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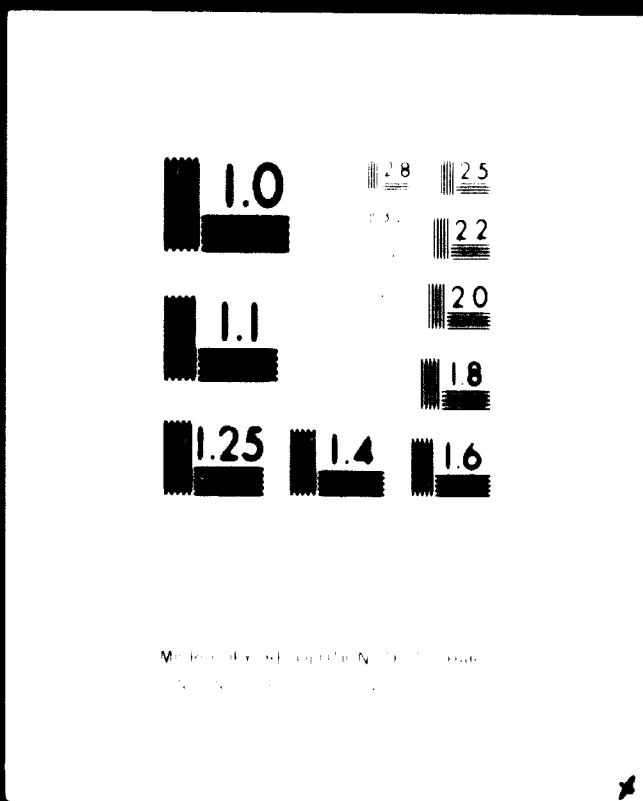
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Section II

- describes the situation, objectives, design and results of the trainer and researcher training program conducted by McBer and Company professionals for the staff of ITC-ITB, members of the faculties of psychology, economics and anthropology of the State University of Padrajaran, and representatives from Bank Degang Negara, and Indonesian Government development bank.

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SECTION I

RECOMMENDATIONS FOR A SYSTEM FOR THE STIMULATION OF ENTREPRENEURIAL ACTIVITY

An AMT based entrepreneurial development program is best conceptualized as a system which includes public and private institutions providing a variety of inputs and performing a series of functions in three distinct phases:

- Phase I Pre-training preparation: recruitment, selection and training of AMT trainers, AMT course materials development and production, and the recruitment and selection of entrepreneurs to be trained.
- Phase II Entrepreneurial training: including planning and contracting with extension agents and resource providers for needed inputs.
- Phase III Post-training followup technical assistance and support: provision of knowledge, material and credit supports as the entrepreneur attempts to put his learnings and plans into effect.

A schematic diagram of institutional components and functional flow for the three phases of this system is illustrated in Figure 1. Recommendations for development of effective systems for stimulating entrepreneurial activity in Indonesia (and elsewhere) can be identified by looking at where entrepreneurial development programs typically fail. The following discussion examines points in each phase where AMT programs have failed, and presents recommendations that UNIDO and Indonesia might implement to increase system effectiveness.

Phase I: PRE-TRAINING PREPARATION

AMT pre-training preparation efforts--the development of in-country nationals to provide competent AMT instruction and learning materials in the language of and relevant to the needs of local entrepreneurs--can fail at three points:

1. Failure to select appropriate trainer candidates.

If trainer candidates are at too low a level--i.e., have not been recruited and selected to standards known to predict success as a trainer, they are unlikely to become capable of training adequately even with competent trainer training. Ironically, however, AMT projects have more often failed because the trainer candidates were over-qualified. These persons, once trained, never actually conducted any AMT courses because their training resulted in their getting promoted and/or offered attractive positions in government or private industry, hence spending their time in direct administrative or entrepreneurial activities rather than transferring AMT to others.

Solution Recommendations

UNDP

a. UNDP should acquaint sponsoring organizations with a clear set of AMT trainer candidate recruitment and selection criteria which have predicted successful performance as an AMT trainer in the past. McBer and Company has developed a checklist of criteria for selection of AMT trainers. (See Appendix A Module III, "AMT TRAINER RECRUITMENT, SELECTION, TRAINING AND CERTIFICATION.") X

b. UNDP should recommend use of an empirically validated "competency based test" for selecting AMT trainers. McBer and Company has developed and is in the process of validating a set of tests which will identify persons likely to become effective AMT trainers at statistical levels of significance. \

Indonesia

c. As soon as Indonesian AMT trainers produced in UNDP projects INS/75/004 and INS/74/045 have had actual training experience and evaluation data on the entrepreneurs they have trained becomes available, Indonesian researchers (with expert technical assistance as required) should develop an indigenous "competency model" to determine which AMT trainers (a) in fact keep training (as vs. drop out or become inactive for various reasons), (b) are rated as superior trainers by superiors, peers and clients, and (c) actually produce measurable changes

in entrepreneurs trained.

d. DTC/ITB, Bank Degang Negara and other Indonesian AMT trainer sponsors should consider some sort of incentive system which rewards trainers for training and makes training a viable career path (at least for a specific period of time, perhaps two or three years). For example, trainers might be paid so much per course or trainee trained, or qualify after a certain period for some desirable career advancement opportunity--e.g., a promotion or fellowship for advanced study.

2. Failure to select an appropriate trainer sponsor.

If the institution supporting AMT trainer training, or AMT training itself, is financially or politically weak, lacks adequate leadership (usually a specific individual with strong commitment to AMT technology and the power to attract funds and support for this program) or a sufficient staff of professional manpower to continue the initiative once started, it is probable that the AMT effort will "die out" after two or three years. (A sample rating system for assessing the strengths of potential trainer sponsor institutions is presented in Figure 2. UNIDO might attempt a retrospective evaluation of the AMT projects it has funded to test the hypothesis that projects with higher rated trainer sponsors will endure longer, train more entrepreneurs, with great economic impact).

Solution Recommendations

UNDP

a. UNDP should counsel countries interested in initiating AMT efforts to concentrate their activities in a single agency with strong leadership, financial resources, competent staff and political power. This agency should include a full-time liaison or project manager for the AMT effort whose career interest is in--and career advancement opportunities enhanced by--full time commitment to entrepreneur development.

b. UNDP should consider funding on or a few substantial efforts for an extended period of time (three to five years) instead of many small "scattergun" projects for brief periods. Brief projects may increase the capabilities (and "promotability") of individuals but rarely leave the host country with a strong organization capable of providing AMT training over a sustained period of time.

Indonesia

c. Indonesian authorities should clearly designate a single organization to coordinate and act as a quality control monitor for all on-going Indonesian AMT efforts--e.g., those of DTC-ITB, the Ministry of Industries, Bank Degang Negara, and the University of Indonesia Department of Psychology. Long-term financing should be made available to this organization for this purpose, either through direct government grant sources or through long-term provision of services subcontracts for training and evaluation (e.g., from Government Ministry, bank or other industrial sources).

3. Failure to train AMT trainers to specific "quality control" standards and to use "standard treatment" AMT course designs and materials; failure to select competent trainer training consultants.

The world is increasingly full of people claiming to be AMT trainer trainers--anyone who has read a book by McClelland or attended an AMT course might make this claim. Some of these people are competent; many are not. A few "free lance" AMT trainers qualified by experience with McClelland in past years are using materials and training methods five to ten years out of date. Some are teaching "AMT" courses which omit components, such as goal setting, which all research has shown to be absolutely crucial to the success of AMT. The critical point here is that without agreed upon standards for AMT trainers and AMT courses, UNIDO and client countries will have great difficulty distinguishing competent from incompetent delivery, and may waste considerable funds on projects which fail.

A second danger is a Gersham's law ("the bad drives out the good") effect: incompetent "AMT experts" conduct AMT projects, these projects fail, and the conclusion is "AMT doesn't work"--i.e., the technology itself is discredited by its less capable practitioners.

Finally, of particular importance for countries desiring to create permanent capacities, free lance AMT experts rarely have a research base. As a result, they quickly become obsolete, and are generally incapable of providing national AMT efforts with long range followup and technical assistance. Unless national projects have or can develop their own social science research capabilities (something few free lance AMT experts have the interest or knowledge to assist with), these countries' trainers and project managers do not receive feedback on their efforts or new inputs and materials based on the latest research findings, and hence do not continue to develop their expertise. The results is usually project decline and "dissolution" within a relatively short time.

FIGURE 2

**CRITERIA FOR THE SELECTION OF
ORGANIZATIONS SPONSORING AMT TRAINER TRAINING**

1. Financing

	0	
Weak		1 Organization has no committed external or internal funding for AMT project
		3 Organization has short term (1 year) external funding for AMT efforts; no internal funding
		5 Organization has short term (<1 year) internal funding for AMT project; no internal funding
		7 Organization has moderate term (1 - 3 years) internal funding for AMT project; no internal funding
		9 Organization has long range (3+ years) funding for AMT project
Strong		
	10	

2. Leadership

	0	
Weak		1 Organization has no leader clearly responsible for or committed to AMT effort
		3 Organization has part time or "detailed" leader assigned to AMT effort for unclear duration of time
		5 Organization has part or full time leader clearly responsible for AMT effort for short term (<1 year)
		7 Organization has competent part or full time leaders interested in AMT project committed for moderate term (1 - 3 years)
		9 Organization has full time charismatic leader clearly personally committed to AMT project long range (3+ years)
Strong		
	10	

3. Organizational Commitment, Capacity and Stability

	0	
Weak		1 Organization has none of its own resources (personnel, funds, space, time) for AMT effort, has no discernable commitment, is very disorganized, very new or unstable.
		3 Organization has marginal commitment (< 10% resources) to AMT efforts, is somewhat disorganized, new unstable.
		5 Organization has average commitment (10-20% resources) to AMT effort and capacity to deliver, stable for 1 year.
		7 Organization has strong commitment (> 30% of resources) to AMT effort and is well organized, stable for <u>> 3</u> years.
		9 Organization has made major commitment (> 50% of personnel, funds, spare time available) to AMT effort, is very well organized, stable for 3+ years.
Strong	10	

4. Staff

	0	
Weak		1 Organization has no staff committed to AMT effort (plans to hire)
		3 Organization has a few staff of weak or uncertain capacity tentatively committed part time to AMT effort
		5 Organization has designated average staff to AMT effort for short term (> 1 year)
		7 Organization has designated a critical mass of competent staff (+3) to AMT project for moderate term (1-3 years)
		9 Organization has committed a critical mass (>3) highly competent staff to AMT effort for long term (3+ years)
Strong	10	

FINAL REPORT

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PROVISION OF EXPERT CONSULTANCY TO
THE DEVELOPMENT TECHNOLOGY CENTER
(DTC)-- INSTITUTE OF TECHNOLOGY
BANDUNG (ITB)

Indonesia.

PROGRAM ON ADAPTIVE RESEARCH AND
DEVELOPMENT OF ENTREPRENEURIAL
DEVELOPMENT

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5. Power, (Prestige,
Visibility,
Credibility)

Weak

0

- 1 Organization is "out of favor", unknown, clearly lacks political clout, no credibility
- 3 Organization is relatively powerless, not well-known, clout in getting resources and credibility dubious
- 5 Organization has moderate power, visibility, credibility, some ability to get resources
- 7 Organization has growing power, is known, credible, and has clout to attract resources
- 9 Organization is very powerful and visible, has direct linkages to important governmental ministries or other groups, as evidenced by clear ability to attract funds, personnel, other resources, widely viewed as highly credible

Strong

10

Solution Recommendations

UNDP

a. UNDP should rigorously evaluate its AMT projects--for example, in terms of how many AMT trainers are active and AMT courses actually being conducted two years after the trainer training contractee has left the country, or such quantitative project results as jobs created, incremental capital investment, and increased sales and profits achieved by trained businessmen. This evaluative research would empirically determine which AMT trainer training contractors were effective and which were not.

b. UNDP should develop an objective set of AMT trainer training contractor evaluation criteria specifying quality control standards for AMT trainer training and for AMT course materials. This would provide countries with some basis for making informed decisions in choosing AMT trainer training contractors and in developing AMT course materials that contain all of the elements known to be important in increasing achievement motivation. (A list of criteria for AMT trainer training, materials development and followup technical assistance contractors is provided in Figure 3).

c. UNDP should encourage national AMT efforts to include i) an independent research component that can function as a quality control monitor and evaluation and feedback resource for in-country trainers and training programs (e.g., the psychology, social science or education faculty of a university or technical center); and ii) structure a long-term relationship with a qualified AMT research group (e.g., Harvard University or McBer and Company).

Indonesia

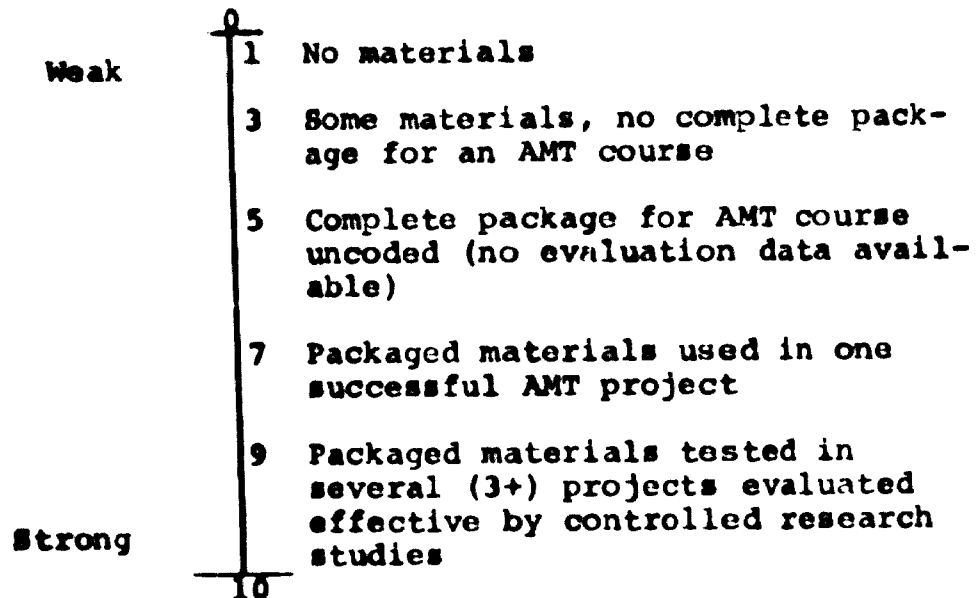
d. Indonesian authorities should designate a single organization to oversee and coordinate i) quality control monitoring of AMT trainer training, ii) development of AMT course learning materials to specified standards, and iii) research and effectiveness evaluation of AMT trainers and courses conducted in Indonesia.

FIGURE 3

**CRITERIA FOR SELECTION OF AMT
TRAINER TRAINING CONSULTANTS**

In addition to the usual considerations of personnel gratifications and cost, the following criteria could be used in evaluating AMT Trainer Training Consultants.

1. AMT Learning Materials: extent to which trainer training consultant has demonstrable, empirically tested AMT learning course materials which meet standards specified in chapter 2 of McClelland and Winter, Motivating Economic Achievement.



2. AMT Trainer Training Course Design: extent to which trainer training consultant has demonstrable competence in training AMT trainers such that these trainers have been effective (i.e. where A is the trainer training consultant, B trainers trained, and C entrepreneurs trained, not just A training sufficient to produce measurable changes in B, but A training such that B produces measurable changes in C after A has withdrawn).

2. AMT Trainer Training Course Design (cont.)

	0	
Weak		1 No specified trainer training program
		3 Vaguely specified trainer training program
		5 clearly specified trainer training program, no effectiveness data
		7 clearly specified trainer training program backed by data which show change in trainees
		9 clearly specified trainer training program which certifies trainees against specific quality control standards (a "competency model") backed by data which show trainers trained produce measurable changes in <u>their</u> clients.
Strong		10

3. Research and Service Backup Capacity: extent to which trainer training consultant has demonstrable capacity to conduct motivation research continue to and assist clients with evaluation studies, provide them with learning materials updated on the basis of new research findings, and deliver advanced training and consulting services as needed.

	0	
Weak		1 no research or service capacity
		3 Organization has very limited research or service capacity behavioral science
		5 Organization has basic research and service capacity but no experience with motivation programs
		7 Organization has demonstrated research capacity (publications) and short-term (< 5 years) relevant experience in servicing motivation programs
		9 Organization has demonstrated research capacity (5+ publications) and has provided AMT clients with followup services for a long period (+5 years)
Strong		10

4. AMT Project Management Experience: extent to which trainer training consultant has a record of completing AMT projects successfully (to project specifications and/or so that they produce empirical effectiveness data), on time and at cost.

	0	
Weak	1	no track record or record of AMT project failures
	3	ambiguous record: unevaluated projects, vague successes mixed with failures
	5	record of one AMT project success, no service experience
	7	record of AMT project successes (>3) backed by empirical evaluation data
	9	clear record of AMT project successes (3+) as demonstrated by empirical evaluation studies.
Strong	10	

Phase II: ENTREPRENEURIAL TRAINING

AMT Entrepreneurial training usually fails as a result of ineffective trainer training, but the following factors may also sabotage an AMT training effort.

1. Failure to recruit and/or select appropriate trainees.

Previous research has shown that participants most likely to benefit from AMT training are owners or decision makers of small businesses who have access to capital, associate with other entrepreneurs, and score more highly on certain motivational tests (efficacy and activity measures). Other variables, such as age, social class, education (above a minimum eighth grade level of literacy), traditional vs. modern value orientations, etc. do not appear to make a difference (McClelland and Winter, 1969). It is clear, however, that genuine entrepreneurs above the subsistence level are more likely to benefit from AMT than students, government or other large institution bureaucrats who may be selected for participation for other reasons, persons not in decision making positions in their business, and businessmen too limited in resources to have any freedom of action.

