

Country Name	Development of the Faculty of Economics and Management of National University of Laos
The Lao People's Democratic Republic	

## I. Project Outline

Background	Lao P.D.R. was in a transition to the market economy since 1986, when New Economic Mechanism (NEM) was introduced. For promoting human resource development for NEM, the Lao government established the National University of Laos (NUOL) in 1995, including the Faculty of Economics and Management (FEM). The building of FEM was constructed in 2000 with support from a Japanese grant aid project <sup>1</sup> , and the Asian Development Bank (ADB) provided support in developing curricula, fostering teaching staff, etc. until September 2001. In addition, in response to the request from the Lao government, JICA dispatched a long-term expert in 1997 for providing advice on the management of FEM and development of lecturers and curricula. This project was started to extend such technical cooperation <sup>2</sup> .						
Objectives of the Project	<ol style="list-style-type: none"> <li>Overall Goal: The Faculty of Economics and Management (FEM) graduates contribute to development of a market economy of Lao P.D.R.</li> <li>Project Purpose: Students graduate from the FEM with essential academic and professional knowledge and skills.</li> </ol>						
Activities of the project	<ol style="list-style-type: none"> <li>Project site: NUOL (Vientiane City)</li> <li>Main activities: Training, academic research, development of curricula, syllabi and textbooks, development of facilities and equipment, development of faculty regulations, etc.</li> <li>Inputs (to carry out above activities) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Japanese Side</b>            1) Experts: 72 persons (9 long-term and 63 short-term)            2) Trainees received: 40 persons in Japan (23 long-term<sup>3</sup> and 17 short-term) and 29 persons in Third Countries (14 long-term and 15 short-term)            3) Equipment: Books, journals, software, computers, printers, projectors, photo copiers, air conditioners, furniture, motorcycles, etc.            4) Others: Distance education utilizing the JICA's teleconference system         </td> <td style="width: 50%; vertical-align: top;"> <b>Laotian Side</b>            1. Staff allocated: 68 persons            2. Land and facilities: Main buildings and equipment of FEBM<sup>4</sup> (developed by the grant aid project) and additional classrooms            3. Local cost: Cost for electricity, telephone and water supply         </td> </tr> </table> </li> </ol>					<b>Japanese Side</b> 1) Experts: 72 persons (9 long-term and 63 short-term) 2) Trainees received: 40 persons in Japan (23 long-term <sup>3</sup> and 17 short-term) and 29 persons in Third Countries (14 long-term and 15 short-term) 3) Equipment: Books, journals, software, computers, printers, projectors, photo copiers, air conditioners, furniture, motorcycles, etc. 4) Others: Distance education utilizing the JICA's teleconference system	<b>Laotian Side</b> 1. Staff allocated: 68 persons 2. Land and facilities: Main buildings and equipment of FEBM <sup>4</sup> (developed by the grant aid project) and additional classrooms 3. Local cost: Cost for electricity, telephone and water supply
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Ex-Ante Evaluation	1999	Project Period	September 2000 to August 2007 (Original period: September 2000 to August 2005; Extension period: September 2005 to August 2007)	Project Cost	809 million yen <sup>5</sup>		
Implementing Agency	Ministry of Education (MOE) National University of Laos (NUOL)						
Cooperation Agency in Japan	Ministry of Education, Culture, Sports, Science and Technology Kobe University (entrusted with implementation of part of the project).						

## II. Result of the Evaluation<sup>6</sup>

### 1 Relevance

This project has been highly relevant with Lao PDR's development policy and development needs at the time of both ex-ante evaluation and project completion. For the development policy, it is consistent with "human resource development for the NEM" as one of the important assignment of the National Socio-Economic Development Plans (1996-2000 and 2006-2010). For the development needs, it is consistent with a high potential demand for human resources in economics and business management, and a need to equip FEBM with good quality teaching staff and education facilities. It is also consistent with Japan's ODA policy that was confirmed in the policy consultations between the Lao government and the Japanese government in 1999, at the time of ex-ante evaluation. Therefore, relevance of this project is high.

<sup>1</sup> The Project for Construction of Facilities and the Lao-Japan Human Resource Cooperation Center in the National University of Laos (2000).

<sup>2</sup> Initially, this project had a component for the Lao-Japan Human Resource Cooperation Center (LJC). In March 2004, the LJC component was separated from this project and implemented as the Lao-Japan Human Resource Cooperation Center (Phase 1 and Phase 2) (2001-2010) (hereinafter referred to as "the LJC project"). Some activities of these projects have been succeeded by the JICA's technical cooperation of the Capacity Development of Business Persons through Lao-Japan Human Resource Development Institute (2010-2014).

