooperation period to fully implement intensive technical transfer to Chinese instructors in preparation for the post-cooperation period, the support for networking with companies and succession of activities to the Chinese side. Accordingly, the project cost was significantly higher than the plan (ratio against the plan: 155%) due to the additional input during the extension period. Therefore, efficiency of the project is low.

### 4 Sustainability

In the policy aspect, sufficient back-ups are established such as the 12<sup>th</sup> Five-year Plan for the Northeast Revitalization (2011-2015) aiming to develop the region through science and technology as well as human resource development. Institutionally, there is no change in the organizational status of the Center, and allocation of sufficient staff for conduct of training and cooperative relationship with universities have been established. In response to clients’ demand for the Center to keep involving Japanese persons in training after project completion, which was deemed necessary considering the nature of the Center and its training, the Center assigned Senior Volunteers, and after their term of cooperation ended, invited Japanese instructors on its own. In the technical aspect, no problem has been observed as the Center itself carries out identification of companies’ needs, development of curricula and implementation of training based on such needs. In the financial aspect, however, the Center commented that the budget (mainly consisting of revenues from training and other business activities) was “sufficient, but would be desirable if increased to some extent”. As further information was not available and the Center’s financial situation was thus unclear, there remains a concern on future prospects of the operation budget.

From above, the project has some problem in the financial aspect; therefore, sustainability of effects of the project is fair.

### 5 Summary of the Evaluation

For the project purpose, “strengthening of implementation structures for developing human resources for business between Japan and China”, the Center became able to develop training plans and curricula, implement and manage training courses and evaluate and improve training courses, and has provided courses that match needs of Japanese and Japan-related companies. As a result, for the overall goal as well, the Center has trained around 3,000 staff of Japanese or Japan-related companies annually, and therefore responded to a certain extent to the demand for human resources for business related to Japan. As an impact, it was reported that ex-trainees applied the acquired knowledge in Japanese companies and other related organizations, etc. As for sustainability, according to the information on the budget of the Center there remains a concern on future prospects of the operation budget. For efficiency, both project cost and project period exceeded the plan.

In the light of above, although certain outcomes have been achieved, this project is evaluated to be partially satisfactory.

## III. Recommendations & Lessons Learned

### Recommendations for Implementing agency:

In addition to the development of curricula and conduct of training based on demands of client companies and trainees, the Center should try to implement satisfaction surveys to client companies that sent trainees, for their feedback after training would reflect contribution of the ex-trainees and thus provide useful inputs for improvement of courses.

### Lessons learned for JICA:

It is important to identify needs of potential trainees for each individual course, especially when conducting training for company employees, as such training requires dynamic and highly practical contents. In case of this project, the Center discussed with client companies in advance, tried to reflect interests and needs of the companies in the training courses, and consequently the courses were effectively provided.