

The Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS)  
 [Annual Evaluation Report] (Overview)  
 FY2019 Technical Cooperation Utilization Type / Emerging Market Development Program  
 (Training and Expert Dispatch Programs)

**[Chapter 1 Program Outline]** (Outline of the objectives and evaluation of the program)

Objectives	In order to support the reinforcement of the local footholds required for the overseas business expansion of Japanese companies, improving the level of local industrial technology, and contributing to the development of the economy by training the local human resources of private companies in developing countries through cooperation between the government and private sectors.	
Target Countries/ Regions	Developing countries [Target countries/regions for ODA specified by the Development Assistance Committee (DAC) of OECD]	
Target field (Requirements)	(1) Technology transfer that contributes to industrial development in developing countries and regions (2) Including the problem-solving perspective according to the current condition of developing countries and regions	
By-Programs Type	Training Programs	(i) Technical Training: Engineers in developing countries, etc. are accepted by parent companies in Japan and provided with training. (ii) Management Training: Managers in developing countries, etc. are invited to Japan and provided with training. (iii) Overseas Training: Training is provided by instructors dispatched from Japan, etc. or instructors in the country where training is provided.
	Expert dispatch program	○ Technical guidance is provided for overseas local companies (companies receiving guidance) through financial contribution or by experts dispatched from Japanese companies (dispatching companies) in a business partner relationship.
Method of Programs Evaluation	Prior Evaluation	○ Evaluation of adequacy of each case by the Screening Committee (adequacy of achievement goals, requirements for eligibility of participants, expertise of experts, etc.)
	Interim Evaluation/ Evaluation Immediately After Completion	○ Self-evaluation of goal achievement level by participants, dispatched experts, and using companies (Japanese and local companies)
	Aging Evaluation	○ Questionnaire for returnee participants and companies that used the system before, and overseas on-site survey

## [Chapter 2 Prior Evaluation] (Outlines of review implementation and cases)

### 1. Outline of Review Implementation (FY2019) ( ): the number of participants for training

\*Screening Committee - Hold about twice a month (a total of 23 reviews) (including document review)

\*Number of review approvals - Technical Training 163 cases (408), Management Training 18 cases (421), Overseas Training 8 cases in 5 countries (186), Expert Dispatch 26 cases (292) ( ): the number of participants for training

### 2. Outline of Cases in FY2019

#### (1) Training Programs

##### [1] Technical Training: Number of accepting companies and participants in FY2019

\*167 accepting companies in FY2019, 408 participants (143 small and medium-sized companies, 345 participants)

(163 companies (403) after excluding 4 companies (5) that cancelled after review approval)

##### [2] Management Training: Number of courses and participants in FY2019

\*A total of 18 courses (421) were planned to be held, but 17 courses were actually held since there was a cancellation due to the COVID-19 pandemic.

##### [3] Overseas Training: Outline of the course and the number of participants

\*Invitation type [Normal type]...A total of 3 times, conducted in Thailand and Mexico. 35 participants

\*Invitation type [Third-country type]...Twice in total, in Myanmar (implementing country: China) and Africa (Kenya, Uganda, Rwanda, implementing county: India) 26 participants

\*Planned-by-Association type...A total of 3 times, conducted in Thailand and Indonesia. 125 participants

#### (2) Expert Dispatch Program

[1] Number of companies using the expert dispatch system (number of dispatching companies), number of dispatched experts, and number of participants receiving guidance

\*26 companies using the system in FY2019, 35 dispatched experts, 292 participants receiving guidance (all small and medium-sized companies, including 1 company that cancelled after review approval (7))

\*The number of participants receiving guidance was submitted by the dispatching companies at the time of application, and the number in the plan of the human resource training goal approved by the Screening Committee was aggravated.