<sup>3</sup> Training with duration of more than 1 year for master's or doctoral degrees.

<sup>4</sup> FEM was renamed to be the Faculty of Economics and Business Management (FEBM) in February 2005. Hereunder, the abbreviation FEBM is always used except for quoting the officially-agreed Overall Goal, Project Purpose and Outputs and their indicators.

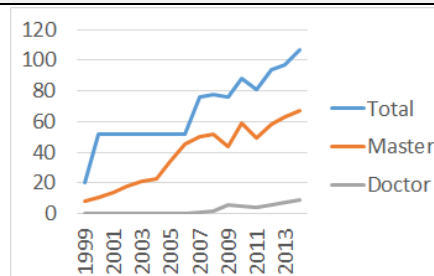
<sup>5</sup> This cost includes the cost for the LJC project component from 2000 to 2004.

<sup>6</sup> This ex-post evaluation had a constraint that the planned project cost was unknown since the available figure included the cost for both this project and the LJC project and the breakdown of the cost is not specified from the existing documents. Therefore, as an alternative evaluation framework, Efficiency was judged based on the appropriateness of (a) the project period and (b) the volume of dispatched experts, equipment and offered trainings by the project in order to produce the outputs.

## 2 Effectiveness/Impact

This project aimed to support overall capacity development of FEBM so that students could acquire good knowledge and skills in economics and business management (project purpose), and the graduates contribute to development of the market economy in their jobs (overall goal).

Under this project, a total of 36 FEBM teachers obtained master's or doctorate degrees. By the time of project completion, curricula, syllabi and textbooks were developed, while some of those initially planned were not completed as the project carried out course development in additional subjects demanded by FEBM. The facilities such as library were improved and began to be utilized by students. For the management system, administration staff were trained, and the student information system and the faculty management regulations were developed. As a result, most of the indicators for the project purpose, such as job finding, satisfaction of students and graduates and reputation of FEBM (i.e., as a top faculty of NUOL), were achieved. However, students' grade point average (GPA) did not reach the expected level as quite a high score was set as a target<sup>7</sup>.



Number of teaching staff of FEBM (as of September each year)

After completion of the project, major project achievements have continued or further expanded. A total number of teachers as well as those with degrees have increased, and they are engaged in teaching, development of textbooks and more research work. Due to budget constraints and needs for course development for new departments and graduate programs<sup>8</sup>, revision of curriculum became less frequent than shortly after project completion. Also, the number of administration staff has become fewer<sup>9</sup> since former administration staff members were promoted to teachers, and there have been no quota for administration staff from NUOL. Accordingly, teachers must shoulder more administrative tasks than before and thus cannot develop all textbooks for new subjects<sup>10</sup>, which have affected students' satisfaction with courses. Nevertheless, the overall satisfaction of students and graduates is still high.

For the overall goal, all of the three indicators had been achieved at the time of project completion. At the time of ex-post evaluation, although quantitative data on career of graduates was not available, it is observed that FEBM graduates, approximately 1,000 persons every year, have contributed to promotion of market economy as key officers of related ministries and as entrepreneurs (see the details in the table below about the examples of six graduates who were quickly given by FEBM as only a part of contribution).

As other positive impacts, there are cases of contribution by teaching staff of FEBM: the Economy, Planning and Finance Committee asked FEBM for consultancy to Vice Prime Minister for policy making in economy; FEBM lecturers teach in other faculties of NUOL including the Lao-Japan Human Resource Development Institute. In particular, FEBM is an essential source of Laotian lecturers for the MBA course of the Institute besides lecturers from Japan.

In this way, the project purpose was mostly achieved at the time of project completion in terms of the degree of fulfillment of the targets of the designated indicators, and some achievement of the overall goal and other positive impacts were observed. Therefore, effectiveness/ impact of the project is high.