2. Failure of recruitment efforts.

In some AMT projects insufficient attention has been paid to aggressive marketing of AMT courses, with the result that few people turn up looking for training, trainers do not train, and sponsoring institutions lose enthusiasm for the effort. Marketing is a critical function in any AMT program, and specific techniques have been developed to attract appropriate trainees. Training in these techniques is often neglected in the trainer training process.

Solution Recommendations

UNDP

a. UNDP specifications for AMT programs should include (i) instruction on entrepreneurial development as a system, rather than just training in its narrow conception, and (ii) specific instruction in how to design, and implement trainee recruitment and selection programs. (A marketing paradigm, list of recruitment and marketing techniques, and a sample brochure for AMT courses are included in Appendix B, Lecture Notes for Modules 1, 2 and 13).

Indonesia

b. Indonesian AMT sponsors should recognize the importance of the recruitment function, fund recruitment efforts adequately, and assign capable people to be responsible for this function. Sponsors might experiment with an incentive system which rewards trainers or recruiters for numbers of appropriate trainees enrolled as a result of their efforts.

3. Inadequate AMT course materials and treatment conditions.

As noted above, AMT course designs and materials provided to project clients frequently do not include all of the elements identified by research to be required for an effective AMT intervention (see McClelland and Winter, pp. 48-92, 313). Where trainers have not been adequately prepared and/or expectations with sponsoring institutions and participants have not been made clear, AMT courses have been conducted under conditions that make successful motive change unlikely--e.g., courses which do not remove trainees from distractions of daily activities, or fail to structure followup trainee reference groups).

Solution Recommendations

a. UNDP should prepare a technical specifications statement for the minimum components and criteria for effective AMT course materials and course design. (see Recommendation I.3.b. above).

b. Indonesia authorities should encourage all Indonesian AMT efforts to agree upon a standard AMT course format and learning materials (see Recommendation I.2.c. above). This effort should be supervised by DTC/ITB, which has empirically validated McBer materials and is developing the research capability to translate and improve the relevance of these materials for Indonesian trainees.

4. Failure of AMT trainers to train.

As noted, the greatest cause of ineffectiveness in AMT projects is the failure of AMT trainers to conduct AMT courses once trained. Several reasons for this have been observed:

1. Trainers at high levels use their additional training to get promoted to administrative posts, to go into business for themselves, or to go to foreign countries for advanced training. This tends to occur when (a) trainees have been improperly selected, (b) when the training sponsor fails to provide rewards for training (as vs. other activities) and/or career path opportunities for trainers, and (c) when the sponsor fails to maintain

a "critical mass" of trainers capable of supporting and stimulating one another.

2. Trainer sponsor organizations lose political influence, leadership (often a single charismatic individual) and/or funding, causing training efforts to be curtailed, trainer morale to decline, and as the "critical core" is lost, training staff to disperse.

3. Trainers and training organizations do not aggressively and effectively market training services to institutional sponsors on one hand, and entrepreneurial clients on the other.

Solution Recommendations

UNDP

a. UNDP should provide countries sponsoring AMT programs criteria for the selection of effective trainer candidates (see Appendix B, Lecture Notes for Module 3), guidelines for incentives for entrepreneur recruitment and training, and consider long range (three to five year) support to strong sponsoring institutions to insure the development of a self-sustaining critical core of AMT trainers, researchers and contributing local clients sufficient to continue the effort after external technical assistance and financial support is withdrawn (See Recommendation I.1.a., I.2.a. and I.2.b. above).

Indonesia

b. Indonesian sponsors of AMT might consider certifying AMT trainers only after they had conducted some set number of courses (perhaps five to ten), much as doctors and other professionals are licensed only after a period of practice. This process might cause trainers interested only in a certificate or promotion to self-select themselves out, leaving only those seriously interested in conducting AMT courses. Similarly, sponsoring institutions should consider incentives and reward systems for trainers based on the number of entrepreneurs or AMT courses they actually train. At least one AMT sponsoring institution should be guaranteed sufficient funding to sustain a continuous AMT effort over three to five years, and develop programs that provide student personnel or other trainer candidates a two or three year period of active training as part of their regular study or career paths, e.g., as graduate teaching assistants, or in the Kuliah Kerja Nyata (KKN) student study-service fieldwork program.

PHASE III: POST TRAINING PROVISION OF TECHNICAL ASSISTANCE AND INPUT RESOURCES TO TRAINED ENTREPRENEURS

Research findings on the requirements for effective training interventions inevitably stress the importance of post-training followup support and technical assistance. AMT training programs may fail because they neglect learning, psychological and systems followup components.

1. Failure to provide post-training learning inputs.

Learning research indicates that learning is rapidly lost if it is not reinforced (repeated and rewarded) at regular intervals (Lynton & Pareek, 1967; McClelland & Winter, 1969). This is particularly true if the learning is new and not actively supported by a trainee's "natural" culture, as is often the case with achievement motivation in the traditional cultures of developing countries. The best method of maintaining learning is to provide trainees with followup "refresher" training programs in the first one or two years after training and/or to provide trainees with followup contacts with extension agents who can repeat essential concepts, transmit new information, answer questions and help solve specific problems trainees encounter in putting learning into action.

2. Failure to provide post-training psychological supports.

Most people who learn and attempt to employ a new skill or conceptual approach not traditionally supported by their culture often feel insecure and fear public failure and ridicule. Reassurance and support from superiors, prestigious authorities, peers (especially those who have also been trained in the new approach) and extension agents are particularly important to maintain personal confidence and momentum for change during the first few months after training before new learnings have become "fixed". Creation of peer reference groups of AMT trained entrepreneurs--"Entrepreneurs Clubs" where participants can meet for mutual support, stimulate one another's thinking, and practice the continued use of the AMT concepts learned in the training--have been shown to be an important component of AMT training. Individual extension agent contacts can provide trainees with important personal help and reassurance. Refresher training sessions or reference group meetings instigated by extension agents to bring trainees together to review goals and assist one another can help maintain peer psychological support systems.

3. Failure to provide post-training systems support and resource inputs.

Early economic development efforts, especially those seeking to transform traditional subsistence agricultural systems, often failed as a result of what became known as the "single inputs fallacy"--the belief that some single input (just fertilizers, or irrigation, or improved seeds, or pesticides or training or extension agents) would be sufficient to change behavior. It was found that no single input was sufficient to cause change--rather, a complex combination of inputs, each provided in a way that reinforced every other, is required to shift the equilibrium of a system. The same principle holds for the systemic inputs needed to stimulate entrepreneurial activity. Entrepreneurs need more than "just training" they need the coordinated provision of credit, technical assistance with purchasing raw material and capital equipment, organizing production methods and marketing strategies, help in negotiating government licensing, etc. Failure to provide these resource inputs and services usually results from one of three subsidiary problems:

1. Failure to understand the needs of the entrepreneur in terms of multiple systems inputs.
2. Failure of individual "helpers" in the system to be accountable for or have any incentive to insure that the entrepreneur succeeds.

This problem can be illustrated by the following example. A farmer attempting a new method of raising s shrimp in small ponds discovers his shrimp are dying. He requests assistance from the Ministry of Agriculture extension agent. The extension agent contacts a central office shrimp expert, who visits the farmer, looks around, and returns to the capital after promising the farmer "I'll send you a report." The report never comes.

The point of the example is that neither the shrimp expert (nor, often, the extension agent) is accountable for or has any incentive to insure that the entrepreneur succeeds. (The shrimp expert is probably rewarded for writing learned papers on shrimp culture that only foreign experts will read. Paradoxically, technical experts and extension agents are often rewarded by attaining academic or administrative posts in capital cities which guarantee they will not have to make back-country field trips at all).

3. Failure to develop integratory mechanisms which insure that the many independent (and often competing) resource and service providers cooperate in providing coordinated assistance to client entrepreneurs.

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In DTC-ITB AMT TRAINER TRAINING PROGRAM

Solution Recommendations

UNDP

a. UNDP should provide guidance to countries interested in implementing AMT programs on the design of comprehensive entrepreneur development systems which include post-training technical assistance components.

Indonesia

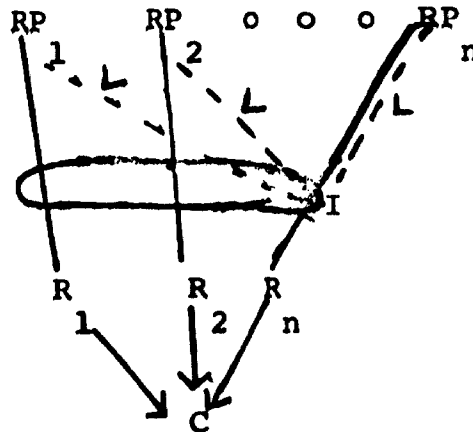
b. Indonesian AMT programs should include clear provision for followup technical assistance and support to entrepreneurs trained. This is best accomplished by having trainees "contract" for followup visits during the final sessions of the AMT course itself. This contracting should be made an integral part of every AMT course. Followup contracts can be made among the trainees themselves (a commitment to meet in peer reference groups), or by trainees with their AMT course trainer, with the organization sponsoring the AMT training, and/or with external persons capable of acting as extension agents--e.g. bank credit officers. Contracting with the AMT trainer is perhaps most effective, because trainer and trainee usually have established a personal relationship, share a language and conceptual framework and jointly participated in specific goal setting for the trainee's development of his business.

c. Indonesian AMT courses should adopt the nine-day-over-four months format for training found to be most effective in recent research in the United States. This model breaks AMT training into four sessions spread over four months:

1. Session 1: 2 1/2 days
(one month interval)
2. Session 2: 2 1/2 days
(one month interval)
3. Session 3: 2 days
(one month interval)
4. Session 4: 2 days

The strength of this model is that it provides trainees with three opportunities to practice applying course concepts in their real life business activities, then be able to return to the training program to review their progress and receive reinforcing assistance, support and reassurance in overcoming obstacles. This model may also strengthen trainees' sense of a peer reference group and build expectations and commitment to continuing to meet independently after the formal AMT course ends.

The process of providing coordinated assistance can be visualized as a system in which an integrator ("I") individual or organization, using various linkage mechanisms ("L"), gets one or more resource providers ("RPs") to provide resources or services ("R") to a client ("C").



In an unassisted free market system, an entrepreneur acts as his own integrator, using purchasing as his linkage mechanism to get the resource and service inputs he needs to conduct his business. In assisted systems, an extension agent is usually the integrator, trying to find and procure services for his client.

Integrators and resource providers exist at all levels. At the national level, a planning board or staff project manager may serve as an integrator in attempting to get several resource providing (RP) ministries (Finance, Agriculture, Industry, Trade) to coordinate on an entrepreneur development project (C). At the university level, an AMT sponsor (e.g., DTC, the "I" for ITB and UNPD's efforts) may act as an integrator to get several RP faculties (psychology, sociology, economics, business administration, industrial engineering) to cooperate in offering an entrepreneur training program.

The success of such systems usually depends on the political power of the Integrator and the resources (money, staff, charismatic persuasiveness) at his command. The science of designing effective entrepreneurial development efforts lies in finding appropriately powerful integrators at each level in the system, making them clearly accountable for and providing them with incentives to insure the success of the training program (or at the lowest level, specific entrepreneurs), and strengthening the linkage mechanisms they can use to make resource providers in the system accountable to clients as well.

The organization of Indonesian AMT and other entrepreneurial development efforts is complex and not well integrated at this time. Three separate sponsor organizations are presently attempting to train AMT trainers and/or conducting AMT courses with entrepreneurs: (1) DTC-ITB, (2) Indonesia's Ministry of Industry (MOI), and (3) the University of Indonesia's Department of Psychology (in conjunction with Indonesia's Ministry of Trade).

At the national Ministerial level the integrator is Mr. Surjo Sediono, Assistant to the Vice President for Development (UNIDO/UNDP, which funds the DTC-ITB and MOI AMT projects, may also be considered an integrator at the national level). The integrator for the DTC-ITB project is DTC Director Dr. Ir. Filino Harahap, who also serves as Assistant to the Minister for Research and Development. The integrator for the Ministry of Industry (MOI) AMT effort is in a state of flux because the Institute for Industrial Research and Training (LPPI), the MOI entity that was to coordinate the project, was disbanded. The present MOI integrator appears to be the Office of the Secretary General of MOI, specifically Mr. Benito Kodjiat and Mr. Hernoto. Integrator for the University of Indonesia Department of Psychology AMT effort is Mrs. Saparinah Sadli, Dean of the Fakultas Psikologi, and Mrs. Yusof, a member of this faculty.

Two trainer training consultants are active in Indonesia: McBer and Company, represented by James A. Burruss and Lyle M. Spencer, Jr., Ph.D., assisting the DTC-ITB entrepreneur development program; and Mr. Manohar Nadkarni, assisting the MOI effort.

The DTC-ITB AMT Entrepreneur Development Program (AMT/EDP) is supported by funds from UNDP and a government development bank, Bank Dagang Negara. This Bank provides a crucial linkage to followup credit and resources for trained entrepreneurs. Bank Dagang Negara has made completion of DTC-ITB's EDP course a pre-condition for loans and guarantees credit to entrepreneurs who successfully complete the program. DTC-ITB has a multi-disciplinary staff (including psychologists, economists, industrial and mechanical engineers, and an anthropologist) capable of providing technical assistance in close coordination with Bank Dagang Negara's credit inputs. DTC-ITB AMT/EDP trainers and staff have as an explicit part of their EDP program plans for providing followup and technical assistance to trained entrepreneurs at three month intervals during the first year following completion of the EDP training course. These followup contacts will also be used by DTC staff to collect data to be used in an evaluation study of the effectiveness of the AMT/EDP program.

Plans for the coordinated provision of technical assistance, resource inputs have not been completed for other Indonesian AMT projects to this author's knowledge, although the Ministry of Industry has an extension program called BIPIK which might be able to perform this function.

Solution recommendations

UNDP

a. UNDP should recognize entrepreneurial development is a complex system, requiring the cooperation of a number of indigenous institutions over a period of time, and

1. provide countries with a proposal or project planning guidance memorandum on how to design effective training and followup support systems, and encourage/require proposals to specify the design of the system (functions and components responsible) the proposers intend to use. Figure 4 lists additional criteria which could be used to select integrator and extension support organizations.

2. be prepared to provide funds for the support of an institution best capable of functioning as the system integrator for a period of time (three to five years--see Recommendation I.2.b. above).

Indonesia

b. General principles Indonesian authorities could use in strengthening the country's entrepreneur development system are (1) identifying a single strong integrator at each level in the system (the national ministry level, trainer training level, sponsor level, and trainer/extension agent level) to be clearly accountable and responsible for systems performance at that level, and (2) provide these integrator organizations with the authority and resources needed to do the job.

At the national Ministry level, the integrator in the short term should remain the office of the Vice President of Indonesia for Development, Mr. Surjo Sediono, Assistant to the Vice President until some ministry (or possibly a major government development bank with branch offices and representatives nationwide) developed a strong commitment to entrepreneur development, and found the leadership, organization and budget to assume leadership responsibility for a national program over the long term. Mr. Sediono is an influential and effective proponent of AMT/EDP efforts. The danger to the integration function at this level is that Mr. Sediono could leave to accept another assignment without another person or institution being available to perform this function.

At the trainer training level, the strongest present sponsor organization (in the authors' opinion, DTC-ITB) should be designated responsibility for (and provided with resources to) integrate and quality control Indonesia's other AMT trainer training course design, materials preparation, and evaluative research activities--perhaps through the linkage mechanism of

FIGURE 4

**CRITERIA FOR THE SELECTION OF
EDP INTEGRATOR AND EXTENSION SUPPORT ORGANIZATIONS**

In addition to the organization selection criteria used to select AMT training sponsors (see figure 2)

1. Financing
2. Leadership
3. Organization Commitment, Capacity and Stability
4. Staff
5. Power (Prestige, Visibility, Credibility)

EDP Integrators and Extension Support organizations should meet the following criteria:

6. **Accountability:** The extent to which the extension organization has a directed vested interest in being sure client entrepreneurs are successful

	0	
Weak	1	Organization has no vested interest, keeps no records of client success or failure.
	3	Organization has some responsibility for success of overall project, but will not collect data
	5	Organization has project responsibility for clients' success and plans evaluation study
	7	Organization has clear management responsibility (<u>job rewards or sanctions</u>) for client success and will get quantitative feedback
	9	Organization has direct financial and management rewards and sanctions for and gets frequent quantitative feedback on client performance.
Strong	10	

7. **Geographical reach:** the extent to which the extension organization has manpower and offices in locations convenient to client entrepreneurs throughout the entire area to be covered by the EDP program.

7. Geographical reach: (cont'd)

- Weak 0
- 1 Organization has no extension capacity - personnel or offices capable of reaching entrepreneurs in any area
 - 3 Organization has limited extension capacity-few or inexperienced personnel in one area
 - 5 Organization has competent extension capacity (experience and personnel) in 1 area
 - 7 Organization has competent extension capacity in several (3+) areas
 - 9 Organization has experienced extensions personnel and offices convenient to entrepreneurs in every area in the country
- Strong 10

8. Integratory Linkages and Power: extent to which the extension organization has contacts with credit, marketing, technical expertise, etc., resources and influence with government licensing agencies, and sufficient power, which these resources provide, to be able to get client entrepreneurs the assistance they need.

