

Summary of the Joint Mid-term Review

1. Outline of the Project	
Country: Republic of India	Project Title: Champions for Societal Manufacturing (CSM)
Issue/Sector: Private Sector Development Strategy (PSDS) Small and Medium Enterprises /Supporting Industries Promotion	Cooperation Scheme: Technical Cooperation Project
	Total Cost: around 131 million yen (including the estimated cost until the end of the fiscal year 2014 (end of March 2015))
Division in Charge: Industrial Development and Public Policy	Implementation Organizations: <ul style="list-style-type: none"> • National Manufacturing Competitiveness Council (NMCC) • Ministry of Human Resource Development (MHRD) • Confederation of Indian Industry (CII) • Indian Institute of Management Calcutta (IIMC) • Indian Institute of Technology Kanpur (IITK) • Indian Institute of Technology Madras (IITM)
Period of Cooperation: April 2013 – March 2016 (3 years) (Record of Discussions [R/D] signed: March 2013)	
<p>1-1. Background of the Project</p> <p>Despite its rapid overall economic growth and the development of the service sector, the development of Indian manufacturing sector remains to be a challenge for the inclusive growth of the country. One of the reasons behind this is due to the lack of managers in the sector and the low competence level of their management skills. Moreover, against the backdrop of the rising issue on air, water, and soil pollution and degradation caused by the manufacturing companies, demand to develop eco-friendly and energy efficient technology/products are high. In addition, “BOP (Base of Pyramid) Business” has been gaining wider attention among the Indian companies as a mechanism to develop a win-win situation between the clients and themselves. In response to the issue, the Government of India and JICA collaboratively implemented the VLFM Project from August 2007 until March 2013.</p> <p>Following the satisfactory achievements of the above mentioned VLFM Project and its programmes, the Government of Japan has implemented a three-year Project on “Champions for Societal Manufacturing (CSM)” since April 2013. Building on the existing VLFM programme successes, the Project stresses on upgrading and scaling up the framework to foster Visionary Leaders, which will lead to the country’s inclusive growth and contribution to the society through revolutionizing the Indian manufacturing enterprises. The Project will not only produce future visionary top leaders of the manufacturing industry, but will also strengthen the programmes by establishing a framework to develop VLFM faculties and managers with the support of the project-participating companies and the VLFM graduates.</p> <p>1-2. Project Overview</p> <p>(1) Overall Goal: Competitiveness and social contribution of Indian manufacturing enterprises that were involved in this Project is enhanced.</p> <p>(2) Project Purpose: The framework to upgrade and scale up programs for fostering visionary leaders which meets the managerial needs of the Indian manufacturing industry and social needs</p>	

in the Indian society is established.

(3) Outputs

- 1) Capacity of faculty and the management system of the programmes for visionary leaders (VLFM programmes) are strengthened.
- 2) Sustainable implementation structure model to expand the programmes for win-win relationship between large and medium/small enterprises (VSME programme) is built.
- 3) A module/subject to improve awareness on environment and to introduce clean manufacturing is developed
- 4) A program to engage manufacturing enterprises to realize inclusive Indian society is developed.

1-3. Inputs (Until the end of November 2014)

The Japanese Side:

- Japanese Experts: Four (4) JICA Experts (36.8 Man Months M/M)
 - a. Chief Advisor (Short-term): 15 missions
 - b. Project Coordinator (Long-term)
 - c. Expert for TPS (Toyota Production System) (Short-term): 22 missions
 - d. Expert for Coaching Method (Short-term): One (1) mission
- Operational expenses

The Indian Side:

- Assignment of C/Ps
- Provision of offices
- Provision of facilities (Training rooms, classrooms and meeting rooms, etc.)
- Project expenses

2. Mid-term Review Team

Members of the Review Team	Name	Title	Organization
	Mr. Akihisa TANAKA	Leader	Director, Team 2, Private Sector Development Group, Industrial Development and Public Policy Department, JICA
	Mr. Koichi TOYA	Cooperation Planning	Assistant Director, Team 2, Private Sector Development Group, Industrial Development and Public Policy Department, JICA
	Mr. Nobuhisa IWASE	Evaluation Analysis	Partner, IMG Inc.
Evaluation Period:	From November 23 rd to December 13 th , 2014		Type of Evaluation: Mid-term Review

3. Evaluation Results of the Mid-term Review

3-1. Achievements of the Project Purpose

Prospect of the Project Purpose being achieved (“The framework to upgrade and scale up programs for fostering visionary leaders which meet managerial needs from Indian manufacturing industry and social needs in Indian society is established.”) is high as a whole.