**[Chapter 3 Interim Evaluation/ Evaluation Immediately after Completion]**

(Evaluation by the companies and participants during the training and immediately after the training)

**1 Training Programs**

(1) Technical Training (Consisting of general training conducted by AOTS and on-site training conducted by the accepting companies)

[1] General Training (Objectives: “adaptability for on-site training”, “spreading ability of technical transfer”, and “increasing familiarity with Japan”)

(i) Evaluation of goal achievement level in the general training < Self-evaluation of the participants about 17 items with 7 grades >

\*In all 17 items, the evaluation goal exceeded 5.0 at the time of completion (5.1-6.1 with the full score of 7.0), which increased by 1.4-2.4 compared with the initial scores prior to training. ⇒ The goals were thought to be achieved.

(ii) Evaluation of goal achievement level in Japanese proficiency < Evaluation by AOTS>

\*The average achievement scores did not reach the goal, and many of the participants needed to continue studying. (6-week course=Level of finishing the first half of the beginner course, 13-week course=Level of finishing the second half of the beginner course.) Their command of the language is expected to improve by using the knowledge of the language they learned in the general training for actual communication.

[2] On-Site Training

(i) Evaluation of effect of general training in on-site training

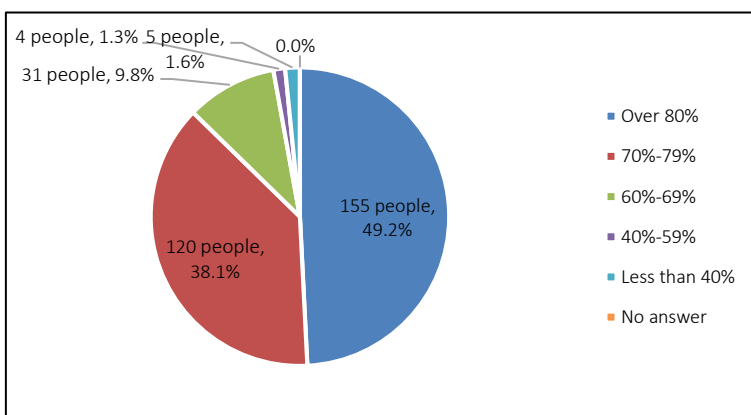
\*Accepting companies: General satisfaction level exceeded the evaluation goal of 4.0 (4.1 out of a full score of 5.0), generally showing their satisfaction.

\*Participants: General training was generally highly evaluated (4.0-4.7 for each item), generally showing the achievement of the goals.

(ii) Evaluation of goal achievement level in on-site training

\*Over 80% of the accepting companies answered an achievement level of over 70%, generally showing the achievement of the initial goals.

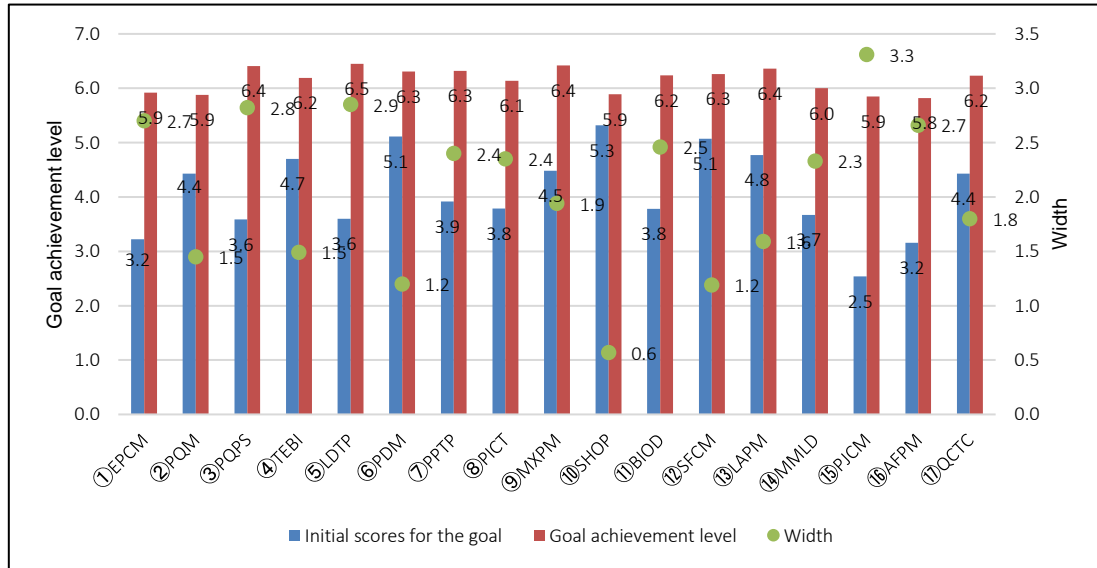
**[Evaluation of goal achievement level (evaluator: accepting companies) n=315]**