- Weak 0
- 1 Organization has no contacts with resource providers and no power to develop linkages
 - 3 Organization has vague contacts with resource providers and little power to develop linkage
 - 5 Organization has voluntary agreements with resource providers and some influence in coordinating a comprehensive EDP system
 - 7 Organization has specific agreements with resource providers, including credit agencies
 - 9 Organization has direct control over provision of most important inputs, specifically including credit, and sufficient power to insure the cooperation of resource providers
- Strong 10

having other interested organizations (MOI, Bank Dagang Negara, etc.) subcontract to DTC-ITB for trainer training, research and evaluation services, and AMT course materials. DTC-ITB could be supported in this role by structuring an associative relationship with international experts in AMT research and program implementation (e.g., McBer and Company and/or Harvard University).

At the training sponsor level, many alternative training bases and organizations are possible, provided that (1) sponsors' trainers and AMT course designs and materials can be quality controlled and (2) sponsors are linked with a systems integrator capable of providing trained entrepreneurs with followup services and resources. Potential training sponsors include universities, state colleges, technical institutes and other educational institutions; national, regional, state and local government agencies, banks, other extension aid organizations, small business associations and Chambers of Commerce, national programs such as KKN and BIPIK, etc.

At the trainer/extension agent level, vital for provision of post training followup support functions, four alternatives could be considered.

1. The first is to assign the training/extension function to educational institutions (including such voluntary aid organizations as Chambers of Commerce and small business associations). Education institutions have the following advantages:

- interdisciplinary staffs which can provide a range of technical assistance extension services;
- high prestige--an asset in recruiting entrepreneurs in developing countries and in creating an "expectation set" or belief that the training can in fact result in meaningful changes;
- generally competent personnel whose career interests and opportunities are in teaching/training--hence perhaps more likely to continue training as vs. leaving to enter business or because of promotion to administrative positions;
- where leadership is strong (e.g., DTC-ITB) academic institutions can set up programs very quickly.

Disadvantages of education institutions include:

- weak financial resources: funding for training in academic institutions usually comes from an external source like UNDP, government grants or time-limited contracts, which means training projects are constantly vulnerable to collapse when this funding is withdrawn.

(Evaluation studies show that more than 90% of innovative education efforts cease as soon as external funds are cut off.)

- weak leadership and lack of political clout: education institutions rarely have strong leadership with influence in government (DTC-ITB is a distinct exception to this rule), which means most projects based in academic sites lack the power to function as effective integrators. For example, rarely would they have any influence with banks or other capital sources, perhaps the most critical input needed by entrepreneurs (again DTC-ITB's arrangement with Bank Dagang Negara is an exception to this rule).
- lack of accountability: academically-based trainers have no vested interest or incentive to insure that the entrepreneurs they train are successful. Academic personnel usually have many other responsibilities besides AMT/EDP training and these responsibilities often come first. Academic rewards and career opportunities are usually based on research performance, publications and internal politics, not service to external clients. Academic staffs continue to get paid whether the training works for the entrepreneur or not.
- frequent reorganization and change of priorities: training centers are frequently reorganized and training staff moved around as institutional priorities change. Academic institutions readily adopt new programs like AMT, especially if there is funding from the outside, but they just as readily shift their priorities, as they are usually looking for the 'latest thing.' Education institutions' objectives are usually to be at the forefront of knowledge, to make themselves prestigious, and to give a sound, and thorough education. In short, there is little direct relationship between payoff to the educational institution and success of the training.
- academic personnel frequently have little practical experience with business and businessmen, and may (for ideological reasons) even be prejudiced against business (i.e., academic grumblings about "crass capitalists.")
- Most academic institutions have limited geographical "reach"--they serve a limited area or in the case of national universities, students who can travel to them, but rarely do they have the resources to travel to clients, essential in adult education programs.

2. The second alternative is to assign the training/extension function to a government ministry, e.g., the Ministry of Industry (MOI) or Ministry of Trade.

The advantages of government institutions include:

- extension resources; government ministries often have staff experts in a variety of fields theoretically capable of providing technical assistance to entrepreneurs.
- geographical representation or "reach": government offices are everywhere, permitting training and extension services to be provided in many locations convenient to entrepreneurs throughout a country.
- political clout and financial resources (sometimes): government agencies, with strong leadership, staff and budget resources, have the power required to act as an integrator in helping entrepreneurs get all of the resource inputs they need.
- stable staff: civil servants can be assigned as trainers for specified periods of time, perhaps alleviating trainer attrition problems.

The disadvantages of government agencies are similar to those of educational institutions:

- lack of accountability: bureaucrats, like academicians, continue to get paid whether or not their external clients succeed--they have no direct vested interest in the success of their clients.
- frequent reorganization and change in priorities: constant changes in leadership and attendant internal struggles for power and for budget allocations in government agencies often result in personnel being shifted and in programs being dropped before they have had a chance to have an affect (e.g., MOI's LPPI group).
- red tape: government agencies can be powerful, efficient well led and possessed of the staff and financial resources to manage programs effectively and integrate their efforts with external resource providers, but their leadership can also be weak and programmatic initiatives strangled by bureaucratic procedures. Often government programs take a very long time to set up and get operating efficiently.

The decision to locate training and extension facilities in a government agency clearly must depend on analysis of the strengths and weaknesses of specific agencies considered: their analysis of the strengths and weaknesses, leadership, staff, financial resources, commitment to AMT training, and power to provide directly or manage other organizations to provide resource inputs needed by entrepreneurs.

Indonesia's Ministry of Industry is the logical organization to be designated responsibility for recruiting entrepreneurs, coordinating training activities, and providing extension services through its BIPIK program (Proyek Binbingan dan Pengembangan Industri Kecil, "Project Assistance for Development of Small Industry") if the Ministry develops an effective plan, leadership and organized extension capacity for BIPIK effort (something most Indonesian observers feel has not yet been accomplished). To be effective, MOI must clearly assign some office or individual in a position of power to serve as the "integrator" for this activity to insure that the various technical experts do in fact serve BIPIK clients, and that external linkages with bank credit sources and other resource providers are established to provide trained entrepreneurs with resources MOI cannot provide directly.

3. A third alternative is to delegate the entrepreneur training and extension function to bank credit officers. This is a new concept but one backed by compelling logic. Advantages of having banks and bank credit officers serve as entrepreneur trainers and extension contacts include:

- strong vested interests in seeing entrepreneur clients succeed: unlike extension agents who are not accountable if entrepreneurs fail, bank credit supervisors are directly responsible for seeing that loans managed by them are repaid. Banks and bank employees therefore have a direct financial incentive to help entrepreneurs. Further, banks are designed explicitly to promote economic growth. Commercial banks' profits depend on expansion of commercial loans made, and the more entrepreneurial banks actively market their credit services to entrepreneurs they think will become substantial customers in the future. Indonesian government and development banks (Bank Dagang Negara, P.T. Bahana, P.T. Askrindo) have as their primary mission the stimulation of entrepreneurial activity and support of small business. All banks in Indonesia are under strong political pressure to help small

INTRODUCTION AND EXECUTIVE SUMMARY

On 4 July, 1975 McBer and Company was awarded UNDP Contract INS/75/A/11/37 (UNIDO Ref.: IS/INS/75/004/31501) to provide expert consultancy services to the Development Technology Center (DTC) of the Institute of Technology Bandung (ITB) program on Adaptive Research and Development of Entrepreneur Development.

Background information concerning this request is provided in the Contract Terms of Reference (please see Appendix A, attached). The Contract's objectives and tasks, as specified in the terms of reference statement, and the activities and products completed by the Contractor¹, may be summarized as follows:

OBJECTIVES

Objective 1. To develop appropriate methods for talent scouting and identification of potential entrepreneurs taking into consideration motivational, managerial, technological as well as social and economic parameters.

Contractor performance: McBer and Company

- presented techniques, research findings on participant selection criteria and model materials (brochures, advertisements, recruitment speeches, etc.) for a complete recruitment and selection system for Achievement Motivation Training (AMT) Entrepreneurial Development Programs (EDP).
- supervised the development of comparable techniques and materials relevant to the Indonesian situation by DTC-ITB personnel.
- trained 15 DTC-ITB personnel in motive scoring techniques to facilitate selection and training of AMT course applicants.

Objective 2. To adapt achievement motivation training (AMT) technology of entrepreneurial development to the conditions of Indonesia in an action research program.

¹ Work was performed on site at DTC-ITB in Bandung, Indonesia, by Contractor representatives James A. Burruss, Director of Motivation Training, and Lyle M. Spencer, Jr., Ph.D., Director of Organization Development, McBer and Company.

pribuni (native Indonesian, as opposed to non-indigenous)¹ enterprises--a national concern analagous to support for black american ventures during the height of the United States "war on poverty" in the 1960s. In theory banks should be interested in AMT entrepreneur development programs both to increase their chances of having loans repaid and to meet their social and political obligations. A specific example of this interest provided by Bank Dagang Negara's decision to invest \$60,000 of its own funds in DTC-ITB's AMT/EDP effort to train small entrepreneurs in the Bandung area.

- loan officers have regular contact with entrepreneurs they have loaned money to--credit supervision involves close monitoring of creditors' business activities and results.
- bank personnel (unlike most academicians and government officials) understand business, financial analysis, accounting, etc., and clearly support business objectives.
- the presence of bank personnel as trainers and the possibility of improved access to credit clearly motivates entrepreneurs to attend AMT courses (DTC had over five applicants for every seat in its AMT/EDP course supported by Bank Dagang Negara).

In short, AMT/EDP programs conducted by banks put motivation inputs together with resource opportunities. The businessman making the plan works directly with the credit supervisor who will monitor and provide feedback (and credit incentives) on his progress--ideal from a motivation point of view. A bank sponsored AMT/EDP effort might operate as follows. A bank credit supervisor trainer would train the AMT course with the entrepreneurs whose loans he would manage, establishing a personal relationship and shared set of concepts and objectives through the shared experience of the training program. Loan officers would have an opportunity to observe entrepreneur course participants and their plans for at least 80 hours over the ten day AMT/EDP course. As each AMT/EDP course will have approximately 20 entrepreneur participants, loan officer/trainers will be able to increase their client contact hours because they will be able to work with clients in

¹Although only 3% of Indonesia's population, Indonesians of Chinese and other "nonindigenous" descent control 75% of the country's wealth, a situation that has resulted in political strains (periodic riots and attacks on Chinese enterprises) and strong efforts by the government to promote "pribuni" businesses.

groups of 20. Extensive contact with entrepreneurs during goal setting assignments (a major part of all AMT courses) will put loan officer trainers in a better position to evaluate the quality, and realism of client entrepreneurs and the credit risks inherent in their plans.

Possible disadvantages of assigning the training and extension function to bank credit personnel include:

- entrepreneurs may be reluctant to be open and honest about their strengths and weaknesses (essential for AMT courses to be effective) in courses run by persons who will evaluate them and the credit worthiness of their businesses. (As a general rule, "helping" and "evaluation" functions should be separated and performed by different people, because clients' anxiety about evaluation and natural tendency to present their "best case" to judges may interfere with the trust and openness necessary for problem solving in the helping function).
- banks may not find operation of AMT/EDP programs a profitable use of their employees' time (a problem that could be rectified by having government agencies contract with and pay banks to provide training).
- bank personnel are likely to have other responsibilities which may interfere with the time they can give to training.
- bank career paths may not reward time given to training (certain bank employees in AMT trainer training courses have expressed concern that they may "fall behind" their peers if they get involved in an innovative effort like AMT training, while their peers pursue the regular job progression sequence of a normal bank career.)
- banks may not have the linkage mechanisms with technical experts and resource providers needed to provide entrepreneurs with the other technical assistance and resource inputs they need.

4. A fourth alternative for AMT/EDP training and extension services provision to entrepreneurs is large public and private industrial and commercial corporations. The advantages of corporations include

- they have the funds and business expertise to assist small entrepreneurs directly--e.g., most simply through purchasing their products, subcontracting to them for product components of such services as advertising, setting them up as wholesale or retail distributors, licensing or franchising them to produce proven products, etc.

- major Indonesian business organizations, especially those which are state-owned (e.g., Pertamina), are under considerable political pressure to assist small pribuni entrepreneurs. AMT/EDP might provide an effective package that would enable these large corporations to meet their social responsibilities in a way that makes business sense (if small entrepreneurs assisted could become effective suppliers, or marketers for their big business sponsors).
- private organizations can often set up programs very quickly once key officers have made a decision to proceed.

DTC-ITB is currently investigating the possibility of marketing an AMT/EDP package to large corporations for this purpose. For example, a large building contractor has been approached with a DTC proposal to train some of the contractor's own personnel together with small entrepreneurs who might become subcontractors on major construction projects managed by the large contractor. Once trained, the contractor's personnel would assist the entrepreneurs in developing their subcontracting businesses--not least by the direct method of giving them work. Potential disadvantages of using large corporations as trainer/extension agents include:

- corporations may not find operation of AMT/EDP efforts profitable (a problem that could be solved by having government subcontract with and pay them to perform this function).
- corporations rarely have any long range interest in "social do-gooding" projects and drop them quietly at the first opportunity after the political pressure subsides. A decade of experience in United States "war on poverty" efforts undertaken by large organizations reveals a few successes but many more failures and little sustained commitment after the "fad" for such efforts had passed.

Given the accuracy of the pro and con assumptions used in the above analysis, banks would appear to be the first choice for the training and extension function, government agencies the second choice, and educational institutions and public and private corporations the third choice. The realities of the Indonesian situation, however, dictate a different choice, at least in the short run. It is generally agreed by Indonesian officials (and the authors of this report concur) that DTC-ITB, an education institution, is the strongest existing base for AMT/EDP training and extension work, because DTC has strong leadership, a highly competent interdisciplinary staff and an excellent working relationship with a government development bank, Bank Dagang Negara. DTC-ITB's major potential limitations are:

- its dependence on one charismatic leader (there is always the danger that such persons will be recruited for higher positions)

- the absolute size of its staff (approximately 16 part-time persons, which can hardly provide nationwide service the way a government agency or national bank might) and
- the precariousness of its financial support.

In the short run, DTC-ITB is prepared to provide all of the functions of a comprehensive entrepreneur development system, at least in the Bandung area. In the long run, DTC-ITB might better be used as a trainer training, AMT/EDP course design and materials preparation, evaluation and "quality control" center, using its special expertise in training trainers and advising and assisting "mass distribution" AMT/EDP efforts through sub-contracts to larger entities with national reach--e.g., national development banks or the Ministries of Industry and/or Trade.

The Ministry of Industry's BIPIK effort is in theory a comprehensive entrepreneur development system. In practice, most Indonesian officials assert that past and continuing internal organizations, leadership, planning and resource allocation problems have limited BIPIK's effectiveness and may limit the potential of the Ministry of Industry to manage an effective AMT/EDP effort in the immediate future. Over the long run, however, this agency remains a prime candidate for "mass distribution" of AMT/EDP training and extension services and its capacity should be reevaluated at frequent intervals.

Bank sponsorship and performance of AMT/EDP training and extension support is a new idea which should be tried. A preliminary test of this approach may be provided by joint AMT/EDP effort of DTC-ITB and Bank Dagang Negara in progress.

Public and private corporation AMT/EDP projects should also be tried, and the best arrangement for these experiments is probably the direct marketing of training services now being attempted by DTC-ITB.

SECTION II. OBJECTIVES, CURRICULA AND RESULTS
OF MCBER/DTC-ITB AMT TRAINER AND RESEARCHER TRAINING PROGRAM

Objectives

Upon arrival in Indonesia on 10 July, 1975 McBer and Company consultants James Burruss and Lyle M. Spencer, Jr. were informed by UNIDO Senior Industrial Adviser, Gunnar Kastengren and DTC-ITB Director, Filino Harahap (a) that DTC-ITB had already conducted a pilot AMT training program with 40 entrepreneurs, and (b) at least two other AMT trainer and entrepreneur training efforts were underway at the Indonesian Ministry of Industries and University of Indonesia Department of Psychology. UNDP and Indonesian officials were concerned that the McBer DTC-ITB project not duplicate other ongoing work, but also that McBer establish at DTC-ITB quality control, standards for (a) certified AMT trainers, (b) AMT course design and learning materials, and (c) a research design for evaluating the effects of AMT programs. With these concerns as guidelines, the McBer consultants conducted a needs assessment/session with the DTC-ITB staff to be trained. This session led to the statement of nine objectives for the duration of the training effort.

Objective 1. Provide DTC-ITB staff with criteria and curricula for selecting and training AMT trainers.

Objective 2. Instruct DTC-ITB staff in how to identify training needs -- conduct needs assessment, problem identification and group learning contracting sessions.

Objective 3. Provide DTC-ITB staff with criteria for selecting entrepreneur with the greatest probability of profiting from AMT courses.

Objective 4. Instruct DTC-ITB staff in the essential components of a complete AMT course.

Objective 5. Provide DTC-ITB staff with instruction and direct experience in the educational methodologies used in AMT: lectures, small group work, simulations, role playing, etc.

Objective 6. Provide DTC-ITB staff with guidelines and experience in translating, adapting, and developing AMT materials relevant to Indonesian language and culture.

Objective 7. Provide DTC-ITB staff with research designs, measures, data collection and data analysis methods for evaluating the impact of AMT programs, and assist them in developing an evaluation design for Indonesian AMT efforts.