### Achievement of project purpose and overall goal

Aim	Indicators	Results																											
(Project Purpose) Students graduate from the FEM with essential academic and professional knowledge and skills.	70% of graduates find their jobs within one year.	(Project completion) In a survey in 2004, more than 80% of the 208 respondents (among graduates in 2001, 2002 and 2003) found jobs within 1 year. (Ex-post evaluation) FEBM confirmed that at least 70% of graduates find jobs within 1 year.																											
	Average GPA of graduates is 3.0 or higher. (Note) GPA ranges between 0.0 and 4.0.	(Project completion) (Ex-post evaluation) <table border="1"> <thead> <tr> <th></th> <th>2003</th> <th>2004</th> <th>2005-2009</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Economics</td> <td>2.592</td> <td>2.629</td> <td>N.A.</td> <td>2.52</td> <td>2.53</td> <td>2.58</td> <td>2.68</td> <td>2.62</td> </tr> <tr> <td>Business Management</td> <td>2.374</td> <td>2.642</td> <td>N.A.</td> <td>2.61</td> <td>2.71</td> <td>2.63</td> <td>2.67</td> <td>2.76</td> </tr> </tbody> </table>		2003	2004	2005-2009	2010	2011	2012	2013	2014	Economics	2.592	2.629	N.A.	2.52	2.53	2.58	2.68	2.62	Business Management	2.374	2.642	N.A.	2.61	2.71	2.63	2.67	2.76
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	Most graduates are satisfied with education from FEM.	(Project completion) In the survey in 2004, 88-94% (depending on year of graduation) of respondent graduates answered "Yes" or "Appropriate in general" about their satisfaction. Surveys during the extension period also showed respondent graduates' general satisfaction. (Ex-post evaluation) FEBM commented that overall, graduates have good satisfaction with FEBM in terms of qualified teaching staff, facilities, and knowledge transfer.																											

<sup>7</sup> This indicator seemed added by the discussions with the Project consultation team (2004), but the reason of addition is not confirmed at the time of ex-post evaluation. At the Terminal Evaluation (2005), it is pointed out that "the target of 3.0 is too high to be achieved by the project completion" (Source: Terminal Evaluation Report, p. 58)

<sup>8</sup> FEBM originally had two departments, namely, Economics and Business Management (for which this project provided support). In 2010, it opened three new departments, namely, Finance and Banking, Accounting and Commerce, in response to an increasing demand for human resource development. In 2009, FEBM also started master's programs.

<sup>9</sup> According to the terminal evaluation report, the number of administration staff was increased to six, the targeted number. However, there were only two administration staff as of September 2014.

<sup>10</sup> The teachers cope with this problem by developing using textbooks from Thailand and developing supplementary presentation slides.

	FEM is one of the most popular faculties among students.	(Project completion) Academic affairs office of NUOL commented that FEBM was the most popular faculty among the faculties in social sciences and humanities at the time of project completion (the larger number of applicants than other faculties).  (Ex-post evaluation) <table border="1"> <tr> <td>2<sup>nd</sup> Grade</td> <td>2004</td> <td>2005-2012</td> <td>2013</td> <td>2014</td> </tr> <tr> <td>No. of applicants to FEBM</td> <td>394</td> <td>N.A.</td> <td>4,030</td> <td>4,600</td> </tr> <tr> <td>No. of accepted applicants to FEBM</td> <td>238</td> <td>N.A.</td> <td>562</td> <td>550</td> </tr> </table>	2 <sup>nd</sup> Grade	2004	2005-2012	2013	2014	No. of applicants to FEBM	394	N.A.	4,030	4,600	No. of accepted applicants to FEBM	238	N.A.	562	550
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	Majority of students are satisfied with lectures	(Project completion) In surveys in 2004 and 2005, the degree of satisfaction was 60-100% depending on subject. According to surveys in 2006, the level of understanding by the students was more than “average” in most of the lectures surveyed.  (Ex-post evaluation) Result of students’ surveys show that teaching of FEBM is satisfactory. But there are some complaints on insufficient textbooks developed for courses.															
(Overall goal) The FEM graduates contribute to development of a market economy of Lao P.D.R.	Increasing number of FEM graduates are in the middle- and upper-range management position / Many entrepreneurs are born among FEM graduates.	(Ex-post Evaluation) The number is not available, but FEBM gave examples of 6 graduates as only a part of many more cases: 2 lecturers of FEBM, Director of SME Promotion Department of Ministry of Industry and Commerce, Secretary to Vice Minister of Ministry of Finance, Director of Micro-Finance Company, and Director of Indie Records Company.															
	Majority of employers are satisfied with their employees who graduated from FEM.	(Ex-post Evaluation) There is no surveys to employers, but FEBM commented that as an employer, they are quite satisfied with the performance of graduates who work at FEBM as teaching staff. Also, a supervisor of one graduate at a United Nations organization said that the graduate is well-organized and well-communicated.															

Sources: Terminal Evaluation Report; Project Completion Report; questionnaires and interviews with FEBM; interview with a FEBM graduate and her employer.