(2) Management Training

\*In all courses, the evaluation at completion was around 6.0 (5.8-6.5 with the full score of 7.0), showing the goal items to be achieved set for each course were mostly achieved.

[Management Training: Distribution of evaluation of goal achievement level by course and average Evaluated by participants]



(3) Overseas Training (Invitation type/ Planned-by-Association type):

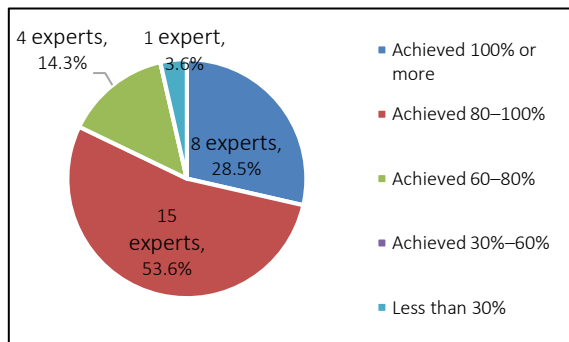
- Evaluation of participants:
  - The contents were very practical and I immediately applied what I learned to our company.
  - After finishing the training, I thought I wanted to learn more in depth. etc.

(2) Expert Dispatch Program

(1) Evaluation by experts (evaluation by 28 experts who returned to their country within the financial year)

- Goal of technical improvement: More than 80% of experts answered an achievement of 80% or more.
- Goal of human resource training: More than 80% of experts answered an achievement of 60% or more.

[Goal achievement level of technical improvement n=28]



[Goal achievement level of human resource training n=28]



(2) Management effects for companies receiving guidance and dispatching companies, changes in employees of companies receiving guidance

- The companies receiving guidance evaluated “technical improvement”, “quality improvement”, and “productivity improvement”.
- The dispatching companies evaluated “quality improvement”, “cost reduction”, “strengthening the relationship with companies receiving guidance”, “technical improvement”, and “improvement in customer satisfaction” as management effects.

#### [Chapter 4 Ex-post Evaluation]

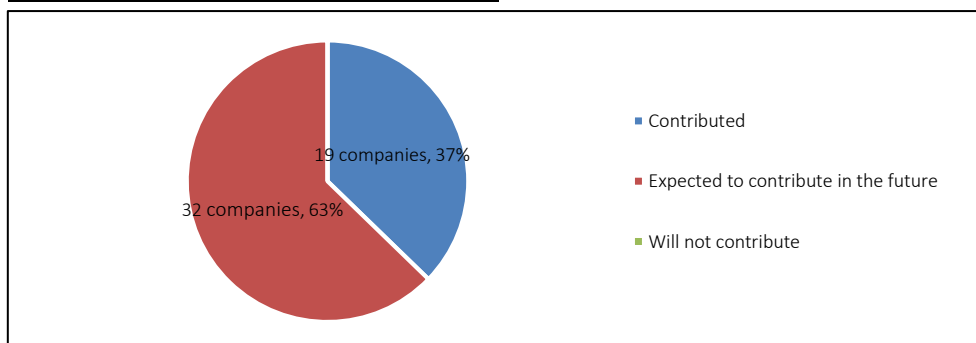
- A survey was conducted for the companies that used the system in FY2019 (Japanese and local companies) and the participants.