Objective 8. Instruct DTC-ITB staff in conflict resolution and negotiation consulting techniques (means of "promoting cooperation instead of competition" among clients).

Objective 9. Train at least three DTC-ITB staff to the level of competence McBer requires for certification of American AMT professionals, so that these consultants could then serve as a standard and model for other Indonesian AMT trainers.

This objective was met: McBer and Company was able to certify four members of DTC-ITB's staff: Ir. Mohamed Halim, Ir. Gebe Raka, Drs. Sidharta and Drs. Seemarto, Dipl. Psych.

To accomplish these objectives in the six week training period allowed, the McBer consultants designed an intensive 240 hour AMT trainer training course consisting of 16 modules. (It should be noted that the standard McBer AMT trainer training program offered in the United States for native English-speaking training professionals requires approximately 300 hours over six months. The DTC-ITB training program was shortened by requiring participants to lead-train only one AMT course supervised by McBer professionals, instead of the two supervised courses usually required for certification).

Based on learning study findings that adult trainees retain:

- 16% of what they read
- 20% of what they hear
- 30% of what they see
- 50% of what they read, hear and see
- 70% of what they read, hear, see, and feel (personally experience); and
- 90% of what they read, hear, see, feel and do (actively practice),

each learning module was designed to include all six elements. In general, trainees were asked to read theoretical materials and "how to do it" manuals on a given topic, then given an illustrated lecture on the topic (the hearing and seeing elements), then asked to participate in a simulation or demonstration of the topic (hearing, seeing and feeling -- personal experience), and then asked to lead an exercise or give a lecture on the topic themselves (the doing or active practice element).

The six week schedule and a brief description of each learning module in the McBer/DTC-ITB AMT trainer training program is presented below. (Detailed reading assignments lecture outlines and individual and group experiential and practicum exercises are presented in Appendix B.)

WEEK 1.

- July 14 UNIDO Briefings in Jakarta
- 15 UNIDO Briefings in Jakarta
- 16 Travel to Bandung
- 17 Needs Assessment meeting with DTC-ITB Staff
- 18 Needs Assessment meeting with DTC-ITB Staff and UNIDO representatives
- 19 Trainer Training Program Design

WEEK 2.

July 21 Module 1: FOR ENTREPRENEUR DEVELOPMENT PROGRAMS

Introductory presentation on (a) diffusion of innovations theory (how a new idea such as achievement motivation or entrepreneurial activity can be introduced and disseminated throughout a society, (b) a model of a complete "system" of components and functions required to create and support entrepreneurs, (c) a model for marketing AMT courses (awareness, interest, trial, adoption and followup stages and specific techniques used in each stage), and (d) criteria for selecting AMT entrepreneur course participants.

Module 2. INTRODUCTION TO AMT COURSES: MCBER'S BUSINESS LEADERSHIP TRAINING PROGRAM (BLTP)

Presentation designed to introduce DTC-ITB trainees to the history, objectives, research and effectiveness data and basic components of McBer's AMT/BLTP course, and to prepare them to introduce and market AMT concepts and training programs to others; especially potential participants, and government and community leaders.

Module 3. AMT/BLTP TRAINER RECRUITMENT, SELECTION, TRAINING AND CERTIFICATION

Presentation designed to acquaint DTC-ITB AMT/BLTP trainer candidates with research findings on the requirements for competence as an AMT/BLTP trainer (the trainer training "competency model" used by McBer and Company) and guidelines for the recruitment and selection of AMT trainer candidates.

July 22 Module 4. A PROBLEM SOLVING METHOD: DEVELOPING A RECRUITMENT AND SELECTION PLAN FOR AMT COURSE PARTICIPANTS

Presentation designed to teach trainees a generic needs assessment and problem solving technique and give them active practice in applying it to the topics of Modules 1 and 2: development of a recruitment and selection "marketing" plan for DTC-ITB's AMT program. OUTPUT: DTC-ITB staff prepared the marketing plan and brochure used to recruit the participants trained in the supervised AMT courses conducted in Weeks 4 and 5 of the trainer training program.

July 23 Module 5. RESEARCH DESIGN, MEASURES AND METHODOLOGY FOR EVALUATING AMT-BASED ENTREPRENEUR DEVELOPMENT PROGRAMS

Presentation designed to teach DTC-ITB staff basic research design, measures and methodology used in evaluating the effectiveness of AMT programs, and provide them with model data collection instruments, analysis procedures and general "lessons of experience" developed by Harvard University and McBer and Company over the past 15 years of AMT evaluation research.

OUTPUT: DTC-ITB staff prepared an evaluation plan for assessing the effectiveness of Indonesian AMT programs. This plan specifies (a) hypotheses, (b) variable measures, (c) research design, (d) data to be collected, (e) data collection method, (f) data collection schedule, (g) data analysis method, and (h) statistical tests to be used in testing each hypothesis.

July 24-26 Module 6. AMT DEMONSTRATION PROGRAM

All DTC-ITB trainees attended a model McBer BLTP/AMT course as participants to provide them with "feeling" or personal experience component of the adult learning process, in-depth understanding of the learning materials, and an opportunity to observe and "model" the behavior of expert trainers. The three day demonstration course is an intensive version of the regular nine day AMT/BLTP program.

WEEK 3.

July 28 Module 7. MOTIVATION THEORY

Presentation designed to provide DTC-ITB staff with an understanding of basic AMT motivation theory and prepare them to present this theory to others.

Module 8. TEACHING MOTIVATION: EXPERIENTIAL LEARNING TECHNIQUES

DTC-ITB trainees were given a presentation on adult learning theory, training course design, and specific educational techniques used in teaching motivation. Trainees then were asked to design and present an experiential learning module integrating abstract concepts, personal experience and active practice on some topic of their choice, with each trainee receiving feedback on how he might improve his design or presentation.

July 29-
August 2

Module 9. AMT EXPERIENTIAL LEARNING AND TRAINING TECHNIQUES: PRACTICUM EXPERIENCE

DTC-ITB staff were given six days of intensive practice in preparing and then role-playing instruction of each of the 21 elements of the complete McBer AMT course described in the McBer BLTP Instructors' Manual (see list of components in Instructors' Manual Table of Contents attached to Module 9 description in Appendix B.) Each trainee had the opportunity to conduct at least two of the BLTP course components and receive feedback on his presentation and group leadership style.

Module 10. SCORING MOTIVES

Concurrently with practicing conducting the components of a complete AMT course, DTC-ITB trainees began the process of learning to score the three social motives in speech and imaginative productions (achievement, affiliation and power), using programmed learning scoring manuals provided by McBer and Company. These manuals require about 30 hours to complete and are sufficient to train most trainers to the standards of interrater scoring reli-

ability ($r=.8$ for motive imagery, $r=.5$ for motive subcategories) needed for competence as an AMT trainer. Trainees completed sets of scoring practice stories each night, then received feedback and reviewed difficulties with the McBer consultants the following day.

WEEK 4.

August 4-6 Module 11A. AMT SUPERVISED COURSE I.

The two DTC-ITB staff member (Ir. Mohamed Halim and Drs. Soemarto) rated by the McBer consultants and their peers as best prepared to conduct an AMT course co-trained the three day AMT demonstration seminar described in Module 6, with the McBer consultants observing and assisting when appropriate. This demonstration was conducted half in English (McBer BLTP workbooks in English were used) and half in Indonesian with participants recruited by DTC-ITB using the recruitment and selection on marketing plan, letter and brochure developed in Module 4. Participant motive tests were written in Indonesian and scored in Indonesia by teams of DTC-ITB staff (a practical test of scoring competence in the actual language and context. Indonesian trainers will need this skill and a means of assessing inter-rater competence and developing motivation score norms for Indonesian populations. After completion of the demonstration course, the Indonesian co-trainers received feedback from the seminar participants, their fellow DTC-ITB trainees, and the McBer consultants on strengths and weaknesses in their presentation and ways in which they might improve it.

August 7 Module 12. LEARNING MATERIALS PREPARATION

DTC-ITB staff were prepared with reading and lecture examples of case and workbook materials used in teaching AMT, instructed in interviewing techniques, and assigned the task of finding and interviewing an Indonesian entrepreneur and on the basis of interview data developing culturally relevant an "Indonesian case" to be used in the Indonesian

Contractor performance: McBer and Company

- provided DTC-ITB AMT trainers and researchers with comprehensive models of learning materials and instructors manuals for quality controlled "standard treatment" AMT courses; (the Business Leadership Training Program/BLTP workbooks and Instructors manuals developed and empirically validated as effective by McBer and Company.)
- presented the objectives and methods of designing experiential learning modules and course materials, and supervised DTC-ITB personnel in the development of cases on local Indonesian entrepreneurs to be used in future Indonesian AMT courses (including development of an interview protocol and instruction in interviewing techniques)
- provided instruction in formative evaluation techniques for the assessment and improvement of indigenous training programs.

Objective 3. To develop simple managerial training programs taking into consideration communications problems.

Contractor performance: McBer and Company

- provided extensive classroom training (approximately 130 hours over 23 days), concentrating on participant role playing and practice presentations of the communications skills required to conduct management and motivation training courses, including 60 hours of practice training during which trainees conducted two demonstration AMT courses and one Managing Motivation course under expert supervision.
- provided specific instructions in conflict resolution skills in building cooperative "win-win" (as vs. competitive "win-lose") relationships in ongoing work groups.

Objective 4. To develop monitoring methods in order to observe growth and the development functions of the businesses of the trained entrepreneurs in the years to come.

Contractor performance: McBer and Company

- provided instruction in hypothesis formulation, variable definition, experimental and quasi-experimental research designs, data collection methods, scheduling, data analysis techniques,

version of the AMT program. (DTC-ITB staff had previously translated most of the McBer AMT course learning materials into Indonesian and pilot-tested these materials with an experimental group of 40 entrepreneurs.) Two of the "Indonesian cases" prepared in this manner were presented to the trainee group, analyzed in a model group case discussion, critiqued and edited for use in the Indonesian translation of the McBer AMT/BLTP program.

August 8-
August 12 Module 13. FIELDWORK: PRACTICE INTERVIEWING
AND CASE DEVELOPMENT

DTC-ITB staff spent four working days in two-man teams identifying successful Indonesian entrepreneurs, interviewing them using the model interview protocol presented in Module 12, transcribing and editing interview data to prepare a written case for Indonesian AMT courses.

WEEK 5.

August 13-
August 15 Module 11B. AMT SUPERVISED COURSE II.

Three additional DTC-ITB staff (Ir. Gebe Raka, Drs. Sidharta and Drs. Bob Dengah), rated by their peers and the McBer consultants as prepared to conduct an AMT course co-trained the three day AMT demonstration seminar described in Module 6, with the McBer consultants observing and assisting when appropriate. This demonstration was conducted almost wholly in Indonesian. Participants were again recruited using the marketing techniques and materials developed by DTC-ITB trainees in Module 4. and refined after the recruitment experience provided by the Module IIa. AMT demonstration seminar. Motive test materials were again written and scored in Indonesian by DTC-ITB trainees, a further practical test of trainer candidates' ability and interrater reliability in applying AMT technology. After completion of the demonstration course, the Indonesian co-trainers received feedback from the seminar participants, their fellow DTC-ITB trainees,

and the McBer consultants on strengths and weaknesses in their presentation and ways they might improve it.

August 16 Module 14. MANAGING MOTIVATION, CONFLICT RESOLUTION, AND LARGE SYSTEM CONSULTING

DTC-ITB staff were introduced to a number of motivation-based management and organization development techniques developed by McBer and Company for use in consulting work with large organizations (as opposed to the small business entrepreneurs addressed by the AMT BLTP course). This module was presented in response to general DTC-ITB staff interests in broader issues of organization development consulting, and to a specific request from Bank Degang Negara requesting that DTC-ITB consultants conduct a management and organization development seminar demonstration that could be relevant to bank managers in a large organization. The McBer consultants provided DTC-ITB staff with an intensive introduction to McBer's Managing organization development Motivation course (including the use of two additional diagnostic instruments, the McBer Managerial Style and Organizational Climate Survey Questionnaires) using DTC-ITB as a case example for analysis of an organization's climate, problem solving and planning for climate improvement. This module led to the development of the four hour Managing Motivation demonstration presented to Bank Dagang Negara in Module 16.

WEEK 6.

August 19 Module 15. SUMMARY, SCORING TEST AND CERTIFICATION

The McBer consultants presented a summary of the AMT trainer training program conducted over the preceding five weeks, administered a motivation scoring test required for certification as an AMT trainer, and was able to meet DTC-ITB's objective of certifying four members of DTC-ITB's staff, Ir. Mohamed Halim, Ir. Gebe Raka, Drs. Sidharta, and

Drs. Soemarto, as certified McBer AMT/BLTP trainers, and a fifth staff member, Drs. Bob Dengah, as a certified McBer motivation scorer.

August 20 Module 16. **MANAGING MOTIVATION DEMONSTRATION**

DTC-ITB staff members, Ir. Gebe Raka and Drs. Sidharta and McBer consultants Lyle M. Spencer, Jr. and James A. Burruss jointly conducted a Managing Motivation demonstration seminar for 50 top and upper level managers from Indonesia's state development bank, Bank Dagang Negara (including BDN's president and members of its Board of Directors) and other representatives of the Indonesian banking community. This demonstration provided DTC ITB with direct experience and practice in large system consulting and client marketing contact. This external client contact and marketing experience (successful in DTC ITB'S case, because Bank Dagang Negara subsequently contracted with DTC-ITB for additional training and consulting services) is essential to helping insure DTC-ITB's permanence as an organization capable of supporting itself through its own efforts after UNIDO funds and foreign consulting assistance has withdrawn.

August 21 Debriefing in Jakarta with UNIDO and Indonesian Government representatives.

August 22 Debriefing in Jakarta with Indonesian BDN representatives.

This concluded the McBer and Company AMT trainer training and research project with DTC-ITB staff as funded by UNIDO/UNDP Contract Ref. INS/75/004/A/11/37. Details of readings, lectures, individual and group assignments for each learning module described above are presented in Appendix B.

APPENDIX A

Ins/75/004

TERMS OF REFERENCE

TERMS OF REFERENCE

UNDP Ref.: INS/75/004/A/11/37
UNIDO Ref.: IS/INS/75/004/31501

a) General Background Information

In early 1972 and 1973 two members of the ITB Development Technology Group conducted surveys on entrepreneurial development methodologies at the TDI East-West Center. The idea is to select a methodology which gives promise for easy adaptation in Indonesia. The achievement training methodology as part of an entrepreneurial development programme was observed as having a good potential for adaptation into the Indonesian situation.

In December 1972, the ITB Development Technology Group together with the LPPI of the Ministry of Industry sponsored with UNIDO an Achievement Training Demonstration in Bandung.

In October 1974, DTC-ITB launched the short-term programme on research and development to adapt a suitable entrepreneurial development method for the Indonesian situation. Achievement Training is considered an essential element of the entrepreneurial development scheme. Innovation of a simple management training scheme would be the other part of the entrepreneurial development scheme. The short-term programme would last nine months, effective as of 1 October 1974, and is sponsored by BDN (Bank Dagang Negara), a government commercial bank. The programme staff of this action research effort consists of psychologists, economists and anthropologists (from the State University of Pajajaran), industrial engineers and technologists (from ITB), surveyors/expert staff (from BDN) and experts as well as practicing entrepreneurs (from the West Java Chamber of Commerce). This research programme is the first of its kind in Indonesia and would involve 30 selected existing entrepreneurs (recipients of financial assistance from BDN) and ten selected entrepreneurs to be (student drop outs).

b) The Aim of the Project

To obtain expert consultancy for the Development Technology Center (DTC) of the Institute of Technology Bandung (ITB) programme on Adaptive Research and Development of Entrepreneurial Development.
Specifically:

1. To develop appropriate methods for talent scouting and identification of potential entrepreneurs taking into consideration motivational, managerial, technological as well as social and economic parameters.

2. To adapt achievement motivation training technology of entrepreneurial development to the conditions of Indonesia in an action research programme.
3. To develop simple managerial training programmes taking into consideration communication problems.
4. To develop monitoring methods in order to observe growth and the development functions of the business of the trained entrepreneurs in the years to come.

Long-term programme objectives:

5. To feed-back training and monitoring information and data in an effort to derive appropriate entrepreneurial development methods suited to the Indonesian conditions.
6. To provide a research and development back-up system to extension service programmes on entrepreneurial training programmes in Indonesia.

c) The Scope of Contracting Services

The human resources involved in the DTC-ITB programme are all Indonesians, with good theoretical background and good potential for becoming qualified practitioners. There is, however, a lack of practical experience and therefore there is an urgent need of expert consultancy and experience for the programme. Transfer of research experience and information to the programme staff can be achieved by having a month of intensive interface with two behavioural science experts who are experienced achievement motivation trainers. Two other short workshops, an intensive interface with an expert in small-scale industry and afterwards a communication workshop conducted by two ITB consultants would also take place during this time. Specifically the consultants would:

1. Give consultancy on the planning and methodology of the short-term action research programme.
2. Evaluate existing planning and methodology based on their experience and suggest improvements.
3. Conduct two workshops/demonstrations in achievement motivation training.

