

Productivity and Quality Improvement



Project Sites Alajuela

1. Background of Project

The Minister of Foreign Affairs at the time, Mr. Kurarnari, visited the Republic of Guatemala in September 1987 and proposed the "Central America Human Resource Development Plan." It was a plan in which Japan cooperates with Central American countries to develop their human resources, to enhance peace and solidarity within the Central American region. Based on this plan, the Technical Instructor and Personnel Training Center (CEFOF) was established in Costa Rica with Grant Aid in FY 1989, and a Project-type Technical Cooperation, "the Technical Instructor and Personnel Training Center for Industrial Development of Central America" (FY 1992 – 1996) was executed at this center. The activities during the project were mostly domestic training, though there was a need to extend the project to other Central American countries.

Based on these circumstances, the government of Costa Rica requested the Government of Japan for a Third Country Training to improve knowledge and skills in productivity and project management in order to improve the competitiveness of small and medium enterprises in seven (and later eight) countries of Central America.

2. Project Overview

(1) Period of Cooperation

FY1997 – FY2001

(2) Type of Cooperation

Third Country Group Training

(3) Partner Country's Implementing Organization

Technical Instructor and Personnel Training Center (CEFOF)

(4) Narrative Summary

1) Overall Goal

The competitiveness of small and medium enterprises in Central American and Caribbean countries (Costa Rica and six neighboring countries) are improved.

2) Project Purpose

Participants' knowledge and skills in the field of productivity and project management are improved.

3) Outputs

- a) The following knowledge and skills, which are necessary for the leaders of enterprises and the region, are acquired by the trainees.

(1) Productivity Management

5S activities (arrangement, good order, cleaning, cleanliness, and discipline), cost reduction, problem solving techniques, scheduling, process and inventory control, etc.

(2) Quality Management

Quality improvement, quality control techniques, quality assurance, the fundamentals of testing, etc.

(3) Data Processing for Productivity

(only for interested parties)

- b) The CEFOF's organization management capability is developed.

4) Inputs

Japanese Side

Short-term experts	4
Local cost	31 million yen

Costa Rican Side

Counterparts	34
Local cost	12 million yen

(5) Participant countries

Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Dominican Republic.

3. Members of Evaluation Team

Team Leader:

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Evaluation Investigation:

Shinsuke KUBO, NEWJEC Inc.

4. Period of Evaluation

23 September 2000 – 2 October 2000

5. Results of Evaluation

(1) Relevance

The improvement of the competitiveness of small and medium sized enterprises is recognized as the fundamental building block of the economic development in Central America. The improvement of productivity and quality is closely related to the improvement of competitiveness.

Since twice the fixed number (42 per year) applied for the training (a total of 293 applicants), the contents of the training seem to meet the needs of the area. For the question in a questionnaire survey for participants, "Is the training in line with the needs of your country?" nearly all answered "Yes". The participants evaluate this training highly, thus this training is relevant.

(2) Effectiveness

Forty-two people participated every year as planned, and a total of 168 people successfully completed the training during the four-year cooperation period. According to a questionnaire to which 45 of the participants responded (26.8% response rate), for the question "To what degree did you acquire new knowledge and techniques through the training?", 40 out of 45 participants answered "Completely acquired", "Almost acquired", or "Fairly acquired", which accounted for 89% of the responses. For the question asking whether the participants utilize the acquired knowledge, techniques, and experience, the responses were "Utilize very much" or "Utilize". Therefore the training objectives are considered virtually achieved.

(3) Efficiency

The Japanese short-term experts who had given lectures in human resources management reported that the training was a success. However, because only seven hours are spent for each subject, and the course was given with Spanish interpretation some reported that the degree of understanding is in question. Corresponding to this, CEFOF is trying to reflect requests from the participants to revise the contents, and making other efforts to over-

come the deficiencies every year. There were no answers that pointed out drawbacks or inconveniences of the facility and equipment, which were also asked about in the questionnaire.

(4) Impact

According to the questionnaire, of 45 respondents, all except eight returned to their original workplace. Since the participants' career switch into other business sectors is not a problem, there are no major negative impacts to the project objectives. In the same questionnaire, 80% of the respondents were either "very satisfied" or "satisfied" with regard to the proficiency level, and the extent of usage and improvement of their knowledge and skills. This shows the participants utilization of the acquired knowledge and skills at work. Therefore, it is assumed that the participants' acquired knowledge and skills are contributing to the realization of the project's overall goal.

(5) Sustainability

CEFOF has many experienced lecturers and sufficient equipment and facilities and has a close network in Central America through the Federation of Central American Chambers of Industry. Including the training courses funded by the Inter-American Development Bank, CEFOF is giving seminars an average of 90 times per year outside of this project. Good relationships are also kept with higher-level organizations such as the Ministry of Economy. If appropriate financial assistance from relevant organizations are continuously secured, the training project will provide lasting benefits for the development as a center of productivity improvement and quality control in Central America and Caribbean countries.

6. Lessons Learned and Recommendations

(1) Recommendations

It is expected that CEFOF will enhance its role as a regional center of productivity improvement in Central America, in addition to improving productivity of small and medium enterprises and extending human resources development.

7. Follow-up Situation

A productivity improvement project is in operation for five years ending in January 2006, for technology improvement and service expansion of CEFOF.