#### 1. Training Programs / Expert Dispatch Program (Appearance of results of the program, ripple effect)

(1) Training and guidance results (settlement of participants, spread of techniques and knowledge, etc.), contribution to local and Japanese companies

- As many as 97% of technical participants continue to work for the local companies after returning to their countries. Also, a majority of them answered that they spread the knowledge and techniques acquired in Japan in the local companies. Thus, we think the goal of technical transfer was achieved.
- The local companies evaluated the contribution to “improvement of employee morale”, “cost reduction/profitability improvement”, and “increase in business partners/expansion of the market share/increase in the sales”. Also, 37% answered that they contributed to the entire company, and 63% answered they were expecting contributions in the future.

[Contribution to the local companies n=51]



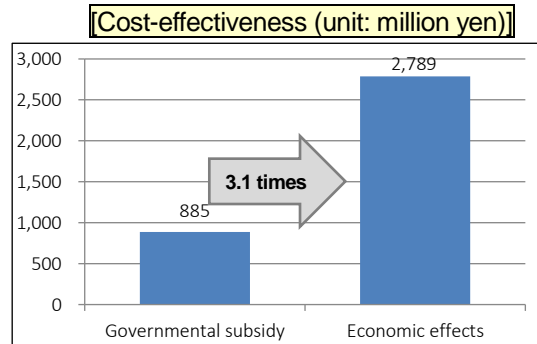
- Japanese companies evaluated “strengthening cooperation with local companies” and “human resources training and international awareness in Japanese companies”.

## [Chapter 5 Evaluation of Economic Effects]

### 1. Evaluation of Economic Effects

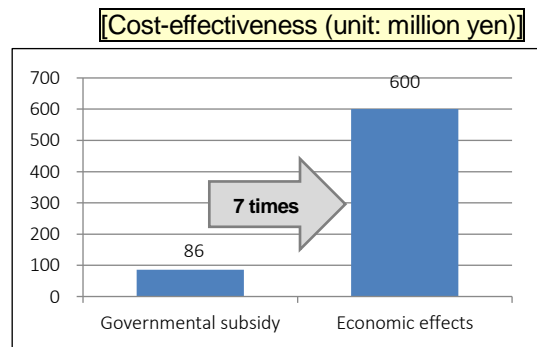
#### (1) Accepting Training Programs

\*When we investigated the cost that companies needed to bear by conducting similar training without using the AOTS system and the economic effects obtained through this training (up to 5 years after the completion of the training), regarding the accepting companies, the cost-effectiveness per participant was 1.92 times for Technical Training, 2.77 times for Management Training, and the total amount of cost-effectiveness was 2,791 million yen. Estimating from this figure, the total amount of cost-effectiveness was 3.1 times the governmental subsidy, indicating sufficient cost-effectiveness.



#### (2) Expert Dispatch Program

\*According to a similar investigation to above, cost-effectiveness per dispatched expert per month was 2.92 times on average, and the total amount of economic effect was 600 million yen. The total effect was 7.0 times the amount of the government subsidy, indicating sufficient cost-effectiveness.



## [Chapter 6 Aging Evaluation]

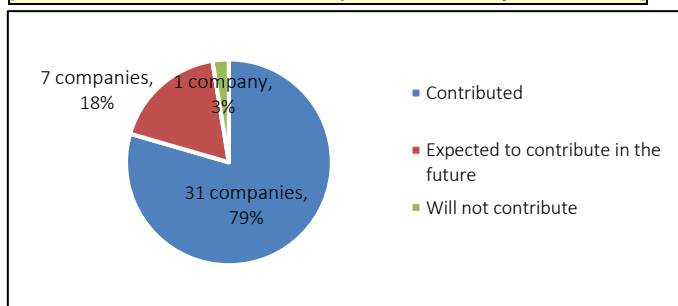
(The results of the survey of the companies at a set period [3 years] after use of the system)

### 1. Training Programs (Technical Training) / Expert Dispatch Program (Results of the questionnaire and on-site survey)

#### (1) Results of training and guidance, and contribution to the local and Japanese companies (Changes between FY2015 and FY2019)

- As many as 95% of returnee participants answered they were “spreading the acquired techniques within the company”.
- After 3 years, 79% of local companies evaluated the contribution to “an improvement in employee morale” and “improvement in business performance”, etc.