4. Give recommendations on trainers to receive further advanced training in behavioural science, with emphasis on achievement motivation, and managerial techniques in order to develop a group of development specialists in aspects of entrepreneurial development schemes.
5. Plan and initiate a model for the long range research programme to back-up extension service programmes in entrepreneurial development in Indonesia.

d) General Time Schedule

1. Briefing in Vienna (one day), April
2. Arrival in Indonesia, April
3. Termination of project, May
4. Debriefing in Vienna (one day), May
5. Draft Final Report received by UNIDO, June
6. UNIDO comments on Final Report, June
7. Final Report submitted to UNIDO, July

e) Personnel in the Field

The requested assistance from UNIDO for the DTC-ITB programme is in the form of support for two behavioural science experts to come to ITB for a month of intensive interface with the Indonesian programme staff. They will work with the Indonesian staff, review existing research plans and methodology (both short and long term), supply relevant professional experience and relevant materials and recommend improvements. They will also recommend specific training competence required for the Indonesian trainers as well as further advanced training. At the conclusion of their assignment they will leave the DTC-ITB programme with an improved research plan and methodology appropriate for execution in Indonesia.

f) Language Requirements

English

g) Job Descriptions

(attached)

APPENDIX B
DETAILED DESCRIPTION OF MODULES
USED IN DTC-ITB AMT TRAINER TRAINING PROGRAM

MODULE I

SYSTEMS FOR DEVELOPING ENTREPRENEURIAL ACTIVITY: RECRUITMENT AND SELECTION OF AMT PARTICIPANTS

Time

Topic

Reading

1. Motivating Economic Achievement, Chapt. 4
2. Achieving Society, Chapt. 6, 7, 9
3. "Black Is Beautiful - Is it Bountiful"

Lecture

1. Diffusion of innovations theory
2. Recruitment and selection in the "System" of creating and helping entrepreneurs
3. The stages of marketing: awareness--interest--trial--adoption--followup
4. Criteria for entrepreneur/AMT course participant selection
5. Questions and Answers

Group Discussion: brainstorm and discuss

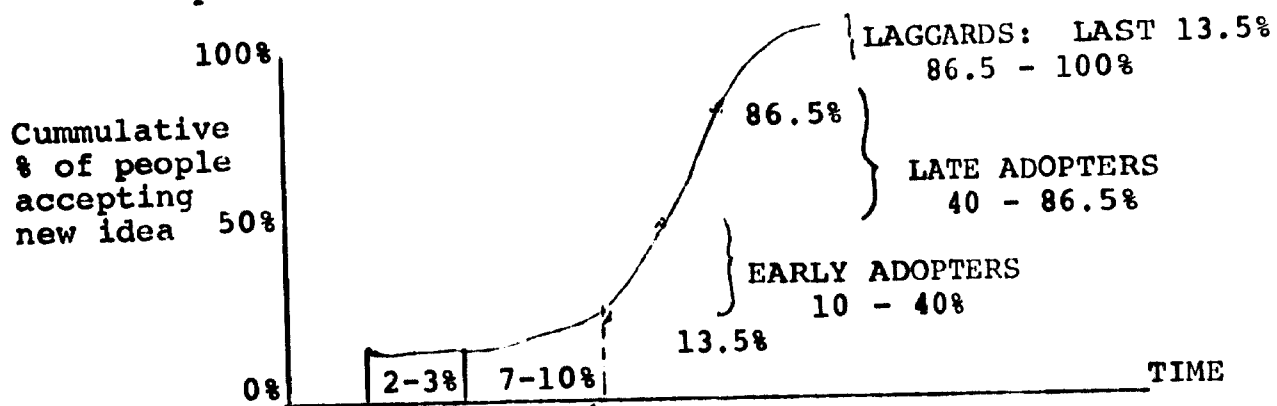
1. techniques for recruiting entrepreneurs at each stage:
 - a. awareness
 - b. interest
 - c. trial
 - d. followup
2. criteria for selecting potential AMT course participants

LECTURE NOTES

MODULE IA: SYSTEMS FOR DEVELOPING ENTREPRENEURIAL
ACTIVITY RECRUITMENT AND SELECTION OF
AMT PARTICIPANTS

I. DIFFUSION OF INNOVATIONS THEORY: the process by which
new ideas are accepted or "adapted"

- Reference: Everett Rogers, Diffusion of Innovations
- The acceptance of all kinds of new ideas (use of radio, automobiles, motorcycle, motors drugs and medical techniques, fashions - e.g. the miniskirt, the use of "miracle" rice and fertilizer, popular music, political movements) follows a general curve



First 2 - 3%: "INNOVATORS" - deviates ("crazy")
or geniuses

Next 7 -10%: "OPINION LEADERS" - high prestige people,
"fashion setters"
others look to for
new ideas

- many entrepreneurs
are "opinion leaders"

Next 30-40%: "EARLY ADOPTERS" - the more progressive
people in a society

Next 30-40%: "LATE ADOPTERS" - the less progressive
people in a society, but
those who do accept new
ideas after others have
tried

and the use of appropriate statistical tests for evaluating AMT programs.

- provided model data collection instruments and evaluation reports developed from over 10 years of experience in evaluation of AMT programs in the United States and other countries.
- supervised DTC-ITB personnel in the development of the actual research design they will use in the evaluation of Indonesia's AMT/EDP program.

Objective 5. To feed-back training and monitoring information and data in an effort to derive appropriate entrepreneurial development methods suited to the Indonesian conditions.

Objective 6. to provide a research and development back-up system to extension service programs on entrepreneurial training programs in Indonesia.

Contractor performance: McBer and Company

- provided instruction in and recommendations for a systems model of entrepreneurial development (see Section I of this Report) and in how data derived from the formative and summative research efforts described above can be used to improve the functioning of a comprehensive EDP system.

TASKS

Task 1. Give consultancy on the planning and methodology of short term action research programs.

Contractor performance: McBer and Company

- This task was accomplished in teaching DTC-ITB trainees needs assessment, problem solving, contracting and formative evaluation techniques used in training to diagnose participants' learning needs, design modules appropriate to meeting these needs, and evaluate the effectiveness of the learning methods selected. All trainees were provided with extensive "hands on" practice with these techniques through daily assignments which required them to develop and present learning

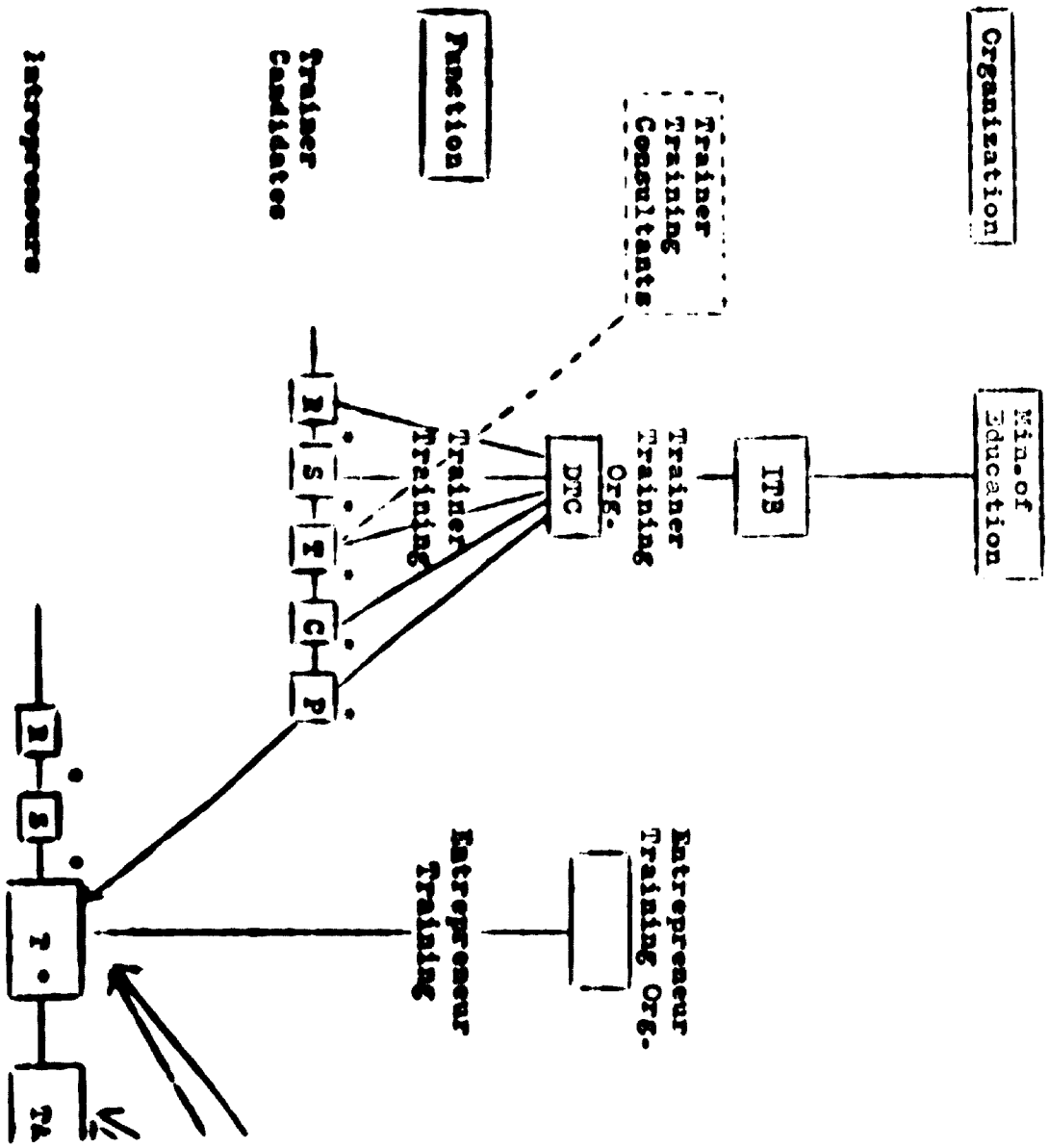
LAST 10-15%: "LAGGARDS" - people who only very late accept them (or may never) accept the new idea.

- Strategies for getting new ideas accepted

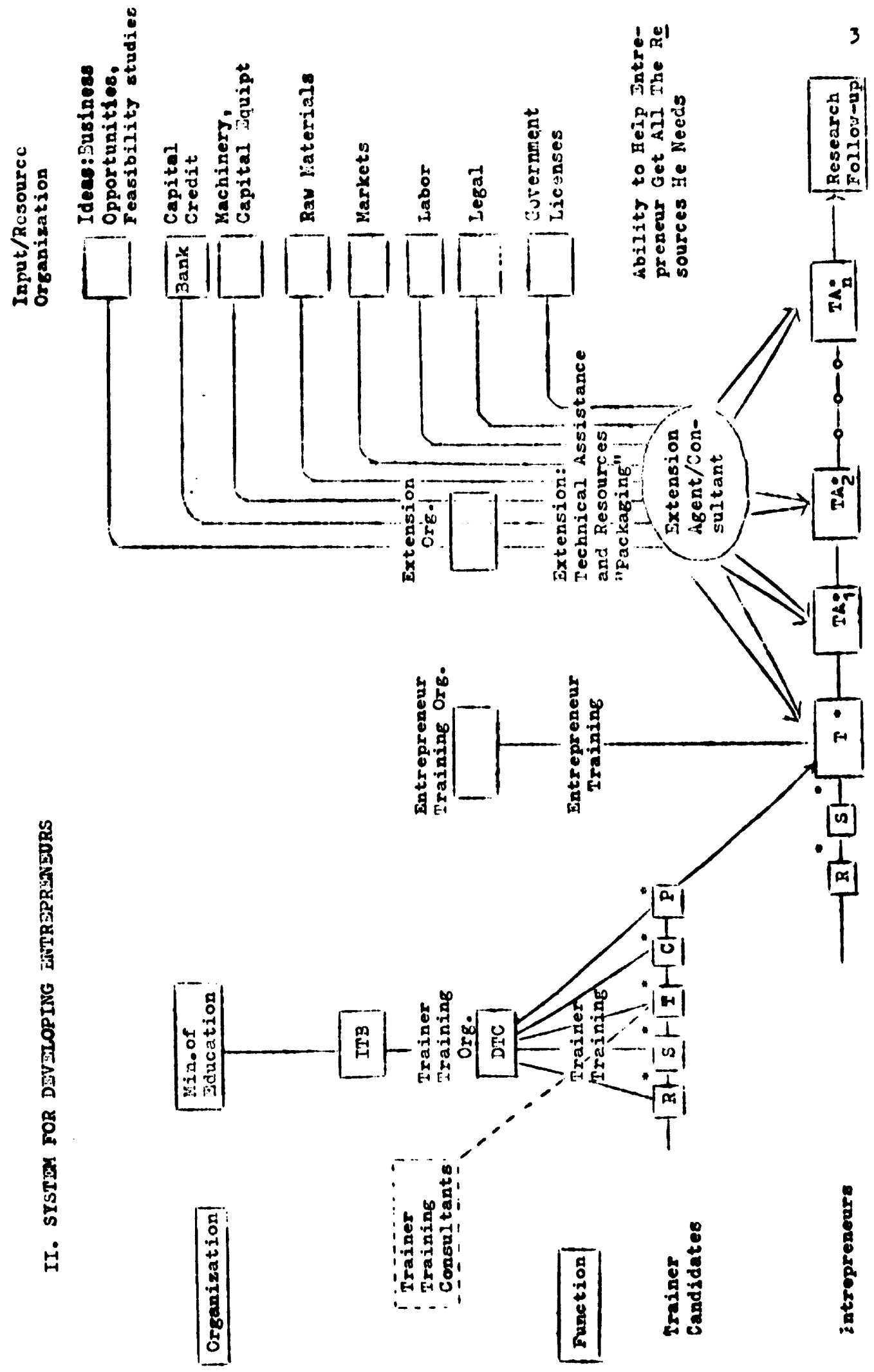
1. Identify the "opinion leaders" (e.g. by surveys which ask "who is the best businessman or farmer in this village", by contacting the leaders in government, religion, business)
2. Get opinion leaders to try new idea or product, or teach them a new skill
 - a. must be relevant to their felt needs, the rewards they want
 - b. must be prestigious - involve travel, give them a certificate or rewards - increase their status, make them even more an "opinion leader"
 - c. skill or product should be "just right amount" advanced ahead of what they are doing/using now - not too little, not too much
3. Be sure opinion leaders succeed in using new idea (if they fail - publically - you are dead!
 - a. give them the help (consultancy, technical assistance) and resources (spare parts, credit, etc.) they need to be sure new idea or product works)
 - b. provide incentives (credit, guaranteed markets) for use of new idea
4. Encourage opinion leaders to teach or be an example to others
 - a. make them extension agents
 - b. pay them (or provide other incentives)
 - c. get them to be head of organizations (chamber of commerce, Small Industries Association, "Entrepreneurs club", other clubs)
5. Continue process by giving opinion leaders new inputs - skills and products - at regular intervals - i.e. "keep moving them up, and others will keep following and move up too"
 - a. follow up contacts each 3 months with trainer or extension

- b. agent "refresher" or "advanced " seminars
each year
- c. talks from experts at "Entrepreneurs clubs)

II. SYSTEM FOR DEVELOPING ENTREPRENEURS



II. SYSTEM FOR DEVELOPING ENTREPRENEURS



III. STEPS IN RECRUITING PARTICIPANTS AND "MARKETING" AMT

<u>Step</u>	<u>Technique</u>
AWARENESS	I. Analyze social and cultural conditions <ol style="list-style-type: none">levels and groups in societyfelt needs of these groupshow each group gets informationappropriate methods to direct and shape interest
	II. Communications techniques <ol style="list-style-type: none">communications media: advertisements in newspapers, radio, leaflets, magazines, TVdirect mail (but expensive) - from telephone book, business association listsmeetings (formal and informal), seminars at business groups: Chamber of Commerce, banks, Small Business Association, government, academic instituteslectures, talks, speeches, briefings to organizations where business, government, community leaders comesales callsword-of-mouth referral campaigns among peer groups (get prestigious people in community to recommend course)sales calls to likely potential participantsarticles, professional publications and presentations of papers to professional conferences to reach academic peopleschools and universities - e.g. students in KKN program who will transmit word, leaflets to villages
INTEREST	<ol style="list-style-type: none">same as "Awareness" techniques but more specificinformation office or center where people could get more informationget prestigious opinion leaders - government officials, religious leaders - to describe coursebrochures giving more information than leafletscases describing successful entrepreneurs who have taken courseresearch findings: people to go to AMT course make more rupees!references who can be called for more information on about course

8. talks, lectures by successful businessmen who have taken course
9. extension agents, consultancy
10. sales calls
11. demonstrations - brief evening meetings or short courses (like "unfreezing" meetings)

TRIAL

1. orientation or short demonstration course
2. objectives
 - show entrepreneur AMT as well as money and resources is essential for business success
 - show achievement motivation can be developed and produces results (sales and profits)

ADOPTION

AMT training itself

**MAINTENANCE/
COMMITMENT &
FOLLOW-UP**

1. goal setting and action planning (just doing it increases probability of action)
2. public commitment to goals set in AMT (to family, friends, people in community)
3. reference group: Entrepreneur Self-Help Clubs, etc. with regular meetings
4. follow-up visits by extension agents, researchers or bank credit officers at regular, frequent intervals
5. follow-up seminars and courses - "advanced" training.