The rise in the number of participants and applications received from wider range of manufacturing sectors and areas across the country is a sign of increasing visibility and reputation of the enhanced VLFM programmes. Project-participating companies, CII and the Academia are proactively reviewing the curriculums, guidelines, materials of their programmes, making necessary changes according to the evolving demands of the Indian manufacturing industry. They are also incorporating VLFM graduates as faculties (e.g. module guides/directors/demonstrators, etc.), thereby securing an independent and sustainable operational system for the VLFM programmes. Many companies and factories have already succeeded in improving their management performances by applying the skills and leanings acquired through the VLFM programmes. These achievements have been compiled in textbooks and class materials as Success Stories and are being promulgated to a wider and diverse audience. Cooperation among manufacturing companies and between the industry and the Academia is seen from a multitude of activities carried out in the past years such as holding conferences and workshops, developing communities/platforms both physical and virtual (on-line), publications, and press release.

Total number of graduates from the programmes

JICA Project		VLFM Project						CSM (the Project)		Total
Year		07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	
VLFM	Opp. A	48	48	48	51	60	80	55	59	449
	(No. of companies)	-	-	-	-	-	-	(28)	(28)	(56)
	PGPEX-VLM (Opp. B)	30	32	30	29	34	33	37	38	263
	Opp. C	/	/	/	21	14	27	14	20	96
	Village Buddha	/	/	/	/	/	/	-	16	16
VSME (Opp. D)	Tier 1	/	/	6	13	47	68	75	70	279
	Tier 2	/	/	/	28	62	70	67	57	284
TOTAL		78	80	84	142	217	278	248	260	1387
Total Graduated/Graduating										1387

3-2. Summary of the Evaluation Result

(1) Relevance: Very high

The Twelfth Five Year Plan 2012-2017 refers to the necessity to the promotion of the Indian manufacturing industry, stressing on “Scaling up programmes such as Visionary Leadership for Manufacturing (VLFM) at the national level”, and the country has just recently raised the slogan “Made in India, Make in India” to accelerate the development of the manufacturing industry. In order to meet these national strategies, the willingness of the CII and the three Institutes: IIMC, IITK, IITM, to provide high quality programmes for the enhancement of the senior and middle managers’ visionary leadership and management skills is high. The Project is also consistent with Japan’s Country Assistance Programme for India announced in 2006.

(2) Effectiveness: High as a whole

Among the Output areas, there have been steady achievements produced especially under Outputs 1 and 2. However, the Project's effectiveness also depends on the progress and the Success Stories which will be derived from the recently introduced Village Buddha programme in the remaining period.

The contributing factor to the high effectiveness of the programme owes to a) participants' full understanding and practicing of the "Mindset change" and "Self-control" philosophy, b) understanding among the stakeholders on the importance of applying the enhanced leadership and management skills of the VLFM participants on the ground, c) utilizing the graduates of VLFM programmes as VLFM faculties (module guides/directors/demonstrators), d) heightening the programmes' transparency and credibility by disseminating and sharing Success Stories and best practices to a wider audience.

(3) Efficiency: High

The inputs of 4 passionate and dedicated Experts in transmitting their knowledge to the Project stakeholders, and fully committed C/Ps in supporting the Project by offering their human resources and facilities (training rooms, equipment and classrooms) were appropriate to generate expected Outputs efficiently.

(4) Impact: The Project has a potential to bring about a significant impact.