#### [Contribution to the local companies after 3 years n=39]



- Japanese companies answered that there was a contribution to “strengthening cooperation with the local companies” and “human resource training and improving international awareness”.
- Also, business transactions increased between Japanese companies and local companies.

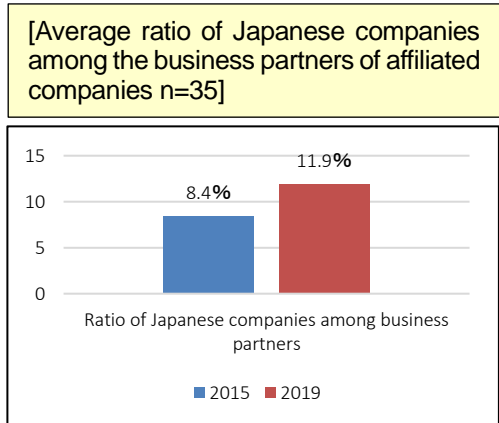
(2) Overseas on-site survey

- The visiting survey was conducted for 16 local companies that used the system in FY2015 (8 companies accepting training, 9 companies with dispatched experts [including 1 company that did both]) by external researchers. According to the results, the companies evaluated the general training conducted at the AOTS training center and also answered that they observed a change in the awareness of leadership and “KAIZEN”, and in addition to technical improvement in human resources who completed the acceptance training, localization was also said to have progressed.
- The external researchers evaluated the significance of the human resource training and its importance in this program, but they also pointed out the lack of recognition of the target countries and cooperation with them.

**2. Training Programs (Management Training) (Questionnaire regarding the change in the situation after 3 years and overseas on-site survey)**

(1) Results of the training and contribution to the affiliated companies and Japanese companies

- As many as 96% of participants answered they were “spreading techniques and knowledge, etc. acquired in the Management Training” in the reform of their companies, such as “formulating and deploying economic strategy”, “organizational reform”, and “formulating management philosophy”, etc., and actively return to the surroundings. It is suggested
- Regarding the organization and performance of the affiliated companies, 96% of the participants answered that they made a contribution.



Also, many participants answered that their relationship with Japan and Japanese companies became deeper.

(2) Overseas on-site survey

- As the results of the on-site survey (39 participants, 10 companies in Thailand and Sri Lanka), external researchers evaluated the efforts of Management Training for the international deployment of Japanese-type leadership, and also made suggestions about the following three points: (a) Improvement and use of Management Training as a strategic tool to transfer Japanese management from a long-term view / the idea and management of Japanese leadership; (b) To match the needs of companies, planning Management Training for multiple years and promoting the provision of multi-layer training for each managerial layer; and (c) For the appropriate evaluation survey, introducing the entry of evaluation items before training (submission of pre-report including the image of using the contents of the training) and submitting the after-action report on the use of the training results.

### 3. Summary

- According to the results of the aging evaluation, we could verify that effects manifest 3 years after use of the system.
- Regarding Technical Training and expert dispatch, it was confirmed that the participants of companies that used the AOTS system and participants receiving guidance were trying to widely spread the acquired knowledge and techniques. Over the last 3 years, the companies that used the AOTS system have established the techniques transferred to their workplaces, strengthened integrated management as a group both inside and outside the country, and are showing the effects of the use of the system by improving their sales and profit.
- Regarding Management Training, the participants have raised their awareness and improved the business performance of their companies by actively spreading the results of the training. Thus, the relationship with Japanese companies has become deeper. The ripple effect reaches beyond their own department to the entire company or even more widely.
- The need to strengthen human resources in Japanese companies in developing countries is increasing more and more. It is appropriate for AOTS to continue this program with a mid-to long-term perspective in the future, and we think it will improve the level of industrial techniques in the target countries as well as contribute to their economy.