IV. CRITERIA FOR SELECTION OF AMT ENTREPRENEUR PARTICIPANTS

1. strong motivation/desire/preference to own, build one's own business ("life long dream ever since a child" from case histories)
2. owners of small businessmen in charge, capable of making independent business decisions (leading male member of family, if family business), strong influence over outcome of business
3. education: junior high level
4. age: less than 40 (?) - old enough to be in charge or ownership position, but not so old to be rigid

5. honest and open minded
6. willing to participate in research
7. innovative: willing to try new technologies, methods
8. scale of business-sales, machinery and equipment (?)
-not too big, not too small
9. access to resources: able to get credit
10. community responsibility - interested in community development, willing to help others, serve as community leader on community projects (evidence of existing community involvement)
11. opinion leader: respected, looked to by others as example
12. willingness to work hard in course, serious about attendance - useful indication: charge token tuition fee (businessmen don't respect things they get for free)
13. already established and successful businessmen, not new comers

Note: probably best to start with people AMT is most likely to be successful with ("creaming" strategy) for two reasons

- a. establish reputation of success for course at beginning
- b. successful businessmen participants more likely to be opinion leaders able to spread achievement ideas to others.

MODULE II

INTRODUCTION TO AMT/BLTP COURSE

TOPIC

Reading:

1. Motivating Economic Achievement, Chapters 1, 3
2. "Business Drive and National Achievement"
3. 1972 Follow-up on Business Leadership Training Project (1967 - 1968), Washington, D.C.
4. Small Business Administration National Demonstration Program in Business Leadership Training (1972-1973): Summary of Six Month Research Results.
5. Economic Development Administration Business Leadership Training Project (1967 - 1968): Final Report, Chapter V.

Lecture

1. AMT/BLTP Orientation Lecture
 - a) Course Objectives
 - b) History of AMT Development
 - c) Characteristics of a Successful Entrepreneur
 - d) Success in other countries
 - e) Exemplary Cases
 - f) Projected Benefits for participants
 - g) Summary Details

2. Critical Considerations in an Orientation Lecture/Meeting
 - a) Composition of Lecture
 - b) Recruitment of participants
 - c) Convincing people to come; to participate
 - d) Prestigious Associations.

Individual/Small Group Work

Prepare an introductory lecture on AMT which can be used to recruit participants or brief government officials, bank personnel, community leaders on the background, purpose, and effects of AMT.

Large Group Work

1. Selected trainees give prepared introductory lecture to the group

2. Group listens and asks questions; then discusses, critiques, and generally provides feedback to the speaker on critical aspects of his presentation.

LECTURE NOTES

MODULE II: INTRODUCTION TO AMT/BLTP COURSE

I. What is Achievement Motivation Training?

A. Let me start with what it is not.

1. It is not "10 easy steps" to success. You will learn some concepts and skills that have been identified as necessary for success in business, however, this is not some "short-cut formula". You will still need to work hard at your business, but you will be able to do that more effectively.
2. AMT is not Technical Business/Training. We will not teach you accounting, bookkeeping, or marketing strategy - other organizations will be available for that. I am not a business expert; rather I am something of a "technologist" and what I bring to you is psychological technology.
3. AMT is not sensitivity training. It is not a "touchy-feely" experience although it does pull from some of what we have learned about the process of learning in groups.
4. AMT is not "Instant Money". We are not giving away money.
5. AMT is not easy - you will have to work hard in the course, be committed in attendance and complete outside assignments. Almost all participants do, however find the course stimulating and fun.

B. So, what does AMT do? What Objectives?

1. To stimulate each of you to expand your existing business or create a new one by:
 - thinking, studying, and planning for profitable growth
 - analyzing and planning new areas of expansion or development
 - learning how to establish goals and plans for maximum growth.

modules, give lectures, conduct simulation exercises, etc. before volunteer students, followed by immediate feedback and coaching on how each trainee could improve the effectiveness of his presentation.

Task 2. Evaluate existing planning and methodology based on expert experience and suggest improvements.

Contractor performance: McBer and Company

- This task was accomplished by:
 - a. having Indonesian participants present their existing AMT planning, methodology and learning materials;
 - b. presenting model McBer materials, or planning systems, research designs and methodologies developed over 25 years of AMT research.
 - c. asking teams of ITB/DTC staff to compare, contrast and critique their model as it differed from the McBer model, and then;
 - d. brainstorming new plans, methods or materials that combined the best of both the Indonesian and expert approaches.

This process was followed for all of the components of the AMT entrepreneurial development program, from recruitment and selection techniques to learning materials to final research report designs. The resulting product while continuing to meet quality standards was generally better suited to and more likely to be effective in Indonesia, and possessed a greater degree "ownership" for Indonesian trainers.

Task 3. Conduct two workshops/demonstrations in achievement motivation training.

Contractor performance: McBer and Company

- Largely as a result of DTC-ITB's aggressive and efficient scheduling of courses and recruitment of participants, Contractor and trainee personnel were able to conduct 3 demonstration AMT courses, for a total of 55 participants, and one "Managing Motivation" Demonstration course for another 50 participants from Bank Dagang Negara (the Indonesian State development back sponsoring DTC's effort) during the five week consultancy period.

2. To develop your personal drive and motivation so that you will create or renew a desire to attain your business goal by:
 - understanding, through motivational concepts, entrepreneurial behavior and what it would involve for you personally to be successful (or more successful) in business
 - engaging in an appraisal and assessment of your motivation patterns
 - developing your own motivation and patterns of action.
3. To help you identify your own needs for management skills, and develop a plan for acquiring them, by:
 - examining kinds of skills and knowledge necessary to success
 - assessing your own skills level relative to that
 - developing a concrete plan and timetable for acquiring them.
4. To assist you in developing a Comprehensive plan for your business with goals that are very realistic as well as personally challenging.
 - specific, measurable, time-phased and would take into account the obstacles which you face and the action steps necessary to overcome them.

C. A Sub-Objective

1. To make this technology available to groups of people who would not ordinarily have the benefits of exposure to it.
 - the "well-to-do" in wealthy, industrialized, nations learn these patterns of thinking very early in life. They are encouraged and rewarded for it throughout their lifetime and therefore become very good at it--thus more successful.
 - AMT will not significantly change the socio-economic structure of society but, by helping the small indigenous entrepreneur to be more successful will promote a more equitable distribution of society's wealth.

II. Where Does This Program Come From?

- A. Based on and grew out of over 25 years of research by Dr. David McClelland and his associates at Harvard University into:

1. what motivates the successful entrepreneur?
 2. what behavior characteristics contribute to success?
- B. First Major Finding: Successful Entrepreneurs both think and act with respect to their lives and their businesses in ways that are consistently different than less successful businessmen.

Thoughts	Action
High standards of excellence Outperforming someone else Unique accomplishment Long-term career goals.	Takes personal responsibility, seeks feedback. Attempts to do things in a better, more innovative way. Takes moderate risks. Sets goals continually.

- C. Second Major Finding: Individual Entrepreneurs can be trained to think and act as successful Entrepreneurs.
1. 1961 in Mexico, 1962 in Tokyo, Japan, 1963 Bombay, India; 1962 large U.S. firm.
 2. Somewhat revolutionary in the field of Psychology.
 3. Demonstrated on a large scale in India (1964-1967)
 - Number of entrepreneurs "active" during 2 years (expansion or new) 51% versus 25%.
 - Number of entrepreneurs capital investment increased by over 100.
 - Increased employment (New jobs created = 6.00)
 - Increased gross income.

III. Track Record

- A. This Training Program has now been conducted many times in American cities and other countries including Japan, Poland, Uganda, India, Spain, and Germany.
- Thoroughly tested, researched, and revised resulting in many improvements.

B. Some Individual Cases:

1. Cob Flower and Card Shop, Washington, D.C.
 - In 15 months, doubled sales to over \$100,000 for first time in history of his business
 - Convinced his son to join the business
 - Expanded by acquiring space in adjacent building
 - Renovated store, added new refrigerator, more shelf space
 - Acquiring candy franchise
 - Initiating radio advertising
2. Scientific Equipment Manufacturer, India
 - Added new salesman
 - Increased sales by 100%
3. Owner of Bicycle Shop, India
 - Joined with others to establish a loan company to purchase trucks and other vehicles increase more than 10 per year.

We will study some of these cases during the AMT-- not only the successes, but also the failures to try to learn from their experiences.

IV. What can you expect from this program?

- A. Within six months, 2/3 of you will show at least six signs of improved business activity.
 - increased personal income
 - increased gross sales
 - increased net profits
 - increased capital investment and investment possibilities
 - increased new jobs created
 - increased new businesses
 - increased expansion
 - increased leadership in your community

V. What Do You Need to Do?

- A. Must commit yourself to the full 9 days

2 1/2 ----> 1 month ----> 2 1/2 ----> 1 month ---->
2 ----> 1 month ----> 2 days

- B. Sign the circulating list

- C. Pay the enrollment fee of \$15 and pick up your prework materials before you leave

MODULE III

AMT/BLTP - TRAINER RECRUITMENT, SELECTION, TRAINING AND CERTIFICATION

<u>TIME</u>	<u>TOPIC</u>
	1. Motivation Economic Achievement (MEA) Chapters. 1,3
	2. "Business Drive and National Achievement", by David McClelland
	3. 1972 follow-up on Business Leadership Training project (1967 - 68), Washington, D.C.
	4. Small Business Administration National Demon- stration Program in Business Leadership Training (1972 - 73): Summary of Six Month Research Results.

Lecture

AMT Trainers

1. Recruitment and selection criteria
2. Competencies required (criteria for certification)
 - a. theory
 - b. scoring
 - c. experiential learning techniques, methodology
3. Steps in trainer training model:
 - a. attend course as participant
 - b. attend 120 hours of trainer training
(including learning to score motives)
 - c. a training course with certified trainer
 - d. leadership training course with certified
trainer
 - e. certification

MODULE

RECRUITING, SELECTION, TRAINING EVALUATING AND CERTIFYING AMT TRAINERS ; THE " COMPETENCY-BASED " APPROACH

I. The "Competency-based" approach: empirical definition of the knowledge, teaching skills, and personality characteristics of effective AMT trainers -- steps:

A. Identify the best and worst trainers: self-rating, peer rating, superior rating, expert rating, client rating, results rating

B. Critical incident interviewing of best and worst trainers: ask each interviewee to describe three times when he was particularly effective and particularly ineffective -- what the situation was, -- what he thought to do and how he did it, and what the results were (tape record and type interviews)

C. "Content analyze" these interviews to identify the systematic differences between the best and worst trainers

D. Give psychological test which measure the discriminatory variables identified by the interview content analyses and find which tests clearly discriminate between the best and worst trainers. These tests can be used to select trainer candidates

E. Once these competencies have been identified, develop "experiential learning" training exercises and programs to teach the specific competencies needed to be an effective AMT trainer.

II. Criteria For Good AMT Trainers

A. Non-empirical (not scientifically tested competencies -- those listed in MOTIVATING ECONOMIC ACHIEVEMENT) :

1. prestigious/worthy of respect -- perceived as capable of producing change
 - a. academic credentials
 - b. from prestigious academic or government ministerial sponsor
 - c. backing of prestigious people: local government officials, respected religious leaders, important community people, highly successful and well-known businessmen
 - d. age (?)
 - e. experience -- record of past successes
 - f. "expert" status -- from abroad, certified by McClelland, etc.
2. belief in course -- trainer must really believe it can help and change people, make them more successful.
3. confidence -- belief in self -- trainer must really believe he can change people.
4. role model -- trainer must be a "role model" (example) of the behaviors he wants to teach: open, honest, motivated, enthusiastic, valuing and liking small business.
5. sensitive: concerned with people and able to know what they are thinking and feeling.
6. charisma : presentation skills, energy level which make trainees feel stronger, more energetic and successful.
7. open to learning from participants: enjoy being with and learning from the trainees and the course (there is always more to learn -- you can always get better!).

B. Empirical -- from the competency model (BUT: for American consultants -- we think these competencies will be the same for other cultures, but do not have direct evidence of this yet -- we hope DTC-ITB will do a competency study of its best AMT trainers and confirm or reject this hypothesis).

1. "Integrator motive profile" -- moderate Ach, Aff and Pow.

- Trainers too high in ACH tend to be "pushy" -- coercively demand high standards of excellence from trainees too soon. Trainers too low in AFF don't care enough about getting things done and doing a quality job.
- Trainers too high in AFF just make friends with trainees, are not objective or task oriented, just sit around and talk, Etc. Trainers too low in AFF do not seem to care about trainees, may appear to "cold and hard", and usually do not enjoy working with people
- Trainers too high in POW tend to argue with trainees, and forget the purposes of the course in their need to convince trainees to their point of view. Trainers too low in POW tend to lack the prestige, "charisma" and influence skills to teach -- and enjoy teaching -- people effectively.

2. chronic positive expectations of people -- trainers must believe people are good, can always change no matter how dumb or rigid they may appear (the "Pygmalion" effect).

3. non-verbal sensitivity -- the ability to sense what people are thinking and feeling (measures by the PONS test).

4. making friends and contacts -- trainers must like and get along easily with people, building a trusting relationship with them (which will greatly increase the trainers ability to influence them).

5. presentation skills -- trainers must know how to present conceptual and exercise material in a lively and interesting way that keeps trainees' attention and makes them want to learn. "Experiential learning" teaching skills are important here -- helping people to discover points for themselves by asking the right questions, having "concrete experience", "reflective observation", and "active experimentation" elements as well as just "abstract conceptualization" lectures.

6. organization skills -- planning and preparation ability, so that trainees get all the materials they need the trainer has all the supplies (paper, making pens, cards for the Business Game, etc.) he needs, the AMT course runs on time and in an orderly way.

7. knowledge -- AMT trainers must have knowledge in at least areas

a. motivation and motive scoring: what a motive is, how to explain it, and the ability to score ACH, AFF and POW at an 80% reliability for imagery and (ACH only), 50% reliability for subcategories. (Researchers must be 90-95% accurate on images and 85-90% accurate on subcategories for all three motives)

b. experiential education theory and module design

c. the components of the AMT course: the purpose of, and how to conduct, each part of the course.

d. Motivation Theory, particularly the concepts of McClelland

8. group leadership skills, should have
- a. observation skills ("with-it-ness": the ability to tell what group members are thinking and feeling from their responses, their gestures, posture, etc. (similar to # 3 above)
 - b. timing -- knowing what exercise to use at which point
 - c. honesty/enjoyment of group work (feeling powerful, happy, elated, energized after running a training session)
 - d. ability to get group reactions: feedback from fellow trainers and group members that you are effective.
- e. Other factors which may be useful in recruiting and selecting trainer candidates
1. sufficient time available to complete the full trainer training program
 2. position/occupation and time that make it likely that trainer will actually conduct 5-10 AMT courses a year. If trainer candidates are at too high a level, or in a non-education or training institution, experience indicates that they are not likely to train -- they get promoted, or more involved in administrative or entrepreneurial work.
 3. background in education, training and/or the behavioral sciences
 4. sense of humor
 5. preference and ability to use productive, cooperative, "win-win" methods of conflict resolution, as vs. confrontative "win-lose" power tactics.

MODULE IV

**GROUP PROBLEM SOLVING METHODS: DEVELOPING A
RECRUITMENT AND SELECTION PLAN FOR POTENTIAL AMT COURSE PARTICIPANTS**

TIME TOPIC

Reading

1. "A Problem Solving Method" McBer and Company

Lecture/Demonstration

1. A group problem solving method (case problem: brainstorm methods of surviving and being rescued if stranded on a desert island) and prepare a marketing letter and brochure.

Group work:

1. Design a recruitment and selection plan for supervised recruiting participants for AMT demonstration courses scheduled for 4-6 August and 13-15 August using the conceptual material presented in Modules 1 and 2.

Task 4. Give recommendations on trainers to receive further advanced training in behavioral science, with emphasis on achievement motivation, and managerial techniques in order to develop a group of development specialists in aspects of entrepreneurial development schemes.

Contractor performance: McBer and Company

Two recommendations for further behavioral science training for DTC-ITB and other Indonesian and UNIDO officials.

- a proposal for an additional three man-months of expert training in Indonesia by McBer AMT professional trainers qualified to certify additional Indonesian AMT trainers. An expert in evaluating entrepreneurial development programs; and an expert motivation scoring instructor.
- a proposal for a six-month fellowship program for Indonesian consultants to be trained at Harvard University and McBer and Company in advanced techniques of motivation training, organization development, and starting and managing small businesses.

Task 5. Plan and initiate a model for the long range research program to back-up extension service programs in entrepreneurial development in Indonesia.

Contractor performance: McBer and Company

- Task 5 was accomplished by instruction in the systems aspects of entrepreneurial development (see section II of this report) and in the development of a research design, measures and methodology for evaluation of Indonesian entrepreneurial training programs.

The remainder of this report is divided into two parts:

Section I

- responsive to requests by both

MODULE V

RESEARCH DESIGN, MEASURES AND METHODOLOGY

I. Objectives

- A. Formative: to improve course or program
- B. Summative: to determine whether or not course or program is effective (against some standard or objective)--very important to have clear objectives; "evaluation can never be better than objectives, only worse"

II. Levels/Types of Training Evaluations

Four types of questions usually asked in evaluating training courses:

- | | |
|--|--|
| Easy, cheap
quick
↓
Hard, ex-
pensive,
takes time | 1. <u>Participant's reactions</u> - ratings of course components, trainers, etc. (Lynton & Parcel) |
| | 2. <u>Participant learning</u> - immediately after course, e.g. tests for content, rating of plans against some standard |
| | 3. <u>Behavior after the course</u> - e.g. activity (started new business) |
| | 4. <u>Results after course</u> - e.g. active change in people employed, sales, profits |

III. Research Design

A. Notation (from Campbell & Stanley, Experimental and Quasi-experimental Designs for Research)

O = observation

O₁ = pretest

O₂ = post-test

X = treatment (AMT + MTT training course)

B. Research designs

1. just treatment, no observation

X

2. observation--treatment (see something wrong, act):

O

X

3. treatment--observation (act, look again):

$$\begin{array}{c} X \\ O \end{array}$$
4. observation (pretest)--treatment--observation (post test):

$$\begin{array}{ccc} O_1 & X & O_2 \end{array}$$

But something else could be causing $O_2 - O_1$ difference, so:

5. control group:
- $$\begin{array}{ccc} O & X & O - \text{treatment} \\ O_1^1 & & O_2^2 - \text{no treatment} \end{array}$$

SR = stratified random

R = random assignment to treatment and control groups

S = stratified (or matched) assignment to treatment and control groups

Question ("null hypothesis"): is treatment $O_2 - O_1$ difference significantly different from control $O_2 - O_1$ difference? If yes, treatment X has made a difference.