### 3 Efficiency

The quality and timing of inputs were appropriate. For example, training of teaching staff abroad helped to produce qualified teaching staff, efficient teaching materials and research works. Further, the library, computer labs and other facilities, which were upgraded by the project, served students well. But the number of Japanese experts and the length of the assignment during the original and extension period were not sufficient to produce the outputs, especially development of textbooks in initially-planned subjects as new subjects were added (see “2 Effectiveness/Impact”). The project period was longer than plan (ratio against the plan: 140%) due to extension of the period to produce the outputs. Therefore, efficiency of the project is fair.

### 4 Sustainability

In the policy aspect, the human resource development in economics and business management is still given importance in the current development policy such as the National Socio-Economic Development Plan (2011-2015), the 5-Year National Education System Reform Strategy (2011-2015) and NUOL’s 6 Strategies and 31 Plans (2011-2015). In the institutional aspect, while FEBM has expanded its undergraduate and graduate programs and the number of teaching staff is sufficient, the number of administrative staff is insufficient to manage the faculty. Thus many teaching staff have to perform the role of administration staff at the same time.

In the technical aspect, skill level of teaching staff is generally considered sufficient based on high percentage of degree holders, and FEBM plans to further improve their teaching/research capacity through exchanges with universities in Japan, Thailand, etc. Many of counterparts at the project period are still working at FEBM as lecturers at the time of ex-post evaluation. Also, the facilities and equipment of FEBM are well maintained, and the skill level of teaching staff in operation and maintenance of facilities/equipment is reported to be sufficient. On the other hand, FEBM commented that administration staff lack management skills such as financial management and academic affairs management. As for the financial aspect, FEBM has managed the faculty with the available funds although budget allocation from the government through NUOL is generally insufficient. Besides this ordinary budget, FEBM has its own funds, the Revolving Fund (sales of textbooks are used for printing textbooks) and the Common Fund (donation and commission from lecturers engaged in research is used for emergency expenses such as in case of delay in payment to staff). The Revolving Fund was introduced by this project and have been well maintained up to the time of ex-post evaluation.

From these findings, it is considered that the project is influenced by institutional and technical aspects of the implementing agency; therefore, sustainability of the project effects is fair.

### 5 Summary of the Evaluation

For the project purpose of producing graduates from FEBM with good knowledge and skills, most of the indicators such as job finding, satisfaction of students/graduates and popularity of FEBM, were achieved, except for GPA whose target was quite high. For the overall goal, although quantitative data on career of graduates was not available, it is observed that graduates have contributed to promotion of market economy as key officers of related ministries and as entrepreneurs. Further, FEBM teachers have extended lecturing in other faculties of NUOL. As for sustainability, this project is still given importance in the current development policy, and FEBM has managed the faculty with available national budget and its own funds. However, the implementing agency has institutional and technical issues related to allocation and management skills of administration staff. For efficiency, the number of Japanese experts was quantitatively insufficient, and the project period exceeded the plan.

In the light of above, this project is evaluated to be satisfactory.

### III. Recommendations & Lessons Learned

#### Recommendations for Implementing agency

It is recommended that the Ministry of Education and Sports provide quotas on administration staff to NUOL in the next Fiscal Year (2015-2016) and the capacity development of current administration staff could be considered in order to solve the workload of teaching staff at FEBM. So that, teaching staff could concentrate and dedicate more on their research and teaching activities.

#### Lessons learned for JICA

(1) The Revolving Fund suggested by the project has been well-functioning in a way that income from sales of textbooks is used for printing of next textbooks. A project to develop and distribute printed materials under severe financial conditions could consider introducing a fund such as this.

(2) The average GPA of 3.0 (in Laos, this means the average grade of students is “B” (Good) in 8-level scale, A, B+, B, C+, C, D+, D, F), which is one of the indicators to verify the achievement of a project purpose, has not been achieved even though FEBM is one of the top faculties of NUOL (i.e. at the faculty placement in the 2<sup>nd</sup> Grade, only top students in terms of GPA of the 1<sup>st</sup> Grade are admitted) and the performance of graduates are highly evaluated. In order to use GPA more properly as an indicator of faculty development, the project indicator should set the GPA range to be achieved<sup>11</sup>. So that, it becomes more realistic and appropriate indicator for the project to be achieved.



FEBM, NUOL



The library of FEBM, NUOL



Textbooks developed by this project is still in use (Assoc. Prof. Sengchanh Chanthasane, Vice Dean of FEBM, NUOL)

<sup>11</sup> In case of this project, based on NUOL's standard, students are obliged to get GPA of 2.50 in order to meet the criteria for conducting thesis or final project. As FEBM students are selected among top students in terms of GPA, the target GPA can be set higher, e.g. the GPA range between 2.80-3.00.