

4.4 Impact

(1) Possibility of achieving the Overall Goal

The Overall Goal is "FEM graduates contribute to development of a market economy of Lao P.D.R."

As mentioned already in 3.4 Overall Goal, it is too early to evaluate the full contribution to development of a market economy by FEM graduates, because only 4 years have passed since the first graduate students of FEM entered in a society. However, it should be pointed out that some graduates entered the core governmental organizations related to economic policy of the country, including Bank of Laos, Ministry of Finance, Committee of Planning and Investment (CPI), National Economic Research Institute (NERI), and National Statistics Center (NSC). This suggests that graduates of FEM have started to join the process of policy making especially in the economic field. Also the fact that around 70% of graduates entered the private companies indicates that there is a positive impact on enhancing market economy in the country. Other than this, it is estimated that 5-10% of graduates of FEM acquire some kinds of scholarship to study abroad. The future impact on the progress of a market economy is highly expected.

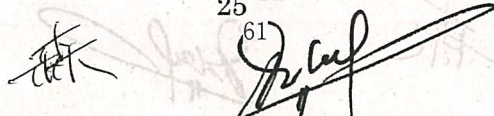
80% of organizations, which employed graduates of FEM, are satisfied with their performance and with their academic and professional knowledge and skills. Based on these facts, we are quite sure that FEM graduates will make a significant impact on the development of a market economy of Laos in future.

(2) Impact to on and by the special course (night course) of FEM

The Special course of FEM has started after the initiation of the Project and is not a target of the Project. However, as teaching staff, textbooks and facilities are also used for regular course and the number of students of the special course is much larger than the regular course, the impact on and by the course may be worth mentioning here.

As for the impact on the special course, capacity building of teaching staff and improvement of textbook by the Project have good impact on the quality of education in the special course. In turn, there is also the impact by the special course on the teaching ability of FEM lecturers. By teaching at the special course, they are developing their teaching capacities through the experience. The fact that the teaching at the special course enables them to earn an additional income is also a good impact by special course. There is, however, a negative impact, because the lecturers at night require them additional teaching load, which may deteriorate the lecturers' performance in day time.

An important positive impact of the night course has been to help the financial



sustainability of FEM. The revenue of tuition fee from the night course currently occupies the largest part of the income at FEM, the recurrent cost of which is totally supplemented by it. An increasing number of the applicants show that there are strong social needs to the education at FEM. Although the negative impact on the quality of teaching is concerned, the well-balanced management of the course is needed for fulfilling a social duty of FEM on a sustainable basis.

(3) Impact on the other universities in Laos

Textbooks revised and newly created by the Project were donated to the universities in Luang Phrabang and in Champasak, which have faculties of Economics and Management. These textbooks published will be essential for the education in these universities. The textbooks were also donated to the central library of NUOL. There is a plan to sell textbooks in public. It is expected that they will be utilized more widely by students of other universities and business colleges.

FEM lectures started to train the teachers regularly at the said two universities. In addition, some of FEM graduates teach in other universities than NUOL, including public and private institutions. It seems that the impact of the Project has started to grow nationwide.

4.5 Sustainability

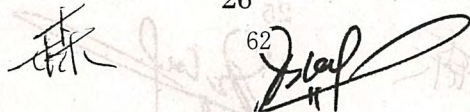
(1) Organizational aspect

As mentioned in Output 3.2, FEM employed a full-time staff as a secretary by the Common Fund and the number of administration staff is now almost enough for the administrative work of the faculty. However, there are several staffs employed by the Project to support the operation and management. Technical transfer from the experts to them is still in progress and it needs more time for skills and knowledge to be applied to the actual work at FEM. To assure organizational sustainability of FEM, therefore, it is necessary to strengthen the operational and management capacity of the faculty more through the application of systematic way of work and by making decision making process quicker and clearer, sharing information among Lao staffs more efficiently.

Regarding teaching staffs, partially because many teaching staffs are studying abroad at the moment, the teaching load of lecturers is extremely heavy to make up for such absence teachers. Even under such severe situation of the lecturers' side, the students enrolled in FEM have increased, which cannot be controlled by the faculty. This may endanger the FEM's organizational sustainability. It is necessary that more feasible plan for human resource management of lecturers is developed.

(2) Technical aspect

Many lecturers of FEM have acquired necessary knowledge and skills through



technical transfer from Japanese experts, and short-term and long-term training in Japan, Thailand and the Philippines. The number of teaching staffs, who have master or doctorate degrees, is increasing steadily, which is an important achievement to assure the technical sustainability. Some of teaching staffs have improved research capability through the experiences of consultancy works, research activities and surveys with the support of experts. In this way, through the implementation of the Project, knowledge and skills of teaching staffs have been strengthened steadily.

A teaching staff is public employee and has high status in Laos. Therefore, most teaching staffs are expected to remain as lecturers at FEM. After the teaching staffs acquire a master or doctorate degree abroad, they are expected to be leading lecturers at FEM when returning back to Laos. Based on this recognition, there are many features to assure technical sustainability in future, although capacity development of lecturers is necessary continuously.

(3) Financial aspect

FEM budget provided by the government is limited for covering salary for public employees and cost for utilities, and tuition fee is nearly free for normal course (day time). However, FEM has income from students of special course (night course) as tuition fee. There are some other incomes from sales of textbooks and survey data (Textbooks are printed using budget of Japanese side and donated to FEM). The faculty has established Revolving Fund by the sales income of textbooks, which is used for reprinting textbooks. The Common Fund has recently been established, which will be mainly used for research promotion in FEM, as accumulating the various income mentioned above. We can expect the higher financial sustainability, if these funds are well maintained by earning enough income.

In spite of such progress in financial sustainability a feasible plan for assuring financial sustainability should be made up to bear the cost for procuring books for the library after the completion of the Project.

5. CONCLUSION

The Team recognizes that the Project activities have been implemented steadily for the enhancement of FEM in terms of technical and management capacities, in spite of such changes in important assumptions as the rapid increase of the number of students, introducing the new concentrations, which requires more human resources, teaching materials, and other facilities. As for the Outputs, it is confirmed that, most of them are sufficiently achieved, while some indicators show that a part of them would not be fully achieved within the cooperation period until the end of August, 2005, such as the research capability of teaching staffs, development and improvement of textbooks, and the improvement of management system of FEM. In general, as a result, it is concluded