If can't get control group, use data for (best) small businesses in area, or general economy.

6. time series

$$\begin{array}{ccccccc} O_1 & X & O_2 & O_3 & O_4 & \dots & O_n \end{array}$$

$$\begin{array}{ccc} O_1 & & O_2 \text{ (with control group)} \end{array}$$

7. Multiple treatment

$$\begin{array}{cccccccc} O_1 & X_1 & O_2 & X_2 & O_3 & X_3 & O_4 & \dots & X_r & O_{n+1} \end{array}$$

$$\begin{array}{ccc} O_1 & & O_2 \text{ (control group)} \end{array}$$

8. more than one treatment variable (e.g. if you want to find out whether AMT or MTT makes the difference in entrepreneurial behavior)

Two Treatment Variables

	O ₁	X	Y	O ₂
Group 1	O ₁	X		O ₂
Group 2	O ₁		Y	O ₂
Group 3	O ₁	X	Y	O ₂
Group 4 (control)	O ₁			O ₂

X = AMT

Y = MTT

Three Treatment Variables

(e.g. you want to find out whether AMT, MTT and/or access to credit makes the difference in entrepreneurial behavior)

	O ₁	X	Y	Z	O ₂
Group 1	O ₁	X			O ₂
Group 2	O ₁		Y		O ₂
Group 3	O ₁			Z	O ₂
Group 4	O ₁	X	Y		O ₂
Group 5	O ₁		Y	Z	O ₂
Group 6	O ₁	X		Z	O ₂
Group 7 (control)	O ₁				O ₂

X = AMT

Y = MTT

Z = credit

9. Analysis of variance: how much each variable contributes to an outcome.

$$\text{Outcome} = u + xA + yA + zA + E$$

u = average outcome in all cells

xA, yA, zA = variance caused by treatments X, Y, Z, respectively

E = error (variance or cause unaccounted for)

10. Correlation Tables

A method of computing the association of many variables without separate treatments.

Variable	X	Y	Z	.	.	ΔS	ΔP	V _n
X								
Y								
Z								
:								
ΔS								
ΔP								
V _n								

ΔS = Change in sales
ΔP = Change in profits

Research Design depends on the questions you want to ask, and the resources you have, e.g. the number of treatment groups.

Multiple treatment designs are difficult and expensive because they require many treatment groups.

IV. Hypotheses

Questions (hypotheses) you can choose include:

1. what changes; entrepreneur personal characteristics, business or community activities, or hard business outcomes; growth (or decline) in sales, profits, people employed, capital invested, etc.
2. who changes: entrepreneur characteristics associated with positive activity or business outcomes
3. what causes changes: entrepreneur characteristics, treatment variables or other inputs associated with outcome variables

For summative evaluation of "what changes", the control group design (#5) is the simplest and best. It is easier to get a stratified (or matched) sample than a random sample. Stratified-random possible compromise.

4. capital (and results of attempts to get capital)
and sources

C. Personal background--recent

1. education or self-study efforts
2. change in work responsibility or salary
3. use of time
4. non-business affairs
5. changes in income and source (business, inheritance)

D. Existing Business

1. open-ended question: "what's happened in your business?"
2. new investment in business

land	decoration/improvement
building	machinery/equipment
inventory	rent
other	
3. change in sales
4. change in customers
5. changes in profits
6. changes in costs
7. changes in employees--management and labor
8. effects on competitors
9. biggest problems and plans for overcoming these problems
10. changes planned for future

E. Community

1. activities outside job or business (list)
2. changes in activity since course

For formative or summative evaluation of "who changes" and "what causes changes"--questions which require the examination of the interrelationship of many variables, it is easiest to first use correlation statistics to "rough sort" the data, and then more powerful parametric and non-parametric statistical tests (T-tests, Chi Square, etc.) to test possibly significant relationships revealed by the correlation matrix.

V. Measures

Basically there are three kinds:

- A. Background data: history and characteristics of the entrepreneur
- B. Activity data: behaviors of the entrepreneur in business or community
- C. Outcome results: actual "hard" results of behavior--increase or decrease in sales, profits, employees, capital invested in business, or unemployment rates, etc. in the community.

IMPORTANT: refer to EDA report and MOTIVATING ECONOMIC ACHIEVEMENT (Chapters 2, 6-12) for examples of data collection measures, instruments, and statistical analysis techniques

Examples of measures from EDA Report (post test interview)

- A. Personal Background--past (of entrepreneur)
 - 1. Business position
 - 2. age
 - 3. marital status
 - 4. education
 - 5. work experience
 - 6. income
 - 7. sources of income
- B. Business background--past
 - 1. names of businesses
 - 2. number of employees (last three years)
 - 3. sales and profits (last 3 years)

F. Real Estate transactions (since attended course)

1. purchases
2. sales
3. rental of land or buildings--why
4. financial details of transaction: amount of land, money, expected return

NOTE: This list and interview data collection form is long and repetitious, but it will give you an idea, model and list of sample variable measures for constructing your own evaluation data collection instruments. (See list of activity measures, EDA report pp. 189-197.)

Other measures

Get psychological data on entrepreneurs before AMT training.

1. TAT--scorable for motives, efficacy, etc.
2. Who Am I--scorable for efficacy
3. other psychological instruments

Measures collectable during AMT training:

1. scores, results on ring toss and business game
2. scores on Work Analysis Questionnaire and Managerial Style and Organizational Climate Questionnaires if used.

VI. Resources Needed

1. expert scoring capability--scoring motives in TAT
2. interviewers who know AMT concepts
3. interview coders (need inter-rater reliability)
4. data analysis facilities: statistician and computer program (at least for correlation statistics)

MODULE VI

S C H E D U L E

AMT DEMONSTRATION PROGRAM
(July 24 - 26 1975)

Prework: "What This Program Is All About"

Exercise of Imagination

"Achievement Motivation Can Be Developed"

Self Assessment Inventory

List of Future Accomplishments

July 24: 8:00 - 9:30 Introduction and Negotiating
Learning Contract
9:30 - 12:00 Who Am I? Who Do I Want to be?
Ring Toss Game
12:00 - 13:00 LUNCH
13:00 - 15:00 What Accounts For High Achievement?
15:00 - 16:00 Lecture Thoughts, Action and
The Three Social Motives
16:00 - 17:00 Analyzing Stories for Achievement
Thinking

Homework: Cob Flower and Card Shop (Part A); Projection
to 1985

July 25: 8:00 - 10:00 Cob Case; Small Group Presentations
10:00 - 12:00 Interim Goal-Setting, 24 Hour Goal
12:00 - 13:00 LUNCH
13:00 - 16:00 The Business Game
16:00 - 17:00 Lecture: Business Leadership
Action System Technique

Homework: Work Analysis Questionnaire; Achievement Thinking
Review; "The Two Faces of Power"

July 26: 8:00 - 10:00 Interpersonal Relationships
Exercise
10:00 - 12:00 Review of 24-hour Goal
12:00 - 13:00 LUNCH
13:00 - 14:00 Feedback on Exercise of Imagination
14:00 - 15:00 Integrating Information About Yourself
15:00 - 17:00 Goal Setting; Identifying Life/
Career Goals
17:00 - 19:00 Goal Setting Long-term Planning

MODULE VI

MOTIVATION THEORY

Time Topic

Reading

1. Motivating Economic Achievement, Chapt. 1,2
2. Human Motivation, Chapt. 1-3, 11, 16, 19, 20
3. Achieving Society, Chapt. 1-3, 17, 19
4. Achievement Oriented Behavior
5. Attractive Behavior in Management
6. Leadership; The Effective Use of Power
7. Role of Achievement Orientation in the Transfer of Technology
8. Business Drive and National Achievement
9. Integrators and Entrepreneurs

Lecture

1. History of motivation theory
2. Definition: associative network; recurrent concern with goal state
3. Behavior's relation to motivation: $B = M \times E \times I$
4. Behaviors related to Ach, Aff and Pow motives
5. Questions and answers

Film: The Need to Achicve

Individual Work

Prepare to give (role play)
a lecture on motivation theory and to answer questions on it.

Group work

1. Selected trainees give prepared lecture on motivation theory and respond to "audience" questions.
2. Group listens to lecture, asks questions, and then discusses, critiques and provides "speaker" with feedback on his lecture.

MODULE VII

TEACHING MOTIVATION: EXPERIENTIAL LEARNING TECHNIQUES

Time Topic

Reading

1. Motivating Economic Achievement, Chaps. 2, 5
2. Achieving Society, Chapt. 10
3. Technical Note on Organization Development
4. Evaluating Experiential Learning Exercises
5. Learning Styles Inventory
6. Training for Development, Chaps. 7 - 8
7. McClelland "Dynamics of the Helping Relationship"

Lecture

1. Pretraining, Training, Posttraining phases of training programs
2. Learning research: reading, seeing, hearing, feeling, doing
3. Learning styles and the learning cycle: AC-AE-CE-RO
4. McClelland's "12 Propositions"
5. Questions and Answers

Individual Pre-work:

Recall, think about and be prepared to describe the last time you learned something (e.g. a game, skill, sport) or effectively taught someone else something--how did it happen, what steps, processes, etc. did you go through?

Group discussion:

several participants discuss a relevant learning or teaching experience, and they and the group attempt to extract the "underlying principles" common to these experiences.

Individual Work:

design and be prepared to present a "course module" for some skill, game, sport (or anything you like) that includes all the elements of the adult education/"experiential learning" model.

Group work

1. Selected participants present (or lead the group

Indonesian² and UNIDO³ officials for recommendations on how to structure permanent, effective training institutions that can continue to provide AMT training, research and extension services after foreign experts and UNIDO funds have withdrawn. Recommendations in this Section stress :

- a. the importance of developing clear quality control standards for AMT trainers and AMT course controls that can help guarantee the spread of a "standard treatment" for training entrepreneurs that will retain a high probability of being effective.
- b. the desirability of developing a "critical mass" of competent, committed professionals in one of the few strong sponsoring institutions through provision of funds and technical assistance over a 3 to 5 year period (as versus many brief projects with many organizations); and
- c. the necessity of viewing the entrepreneurial development process as a system, and acting to insure that a complex mix of institutions cooperate to provide the range of input resources and services needed to stimulate small business growth.

²Conversations with Mr. Surjo Sediono , Assistant to the Vice President for Development of Indonesia, and Mr. Keral Komala, Bank Lagang Negara, which took place at McBer and Company, Boston, Mass., USA, June 25-26, 1975. X

³Briefing by Mr. Vassiliev, Chief, Industrial Training Division, UNIDO, Vienna, Austria, July 10, 1975. Mr. Vassiliev asked that this final report emphasize how on-going capacity in AMT/EDP training in Indonesia and other countries can be maintained after foreign expertise and funding is withdrawn: the optimal location, organization structure, influence, financing and leadership of permanent centers and followup mechanisms to insure the success of training efforts. UNIDO is particularly concerned with the problem of attrition among trainers: the finding that within 2 to 3 years trainees educated at considerable expense tend to leave training centers and cease training. UNIDO policy may be changing from supporting many small, short term training efforts to concentrating long term (three to five years) support in national or regional centers to "create something permanent"--a strong institution with a critical mass of competent local experts who can provide sustained training services.

McBER and COMPANY

MODULE VII

TEACHING MOTIVATION: EXPERIENTIAL LEARNING TECHNIQUES

Time Topic

Group work (cont'd)

- in actually learning) their "course module."
2. Group members participate, analyze, ask questions, critique and provide feedback on the presenters' "course modules."

MODULE VIII

MANAGING MOTIVATION, CONFLICT RESOLUTION, AND LARGE SYSTEM CONSULTANT

Time Topic

Reading:

1. Tony Dudley Case
2. Affiliative Behavior in Management
3. Leadership: The Effective Use of Power
4. Role of Achievement Orientation in Transfer of Technology
5. Achievement Oriented Behavior...
6. Integrators and Entrepreneurs
7. 5 Modes of Conflict Management

Lecture:

1. Characteristics of Effective Helpers and Managers
2. Group Decision-making and Conflict Management
3. Contingency Theory of Management
4. Managerial Styles and Organizational Climate

Individual Work:

1. Who's In Charge?
2. Motivational Style Questionnaire: feedback on one's own managerial style
3. Climate Survey Questionnaire

Group Work:

1. Arm Wrestling Exercise
2. Tower-Building Exercise
3. Analysis of Tony Dudley Case
4. Hollow Square Exercise
5. Lost at Sea Exercise
6. Analysis of the organizational climate of DTC-7TB: Problem Solving and Planning for Climate Improvement

MODULE IX

AMT EXPERIENTIAL LEARNING AND TRAINING TECHNIQUES: PRACTICUM EXPERIENCE

Time Topic

Reading

1. McBer and Company BLTP Instructors Manual

Lecture

1. Components, Schematic and Schedule of an AMT Course: the "Why" for each component and its order of presentation
2. "Tricks of the trade:"
 - a. AC-AE-CE-RO or CE-RO-AC designs
 - b. organization
 - c. use of flip charts
 - d. the "case method"
 - e. energy level

Individual work:

prepare to teach or lead each module of AMT course
(role play)

1. Lectures
2. Games
 - a. Ring Toss
 - b. Business Game
 - c. Disarmament Game
3. Cases
4. Feedback of personal data (helping participants integrate information about themselves)
5. Goal setting.
6. Other exercises

Group work:

1. Selected trainees give lectures or lead exercises
2. Group members participate in exercises, then discuss critique and provide feedback to "instructors."

SEQUENCE OF ACTIVITIES IN THE FIVE-DAY COURSE

In outlining the activities below no times allotments are included for purposes of brevity. Activities are broken up by days in the course so the first day and the fourth day are really one-half day sessions only. The abbreviations L.G. and S.G. stand for large group and small group.

FIRST WEEKEND SESSION

First Day -

Unit 1

L.G.
S.G.

L.G.

Individual

Learning Contract

Introduction of the Trainers
Ranking of Five Most Critical Problems and Expectations for the Course
Review lists of Critical Problems and Expectations. Trainers discuss which problems the course will deal with and which ones it will not. The expectations of the trainer are shared and a common list of expectations is created. The objectives of the course and the schedule are discussed.
Read: Objectives, Schedule and Methods of Business Leadership Training.

Unit 2 Individual

L.G.

Individual

Ring Toss Game

Members of L.G. introduce themselves while each person leaves the room to play the first round alone in an adjacent room
Rounds Two and Three are played in a large group followed by a discussion of the learning points on risk-taking levels, goal-setting expectations, etc.
Read:
What This Course Can Do For You,
by David Miron

Second Day -

Unit 3

L.G.

What Accounts for High Achievement?
Thematic Analysis
Instructions to small groups on analyzing the biographies of

Second Day (cont'd)

Unit 3
(cont'd)
S.G.

three businessmen, Alan Jones, Barbara Smith, Louis Green. Analyze themes in biographies and use that information to determine who wrote which story.

L.G.

Small groups present their findings and a discussion of learning points on the link between thought and action.

Unit 4

Thought Patterns and Business Success
Lecture and discussion on Motives, their definition and link with action. Group identifies patterns of thought which lead to successful business development.

Unit 5
L.G.

Who Am I? Who Do I Want To Be
Introduction to exercise by trainer stressing importance of using exercise as a means of gaining feedback on performance and learning about the "hidden self".

Individual

S.G.

Complete Who Am I

Discuss: Who Am I? Who Do I Want to Be?

L.G.

Review learning that took place in small groups.

Unit 6
L.G.
Individual

Business Game
general instructions to whole group. Play three rounds of the game individually

S.G.

Review discussion questions

L.G.

Review results of small group discussion and learning points on goal setting, et.

Third Day -

Unit 7
L.G.

Three Social Motives
Lecture and Discussion on three social motives. Distinction between thought and action and definitions of each.

Unit 8
L.G. Analyzing stories for Motive Imagery
Lecture on how to score for motive
imagery
S.G. Score stories for achievement,
affiliation, and power imagery.

Unit 9
L.G. Case Discussion: Cob Flower Shop
Trainer introduces case and how
to use the case material.
Individual Read: Cob Flower Shop (A)
S.G. Discuss will Cob's business be a
success or failure. How is Cob
different or like other business-
owners.
L.G. Review small group work
Individual Read: Cob Flower Shop (B)
L.G. Discuss learning points.

Unit 10
L.G. Projection to 1985
Individual Introduction to projection
Complete projection to 1985

Unit 11
L.G. Business Leadership Action System
Techniques BLAST
Lecture and discussion on how to
use BLAST. Application of BLAST
to setting a four-week goal.
Individual Setting a four-week goal using
interim goal-setting forms.
S.G. Reality test goals set
L.G. Review goals set and concluding
remarks.