Success Stories and improved business performances of the Indian manufacturing companies having participated in the Project are being showcased on the public media, published books and through other means, and the value and importance of the VLFM Programme and the Project activities are being and will be widely acknowledged. Additionally, positive impacts on the overall competence of the Indian manufacturing industry are expected to show: e.g. VLFM alumni having acquired the necessary leadership skills being promoted within their company, the expanding of the VLFM community, and the increase in Visionary Leaders. If the relevant stakeholders will continue their efforts and the Government of India will continue its policy on strengthening the manufacturing sector, which is an important assumption described in the PDM, the Project is expected to achieve the Overall Goal in 3 to 5 years after its completion. Other positive impacts have been seen such as the increase in awareness on the value of the VLFM programme by the Government organizations, strengthening of the relationship between India and Japan, and increased reputation of the academia participating in the Project.

(5) Sustainability: Relatively high

The institutional aspect of the Project's sustainability is high as the VLFM programme is acknowledged by the government and the stakeholders as a valid mean to attain the country's inclusive growth. On an organizational aspect, the Project-participating companies and CII have established a solid foundation for the development of visionary leaders which is likely to continue after the termination of the Project. Financial sustainability of the Project is generally high since many of the activities are financed by the Indian side except for the Japan Visits. There has been appropriate transfer of technical know-how from the Japanese side to the Indian C/Ps, however, the dependency of

the Indian side on the Experts and Japan Visit is still present, and thus the technical sustainability remains a challenge.

It should also be noted that the VLFM Programme puts an emphasis on how philosophy, knowledge and leadership skills enhanced by the programme will be sustainably applied and expanded to the Indian manufacturing industry.

3-3. Conclusion

The Project is for the mean time receiving much support of the Experts whose dedication and great contribution to the Project is highly praised and appreciated by the Indian stakeholders. At the same time, high level of commitment and ownership of each participant and Project administrating bodies on the Indian side have yielded visible Success Stories in the manufacturing industry, and notable benefits upon the social needs of the country is expected to emerge. The needs of the Government of India and of the beneficiaries make the Project's relevance very high. The effectiveness of the Project is evaluated to be high as a whole, since there is good prospect of achieving the Project Purpose although it also depends on the progress of some of the unachieved indicators in the remaining period. Experts, C/P and other relevant inputs have been converted to generating expected Outputs, which gives efficiency a high mark. With a relatively good prospect to achieve the Overall Goal, significant impact is expected in a medium-term. Some issues remain mainly in the technical aspects; however, the sustainability of the Project is evaluated to be relatively high at the time of the Mid-term Review.

3-4. Recommendations

- 1) In order to strengthen the management and operational capacity of Opp. A, fostering the competence of the module demonstrators through encouraging the participation of companies from a wider and diverse sectors, as well as probing for the possibility of developing a certification system for the faculties is recommended.
- 2) To date, there have not been any alumni out of the 225 graduates recruited by Governmental organizations and state-owned enterprise thus far. Owing to the fact that the development of the manufacturing sector is a high priority in the Government agenda, it is advisable to effectively utilize the graduates of the VLFM program for the policymaking and implementation process to further enhance the competitiveness of the manufacturing sector.
- 3) In order to create a cycle of theory and practice under the VLFM programmes, it is advised that the alumni network and activities be further promoted (e.g. issuing quarterly journal and holding events to share experiences and learnings among the members).
- 4) Considering the progress on Output 3, it is proposed that activities on the environmental and clean manufacturing are transferred to Output 1. It is also confirmed that the modification on PDM and PO be made and be approved at the JCC Meeting.

3-5. Lessons Learned

- 1) Sharing of philosophy: Sharing a common philosophy (spirits) as a prerequisite to joining the programme increases the ownership and commitment of the participants, which leads to an

effective and efficient technical transfer under the Project.

- 2) Scientific and experimental approach: As in the case of Village Buddha programme, challenging and experimental task (Output) has been developed. Project implementation with flexibility in planning and resource allocation creates new activities that were not described in the original PDM. This approach contributes to the increase in potential for the Project's impact.
- 3) Success through branding: The Project made the most efforts on establishing the "VLFM Brand". Generation of visionary leaders is a core element for its branding. With an effective use of branding tools such as original logo, design of brochure/publication and shirts/caps of VLFM/VSME, this branding strategy brings about increases in effectiveness and potentials for impact.