SECOND WEEKEND SESSION

Fourth Day -

Unit 12
L.G. Review Interim Goals Set at Last
Session
S.G. Welcome and overview of second session.
Review progress made in accomplishing
interim goals.
L.G. Review problems encountered in
goal-setting.

Unit 13

L.G.

Achievement Thinking Review

Review scoring materials for imagery and introduction of subcategory scoring

Individual

Complete Achievement Thinking Review, a programmed approach to scoring for achievement imagery and sub-categories

S.G.

Teams meet to compose a story containing the 11 points in the Achievement Motive scoring system, Review completed answers

L.G.
Individual

Read: Dudley Case (A)

Fifth Day -

Unit 14

L.G.

Individual

Case Discussion: Dudley Case (A)

Introduction to task

Analyze Case

S.G.

Discuss will Dudley be successful and analyze his motive profile for achievement, Affiliation and Power. Review small group responses.

L.G.
Individual

Read: Dudley (B) and Dudley (C) scored for achievement imagery

L.G.

Discuss discrepancies between small group responses and expert answers.

Unit 15

L.G.

Disarmament Game

Instructions are reviewed in large group and questions asked. Group divided into two teams.

S.G.

Game is played and discussion questions answered.

L.G.

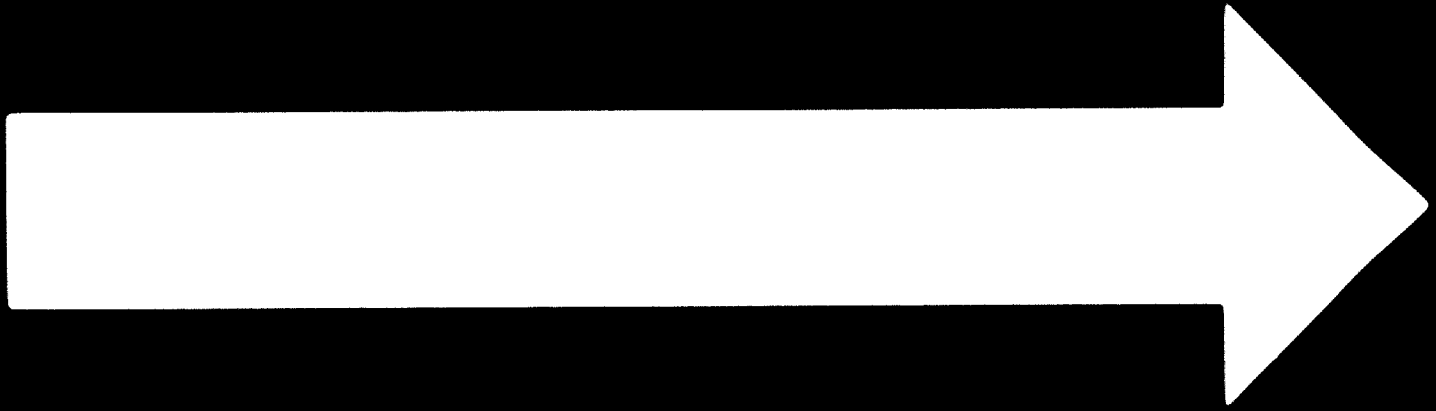
Process of game discussed and review of learning around concepts of competition and collaboration. As reinforcement of learning points the Nickel Auction is played with pairs competing or collaborating in the large group.

Unit 16

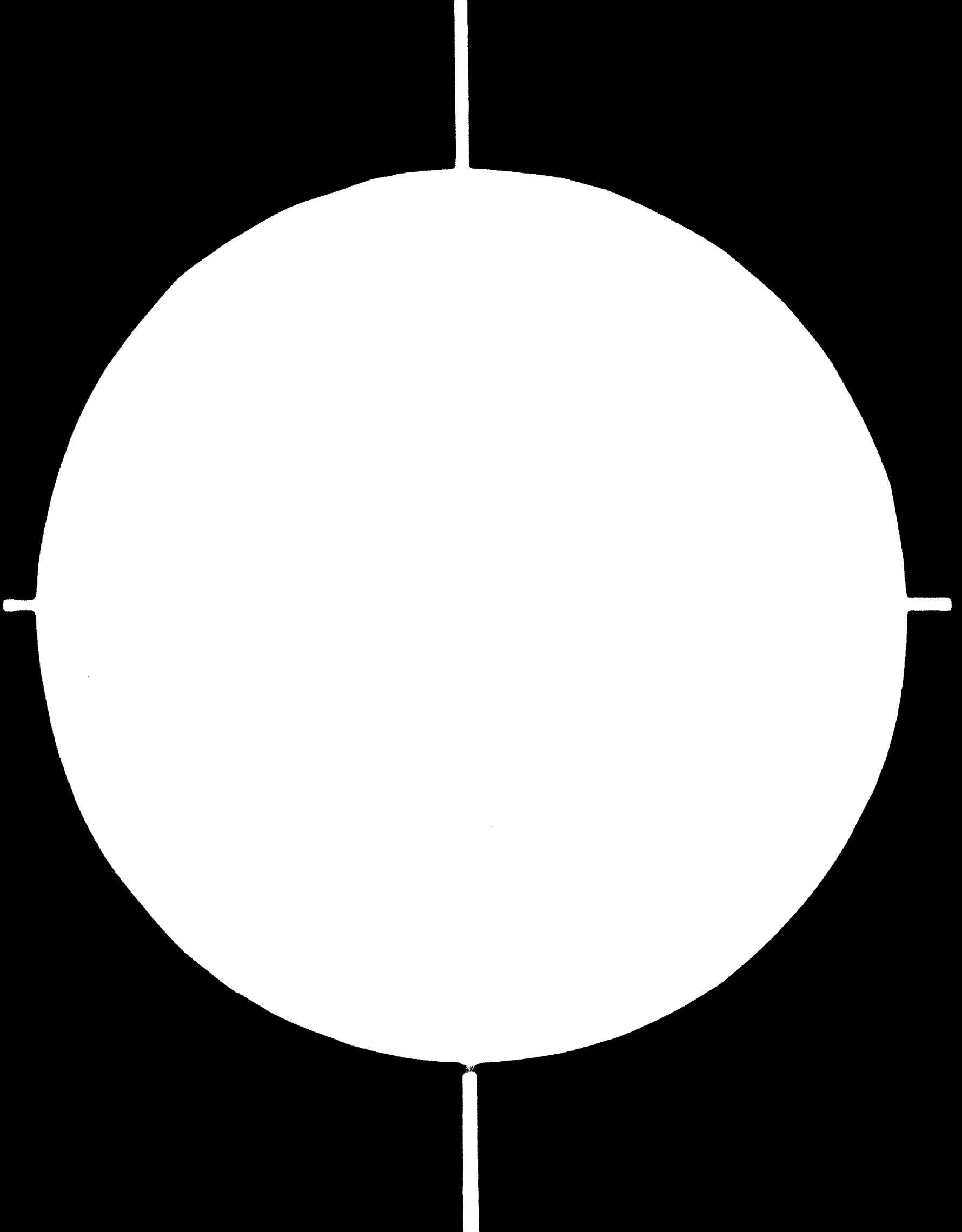
Feedback on Exercise of Imagination

Trainer reviews issues in scoring exercise of imagination and passes out expertly scored stories and achievement motivation subcategory profile.

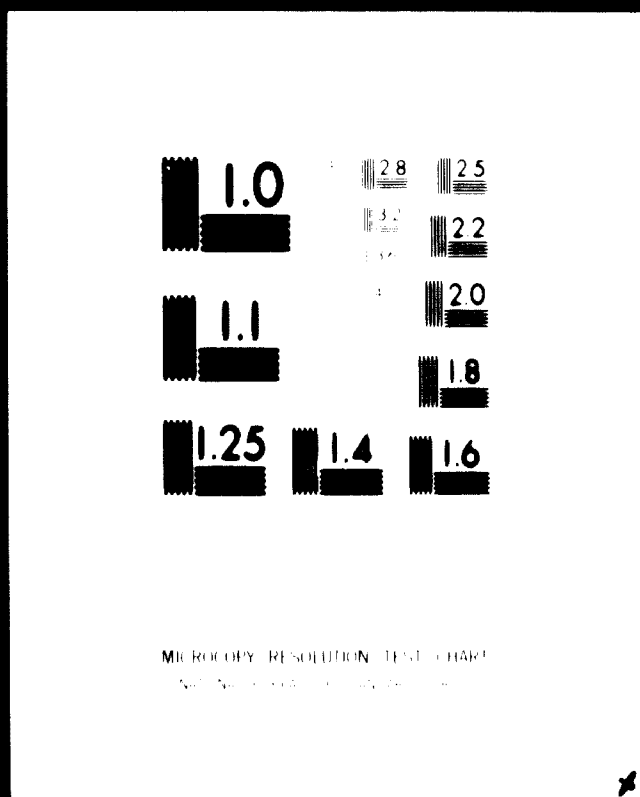
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2 OF 2



24x E

Sixth Day -

Unit 17
Individual

L.G.

Motivation Analysis of Jobs
Completion of Work Analysis
Questionnaire scoring it and charting a profile.

Discussion of different profiles and how relevant they are for each person.

Unit 18

L.G.

Individual

Integrating the Information About Yourself

Discuss all the behavioral data available in the course, illustrate how to integrate the Exercise of Imagination Profile and the Work Analysis Questionnaire. Review and answer the questions in the Integrating Guide. Trainer meets individually with participants and has pairs form to test their conclusions with each other.

Unit 19

Individual

Goal Setting: Identifying Life and Career Goals

Identify life and career goals based on a ranking of goals of interest to the participant.

Unit 20

L.G.

Individual

Goal-Setting

Introduction to goal-setting which reviews the problems encountered in setting the interim goals. Completion of goal-setting forms which are in the following sequence:

1. List five-year goal, two-year goal and six-month goal
2. List action steps, or subgoals for each of the goals set.
3. Anticipate the obstacles both personal (Bp) and in the world (Bw)
4. List sources of help needed to overcome the obstacles.

Unit 20 (cont'd)

S.G.

Individual

L.G.

Reality test the goals set with a partner.

Reset goals or adjust them based on discussion with partner.

Review the goals in the large group

Unit 21

L.G.

Evaluation

Complete evaluation form and discuss problem areas. Conclude with a time set for the first followup session.

MODULE X

SCORING MOTIVES

Time **Topic**

Reading

1. How to Learn the Method of Content Analysis for n Achievement, N Affiliation and n Power
2. Scoring manual for the achievement motive
3. Scoring manual for the affiliation motive
4. Scoring manual for the power motive

Lecture:

How to Learn to Score Motives
Questions and Answers

ACHIEVEMENT

Lecture:

scoring for achievement motivation: the achievement paradigm, subcategories, and scoring rules

Small Group Work:

discuss each question of the "Self Test: n Achievement" manual and score the first 5 stories in Practice Set A (A-1 to A-5)

Group Discussion:

go over the scoring of stories A-1 to A-5 and discuss any questions or problems encountered with the Self Test or the practice stories

POWER

Lecture:

scoring for power motivation: the power paradigm, subcategories and scoring rules

MODULE X

SCORING MOTIVES - continued

Time Topic

POWER (cont'd)

Small group work:

discuss each question of the "Self Test" in the power scoring manual and score the first 5 stories in practice Set A (A-1 to A-5)

Group Discussion:

go over the scoring of Power practice stories A-1 to A-5 and discuss any questions or problems encountered with the Self Test or the practice stories.

AFFILIATION

Lecture:

scoring for affiliation motivation: the affiliation paradigm, subcategories and scoring rules

Small group work:

discuss each question of the "Self Test" in the affiliation scoring manual and score the first 5 stories in Practice Set A (A-1 to A-5)

Homework:

score practice stories

- a. A-6 to A-15 in the Achievement Practice Story Manual
- b. A-6 to A-15 in the Power Practice Story Manual
- c. A-6 to A-15 in the Affiliation Practice Story Manual

Group Work:

discuss and go over problems in scoring

- a. the Achievement practice stories
- b. the Power practice stories
- c. the Affiliation practice stories
- d. each individual: calculate your reliability percentage

MODULE X

SCORING MOTIVES - continued

Time Topic

Individual work:

score practice stories

- a. A-16 to A-25 in the Achievement practice story manual
- b. A-16 to A-25 in the Power practice story manual
- c. A-16 to A-25 in the Affiliation practice story manual

Group work:

discuss and go over problems in scoring

- a. the Achievement practice stories
- b. the Power practice stories
- c. the Affiliation practice stories
- d. each individual: calculate your reliability percentage

MODULE XI

**AMT DEMONSTRATION PROGRAM
(See Outline Module VI)**

MODULE XII

LEARNING MATERIALS PREPARATION

Time **Topic**

Reading

1. "Cob's Flower and Card Shop (A), (B), (C)" cases in BLTP Book I, "Baily Printing and Envelope Company (A) & (B)", and "Tony Dudley (A), (B), (C)" cases in BLTP Book II.
2. Training for Development, Chapt. 5 (especially pp. 128-131, 142-148, and "The Case Method," pp. 164-167) and 6
3. EDA Report

Lecture

1. Structured interviewing: getting examples of each subcategory of achievement paradigm
2. Production: tape record, rough type, edit, break at dramatic points, score--issues of anonymity, numbers of interviewers, etc.

Individual work:

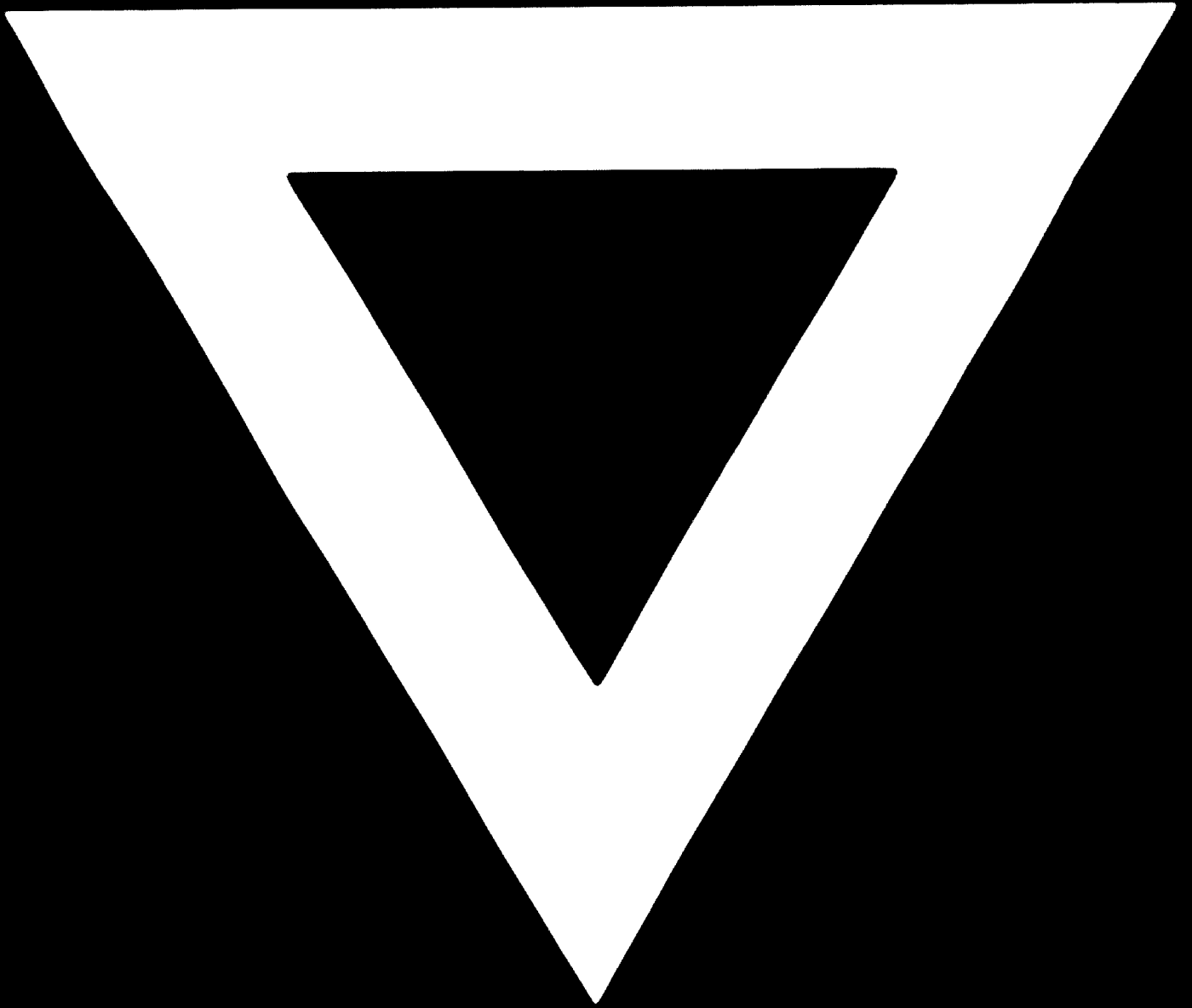
- interview an Indonesian entrepreneur getting the full story of his business over its high and low periods (successes, failures, blocks, etc.)
1. type, edit and prepare case
 2. prepare to teach case

Group Work:

1. Participate in case discussions led by case preparers
2. Analyze and critique cases and case instruction, provide feedback to "instructors"
3. Choose cases to be used in Indonesian AMT



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